

1 65. After the Court denied the Motion for Protective Order, SCL contacted FTI
2 Consulting ("FTI") to handle the technical work in Macau. (2/10/15 Hearing Tr. at 15:9-12). FTI
3 set up a technology-processing center at the Venetian Macau and built a dedicated server to
4 collect, process, and search data. (*Id.* at 17:3-8, 17:15, 71:16-19). Once potentially relevant
5 documents were identified using search terms, approximately two dozen Macanese contract
6 lawyers reviewed the documents for relevance and then redacted all personal information before
7 the redacted documents were transferred to the United States for further processing and
8 production. (*Id.* 103:6-17). The Macanese lawyers were the only ones who were allowed to
9 view the documents in their unredacted form. Neither FTI nor any of SCL's counsel in this
10 action reviewed those documents in unredacted form.

13 66. Despite the fact that Jacobs' discovery requests had been pending since 2011,
14 Fleming concedes that he did not even engage lawyers in Macau – who he understood would
15 have to conduct the document review – until after the December 18 hearing. (Day 2,
16 pp. 239-40.)

18 67. FTI's project manager for this undertaking was Jason Ray. Ray testified that FTI
19 was "engaged to collect and facilitate in the collection of electronic data for a set list of
20 custodians, to process that data for culling and search analysis, to select documents that were
21 potentially relevant for human review, and to support the human review and ultimate production
22 of those documents from Macau." (Day 2, pp. 14-15, 24.)

24 68. The document review was done in the Venetian Macau where FTI set up its
25 technology-processing center. FTI gathered data that was collected by Venetian Macau IT
26 personnel and did some additional data collections from servers, individual computers, laptops,
27
28

1 and desk tops of only approximately 6-9 custodians. All of the data was then processed and
2 loaded into FTI's case review tool called "Ringtail." (Day 2, pp. 20, 73-74, 77.)

3 69. FTI was informed by one of SCL's attorneys – Kristina Portner of the law firm
4 Mayer Brown – that FTI was given "explicit authorization" to see the metadata of the documents
5 for purpose of searching and review management. Purportedly, this approval was given by the
6 OPDP. FTI did not communicate with OPDP or see any written authorization. (Day 2, pp. 21-
7 22, 68-69.)

8 70. As a result, FTI could view some personal data that is contained within the
9 metadata even though FTI could not look at documents. Metadata can contain personal data
10 including email addresses, names of senders, names of recipients, and the name of folders where
11 data is stored. (Day 2, pp. 22, 62-64.)

12 71. Ray testified that searches in the Ringtail program are run based upon "search
13 term families," which are groups of individual criteria that are then applied to a data set of
14 documents. Each criterion can have associated with it a Boolean search of any level of
15 complexity. In other words, search term families are built with Boolean search terms. Then, the
16 Boolean search term families are run against the index of data, which produces a search result of
17 relationships that are in the database, and reportable, *i.e.* this document contains one or more
18 criteria from the Boolean search term family. (Day 2, pp. 20, 80-82.)

19 72. Attorneys from Mayer Brown provided FTI with the Boolean search terms to be
20 run against the index. FTI, as an electronically stored information vendor, is not familiar enough
21 with the case to create its own search terms for responsive documents. There is an iterative
22 process reporting with counsel on the results of those searches and the search terms change over
23
24
25
26
27
28

1 management had been commingled and true management was
2 residing in Las Vegas, which was contrary to the
3 representations that were made to access the Hong Kong Stock
4 Exchange.

5 CHIEF JUSTICE HARDESTY: So, Mr. Bice, to the
6 jurisdiction question do you agree with my observation that
7 the court has made a prima facie determination that
8 jurisdiction is present and that's to be tried?

9 MR. BICE: I disagree. And I will tell you why I
10 disagree. The findings actually say that the District Court
11 applied the preponderance of evidence standard and not the
12 prima facie standard. What the District Court observed is --
13 what the District Court observed is, and she actually even
14 cited the Voight decision from the First Circuit, which this
15 Court had relied on extensively in Trump, making the point
16 that because the facts going to the validity of Mr. Jacobs's
17 claim are intertwined with the jurisdictional facts, the court
18 is incapable of making a final determination absent a full
19 trial. Because to decide those facts now would prejudice
20 parties' Seventh Amendment rights to a jury trial. And so the
21 District Court was foreclosed, and then, by the way, the
22 defendant insisted that this was true. They cannot come to
23 you and claim that was error when they in fact asked the
24 District Court to not make final findings of fact.

25 CHIEF JUSTICE HARDESTY: So what do you make of the

1 court's statement on page 5, lines 12 through 14 --

2 MR. BICE: Yes.

3 CHIEF JUSTICE HARDESTY: -- "The findings --"
4 backing up, "Despite these concerns, the court makes findings
5 and reaches conclusions related to jurisdiction solely to
6 comply with the writ upon a preponderance of the evidence
7 standard based solely on the evidence presented."

8 MR. BICE: Correct.

9 CHIEF JUSTICE HARDESTY: "The findings and
10 conclusions are preliminary in nature and may not be used by
11 the parties or their counsel for any purpose other than this
12 court's compliance with the writ."

13 MR. BICE: Correct. That is not -- that is not
14 prima facie. That is the court heard -- prima facie standard,
15 Mr. Chief Justice, as you well know, is that documents are
16 submitted typically by way of affidavit or other facts are
17 presented and they are accepted as true. And if the facts as
18 accepted as true are sufficient to create the jurisdiction,
19 that is the end of the matter. There is no evidentiary
20 hearing in a prima facie case. And that is set out in detail
21 I believe in the Voight decision. And in Voight what happened
22 is the First Circuit noted you can have varying graduating
23 scales, because if it turns out that the facts going to the
24 merits of the underlying claims, which they unquestionably do
25 here, are intertwined with the jurisdictional facts, you can't

CERTIFICATION

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

AFFIRMATION

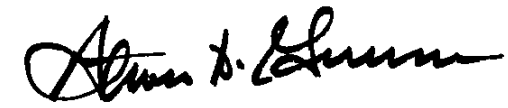
I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL SECURITY OR TAX IDENTIFICATION NUMBER OF ANY PERSON OR ENTITY.

FLORENCE HOYT
Las Vegas, Nevada 89146



FLORENCE M. HOYT, TRANSCRIBER

9/14/15
DATE



CLERK OF THE COURT

TRAN

DISTRICT COURT
CLARK COUNTY, NEVADA
* * * * *

STEVEN JACOBS

Plaintiff

vs.

LAS VEGAS SANDS CORP., et al..

Defendants
.

CASE NO. A-627691

DEPT. NO. XI

**Transcript of
Proceedings**

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT COURT JUDGE

**HEARING ON PLAINTIFF'S RENEWED MOTION TO FILE
FIFTH AMENDED COMPLAINT**

FRIDAY, SEPTEMBER 18, 2015

APPEARANCES:

FOR THE PLAINTIFF:

JAMES J. PISANELLI, ESQ.
JORDAN T. SMITH, ESQ.

FOR THE DEFENDANTS:

J. STEPHEN PEEK, ESQ.
JON RANDALL JONES, ESQ.
STEVE L. MORRIS, ESQ.

COURT RECORDER:

JILL HAWKINS
District Court

TRANSCRIPTION BY:

FLORENCE HOYT
Las Vegas, Nevada 89146

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

1 LAS VEGAS, NEVADA, FRIDAY, SEPTEMBER 18, 2015, 8:33 A.M.

2 (Court was called to order)

3 THE COURT: All right. Can everybody identify
4 themselves, starting with Mr. Pisanelli and moving across the
5 room.

6 MR. PISANELLI: Good morning, Your Honor. James
7 Pisanelli on behalf of Steven Jacobs.

8 MR. SMITH: Jordan Smith also on behalf of Steven
9 Jacobs.

10 MR. RANDALL JONES: Randall Jones on behalf of Sands
11 China Limited.

12 MR. PEEK: 'Morning, Your Honor. Stephen Peek on
13 behalf of Las Vegas Sands and Sands China Limited.

14 MR. MORRIS: Good morning, Your Honor. Steve Morris
15 for Sheldon Adelson.

16 THE COURT: It's your motion. So can I ask the
17 question first why'd it take so long to file this motion after
18 we heard from the Supreme Court?

19 MR. SMITH: Well, we were sort of waiting to see if
20 we would get a little bit more definitive answer from the
21 Supreme Court, Your Honor. We were thinking, perhaps
22 optimistically, that we'd actually have an answer on the
23 jurisdictional writ by now. So that's sort of what the slight
24 delay would be.

25 THE COURT: Okay.

1 MR. SMITH: Your Honor first addressed this issue in
2 June when plaintiff moved to file a fourth amended complaint.
3 At that time Your Honor denied the motion based upon concerns
4 about the five year rule. Since that time --

5 THE COURT: And the trial date.

6 MR. SMITH: And the trial date based upon the five
7 year rule. Since that time, on July 1st, the Supreme Court
8 indicated that its previous orders in this matter had tolled
9 the five year rule. That concern has since been alleviated.
10 There are now nine months between now and the current trial
11 date. That's more than sufficient time for VML to get up to
12 speed.

13 Again, recall that throughout this process,
14 especially during discovery, Sands China has taken the
15 position that these were VML's documents all along. VML was
16 the data controller. So VML has been participating in the
17 document discovery in this case, and Sands China can't take a
18 different position now.

19 So there's plenty of time, there's no prejudice, and
20 we ask that the motion be granted.

21 THE COURT: Mr. Jones.

22 MR. RANDALL JONES: Apparently he didn't want to use
23 a whole lot of 10 minutes. I might take a little longer.

24 I would just -- my first comment would be that their
25 argument that -- in response to your question, actually, I was

1 interested to hear what the answer would be. It makes no
2 sense to me whatsoever. I don't know if it makes any sense to
3 the Court. But my response would be, assuming that you were
4 waiting for the Supreme Court to make a decision, then why
5 file this before the Supreme Court made a decision? The
6 argument with the Supreme Court was just weeks ago. It's
7 highly unlikely, at least in my experience, that you're going
8 to have any answer with the Supreme Court for some period of
9 time.

10 THE COURT: They gave an answer in Wynn-Okada.
11 I still -- you know, and they mailed it to me a week later,
12 but --

13 MR. RANDALL JONES: Understood, Your Honor. But it
14 doesn't explain why you would delay -- assuming you now know
15 that we have a ruling on the 41(e) motion from the Supreme
16 Court that says that the trial date is not going to need to be
17 done in October, you would think after all this time they
18 would have immediately moved to join VML to this case. Not to
19 mention we didn't have a scheduling order at that point in
20 time. We now have one. So we've got this major delay issue
21 that's going to be a significant problem.

22 But that's just the beginning of the issues that
23 they have with this motion. First of all, they say that you
24 have said previously that -- I think -- quoting them, they
25 said, "You ruled that the motion will be granted," end quote.

1 That is absolutely not what you said.

2 THE COURT: I said I was likely to grant it if I
3 wasn't dealing with the issues related to the five year rule
4 and the trial.

5 MR. RANDALL JONES: Well, the quote that I found
6 that you said, you would "reconsider if the Supreme Court
7 recalculates or issues other orders related to the 41(e)
8 motion on the trial." That's a far cry from saying you're
9 going to do something that they represented to you in their
10 papers.

11 You never ruled on any of our objections that we
12 raised in the motion previously. They waited, again, over two
13 months since the ruling from the Supreme Court to bring this
14 motion. And, Your Honor, I would suggest the timing of this
15 motion is not a coincidence. They just responded to our
16 discovery, Sands China's discovery, and it is pretty obvious
17 to me that they got nervous about the viability of their
18 contract claims when they saw our discovery that they had to
19 answer, including admissions. And that's the real motivation
20 here, is that they're nervous that they don't have a claim
21 against Sands China, Las Vegas Sands, or VML because of the
22 nature of the claims that they've made in this case, and so
23 now they're trying to bootstrap a claim that will keep their
24 contract claims viable.

25 There are three distinct reasons why this motion

1 should be denied. The -- first of all, the new allegations
2 are a complete about face from the position they've taken in
3 the past, which you're well aware of. When a motion was filed
4 to dismiss their claims for failing to join an indispensable
5 party back in 2011 they argued specifically that VML was not a
6 party to the alleged employment agreement or the stock option
7 agreement. Now they come back to that argument and say, well,
8 we have an excuse as to why we couldn't join VML or wouldn't
9 agree that VML was an indispensable party at the time, because
10 we didn't know that -- we were apparently surprised in the
11 jurisdictional discovery involving Sands China to find out
12 about this alleged assignment.

13 There are multiple reasons why that argument is
14 meritless on its face, including the fact that all of Mr.
15 Jacobs's paychecks, bonus money, and employee benefits were
16 paid by VML. So that would sort of lead you to believe that
17 your contract was with VML if you're getting paid by VML and
18 you're accepting and cashing those paychecks, your bonus is
19 being paid by VML and you're accepting that, and your employee
20 benefits for you and your family are being paid for by VML.
21 That would be an indication that you were an employee of that
22 company. That was all done in 2009 and 2010. Not to mention
23 the fact that the stock option agreement was with Sands China
24 Limited. So that would have given them an idea of -- Mr.
25 Jacobs and his counsel who is employer really was, which they

1 vehemently denied when we brought the motion to dismiss in
2 2011.

3 There's another point here that should be noted.
4 Mr. Jacobs knew -- and the documentation is clear that Mr.
5 Jacobs knew, because we have an agreement that he entered into
6 in 2009 with VML where he had to be an employee of the
7 Macanese company in order to work there. That was a
8 requirement to get the so-called blue card. So he had to
9 know, he had to be an employee of that company, and yet he
10 claims he wasn't an employee when it comes to the fact of
11 trying to add that company as an indispensable party or moving
12 to dismiss for failure to add an indispensable party in 2011.

13 The only other point I would make on that issue is
14 that Mr. Jacobs received his termination letters from Sands
15 China and VML, which includes -- the VML letter, as you may
16 recall, from 2010 included the 12 reasons for his termination.
17 That would be an indication to him in 2010 that his employer
18 was VML, as opposed to Las Vegas Sands.

19 And finally, you cannot amend a complaint when the
20 amendment would be futile. The amendment would be futile,
21 because there is no jurisdiction over VML, period, end of the
22 story. They even failed to plead the necessary elements under
23 Daimler or Viega to make a claim for personal jurisdiction
24 over VML.

25 And I would just add that the notion that plaintiff

1 -- that Mr. Jacobs can sue VML for breach of an employment
2 agreement with Las Vegas Sands while still maintaining that
3 Las Vegas Sands was his employer and was responsible for
4 terminating him is on its face an absurd proposition.

5 So, Your Honor, I would simply suggest that there's
6 no basis at this point in time -- and I mentioned the delay
7 issue is a real problem for all the parties here. They want
8 -- they claim they want to get to trial. We've got the issues
9 of if the Court granted this motion presumably VML will want
10 to take issue with jurisdiction.

11 THE COURT: They might file a motion to dismiss on
12 jurisdiction issues.

13 MR. RANDALL JONES: They might. I can't predict it.

14 THE COURT: They might.

15 MR. RANDALL JONES: I don't represent them. But I
16 would suspect that any competent lawyer would think that would
17 be an appropriate move. That issue would have to be dealt
18 with. And by the way, that's after they get served. The
19 process of serving VML will take who knows how long. So then
20 we'll go through that process.

21 Then we have to discovery, assuming there's not
22 other motion practice or writ practice involved with VML
23 before we could even start doing discovery with VML in this
24 case. They wanted the early trial date, they pressed to have
25 a shortened trial date schedule; now they're coming in with a

1 motion that is going to simply delay this process indefinitely
2 at least at this point.

3 And then the final point I would make, Judge, is you
4 can't have a personal services contract under Nevada law -- an
5 assignment of a personal services contract without consent.
6 And think about this, Judge. Mr. Jacobs in his papers is
7 claiming that he didn't know about this assignment, this is
8 all news to him that came out in the late winter, early spring
9 of this year before the jurisdictional hearing, that's when he
10 found out about the alleged assignment. Well, if he didn't
11 know about it until this year, how could he have ever
12 consented to it? Without his consent under Nevada law he
13 absolutely cannot argue that there was an assignment of this
14 agreement which is the linchpin of the basis of his argument
15 that there is a transfer of this contract to VML and therefore
16 VML is potentially liable for this claim.

17 THE COURT: Thank you.

18 Anybody else on this side of the room need to say
19 anything?

20 MR. PEEK: Other than just to join in the arguments,
21 Your Honor.

22 THE COURT: Okay.

23 MR. MORRIS: Join, too.

24 THE COURT: Thank you.

25 The motion is granted. I understand I'm going to

1 now be faced with jurisdictional motions if there is service.

2 This may impact your trial date, okay. Good luck.

3 MR. PISANELLI: Thank you.

4 THE COURT: Goodbye.

5 MR. PEEK: Thank you, Your Honor.

6 MR. MORRIS: Thank you, Your Honor.

7 THE PROCEEDINGS CONCLUDED AT 9:06 A.M.

8 * * * * *

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

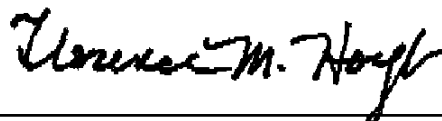
CERTIFICATION

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

AFFIRMATION

I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL SECURITY OR TAX IDENTIFICATION NUMBER OF ANY PERSON OR ENTITY.

**FLORENCE HOYT
Las Vegas, Nevada 89146**



FLORENCE M. HOYT, TRANSCRIBER

9/18/15
DATE

[Skip to Main Content](#) [Logout My Account](#) [Search Menu](#) [New District Civil/Criminal](#)
[Search](#) [Refine Search](#) [Close](#)

Location : District Court Civil/Criminal [Help](#)

REGISTER OF ACTIONS

CASE NO. A-10-627691-B

Steven Jacobs, Plaintiff(s) vs. Las Vegas Sands Corp,
Defendant(s)

§
§
§
§
§
§
§
§

Case Type: **Business Court**
Date Filed: **10/20/2010**
Location: **Department 11**
Case Number History: **A-10-627691-C**
Cross-Reference Case Number: **A627691**
Supreme Court No.: **58740**

PARTY INFORMATION

Counter Claimant	Las Vegas Sands Corp	Lead Attorneys J. Stephen Peek <i>Retained</i> 702-669-4600(W)
Counter Defendant	Jacobs, Steven C	James J Pisanelli <i>Retained</i> 702-214-2100(W)
Defendant	Adelson, Sheldon	Steve L. Morris <i>Retained</i> 7024749400(W)
Defendant	Las Vegas Sands Corp	J. Stephen Peek <i>Retained</i> 702-669-4600(W)
Defendant	Sands China LTD	Jon Randall Jones <i>Retained</i> 7023856000(W)
Defendant	Venetian Macau Ltd	Daniel R. McNutt <i>Retained</i> 702-384-1170(W)
Other	Goldstein, Robert G.	Robert J. Cassity <i>Retained</i> 702-669-4600(W)
Other	Leven, Michael A.	Robert J. Cassity <i>Retained</i> 702-669-4600(W)
Other	Reese, Ronald	Robert J. Cassity <i>Retained</i> 702-669-4600(W)
Plaintiff	Jacobs, Steven C	James J Pisanelli <i>Retained</i> 702-214-2100(W)

EVENTS & ORDERS OF THE COURT

09/18/2015 **Motion for Leave (8:30 AM)** (Judicial Officer Gonzalez, Elizabeth)
Plaintiff Steven C. Jacobs' Renewed Motion For Leave To File A Fifth Amended Complaint On Order Shortening Time

Minutes

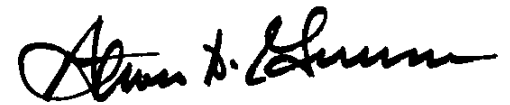
09/18/2015 8:30 AM

09/18/2015 8:30 AM

- Following arguments by Mr. Smith and Mr. Jones, with joinders by Mr. Peek and Mr. Morris, COURT ORDERED, motion GRANTED. Court noted, it understands it may now be faced with jurisdictional motions if there is service and that this may impact the trial date.

Parties Present

[Return to Register of Actions](#)



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

JTS@pisanellibice.com

PISANELLI BICE PLLC

400 South 7th Street, Third Floor

Las Vegas, Nevada 89101

Telephone: (702) 214-2100

Facsimile: (702) 214-2101

Attorneys for Plaintiff Steven C. Jacobs

DISTRICT COURT

CLARK COUNTY, NEVADA

STEVEN C. JACOBS,

Plaintiff,

v.

LAS VEGAS SANDS CORP., a Nevada
corporation; SANDS CHINA LTD., a
Cayman Islands corporation; SHELDON
ADELSON, an individual; VENETIAN
MACAU LTD., a Macau corporation; DOES I
through X; and ROE CORPORATIONS
I through X,

Defendants.

Case No.: A-10-627691

Dept. No.: XI

FIFTH AMENDED COMPLAINT

AND RELATED CLAIMS

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

PARTIES

1. Plaintiff Steven C. Jacobs ("Jacobs") is a Florida resident who also maintains a residence in Georgia.

2. Defendant Las Vegas Sands Corp. ("LVSC") is a publicly-traded Nevada 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").

4. Defendant Venetian Macau Ltd. ("VML") purports to be an indirect operating subsidiary of Sands China. However, from its inception, VML has been treated as little more than an incorporated division of Defendant LVSC, with VML's board not actually governing its affairs, but merely signing and undertaking any actions as directed by LVSC.

10 5. Defendant Adelson is a Nevada resident who directs and operates his gaming
11 enterprise from Las Vegas, Nevada.

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

20 7. Each Defendant is the agent of the other Defendants such that each Defendant is
21 fully liable and responsible for all the acts and omissions of all of the other Defendants as set forth
22 herein.

23 JURISDICTION AND VENUE

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

9. 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.

COMMON ALLEGATIONS

LVSC's Dysfunction and Infighting

10. 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.

11. 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.

12. 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.

13. 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.

14. 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

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

7 15. Adelson's behavior did not just alienate outsiders, it effectively paralyzed the
8 management's ability to respond to the financial calamity. LVSC faced increased cash flow needs,
9 which, in turn, threatened to trigger a breach of the company's maximum leverage ratio covenant in
10 its U.S. credit facilities. Due to Adelson's erratic behavior, LVSC's then-president and
11 Chief Operating Officer William Weidner ("Weidner") lost confidence in Adelson's abilities, and
12 undertook steps that Adelson would characterize as an attempted coup. Because Adelson controls
13 more than fifty percent (50%) of LVSC's voting power, Adelson forced Weidner's removal from
14 the company so as to preserve his own control.

15 16. Weidner was replaced as President and COO by Michael Leven ("Leven"), a
16 member of LVSC's Board of Directors.

17 17. Because of the dysfunction and paralysis Adelson created, LVSC failed to access
18 capital markets in a timely fashion, which then forced the company to engage in a number of
19 emergency transactions to raise funds in late 2008 and early 2009. Ironically for LVSC's
20 shareholders – all of those except for Adelson, that is – this unnecessary delay resulted in Adelson's
21 personal wealth as the financing source for a quick influx of liquidity. But, to access those funds,
22 Adelson would charge LVSC a hefty price, obtaining convertible senior notes, preferred shares,
23 and warrants. Later, Adelson would reap a staggering windfall as a result of these highly-favorable
24 (for him) financing terms. Conveniently, Adelson was the principal beneficiary, to the detriment
25 of all other shareholders, of the very financial calamity that he helped create.

26 **LVSC Hires Jacobs to Run Its Macau Operations**

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

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

8 19. Jacobs travelled to Las Vegas in March 2009 where he met with Leven and Adelson
9 for several days to review the company's Nevada operations. While in Las Vegas, the parties agreed
10 to a consulting contract between LVSC and Jacobs' company, Vagus Group, Inc. Jacobs then began
11 assisting LVSC in restructuring its Las Vegas operations.

12 20. Jacobs, Leven, and Adelson subsequently travelled to Macau to conduct a review of
13 LVSC's operations there. While in Macau, Leven told Jacobs that he wanted to hire him to run
14 LVSC's Macau operations. Jacobs and Leven returned to Las Vegas after spending approximately
15 a week in Macau. Jacobs then spent the bulk of the next 2-3 weeks working on the Las Vegas
16 restructuring program and also negotiating with Leven regarding LVSC's desire to hire him as a
17 full-time executive.

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

24 22. Notwithstanding that Jacobs would be spending the majority of his time in Macau
25 focusing on LVSC's operations in that location, he was also required to perform duties in Las Vegas
26 including, but not limited to, working with LVSC's Las Vegas staff on reducing costs within the
27 company's Las Vegas operations, consulting on staffing and delayed opening issues related to the
28

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

3 23. On June 24, 2009, LVSC awarded Jacobs 75,000 stock options in the company to
4 reward him for his past performance as a LVSC team member and to incentivize him to improve
5 his future performance as well as that of the company. LVSC and Jacobs executed a written
6 Nonqualified Stock Option Agreement memorializing the award.

7 24. On or about August 4, 2009, Jacobs received LVSC's "Offer Terms and Conditions"
8 (the "Term Sheet") for the position of "President and CEO Macau[.]" The Term Sheet reflected the
9 terms and conditions of employment that had been negotiated by Leven and Jacobs while Jacobs
10 was in Vegas working under the original consulting agreement with LVSC and during his
11 subsequent trips back to Las Vegas. With Adelson's express approval, Leven signed the Term Sheet
12 on or about August 3, 2009, and had his assistant, Patty Murray, email it to Jacobs who was then in
13 Macau. Jacobs signed the Term Sheet accepting the offer contained therein and delivered a copy
14 to LVSC. LVSC's Compensation Committee approved Jacobs' contract on or about August 6,
15 2009. LVSC thereafter filed a copy of the Term Sheet with the United States Securities and
16 Exchange Commission, disclosing it as Jacobs' employment contract with LVSC.

17 25. According to LVSC, it subsequently assigned the terms and conditions of Jacobs'
18 employment with LVSC to both VML and Sands China.

19 **Jacobs Saves the Titanic**

20 26. The bases for Jacobs' full-time position were apparent. The accomplishments for
21 the four quarters over which Jacobs had presided created significant value. From an operational
22 perspective, Jacobs and his team removed over \$365 million of costs from LVSC's Macau
23 operations, repaired strained relationships with local and national government officials in Macau
24 who would no longer meet with Adelson due to his obstreperous behavior, and refocused operations
25 on core businesses to drive operating margins and profits, thereby achieving the then-highest
26 EBITDA figures in the history of the company's Macau operations.

27 27. Due in large part to the success of its Macau operations under Jacobs' direction,
28 LVSC was able to raise over \$4 billion dollars from the capital markets, spin off its Macau

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

6 28. To put matters in perspective, when Jacobs began performing work for the company
7 in March 2009, LVSC shares were trading at just over \$1.70 per share and its market cap was
8 approximately \$1.1 billion USD. At the time of Jacobs' departure in July 2010, LVSC shares were
9 over \$28 per share and its market cap exceeded \$19 billion USD.

10 29. Jacobs' success was repeatedly confirmed by Board members of LVSC as well as
11 those of the new spinoff, Sands China. When Leven was asked in February 2010 to assess Jacobs'
12 2009 job performance, he advised: "*there is no question as to Steve's performance[;] the Titanic*
13 *hit the iceberg[,] he arrived and not only saved the passengers[,] he saved the ship.*"
14 Unremarkably, Jacobs received a full bonus in 2009 and no more than three months later, in
15 May 2010, he was awarded an additional 2.5 million stock options in Sands China. The options
16 had an accelerated vesting period of less than two years.

17 30. But Adelson would make sure that Jacobs was cheated out of what he was owed, a
18 practice that Adelson has honed in dealing with many executives and companies that refused to do
19 as Adelson demanded.

20 **Jacobs' Confrontations with Adelson**

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

1 Per my discussion with sga [Adelson] pls be advised that input from
2 anyone [in Macau] is expected and listened to but final design
3 decisions are made by sga and las vegas[.] [T]here appears to be
4 some confusion and I want to clear the matter once and for all [that]
5 everyone has inputed [sic] but sga makes the final decisions[.]

6 32. But a greater impediment concerned the unlawful and/or unethical business practices
7 put in place by Adelson and/or under his watch, as well as repeated outrageous demands Adelson
8 made to pursue illegal and illegitimate ends. The demands included, but were not limited to:

- 9 a. Demands that Jacobs use improper "leverage" against
10 senior government officials of Macau in order to obtain
11 Strata-Title for the Four Seasons Apartments in
12 Macau;
- 13 b. Demands that Jacobs threaten to withhold Sands China
14 business from prominent Chinese banks unless they
15 agreed to use influence with newly-elected senior
16 government officials of Macau in order to obtain
17 Strata-Title for the Four Seasons Apartments and
18 favorable treatment with regards to labor quotas and
19 table limits;
- 20 c. Demands that secret investigations be performed
21 regarding the business and financial affairs of various
22 high-ranking members of the Macau government so
23 that any negative information obtained could be used
24 to exert "leverage" in order to thwart government
25 regulations/initiatives viewed as adverse to LVSC' s
26 interests;
- 27 d. Demands that Sands China continue to use the legal
28 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
- e. Demands that Jacobs refrain from disclosing truthful
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
limited to, junkets 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.

1 33. Jacobs reported these improprieties to Leven and LVSC's general counsel, in
2 accordance with LVSC's company whistleblower guidelines.

3 34. When Jacobs objected to and/or refused to carry out Adelson's illegal demands,
4 Adelson repeatedly threatened to terminate Jacobs' employment. This is particularly true in
5 reference to: (i) Jacobs' refusal to comply with Adelson's edict to terminate Sands China's General
6 Counsel, Luis Melo ("Melo"), and his entire legal department and replace him/it with Leonel Alves
7 and his team; (ii) Adelson's refusal to allow Jacobs to present to the Sands China Board information
8 that the company's development of Parcels 5 and 6 was at least 6 months delayed and more than
9 \$300 million USD over-budget due to Adelson-mandated designs and accoutrements the
10 Sands China management team did not believe would be successful in the local marketplace;
11 (iii) Adelson's refusal to allow Jacobs to disclose to the Board LVSC findings relating to the
12 allegations contained in a Reuters article that LVSC was conducting business with Chinese
13 organized crime syndicates, known as Triads; and (iv) Adelson's refusal to allow Jacobs to discuss
14 his concerns with the Board regarding the use and rehiring of Leonel Alves after Alves had
15 requested a \$300 million payment for government officials in China.

16 35. During this same time, Jacobs began developing suspicions concerning the propriety
17 of certain financial practices and transactions involving LVSC and other LVSC subsidiaries,
18 including, but not limited to: (i) certain transactions related to Hencing island, the basketball team,
19 the Adelson Center, and the Macau ferry contract which all involved payments that LVSC made;
20 (ii) allegations concerning LVSC's practice of couriering undeclared monies into the United States
21 to repay gambling debts of third parties and/or to be used to fund accounts for non-residents once
22 they arrived in the country; (iii) LVSC's practice referred to as the Affiliate Transaction Advise
23 ("ATA"), which allowed third parties and gamblers to move money into the United States by
24 depositing monies with an LVSC overseas affiliate or marketing office, creating an account in
25 Las Vegas from which the depositor or their designee would be issued chips with which to gamble,
26 and then transferring the "winnings" back offshore either to the original depositor or to a third party
27 designee not involved in the transaction; (iv) using the ATA process to move monies for known
28

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

3 36. One such suspicious entity was WDR, LLC, a wholly-owned subsidiary set up by
4 LVSC at the apparent behest of Robert Goldstein. When Jacobs raised that entity and certain
5 transactions with Sands China's then-existing CFO, he similarly considered the transactions
6 involving WDR as suspicious and expressed concerns over potential money laundering. Of course,
7 Jacobs would be fired before he could further pursue the matter. When LVSC's then-existing CFO,
8 Ken Kay, was asked about WDR at a deposition, he professed to have no knowledge of WDR or
9 what purpose it would serve. But, just a few months after Kay was questioned about WDR, Leven
10 quietly had the entity dissolved.

11 37. Jacobs' disagreements with Adelson came to a head in late June 2010 when they
12 were in Singapore to attend the grand opening of LVSC's Marina Bay Sands. While in Singapore,
13 Jacobs attended several meetings of LVSC executives including Adelson, Leven, Ken Kay (LVSC's
14 Chief Financial Officer), and others. During these meetings, Jacobs disagreed with Adelson's and
15 Leven's desire to expand the ballrooms at Parcels 5 and 6, which would add an incremental cost of
16 approximately \$30 million to a project already significantly over budget when Sands China's
17 existing facilities were already underutilized. In a separate meeting, Jacobs disagreed with
18 Adelson's desire to aggressively grow the junket business within Macau as the margins were low,
19 the decision carried credit risks, and based upon recent investigations by Reuters and others alleging
20 LVSC's involvement with Chinese organized crime groups, known as Triads, connected to the
21 junket business.

22 38. Following these meetings, Jacobs re-raised the issue about the need to advise the
23 Sands China Board of the delays and cost overruns associated with the development of Parcels 5
24 and 6 in Macau so that a determination could be made of whether the information must be disclosed.
25 Jacobs also raised the need to disclose LVSC's involvement with Triads and the implications of
26 Adelson's desire to grow Sands China's junket business in Macau, as well as Adelson's rehiring of
27 Leonel Alves, given Jacobs' and others' FCPA concerns. Once again, Adelson reminded Jacobs
28 that he was both the chairman and the controlling shareholder and that Jacobs should "do as I

1 please." This was consistent with Adelson's attitudes and Jacobs' belief that Adelson considered
2 himself untouchable. Indeed, on a prior occasion when Jacobs had voiced his concern over how
3 Nevada's gaming regulators might view Adelson's actions, Adelson scoffed at the suggestion,
4 informing Jacobs that he (Adelson) controlled the regulators, not the other way around.

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

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

10 40. In or about July 2010, Adelson directed executives from LVSC in Las Vegas,
11 Nevada to begin the process of terminating Jacobs. This process, which would be referred to as the
12 "exorcism strategy," was planned and carried out from Las Vegas and included (1) the creation of
13 fictitious Sands China letterhead upon which a notice of termination was prepared, (2) preparation
14 of the draft press releases with which to publicly announce the termination, and (3) the handling of
15 all legal-related matters for the termination. Again, all of these events took place in Las Vegas,
16 ostensibly by agents acting for both LVSC and Sands China.

17 41. Indeed, it was LVSC in-house attorneys, claiming to be acting on behalf of
18 Sands China, who informed the Sands China Board on or about July 21, 2010, about Adelson's
19 decision to terminate Jacobs, and directed the Board members to sign the corporate documents
20 necessary to effectuate Jacobs' termination. These same attorneys promised to explain the basis for
21 the termination to the Board members during the following week's Board meeting (after the
22 termination took place). Predictably, as Adelson is all-controlling, he took action first and then
23 decreed how the Board thereafter reacted.

24 42. Promptly thereafter, the team that Adelson had placed in charge of overseeing the
25 sham termination – Leven, Kenneth Kay (LVSC's CFO), Irwin Siegel (LVSC/Sands China Board
26 member), Gayle Hyman (LVSC's general counsel), Daniel Briggs (LVSC's VP of investor
27 relations), Ron Reese (LVSC's VP of public relations), Brian Nagel (LVSC's chief of security),
28

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

3 43. On the morning of July 23, 2010, Jacobs attended a meeting with Leven and Siegel,
4 which had been represented to him (albeit falsely) as pertaining to the upcoming Sands China Board
5 meeting. During the meeting, Leven unceremoniously advised Jacobs that he was being terminated
6 effective immediately. When Jacobs asked whether the termination was purportedly "for cause" or
7 not, Leven responded that he was "not sure" but that the severance provisions of the Term Sheet
8 would not be honored. Leven then handed Jacobs the letter drafted by LVSC's attorneys and signed
9 by Adelson advising him of the termination.

10 44. Cognizant that he had no legitimate basis to terminate Jacobs for cause, Adelson
11 authorized and expected Leven to meet with Jacobs and implement the termination strategy. As is
12 now a well-documented Adelson tactic, he had no regard for the contractual terms of Jacobs'
13 employment agreement. Instead, Adelson's tried and true tactic is to demand a discount off of what
14 is contractually owed for a lesser amount. If Jacobs, or anyone else for that matter, will not
15 acquiesce in Adelson's strong arm tactics, Adelson retorts to "sue me, then." And, that is essentially
16 how the Adelson game-plan played out with Jacobs.

17 45. When Leven could not persuade Jacobs to "voluntarily" resign, Jacobs was escorted
18 off the property by two members of security in public view of many company employees, resort
19 guests, and casino patrons. Jacobs was not permitted to return to his office to collect his belongings,
20 but was instead escorted to the border to leave Macau.

21 46. Because Leven had not been able to persuade Jacobs to resign, the next play from
22 the Adelson playbook went into effect – fabricating purported cause for the termination. Once
23 again, this aspect of the plan was also carried out in Las Vegas by executives professing to act for
24 both LVSC and Sands China. Indeed, this time they prepared a false letter in Las Vegas and put it
25 on Venetian Macau, Ltd. letterhead and identified twelve manufactured "for cause" reasons for
26 Jacobs' termination. Transparently, one of the purported reasons is an attempt to mask one of
27 Adelson's personal transgressions: The letter absurdly claimed that Jacobs exceeded his authority
28 and failed to keep the companies' Boards of Directors informed of important business decisions.

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

3 47. All but conceding that fact, Adelson would later claim to have developed
4 (*i.e.*, fabricated) some 34 "for cause" reasons for Jacobs' termination.

5 48. Confirming what Jacobs had complained about regarding Adelson's improper
6 demands and concealment of information from the Board, Adelson subsequently arranged the
7 termination of Sands China's then-General Counsel, Luis Melo, and made sure that Leonel Alves
8 was retained to perform services for Sands China despite knowledge of Alves acting with disregard
9 for the United States Foreign Corrupt Practices Act. Also with Jacobs' departure, and with complete
10 disregard for internal concerns regarding junket affiliations with Triads, Adelson announced that
11 Sands China would be implementing a new junket strategy whereby it would partner with existing
12 and established junkets to grow its VIP business. In or about the same time frame, LVSC and
13 Sands China also publicly disclosed a material delay in the construction of Parcels 5 and 6 and a
14 cost increase of \$100 million to the project, further confirming the appropriateness of Jacobs'
15 insistence upon disclosure despite Adelson's insistence otherwise.

16 49. Jacobs was not terminated for cause. He was terminated for blowing the whistle on
17 improprieties and placing the interests of shareholders above those of Adelson. Indeed, in just one
18 candid communication Leven sent to executives (including Adelson) just days before Jacobs'
19 termination, Leven claimed that the problem with Jacobs was that "he believes he reports to the
20 board, not the chair [Adelson]."

21 **FIRST CAUSE OF ACTION**

22 **(Breach of Contract – LVSC, Sands China & VML)**

23 50. Plaintiff restates all preceding and subsequent allegations as though fully set forth
24 herein.

25 51. Jacobs and LVSC are parties to various contracts, including the Term Sheet and
26 Nonqualified Stock Option Agreement identified herein.

27 52. The Term Sheet provides, in part, that Jacobs would have a 3-year employment term,
28 that he would earn an annual salary of \$1.3 million plus a 50% bonus upon attainment of certain

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.

53. 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.

54. According to defendants, in conjunction with the Sands China IPO, LVSC assigned and Sands China as well as VML assumed, the obligations under the Term Sheet, thereby making LVSC, Sands China and VML jointly and severally liable for fulfilling its terms.

55. Jacobs has performed all of his contractual obligations except where excused.

56. LVSC, Sands China and VML breached the Term Sheet by falsely terminating Jacobs for "cause" when, in reality, the purported bases for Jacobs' termination, as identified in the belatedly-manufactured August 5, 2010 letter, are pretextual and in no way constitute "cause."

57. 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."

58. LVSC, Sands China and VML have wrongfully characterized Jacobs' termination as one 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 & VML)

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

60. 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,

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

3 61. Pursuant to the Term Sheet agreement between Jacobs and LVSC, which was later
4 transferred and assumed by Sands China and VML, Jacobs' stock options are subject to an
5 accelerated vest in the event he is terminated "Not for Cause." The Term Sheet further provides
6 Jacobs with a one-year right to exercise the options post-termination.

7 62. Jacobs has performed all his contractual obligations except where excused.

8 63. On September 24, 2010, Jacobs made proper demand upon LVSC and Sands China
9 to honor his right to exercise the remaining 2.5 million stock options he had been awarded in Sands
10 China. LVSC and Sands China rejected Jacobs' demand and, thus, further breached the Term Sheet
11 and the Sands China share grant agreement by characterizing Jacobs' termination as being for
12 "cause" when, in reality, the purported bases for Jacobs' termination, as identified in the belatedly-
13 manufactured August 5, 2010 letter, are pretextual and in no way constitute "cause."

14 64. LVSC, Sands China and VML have wrongfully characterized Jacobs' termination as
15 one for "cause" in an effort to deprive him of contractual benefits to which he is otherwise entitled.
16 As a direct and proximate result, Jacobs has suffered damages in an amount to be proven at trial
17 but in excess of \$10,000.

18 **THIRD CAUSE OF ACTION**

19 **(Breach of the Implied Covenant of Good Faith and Fair Dealing –**

20 **LVSC, Sands China & VML)**

21 65. Plaintiff incorporates all preceding and subsequent allegations as though fully set
22 forth herein.

23 66. All contracts in Nevada contain an implied covenant of good faith and fair dealing.

24 67. The conduct of LVSC described herein including, but not limited to, the improper
25 and illegal demands made upon Jacobs by Adelson, Adelson's continual undermining of Jacobs'
26 authority as the President and CEO of LVSC's Macau operations (and subsequently Sands China),
27 and the wrongful characterization of Jacobs' termination as being for "cause," is unfaithful to the
28

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

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

5 **FOURTH CAUSE OF ACTION**

6 **(Tortious Discharge in Violation of Public Policy - LVSC)**

7 69. Plaintiff incorporates all preceding and subsequent allegations as though fully set
8 forth herein.

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

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

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

18 **FIFTH CAUSE OF ACTION**

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

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

22 74. In an attempt to cover their tracks and distract from their improper activities,
23 Adelson, LVSC and Sands China have waged a public relations campaign to smear and spread lies
24 about Jacobs. One such instance is a press release made by Adelson, LVSC and Sands China after
25 an adverse court ruling on March 15, 2011. Having been unable to obtain a procedural victory in
26 Court, the Defendants undertook to smear Jacobs in the media, issuing a statement to Alexander
27 Berzon, a reporter for the Wall Street Journal, which provided:
28

1 *"While I have largely stayed silent on the matter to this point,*
2 *the recycling of his allegations must be addressed," he said*
3 *"We have a substantial list of reasons why Steve Jacobs was*
4 *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."

5 75. The Defendants' media campaign stating that: (1) Jacobs was justifiably fired "for
6 cause" and (2) Jacobs had resorted to "outright lies and fabrications" were false and constitute
7 defamation per se.

8 76. All of the offending statements made by Adelson concerning Jacobs and identified
9 in Paragraph 71, *supra*, were (1) false and defamatory; (2) published to a third person or party for
10 the express intent of republication to a worldwide audience; (3) maliciously published knowing
11 their falsity and/or in reckless disregard of the truth thereof; (4) intended to and did in fact harm
12 Jacobs' reputation and good name in his trade, business, profession, and customary corporate office;
13 and (5) were of such a nature that the law presumes significant economic damages.

14 77. Adelson's malicious defamation of Jacobs was made in both his personal as well as
15 his representative capacities as Chairman of the Board of LVSC and as Chairman of the Board of
16 its affiliate, Sands China; both of which ratified and endorsed either explicitly or implicitly
17 Adelson's malicious invective.

18 78. The comments and statements noted in Paragraph 71, *supra*, were made without
19 justification or legal excuse, and were otherwise not privileged because they did not function as a
20 necessary or useful step in the litigation process and did not otherwise serve its purposes.

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

25 **SIXTH CAUSE OF ACTION**

26 **(Tortious Discharge in Violation of Public Policy - Adelson)**

27 80. Plaintiff incorporates all preceding and subsequent allegations as though fully set
28 forth herein.

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

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

5 92. Sands China's conduct was undertaken with malice, fraud and oppression, thereby
6 entitling Jacobs to an award of punitive damages.

7 **EIGHTH CAUSE OF ACTION**

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

9 93. Plaintiff incorporates all preceding and subsequent allegations as though fully set
10 forth herein.

11 94. LVSC and Sands China are separate legal entities, each capable of making
12 agreements.

13 95. LVSC and Sands China agreed, acted in concert and conspired to effectuate Jacobs'
14 tortious discharge.

15 96. LVSC and Sands China intended to harm Jacobs for refusing to follow the illegal
16 and improper demands of their common-chairman, Adelson.

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

19 98. LVSC and Sands China's conduct was done with malice, fraud and oppression,
20 thereby entitling Jacobs to an award of punitive damages.

21 **PRAYER FOR RELIEF**

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

24 1. For compensatory damages in excess of Ten Thousand Dollars (\$10,000.00), in an
25 amount to be proven at trial;

26 2. For punitive damages in excess of Ten Thousand Dollars (\$10,000.00), in an amount
27 to be proven at trial;

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

5 DATED this 18th day of September, 2015.

6 PISANELLI BICE PLLC

7
8 By: /s/ Todd L. Bice
9 James J. Pisanelli, Esq., Bar No. 4027
10 Todd L. Bice, Esq., Bar No. 4534
11 Debra L. Spinelli, Esq., Bar No. 9695
12 Jordan T. Smith, Esq., Bar No. 12097
13 400 South 7th Street, Suite 300
14 Las Vegas, Nevada 89101

15 Attorneys for Plaintiff Steven C. Jacobs
16
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC, and that on this 18th day of September, 2015, I caused to be served via the Court's E-Filing system, true and correct copies of the above and foregoing **FIFTH AMENDED COMPLAINT** properly addressed to the following:

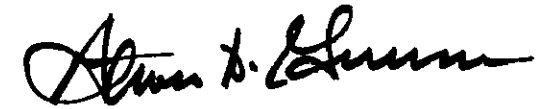
J. Stephen Peek, Esq.
Robert J. Cassity, Esq.
HOLLAND & HART
9555 Hillwood Drive, Second Floor
Las Vegas, NV 89134
speek@hollandhart.com
rcassity@hollandhart.com

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
irj@kempjones.com
mmj@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/ Shannon Thomas
An employee of PISANELLI BICE PLLC



CLERK OF THE COURT

1 J. Randall Jones, Esq.
NV Bar No. 1927
2 jrj@kempjones.com
Mark M. Jones, Esq.
3 NV Bar No. 267
m.jones@kempjones.com
4 KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway, 17th Floor
5 Las Vegas, Nevada 89169
6 *Attorneys for Sands China, Ltd.*

7 J. Stephen Peek, Esq.
NV Bar No. 1758
8 speak@hollandhart.com
Robert J. Cassity, Esq.
9 NV Bar No. 9779
bcassity@hollandhart.com
10 HOLLAND & HART LLP
9555 Hillwood Drive, 2nd Floor
11 Las Vegas, Nevada 89134
12 *Attorneys for Las Vegas Sands Corp.
and Sands China, Ltd.*

13 **DISTRICT COURT**
14 **CLARK COUNTY, NEVADA**

15 STEVEN C. JACOBS,
16 Plaintiff,
17 v.

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

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

21 Defendants.

22 AND ALL RELATED MATTERS.

NOTICE OF ENTRY OF ORDER

23
24 TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD, please take notice that
25 an Order Granting Sands China, Ltd.'s Motion to Confirm That No Response To Plaintiff's
26 Fourth Amended Complaint Is Due Until The Nevada Supreme Court Acts On The
27 Jurisdictional Writ was entered in this matter on September 15, 2015, a copy of which is

28 / / /

KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway
Seventeenth Floor
Las Vegas, Nevada 89169
(702) 385-6000 • Fax (702) 385-6001
kic@kempjones.com

KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway
Seventeenth Floor
Las Vegas, Nevada 89169
(702) 385-6000 • Fax (702) 385-6001
kic@kempjones.com

1 attached hereto.

2 DATED this 21st day of September, 2015.

3 KEMP, JONES & COULTHARD, LLP

4 

5 J. Randall Jones, Esq., #1927
6 Mark M. Jones, Esq., #267
3800 Howard Hughes Parkway, 17th Floor
7 Las Vegas, Nevada 89169
Attorneys for Sands China Ltd.

8 HOLLAND & HART LLP

9 J. Stephen Peek, Esq., #1758
10 Robert J. Cassity, Esq., #9779
9555 Hillwood Drive, 2nd Floor
11 Las Vegas, Nevada 89134
*Attorneys for Las Vegas Sands Corp.
and Sands China, Ltd.*

12 **CERTIFICATE OF SERVICE**

13 I hereby certify that on the 22nd day of September, 2015, the foregoing **NOTICE OF**

14 **ENTRY OF ORDER** was served on the following parties through the Court's electronic filing
15 system:

16 James J. Pisanelli, Esq.
17 Todd L. Bice, Esq.
18 Debra L. Spinelli, Esq.
19 Jordan T. Smith, Esq.
Pisanelli Bice PLLC
400 South 7th Street, Suite 300
20 Las Vegas, Nevada 89101
Attorneys for Plaintiff Steven C. Jacobs

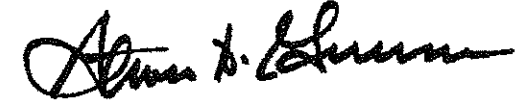
21 Steve Morris, Esq.
22 Rosa Solis-Rainey, Esq.
23 Morris Law Group
900 Bank of America Plaza
24 300 South Fourth Street
Las Vegas, NV 89101

25 J. Stephen Peek, Esq.
26 Robert J. Cassity, Esq.
Holland & Hart
27 9555 Hillwood Drive, 2nd Floor
Las Vegas, NV 89134

28 

An employee of Kemp, Jones & Coulthard, LLP

KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway
Seventeenth Floor
Las Vegas, Nevada 89169
(702) 385-6000 • Fax (702) 385-6001
kic@kempjones.com



CLERK OF THE COURT

1 J. Randall Jones, Esq.
Nevada Bar No. 1927
2 jrj@kempjones.com
Mark M. Jones, Esq.
3 Nevada Bar No. 267
m.jones@kempjones.com
4 KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway, 17th Floor
5 Las Vegas, Nevada 89169
Attorneys for Sands China, Ltd.
6

7 J. Stephen Peek, Esq.
Nevada Bar No. 1758
8 speek@hollandhart.com
Robert J. Cassity, Esq.
9 Nevada Bar No. 9779
bcassity@hollandhart.com
10 HOLLAND & HART LLP
9555 Hillwood Drive, 2nd Floor
11 Las Vegas, Nevada 89134
Attorneys for Las Vegas Sands Corp.
12 *and Sands China, Ltd.*
13

14 **DISTRICT COURT**
CLARK COUNTY, NEVADA

15 STEVEN C. JACOBS,

16 Plaintiff,

17 v.

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

21 Defendants.

22
23 AND ALL RELATED MATTERS.

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

**ORDER GRANTING SANDS CHINA,
LTD.'S MOTION TO CONFIRM
THAT NO RESPONSE TO
PLAINTIFF'S FOURTH AMENDED
COMPLAINT IS DUE UNTIL THE
NEVADA SUPREME COURT ACTS
ON THE JURISDICTIONAL WRIT**


24 Before the Court is Sands China, Ltd.'s Motion to Confirm that No Response to
25 Plaintiff's Fourth Amended Complaint is Due Until the Nevada Supreme Court Acts on the
26 Jurisdictional Writ (the "Motion"). J. Randall Jones, Esq. appeared on behalf of Defendant
27 Sands China, Ltd. ("SCL"), J. Stephen Peek, Esq. of the law firm Holland & Hart LLP
28 appeared on behalf of Defendants Las Vegas Sands Corp. and SCL. Rosa Solis-Rainey, Esq. of

KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway
Seventeenth Floor
Las Vegas, Nevada 89169
(702) 385-6000 • Fax (702) 385-6001
kjc@kempjones.com

1 the law firm Morris Law Group appeared on behalf of Defendant Sheldon G. Adelson and
2 Todd L. Bice, Esq. of the law firm Pisanelli Bice PLLC appeared on behalf of Plaintiff Steven
3 C. Jacobs ("Jacobs"). Having considered the papers filed on behalf of the parties, oral
4 argument of counsel, and being fully informed with good cause appearing:

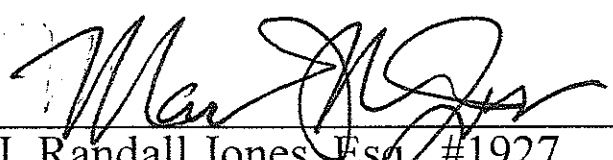
5 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that SCL's Motion to
6 Confirm that No Response to Plaintiff's Fourth Amended Complaint is Due Until the Nevada
7 Supreme Court Acts on the Jurisdictional Writ is granted. SCL is not required to answer or
8 otherwise respond to the Fourth Amended Complaint until after the Nevada Supreme Court
9 resolves SCL's Writ Petition challenging jurisdiction.

10 DATED this 15th day of ~~August~~ ^{September}, 2015.


THE HONORABLE ELIZABETH GONZALEZ
EIGHTH JUDICIAL DISTRICT COURT

14 Respectfully submitted by:

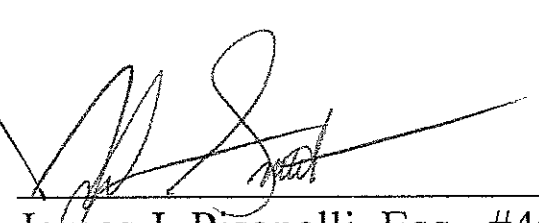
15 KEMP, JONES & COULTHARD, LLP

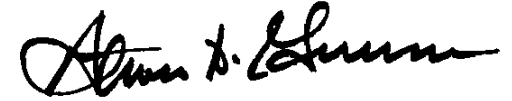
16 
17 J. Randall Jones, Esq., #1927
18 Mark M. Jones, Esq., #267
19 3800 Howard Hughes Parkway, 17th Floor
20 Las Vegas, Nevada 89169
Attorneys for Sands China Ltd.

21 HOLLAND & HART LLP
22 J. Stephen Peek, Esq., #1758
23 Robert J. Cassity, Esq., #9779
24 9555 Hillwood Drive, 2nd Floor
25 Las Vegas, Nevada 89134
*Attorneys for Las Vegas Sands Corp.
and Sands China, Ltd.*

Approved as to Form and Content:

PISANELLI BICE PLLC


James J. Pisanelli, Esq., #4027
Todd L. Bice, Esq., #4534
Debra L. Spinelli, Esq. #9695
Jordan T. Smith, Esq., #12097
400 South 7th Street, Suite 300
Las Vegas, Nevada 89101
Attorneys for Plaintiff Steven C. Jacobs



CLERK OF THE COURT

CHLG
DANIEL R. MCNUTT (SBN 7815)
MATTHEW C. WOLF (SBN 10801)
CARBAJAL & MCNUTT, LLP
625 South Eighth Street
Las Vegas, Nevada 89101
Tel.: (702) 384-1170 / Fax.: (702) 384-5529
drm@cmlawnv.com
mcw@cmlawnv.com

Attorneys for Defendant
Venetian Macau Ltd.

DISTRICT COURT
CLARK COUNTY, NEVADA

STEVEN C. JACOBS,
Plaintiff,

vs.

LAS VEGAS SANDS CORP., a Nevada
corporation; SANDS CHINA LTD., a
Caymen Islands corporation; SHELDON
ADELSON, an individual; VENETIAN
MACAU LTD., a Macau corporation; DOES I
through X; and ROE CORPORATIONS I
through X,

Defendants.

AND ALL RELATED CLAIMS

Case No.: A-10-627691

Dept. No.: ~~11~~ XIII

**PEREMPTORY CHALLENGE OF
JUDGE**

Pursuant to Rule 48.1 of the Nevada Supreme Court Rules, Venetian Macau Ltd., a Macau
corporation ("VML") hereby gives notice of its preemptory challenge of the Honorable Elizabeth
Gonzalez.

///

///

On or about October 1, 2015, VML was purportedly served with a summons and copy of the fifth amended complaint. The fifth amended complaint, for the first time, names VML as a defendant. Said service is defective and will be challenged forthwith. VML does not consent to the jurisdiction of this Court.

DATED this 16th day of October, 2015.

CARBAJAL & MCNUTT, LLP

/s/ Dan McNutt

DANIEL R. MCNUTT (SBN 7815)
MATTHEW C. WOLF (SBN 10801)
625 South Eighth Street
Las Vegas, Nevada 89101

Attorneys for Defendant
Venetian Macau Ltd

1 **CERTIFICATE OF MAILING**

2 I HEREBY CERTIFY that pursuant to NRCP 5(b) and EDCR 8.05 on the 16th day of October,
3 2015, I caused service of the foregoing **PEREMPTORY CHALLENGE OF JUDGE** to be made by
4 depositing a true and correct copy of same in the United States Mail, postage fully prepaid, addressed
5 to the following and/or via electronic mail through the Eighth Judicial District Court's E-Filing
6 system to the following at the e-mail address provided in the e-service list:

7 Steve Morris, Esq.
8 Rosa Solis-Rainey, Esq.
9 MORRIS LAW GROUP
10 900 Bank of America Plaza
11 300 South Fourth Street
12 Las Vegas, NV 89101
13 sm@morrislawgroup.com
14 rsr@morrislawgroup.com

15 Michael E. Lackey, Jr., Esq.
16 MAYER BROWN LLP
17 1999 K Street, N.W.
18 Washington, DC 20006
19 mlackey@mayerbrown.com

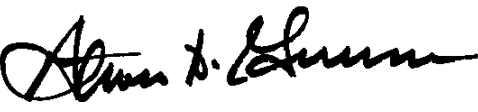
20 James Pisanelli, Esq.
21 Todd Bice, Esq.
22 Debra Spinelli, Esq.
23 Jordan Smith, Esq.
24 PISANELLI BICE PLLC
25 400 South 7th Street, Third Floor
26 Las Vegas, Nevada 89101
27 jip@pisanellibice.com
28 tlb@pisanellibice.com
dls@pisanellibice.com
jts@pisanellibice.com
Attorney for Plaintiff

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

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

/s/ Lisa A. Heller
Employee of Carbajal & McNutt, LLP

DISTRICT COURT
CLARK COUNTY, NEVADA


CLERK OF THE COURT

STEVEN JACOBS, PLAINTIFF(S)

CASE NO: A-10-627691-B

VS.

DEPARTMENT 13

LAS VEGAS SANDS CORP,

DEFENDANT(S)

NOTICE OF DEPARTMENT REASSIGNMENT

NOTICE IS HEREBY GIVEN that the above-entitled action has been randomly reassigned to Judge Mark R. Denton.

☒ This reassignment follows the filing of a Peremptory Challenge of Judge ELIZABETH GONZALEZ..

☐ This reassignment is due to the recusal of Judge . See minutes in file.

☐ This reassignment is due to:

ANY TRIAL DATE AND ASSOCIATED TRIAL HEARINGS STAND BUT MAY BE RESET BY THE NEW DEPARTMENT.

Any motions or hearings presently scheduled in the FORMER department will be heard by the NEW department as set forth below:

Status Conference, on 10-26-15,11-05-15,11-23-15,12-03-15,12-17-15,01-07-16,01-14-16,01-28-16,2-11-16,2-25-16,3-10-16,3-24-16,4-7-16,4-21-16,05-05-16,05-19-16,06-02-16,06-16-16, at 9:00 AM.

Motion to Compel, 11-5-15 at 9:00AM

Motion To Strike, 11-09-15 AT 9:00AM

Motion,11-09-15 AT 9:00AM

1 PLEASE INCLUDE THE NEW DEPARTMENT NUMBER ON ALL FUTURE
2 FILINGS.

STEVEN D. GRIERSON, CEO/Clerk of the Court

3 By: /S/ Ivonne Hernandez

Ivonne Hernandez,
Deputy Clerk of the Court

4
5
6
7 **CERTIFICATE OF SERVICE**

8 I hereby certify that this: 16th day of October, 2015

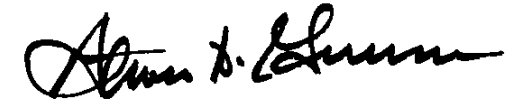
9 ☒ The foregoing Notice of Department Reassignment was electronically served to
all registered parties for case number A-10-627691-B.

10 ☒ I placed a copy of the foregoing NOTICE OF DEPARTMENT
11 REASSIGNMENT in the appropriate attorney folder located in the Clerk of the
Court's Office:

12 James J Pisanelli

/S/ Ivonne Hernandez

13 Ivonne Hernandez,
Deputy Clerk of the Court



CLERK OF THE COURT

MOT

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

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

DISTRICT COURT

CLARK COUNTY, NEVADA

STEVEN C. JACOBS,

Plaintiff,

v.

LAS VEGAS SANDS CORP., a Nevada
corporation; SANDS CHINA LTD., a
Cayman Islands corporation; SHELDON
ADELSON, an individual; VENETIAN
MACAU LTD., a Macau corporation; DOES
I through X; and ROE CORPORATIONS
I through X,

Defendants.

AND RELATED CLAIMS

Case No.: A-10-627691

Dept. No.: XIII

**EMERGENCY MOTION TO STRIKE
UNLAWFUL PEREMPTORY
CHALLENGE OF JUDGE; ORDER
SHORTENING TIME**

Hearing Date: 10-26-15

Hearing Time: 9:00 am

Plaintiff Steven C. Jacobs ("Jacobs") moves to immediately strike the wholly-improper
peremptory challenge filed by Venetian Macau, Ltd. ("VML") against the Honorable Elizabeth
Gonzalez and to remand this action back to Judge Gonzalez where it has been for the past 5 years.
VML purports to be a wholly-owned subsidiary of Defendant Sands China, Ltd. ("Sands China")
which is itself a wholly-controlled subsidiary of Defendant Las Vegas Sands Corp. ("LVSC"). Both
LVSC and Sands China have long waged an illegitimate campaign for the removal of the presiding
judge because she found that they had engaged in a long campaign of "deception," concealing

RECEIVED

28

OCT 19 2015

1 evidence in this case. The Nevada Supreme Court has rejected those illegitimate requests for
2 removal.

3 In furtherance of that illegitimate campaign, VML now claims – despite also claiming that
4 it is not a proper party to this case – that it is entitled under Supreme Court Rule 48.1 to file a
5 peremptory challenge against Judge Gonzalez, even though this case has been pending for years,
6 Judge Gonzalez has entered numerous rulings, Judge Gonzalez has held evidentiary hearings on
7 contested matters, and the case has already been the subject of one appeal. Under the explicit terms
8 of Rule 48.1, there is no ability for the filing of a peremptory challenge by anyone, including VML.
9 Yet, like its co-defendants, VML does not care what the law actually allows, as its goal is to try and
10 sabotage Jacobs' legal rights which is what Sands China and LVSC have been doing for years, as
11 the District Court has already found.

12 Because there are pending motions that Judge Gonzalez is already intensely familiar with,
13 including some over her prior orders, Jacobs moves this Court on an emergency basis to strike this
14 lawless peremptory challenge and reassign the case back to where it belongs.

15 DATED this 19th day of October, 2015.

16 PISANELLI BICE PLLC

17
18 By: /s/ Todd L. Bice
19 James J. Pisanelli, Esq., Bar No. 4027
20 Todd L. Bice, Esq., Bar No. 4534
21 Debra L. Spinelli, Esq., Bar No. 9695
22 Jordan T. Smith, Esq., Bar No. 12097
23 400 South 7th Street, Suite 300
24 Las Vegas, Nevada 89101

25 Attorneys for Plaintiff Steven C. Jacobs
26
27
28

ORDER SHORTENING TIME

Before this Court is the Request for an Order Shortening Time accompanied by the Declaration of counsel. Good cause appearing, the undersigned counsel will appear at Clark County Regional Justice Center, Eighth Judicial District Court, Las Vegas, Nevada, on the 26th day of October, 2015, at 9:00 a.m., in Department XIII, or as soon thereafter as counsel may be heard, to bring this **PLAINTIFF STEVEN C. JACOBS' EMERGENCY MOTION TO STRIKE UNLAWFUL PEREMPTORY CHALLENGE OF JUDGE** on for hearing.

DATED: October 19, 2015


DISTRICT COURT JUDGE

Respectfully submitted by:

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

**DECLARATION OF TODD L. BICE, ESQ. IN SUPPORT OF
ORDER SHORTENING TIME**

I, TODD L. BICE, Esq., being first duly sworn, hereby declare as follows:

1. I am one of the attorneys representing Plaintiff Steven C. Jacobs ("Jacobs") in the action styled *Steven C. Jacobs v. Las Vegas Sands Corp., et al.*, Case No. A656710, pending before this Court. I am competent to testify as to the facts stated herein.

2. I make this Declaration in support of Jacobs' Emergency Motion to Strike Peremptory Challenge and an Order Shortening Time.

3. Jacobs commenced this action in October 2010. The case was ultimately assigned to The Honorable Elizabeth Gonzalez ("Judge Gonzalez").

4. The initial defendants in the action were Sands China, Ltd. ("Sands China") and its controlling parent, Las Vegas Sands Corp. ("LVSC"). Later, Jacobs added the Chairman of both those entities, Sheldon G. Adelson ("Adelson"), pursuant to a claim for defamation.

5. Adelson moved to dismiss the defamation claim against him, which the District Court initially granted. Thereafter, pursuant to NRCP 54(b), an appeal ensued as to the dismissal of Adelson. On May 30, 2014, the Nevada Supreme Court published a decision finding in Jacobs' favor, reversing that ruling and reinstating Jacobs' defamation claim against Adelson.

6. In the meantime, the action before the District Court was bogged down by Sands China's claims – subsequently disproved – as to its purported lack of contacts with Nevada subjecting it to personal jurisdiction here. It took nearly four years to resolve that jurisdictional debate at the District Court level, in no small part because the District Court found that Sands China and LVSC had "deceived" it and Jacobs by concealing the location and their access to evidence. (Ex. 1 ¶ 35(c) & (e).) In fact, the District Court has entered at least two sanctions orders against Sands China and LVSC for their incredible lack of candor and outright deception of the judiciary. (Exs. 1, 2.)

7. In light of the District Court's findings as to their repeated misconduct, the Defendants have long waged a campaign seeking to have the Supreme Court remove Judge

1 Gonzalez from this case. They have filed no less than three writs at the Nevada Supreme Court –
2 Cases No. 68265, 68275 and 68309 – which requested her removal.

3 8. On September 18, 2015, Judge Gonzalez granted Jacobs' motion to add
4 Venetian Macau, Ltd. ("VML") to this case. As Judge Gonzalez heard at the jurisdictional
5 evidentiary hearing concerning Sands China, VML is not actually treated as a separate corporation
6 by the Sands organization. (Exs. 3-5.) As the former Chief Operating Officer of LVSC admitted
7 at that jurisdictional hearing, VML is not treated as an actual corporation, as its board did not govern
8 its affairs. *Id.* The so-called board simply signed whatever paperwork as directed by LVSC's
9 executives in Las Vegas. *Id.* Additionally, LVSC's COO testified that, again at the recent
10 jurisdictional hearing, that the Agreement at issue in this case had been transferred/assigned by
11 LVSC to its controlled so-called entity, VML. Accordingly, the District Court granted Jacobs'
12 motion to formally add VML as a defendant, even though it has been participating in this case since
13 its beginning.

14 9. As Judge Gonzalez has found, Defendant Sands China actually purports to have no
15 employees whatsoever. (Ex. 6 at p.10 n.14.) All of the purported Sands China personnel and
16 documents supposedly really belong to VML. (*Id.*; *see also* Sands China's Mot. Reconsider the Ct.'s
17 March 27, 2013 Order at 19 n.13 ("VML is the data controller . . . [and] it is not clear that SCL has
18 the power to compel VML to violate OPDP's directives.").)

19 10. On October 16, 2015, VML filed a peremptory challenge of Judge Gonzalez pursuant
20 to Supreme Court Rule 48.1. By rule, VML had no ability to file a peremptory challenge, as Judge
21 Gonzalez has entered multiple rulings in this case and the case has already been the subject of an
22 appeal. The rule does not permit peremptory challenges for purposes of forum shopping, which is
23 what the Defendants have been seeking, attempts rebuffed by the Nevada Supreme Court.

24 11. Notably, VML filed this peremptory challenge even though it claims that it has not
25 been properly served and has made no motion contesting service upon it. Instead, VML filed its
26
27
28

1 improper peremptory challenge seeking to remove Judge Gonzalez for the benefit of the other
2 Defendants because of further discovery misconduct of which they are involved.¹

3 12. Because there is pending and forthcoming motion practice involving prior rulings by
4 Judge Gonzalez, Jacobs requests that this matter be heard on an emergency basis and that the
5 improper peremptory challenge be stricken.

6 13. I certify that this Motion for order shortening time is not brought for any improper
7 purpose or to secure delay. To the contrary, it is sought to combat delay and an improper purpose.

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

10 Dated this 19th day of October, 2015.

11 Todd L. Bice
12 TODD L. BICE, ESQ.
13
14
15
16
17
18
19
20
21
22
23
24
25
26

27
28 ¹ The Court can fully expect Sands China, LVSC and Adelson to become the proponents and
defenders of this improper peremptory challenge, since this has been their long-standing agenda,
attacking any judge who confronts their misconduct.

MEMORANDUM OF POINTS AND AUTHROTIES

Supreme Court Rule 48.1 provides in pertinent part:

1. In any civil action pending in a district court, *which has not been appealed from a lower court*, each side is entitled, as a matter of right, to one change of judge by peremptory challenge

* * *

5. A notice of peremptory challenge *may not be filed against any judge who has made any ruling on a contested matter or commenced hearing a contested matter in the action*

(Emphasis added).

As the Nevada Supreme Court has made clear, the availability of a peremptory challenge is narrowly cabined to circumstances by the rule itself, as its use for delay and judge shopping will occur "unless its provisions are strictly construed." *Nevada Pay TV v. Eighth Jud. Dist. Ct.*, 102 Nev. 203, 206, 719 P.2d 797, 798 (1986) (superseded, in part, by rule change). The limitations upon the availability of a peremptory challenge must be strictly adhered to. Thus, if one side does not exercise its peremptory challenge, it is forever waived by all parties on the same side, even those that are later added to the case. *Gallen v. Eighth Jud. Dist. Ct.*, 112 Nev. 209, 213, 911 P.2d 858, 860 (1996) (new party to the action had no ability to assert peremptory challenge which had been waived by failure to exercise by parties on the same side as the newly-added party).²

VML has no ability to file a peremptory challenge in a case that is nearly five years old, where Judge Gonzalez has entered numerous rulings and has heard multiple contested matters – including on the question of personal jurisdiction over LVSC's operations in Macau – and where the case has already been the subject of a prior appeal. *See Turnip Seed v. Truckee-Carson Irr. Dist.*, 116 Nev. 1024, 1030, 13 P.3d 395, 399 (2000) (noting that "SCR 48.1(5) precludes a peremptory challenge against 'any judge who has made any ruling on a contested matter . . . in the action.'" (emphasis omitted).

² The exception to this rule is where a case is reassigned to another judge, such as occurs in consolidation, by means other than through the exercise of peremptory challenge. In that limited circumstance, each side is entitled to exercise a peremptory challenge, provided, of course, that the newly-assigned judge has not issued a ruling on any contested matter. SCR 48.1(5) & (9).

1 This peremptory challenge was not brought in good faith. It was brought for the purposes
2 of judge shopping because these defendants have been caught and found to have deceived the
3 judiciary. They have sought the removal of Judge Gonzalez and the Nevada Supreme Court has
4 rejected that tactic, and for good reason. If judges can be removed from a case for finding
5 misconduct by a party, litigants would be encouraged to engage in misconduct so as to try and
6 remove any judge who dares rule against them. That is all that these Defendants are seeking to do.
7 It is improper, and the peremptory challenge must be stricken under the law and the case returned
8 to Department 11. *See Dept. of Motor Vehicles & Public Safety v. Eighth Jud. Dist. Ct.*, 113 Nev.
9 1338, 1341, 948 P.2d 261, 262 (1997) (Once case is reassigned, newly assigned judge must decide
10 the propriety of that peremptory challenge).

11 DATED this 19th day of October, 2015.

12 PISANELLI BICE PLLC

13
14 By: /s/ Todd L. Bice
15 James J. Pisanelli, Esq., Bar No. 4027
16 Todd L. Bice, Esq., Bar No. 4534
17 Debra L. Spinelli, Esq., Bar No. 9695
18 Jordan T. Smith, Esq., Bar No. 12097
19 400 South 7th Street, Suite 300
20 Las Vegas, Nevada 89101

21 Attorneys for Plaintiff Steven C. Jacobs
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC, and that on this 19th day of October, 2015, I caused to be served via the Court's E-Filing system true and correct copies of the above and foregoing **PLAINTIFF STEVEN C. JACOBS' EMERGENCY MOTION TO STRIKE UNLAWFUL PEREMPTORY CHALLENGE OF JUDGE; ORDER SHORTENING TIME** 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

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

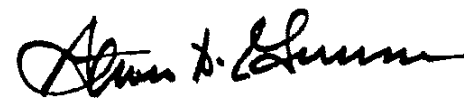
J. Randall Jones, Esq.
Mark M. Jones, Esq.
KEMP, JONES & COULTHARD
3800 Howard Hughes Parkway, 17th Floor
Las Vegas, NV 89169
r.jones@kempjones.com
m.jones@kempjones.com

James Ferguson, Esq.
MAYER BROWN LLP
71 S. Wacker Drive
Chicago, IL 60606
jferguson@mayerbrown.com

Daniel R. McNutt, Esq.
Matthew C. Wolf, Esq.
CARBAJAL & MCNUTT, LLP
625 South Eighth Street
Las Vegas, NV 89101
drm@cmlawnv.com
mcw@cmlawnv.com

/s/ Shannon Thomas
An employee of PISANELLI BICE PLLC

EXHIBIT 1



CLERK OF THE COURT

1 FFCL

2
3 DISTRICT COURT
4 CLARK COUNTY, NEVADA

5 STEVEN JACOBS,

6)
7)
8)
9)
10)
11)
12)
13)
14)
15)
16)
17)
18)
19)
20)
21)
22)
23)
24)
25)
26)
27)
28)
Plaintiff(s),

vs

LAS VEGAS SANDS CORP, ET AL,

Defendants.

Case No. 10 A 627691

Dept. No. XI

Date of Hearing: 09/10-12/12

DECISION AND ORDER

This matter having come on for an evidentiary hearing before the Honorable Elizabeth Gonzalez beginning on September 10, 2012 and continuing day to day, based upon the availability of the Court and Counsel, until its completion on September 12, 2012; Plaintiff Steven Jacobs ("Jacobs") being present in court and appearing by and through his attorney of record, James Pisanelli, Esq., Todd Bice, Esq., and Debra Spinelli, Esq. of the law firm of Pisanelli Bice; Defendant Las Vegas Sands appearing by and through its counsel J. Stephen Peek, Esq. of the law firm of Holland & Hart and counsel for purposes of this proceeding, Samuel Lionel, Esq. and Charles McCrea, Esq., of the law firm of Lionel Sawyer & Collins; Defendant Sands China appearing by and through its counsel J. Stephen Peek, Esq. of the law firm of Holland & Hart, Brad D. Brian, Esq., Henry Weissman, Esq., and John B. Owens, Esq. of the law firm of Munger Tolles & Olson and counsel for purposes of this proceeding, Samuel Lionel, Esq. and Charles McCrea, Esq., of the law firm of Lionel Sawyer & Collins; the Court having read and considered the pleadings filed by the parties and the transcripts of prior hearings; having reviewed the evidence admitted during the trial; and having heard and carefully considered the testimony of the witnesses called to testify; the Court having considered the oral and written arguments of counsel, and with the intent of deciding the limited issues before the Court related to lack of candor and nondisclosure of information to

1 the Court and appropriate sanctions pursuant to EDCR 7.60. The Court makes the following
2 findings of fact and conclusions of law:

3
4 **I.**
PROCEDURAL POSTURE

5 On August 26, 2011, the Nevada Supreme Court issued a stay of proceedings in this
6 matter pending the conduct of an evidentiary hearing and decision on jurisdictional issues
7 related to Sands China. The Court granted Jacobs request to conduct jurisdictional discovery
8 prior to the evidentiary hearing. The order granting the jurisdictional discovery was ultimately
9 entered on March 8, 2012.

10 **II.**
FINDINGS OF FACT¹

11
12 1. Prior to litigation, in approximately August 2010, a ghost image of hard drives
13 of computers used by Steve Jacobs in Macau² and copies of his outlook emails were transferred
14 by way of electronic storage devices (the "transferred data") to Michael Kostrinsky, Esq.,
15 Deputy General Counsel of Las Vegas Sands.³
16
17
18

19 ¹ Counsel for Las Vegas Sands objected on the basis of attorney client privilege to a majority of the
20 questions asked of the counsel who testified during the evidentiary hearing. Almost all of those
21 objections were sustained. While numerous directions not to answer on the basis of attorney client
22 privilege and the attorney work product were made by counsel for Las Vegas Sands, sustained by the
23 Court, and followed by the witnesses, sufficient information was presented through pleadings already in
24 the record and testimony of witnesses without the necessity of the Court drawing inferences related to
25 the assertion of those privileges. See generally, Francis v. Wynn, 127 NAO 60 (2011). The Court also
26 rejects Plaintiff's suggestion that adverse presumptions should be made by the Court as a result of the
27 failure of Las Vegas Sands to present explanatory evidence in its possession and declines to make any
28 presumptions which might arguably be applicable under NRS Chapter 47.

² There is an issue that has been raised regarding the current location of those computers and hard
drives from which the ghost image was made. The Court does not in this Order address any issues
related to those items.

³ According to a status report filed by Las Vegas Sands on July 6, 2012, there were other transfers of
electronically stored data. Based upon testimony elicited during the evidentiary hearing, counsel was
unaware of those transfers prior to the preparation and filing of the status report.

1 2. Kostrinsky requested this information in anticipation of litigation with Jacobs
2 after learning of receipt of a letter by then general counsel for Las Vegas Sands from Don
3 Campbell.

4 3. This transferred data was placed on a server at Las Vegas Sands and was
5 initially reviewed by Kostrinsky.

6 4. The attorneys for Sands China at the Glaser Weil firm were aware of the
7 existence of the transferred data on Kostrinsky's computer from shortly after their retention in
8 November 2010.

9 5. The transferred data was reviewed in Kostrinsky's office by attorneys from
10 Holland & Hart.

11 6. On April 22, 2011, in house counsel for Sands China, Anne Salt, participated in
12 the Rule 16 conference by videoconference and responded to inquiry by the Court related to
13 electronically stored information and confirmed preservation of the data.

14 7. At no time during the Rule 16 conference did Ms. Salt or anyone on behalf of
15 Sands China advise the Court of the potential impact of the Macau Personal Data Privacy Act
16 (MDPA) upon discovery in this litigation.

17 8. Following the Rule 16 conference with the Court, the parties filed a Joint Status
18 Report on April 22, 2011, in which they agreed that the initial disclosure of documents
19 pursuant to NRCP 16.1 would be made by Sands China and Las Vegas Sands prior to July 1,
20 2011. The MDPA is not mentioned in the Joint Status Report as potentially affecting
21 discovery in this litigation.

22 9. Following the Rule 16 conference, no production or other identification of the
23 information from the transferred data was made.

24 10. Beginning with the motion filed May 17, 2011, Sands China and Las Vegas
25 Sands raised the MDPA as a potential impediment (if not a bar) to production of certain
26 documents.
27
28

1 11. At a hearing on June 9, 2012, counsel for Sands China represented to the Court
2 that the documents subject to production were in Macau; were not allowed to leave Macau;
3 and, had to be reviewed by counsel for Sands China in Macau prior to requesting the Office of
4 Personal Data Protection in Macau for permission to release those documents for discovery
5 purposes in the United States.

6 12. At the time of the representation made on June 9, 2012, the transferred data had
7 already been copied; the copy removed from Macau; and reviewed in Las Vegas by
8 representatives of Las Vegas Sands.

9 13. The transferred data was stored on a Las Vegas Sands shared drive totaling 50 –
10 60 gigabytes of information.

11 14. Prior to July 2011, Las Vegas Sands had full and complete access to documents
12 in the possession of Sands China in Macau through a network to network connection.

13 15. Beginning in approximately July 2011, Las Vegas Sands access to Sands China
14 data changed as a result of corporate decision making.

15 16. Prior to the access change, significant amounts of data from Macau related to
16 Jacobs was transported to the United States and reviewed by in house counsel for Las Vegas
17 Sands and outside counsel, and placed on shared drives at Las Vegas Sands.

18 17. At no time did Las Vegas Sands or Sands China disclose the existence of this
19 data to the Court.⁴

20 18. At no time did Las Vegas Sands or Sands China provide a privilege log
21 identifying documents which it contended were protected by the MDPA which was discussed
22 by the Court on June 9, 2011.
23
24
25
26

27 ⁴ While Las Vegas Sands contends that a disclosure was made on June 9, 2011, this is inconsistent with
28 other actions and statements made to the Court including the June 27, 2012 status report, the June 28,
2012 hearing and the July 6, 2012 status report.

1 19. For the first time on June 27, 2012, in a written status report, Las Vegas Sands
2 and Sands China advised the Court that Las Vegas Sands was in possession of over 100,000
3 emails and other ESI that had been transferred "in error".

4 20. In the June 27, 2012 status report, Las Vegas Sands admits that it did not
5 disclose the existence of the transferred data because it wanted to review the Jacobs ESI.⁵

6 21. Any finding of fact stated hereinabove that is more appropriately deemed a
7 conclusion of law shall be so deemed.

8 **III.**
9 **CONCLUSIONS OF LAW**

10 22. The MDPA and its impact upon production of documents related to discovery
11 has been an issue of serious contention between the parties in motion practice before this Court
12 since May 2011.

13 23. The MDPA has been an issue with regards to documents, which are the subject
14 of the jurisdictional discovery.

15 24. At no time prior to June 28, 2012, was the Court informed that a significant
16 amount of the ESI in the form of a ghost image relevant to this litigation had actually been
17 taken out of Macau in July or August of 2010 by way of a portable electronic device.

18 25. EDCR Rule 7.60 provides in pertinent part:

19 * * *

20 (b) The court may, after notice and an opportunity to be heard, impose upon an
21 attorney or a party any and all sanctions which may, under the facts of the case, be reasonable,
22 including the imposition of fines, costs or attorney's fees when an attorney or a party without
23 just cause:

24 * * *

25 (3) So multiplies the proceedings in a case as to increase costs unreasonably
26 and vexatiously.

27
28 ⁵ The Court notes that there have also been significant issues with the production of information from
Jacobs. On appropriate motion the Court will deal with those issues.

1 26. As a result of the failure to disclose the existence of the transferred data, the
2 Court conducted needless hearings on the following dates which involved (at least in part) the
3 MDPA issues:

4 May 26, 2011

5 June 9, 2011

6 July 19, 2011

7 September 20, 2011⁶

8 October 4, 2011⁷

9 October 13, 2011

10 January 3, 2012

11 March 8, 2012

12 May 24, 2012

13 27. The Court concludes after hearing the testimony of witnesses that the 100,000
14 emails and other ESI were not transferred in error, but was purposefully brought into the
15 United States after a request by Las Vegas Sands for preservation purposes.

16 28. The transferred data is relevant to the evidentiary hearing related to jurisdiction,
17 which the Court intends to conduct.

18 29. The change in corporate policy regarding Las Vegas Sands access to Sands
19 China data made during the course of this ongoing litigation was made with an intent to
20 prevent the disclosure of the transferred data as well as other data.⁸

21 30. The Defendants concealed the existence of the transferred data from this Court.
22
23

24 _____
25 ⁶ This hearing was conducted in a related case, A648484.

26 ⁷ This hearing was conducted in a related case, A648484.

27 ⁸ While the Court recognizes that several other legal proceedings related to certain allegations made by
28 Jacobs were commenced during the course of this litigation including subpoenas from the SEC and DOJ,
this does not excuse the failure to disclose the existence of the transferred data; the failure to identify the
transferred data on a privilege log, or the failure produce of the transferred data in this matter.

1 31. As the transferred data had already been reviewed by counsel, the failure to
2 disclose the existence of this transferred data to the Court caused repeated and unnecessary
3 motion practice before this Court.

4 32. The lack of disclosure appears to the Court to be an attempt by Defendants to
5 stall the discovery, and in particular, the jurisdictional discovery in these proceedings.

6 33. Given the number of occasions the MDPA and the production of ESI by
7 Defendants was discussed there can be no other conclusions than that the conduct was
8 repetitive and abusive.

9 34. The conduct however does not rise to the level of striking pleadings as exhibited
10 in the Foster v. Dingwall, 227 P.3d 1042 (Nev. 2010) or the entry of default as in Goodyear v.
11 Bahena, 235 P.3d 592 (Nev. 2010) cases.⁹

12 35. After evaluating the factors in Ribiero v. Young, 106 Nev. 88 (1990), the Court
13 finds:
14

15 a. There are varying degrees of willfulness demonstrated by the
16 Defendants and their agents in failing to disclose the transferred data to Plaintiff ranging from
17 careless nondisclosure to knowing, willful and intentional conduct with an intent to prevent the
18 Plaintiff access to information discoverable for the jurisdictional proceedings;¹⁰

19 b. There are varying degrees of willfulness demonstrated by the
20 Defendants and their agents ranging from careless nondisclosure to knowing, willful and
21 intentional conduct in concealing the existence of the transferred data and failing to disclose
22 the transferred data to the Court with an intent to prevent the Court ruling on the
23 discoverability for purposes of the jurisdictional proceedings;

24
25
26
27 ⁹ The Court recognizes no factors have been provided to guide in the evaluation of sanctions for conduct
in violation of EDCR 7.60, but utilizes cases interpreting Rule 37 violations as instructive.

28 ¹⁰ As a result of the stay, the court does not address the discoverability of the transferred data and the
effect of the conduct related to the entire case.

1 c. The repeated nature of Defendants and Defendants' agents conduct in
2 making inaccurate representations over a several month period is further evidence of the
3 intention to deceive the Court;

4 d. Based upon the evidence currently before the Court it does not appear
5 that any evidence has been irreparably lost;¹¹

6 e. There is a public policy to prevent further abuses and deter litigants from
7 concealing discoverable information and intentionally deceiving the Court in an attempt to
8 advance its claims; and

9 f. The delay and prejudice to the Plaintiff in preparing his case is
10 significant, however, a sanction less severe than striking claims, defenses or pleadings can be
11 fashioned to ameliorate the prejudice.

12 36. The Court after evaluation of the evidence and testimony, weighing the factors
13 and evaluating alternative sanctions determines that evidentiary and monetary sanctions are an
14 alternative less severe sanction to address the conduct that has occurred in this matter.

15 37. Any conclusion of law stated hereinabove that is more appropriately deemed a
16 finding of fact shall be so deemed.

17 IV.

18 ORDER

19 Therefore the Court makes the following order:

20 a. For purposes of jurisdictional discovery and the evidentiary hearing related to
21 jurisdiction, Las Vegas Sands and Sands China will be precluded from raising the MDPA as an
22 objection or as a defense to admission, disclosure or production of any documents.¹²
23
24
25

26 ¹¹ There is an issue that has been raised regarding the current location of those computers and hard drives
27 from which the ghost image was made. The Court does not in this Order address any issues related to
28 those items.

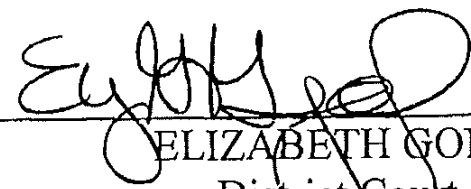
¹² This does not prevent the Defendants from raising any other appropriate objection or privilege.

1 b. For purposes of jurisdictional discovery and the evidentiary hearing related to
2 jurisdiction, Las Vegas Sands and Sands China are precluded from contesting that Jacobs ESI
3 (approx. 40 gigabytes) is not rightfully in his possession.¹³
4

5 c. Defendants will make a contribution of \$25,000 to the Legal Aid Center of
6 Southern Nevada.

7 d. Reasonable attorneys' fees of Plaintiff will be awarded upon filing an
8 appropriate motion for those fees incurred in conjunction with those portions of the hearings
9 related to the MDPA identified in paragraph 26.
10

11 Dated this 14th day of September, 2012

12
13 
14 ELIZABETH GONZALEZ
District Court Judge

15 **Certificate of Service**

16 I hereby certify that on or about the date filed, this document was copied through e-
17 mail, or a copy of this Order was placed in the attorney's folder in the Clerk's Office or mailed
18 to the proper person as follows:
19

20 J. Stephen Peek, Esq. (Holland & Hart)

21 Samuel Lionel, Esq. (Lionel Sawyer & Collins)

22 Brad D. Brian Esq. (Munger Tolles & Olson)

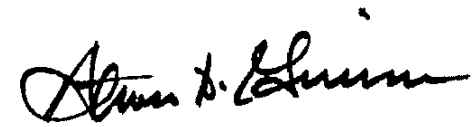
23 James J. Pisanelli, Esq. (Pisanelli Bice)
24
25
26
27



Dan Kutinac

28 ¹³ This does not prevent the Defendants from raising any other appropriate objection or privilege.

EXHIBIT 2



CLERK OF THE COURT

NOED

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

JJP@pisanellibice.com

Todd L. Bice, Esq., Bar No. No. 4534

TLB@pisanellibice.com

Debra L. Spinelli, Esq., Bar No. 9695

DLS@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

DISTRICT COURT

CLARK COUNTY, NEVADA

STEVEN C. JACOBS,

Plaintiff,

v.

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.

Case No.: A-10-627691

Dept. No.: XI

**NOTICE OF ENTRY OF DECISION
AND ORDER**

Hearing Date: 02/09-12/2015 and
03/02-03/2015

AND RELATED CLAIMS

PLEASE TAKE NOTICE that a "Decision and Order" was entered in the above-captioned matter on March 6, 2015, a true and correct copy of which is attached hereto.

DATED this 6th day of March, 2015.

PISANELLI BICE PLLC

By: /s/ Todd L. Bice

James J. Pisanelli, Esq., #4027

Todd L. Bice, Esq., #4534

Debra L. Spinelli, Esq. #9695

400 South 7th Street, Suite 300

Las Vegas, Nevada 89101

Attorneys for Plaintiff Steven C. Jacobs

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

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC, and that on this 6th day of March, 2015, I caused to be served via the Court's E-Filing system, true and correct copies of the above and foregoing **NOTICE OF ENTRY OF DECISION AND ORDER** properly addressed to the following:

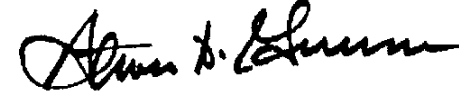
J. Stephen Peek, Esq.
Robert J. Cassity, Esq.
HOLLAND & HART
9555 Hillwood Drive, Second Floor
Las Vegas, NV 89134
speek@hollandhart.com
rcassity@hollandhart.com

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
jrj@kempjones.com
mmj@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/ Shannon Thomas
An employee of PISANELLI BICE PLLC



CLERK OF THE COURT

FFCL

DISTRICT COURT
CLARK COUNTY, NEVADA

STEVEN JACOBS,

Plaintiff(s),

vs

LAS VEGAS SANDS CORP, ET AL,

Defendants.

Case No. 10 A 627691

Dept. No. XI

Date of Hearing: 02/09-12/2015
and 03/02-03/2015

DECISION AND ORDER

This matter having come on for an evidentiary hearing related to Plaintiff Steven C. Jacobs' ("Jacobs") Renewed Motion for NRCP 37 Sanctions for violating this Court's September 14, 2012 sanctions order¹ before the Honorable Elizabeth Gonzalez beginning on February 9, 2015 and continuing, based upon the availability of the Court and Counsel, until its completion on March 3, 2015; Plaintiff Steven Jacobs ("Jacobs") being present in court and appearing by and through his attorney of record, James J. Pisanelli, Esq., Todd L. Bice, Esq., Debra L. Spinelli, Esq., and Jordan T. Smith, Esq., of the law firm Pisanelli Bice PLLC; Sands China Ltd. ("SCL") appearing by and through its attorney of record J. Stephen Peek, Esq. of

¹ Jacobs filed his motion on February 8, 2013. When hearing Jacobs' motion, the Court determined that "Jacobs ha[d] made a prima facie showing as to a violation of this Court's orders which warrants an evidentiary hearing." (Order Regarding Pl.'s Renewed Mot. for NRCP 37 Sanctions on OST, March 27, 2013, p. 2.) The Court found, "Sands China violated this Court's September 14, 2012 Order by redacting personal data from its January 4, 2013 document production based upon the MPDPA" (Id.) Accordingly, the Court determined that an evidentiary hearing was appropriate. However, before that evidentiary hearing could be held, Sands China sought extraordinary relief before the Nevada Supreme Court, contending that it could not be sanctioned for what it claimed was complying with a foreign law. After the Nevada Supreme Court denied the requested petition for extraordinary relief on August 7, 2014, Las Vegas Sands v. Eighth Judicial District Court, 130 Nev. Adv. Op. 61, 331 P.3d 876, 877 (2014), the evidentiary hearing was scheduled for February 9, 2015. The hearing lasted longer than anticipated and concluded on the sixth day with argument on March 3, 2015.

RECEIVED
MAR 06 2015
CLERK OF THE COURT

1 the law firm Holland & Hart LLP and Randall Jones, Esq., Mark M. Jones, Esq., and Ian P.
2 McGinn, Esq. of the law firm Kemp, Jones & Coulthard, LLP; Defendants Las Vegas Sands
3 Corp. ("LVSC") appearing by and through its attorney of record J. Stephen Peek, Esq. of the
4 law firm Holland & Hart LLP; and Defendant Sheldon G. Adelson ("Adelson") appearing by
5 and through his attorney of record, Steve Morris, Esq. and Rosa Solis Rainey, Esq. of the
6 Morris Law Group; the Court having read and considered the pleadings filed by the parties;
7 reviewed transcripts of prior hearings; having reviewed the evidence admitted during the
8 evidentiary hearing; and having heard and carefully considered the testimony of the witnesses
9 called to testify; the Court having considered the oral and written arguments of counsel, and
10 with the intent of deciding the limited issues before the Court related to appropriate sanctions,
11 if any, pursuant to NRCP 37, related to SCL's decision to produce documents with MDPA
12 redactions in violation of this Court's prior sanctions order² makes the following findings of
13 fact and conclusions of law:

14 **I.**
15 **PROCEDURAL POSTURE**

16 On August 26, 2011, the Nevada Supreme Court issued a stay of certain proceedings in
17 this matter pending the conduct of an evidentiary hearing and decision on jurisdictional issues
18 related to SCL. The Court granted Jacobs request to conduct jurisdictional discovery prior to
19 the evidentiary hearing. The order granting the jurisdictional discovery was ultimately entered
20 on March 8, 2012. Due to numerous discovery disputes and stays³ relating to petitions for
21 extraordinary relief, to date, the Court has been unable to conduct the evidentiary hearing on
22 jurisdiction.

23 _____
24 ² The Court incorporates certain findings and conclusions made following the September
25 2012 hearing relevant to the issues raised in this second sanctions hearing.

26 ³ The parties have not agreed that the stays issued act as a tolling or extension of the period
27 under NRCP Rule 41e. As such, the Court has informed the parties that, immediately upon the
28 conclusion of the jurisdiction hearing, scheduled to commence on April 20, 2015, it plans to set
the trial of this matter prior to the earliest expiration of the period under NRCP Rule 41e,
October 19, 2015.

1 On February 8, 2013, Plaintiff filed a Renewed Motion for NRCP 37 Sanctions on
2 Order Shortening Time ("Renewed Motion") asserting that SCL had violated the Court's
3 December 18, 2012 Order and its September 14, 2012 Sanctions Order by producing
4 documents with MDPA redactions. In its February 25, 2013 Opposition to that motion, SCL
5 erroneously claimed that the Court had expressly permitted it to redact personal data to comply
6 with the MDPA and identified the steps that had been taken to mitigate the effects of the
7 personal data redactions. SCL explained that LVSC had located 2100 duplicates of the
8 redacted documents in the U.S. and had produced them in unredacted form. In addition, the
9 Macanese lawyers who did the redactions created a redaction log that identified the entity that
10 employed the individuals whose personal data was redacted.

11 At a hearing held on February 28, 2013 (and in an Order entered on March 27, 2013),
12 the Court found that SCL had violated its September 14, 2012 order by redacting personal data
13 from its January 4, 2013 production based on the MDPA, and it set a date for a hearing to
14 "determine the degree of willfulness related to those redactions and the prejudice, if any,
15 suffered by Jacobs." (3/27/13 Order at 2:14-18). The Court also ordered SCL to search and
16 produce the documents of all 20 custodians relevant to jurisdictional discovery by April 12,
17 2013. The Order provided that the Defendants "are precluded from redacting or withholding
18 documents based upon the MPDPA." (Id. at 3:2-3).

19 On April 8, 2013, Defendants filed a Writ of Prohibition or Mandamus regarding the
20 Court's March 27, 2013 Order with the Nevada Supreme Court. While that writ was pending,
21 the Court stayed its March 27 Order to the extent that it required the additional production of
22 documents from Macau.

23 After briefing and oral argument, the Supreme Court denied the Petition on August 7,
24 2014. The Court concluded that its intervention would be premature before this Court decided
25 if, or the extent to which, sanctions were warranted. However, the Court outlined a number of
26 factors this Court must consider in deciding "what sanctions, if any, are appropriate" in light of
27 SCL's redaction of personal information from documents it produced out of Macau in January
28

1 2013. (August 7 Order at 10). Those factors include: “(1) ‘the importance to the investigation
2 or litigation of the documents or other information requested’; (2) ‘the degree of specificity of
3 the request’; (3) ‘whether the information originated in the United States’; (4) ‘the availability
4 of alternative means of securing the information’; and (5) ‘the extent to which noncompliance
5 with the request would undermine important interests of the United States or compliance with
6 the request would undermine importance interests of the state where the information is
7 located.’” *Id.* at 7-8.

8 **II.**

9 **FINDINGS OF FACT**

10 1. SCL is a publicly held Cayman Island corporation, which is listed on the Hong
11 Kong Stock Exchange. SCL’s initial public offering was in November 2009. LVSC owns
12 approximately 70% of SCL’s stock. (3d Am. Compl. ¶ 3).

14 2. SCL’s indirect subsidiary, Venetian Macau Ltd. (“VML”), owns a gaming
15 subconcession in Macau and owns and operates a number of resort and casino properties there.

16 3. Jacobs was SCL’s CEO until he was terminated on or about July 23, 2010. On
17 October 20, 2010, Plaintiff filed this suit against SCL and LVSC.

18 4. SCL moved to dismiss the complaint for (among other things) lack of personal
19 jurisdiction.
20

21 5. After this Court denied SCL’s motion to dismiss, SCL sought an extraordinary
22 writ in the Nevada Supreme Court. The Nevada Supreme Court issued an Order Granting
23 Petition for Mandamus on August 26, 2011. That Order directed this Court to “revisit the issue
24 of personal jurisdiction” over SCL “by holding an evidentiary hearing and issuing findings
25 regarding general jurisdiction.” The Order further directed this Court to “stay the underlying
26 action, except for matters relating to a determination of personal jurisdiction” until that task was
27 completed. *Id.*
28

1 6. Prior to litigation, in approximately August 2010, certain electronically stored
2 information including a ghost image of hard drives of computers used by Steve Jacobs in Macau
3 and copies of his outlook emails were transferred by way of electronic storage devices (the
4 “transferred data”)⁴ to Michael Kostrinsky, Esq., Deputy General Counsel of LVSC.
5

6 7. Kostrinsky requested this information in anticipation of litigation with Jacobs
7 after learning of receipt of a letter by then general counsel for LVSC from Don Campbell.

8 8. This transferred data was placed on a server at LVSC and was initially reviewed
9 by Kostrinsky.

10 9. The attorneys for SCL at the Glaser Weil firm were aware of the existence of the
11 transferred data on Kostrinsky’s computer from shortly after their retention in November 2010.
12

13 10. The transferred data was reviewed in Kostrinsky’s office by attorneys from
14 Holland & Hart.

15 11. On April 22, 2011, in house counsel for SCL, Anne Salt, participated in the
16 Rule 16 conference by videoconference and responded to inquiry by the Court related to
17 electronically stored information and confirmed preservation of the data.⁵
18

19
20 ⁴ Some of the original devices on which this electronically stored information was
21 transported are in the Court’s evidence vault. Exhibit 217.

22 ⁵ The order scheduling the Rule 16 conference provided in pertinent part:

23 C. The purpose of this conference is to expedite settlement or other appropriate disposition
24 of the case. Counsel/parties in proper person must be prepared to discuss the following:
25 (1) status of 16.1 settlement discussions and a review of possible court assistance;
26 (2) alternative dispute resolution appropriate to this case;
27 (3) simplification of issues;
28 (4) the nature and timing of all discovery;
 (5) an estimate of the volume of documents and/or electronic information likely to be
the subject of discovery in the case from parties and nonparties and whether there are
technological means, including but not limited to production of electronic images rather
than paper documents and any associated protocol, that may render document discovery
more manageable at an acceptable cost;

1 12. At no time during the Rule 16 conference did Ms. Salt or anyone on behalf of
2 SCL advise the Court of the potential impact of the Macau Personal Data Privacy Act (MDPA)
3 upon discovery in this litigation.

4 13. Following the Rule 16 conference with the Court, the parties filed a Joint Status
5 Report on April 22, 2011, in which they agreed that the initial disclosure of documents pursuant
6 to NRCP 16.1 would be made by SCL and LVSC prior to July 1, 2011. The MDPA is not
7 mentioned in the Joint Status Report as potentially affecting discovery in this litigation.
8

9 14. Following the Rule 16 conference, no production or other identification of the
10 information from the transferred data was made.⁶
11

12 15. Beginning on May 13, 2011, representatives of VML had a number of
13 communications and meetings with the Macau's Office of Personal Data Protection ("OPDP")
14 regarding the collection, review, and transfer of documents in Macau to respond to discovery
15 requests in this case and subpoenas issued by U.S. government authorities. (SCL Ex. 346).
16

17 16. Beginning with the motion filed May 17, 2011, SCL and LVSC raised the MDPA
18 as a potential impediment to production of certain documents.
19
20
21

22
23 (6) identify any and all document retention/destruction policies including electronic
24 data;

25 (7) whether the appointment of a special master or receiver is necessary and/or may
26 aid in the prompt disposition of this action;

27 (8) any special case management procedures appropriate to this case;

28 (9) trial setting; and

 (10) other matters as may aid in the prompt disposition of this action.

⁶ Despite the testimony of Jason Ray, it is unclear whether the search terms were ever run
for the custodians for which electronically stored information exists on the transferred data and
what, if any, production was made from the transferred data.

1 17. Sometime after Jacobs commenced this action in October 2010, the United States
2 Securities and Exchange Commission, issued at least one subpoena to LVSC seeking
3 information, some of which was located in Macau.

4 18. LVSC's general counsel, Ira Raphaelson, emphasized the seriousness in which
5 LVSC and SCL took their obligations relative to the United States government's requirements.
6 In response, the LVSC Board of Directors voted to vest the "full power of the Board" with
7 LVSC's audit committee. That committee was then empowered to engage the O'Melveny and
8 Myers law firm ("O'Melveny") as legal counsel to address the United States' requests.

9 19. Raphaelson recalled conferring with David Fleming, SCL's General Counsel.
10 Raphaelson claims that he wanted to ensure that "maximum access" was given to information
11 that SCL possessed.

12 20. As part of Raphaelson's "maximum access" discussion, O'Melveny lawyers from
13 the United States were sent to Macau and given access to SCL's files and servers to conduct
14 searches for information. Raphaelson testified that "a number of consents" were obtained under
15 the MDPA so that O'Melveny would have access to documents and be able to interview
16 executives in Macau. Raphaelson indicated that the company was even willing to provide
17 separate independent legal counsel for any Macau personnel if they so desired. Raphaelson
18 could not recall the number of consents obtained.

19 21. One of those Macau executives interviewed by O'Melveny was Ben Toh, SCL's
20 Chief Financial Officer and a member of SCL's Board of Directors. Toh recalled that he was
21 interviewed by the O'Melveny lawyers sometime in 2011. During that interview, he was shown
22 documents. While he could not recall all of the specifics, he did believe that some of the
23 documents.

1 documents were emails that originated in Macau and what he was shown was in an unredacted
2 form.

3 22. U.S. lawyers were allowed to review unredacted documents in Macau, but the
4 record is incomplete as to what those documents were and whether any of those documents were
5 brought back to the United States. Raphaelson acknowledged that O'Melveny made at least two
6 presentations concerning its review where members of the Nevada Gaming Control Board,
7 gaming regulatory bodies from Pennsylvania and Singapore, and at least one U.S. federal law
8 enforcement official were present. Raphaelson asserted privilege as to the nature of those
9 presentations, except to affirmatively assert that no documents from Macau or any summaries
10 were disclosed.⁷

11
12
13 23. In December 2011, Plaintiff served Requests for Production of Documents
14 ("RFPs") to SCL and LVSC based on the categories of documents the Court had permitted him
15 to discover during jurisdictional discovery.

16
17 24. SCL and LVSC served their respective responses and objections to the RFPs on
18 January 23 and January 30, 2012. (SCL Exs. 302 and 307).

19 25. On March 22, 2012, this Court entered a Stipulated Confidentiality Agreement
20 and Protective Order that, among other things, specifically allowed the parties to redact
21 information to comply with foreign data protection laws, including the MDPA.

22
23 26. At a hearing on June 9, 2012, counsel for SCL represented to the Court that the
24 documents subject to production were in Macau; were not allowed to leave Macau; and, had to
25 be reviewed by counsel for SCL in Macau prior to requesting the OPDP for permission to release
26 those documents for discovery purposes in the United States.

27
28

⁷ The Court anticipates further briefing on this issue.

1 27. At the time of the representation made on June 9, 2012, the transferred data had
2 already been copied; the copy removed from Macau; and reviewed in Las Vegas by
3 representatives of LVSC.

4 28. In contrast to what SCL and LVSC have repeatedly told this Court in the past, the
5 evidence presented at this hearing demonstrates that U.S. lawyers were given access to SCL's
6 Macau data and were allowed to review it and use it for their purposes.

7 29. The transferred data was stored on a LVSC shared drive totaling 50 – 60
8 gigabytes of information.

9 30. Prior to July 2011, LVSC had full and complete access to documents in the
10 possession of SCL in Macau through a network-to-network connection.

11 31. Beginning in approximately July 2011, LVSC access to SCL data changed
12 because of corporate decision-making.

13 32. Prior to the access change, significant amounts of data from Macau related to
14 Jacobs was transported to the United States and reviewed by in house counsel for LVSC and
15 outside counsel, and placed on shared drives at LVSC.

16 33. On June 27, 2012, in a written status report, LVSC and SCL advised the Court
17 that LVSC was in possession of over 100,000 emails and other electronically stored
18 information that had been transferred “in error”.

19 34. In the June 27, 2012 status report, LVSC admits that it did not disclose the
20 existence of the transferred data because it wanted to review the Jacobs electronically stored
21 information.

22 35. On September 14, 2012, this Court entered a Decision and Order (“September
23 2012 Order”) following an evidentiary hearing, stemming from a lack of candor to this Court by
24 SCL and LVSC as to the location of, and their access to, discoverable information, claiming that
25 the MDPA excused their compliance with discovery.
26
27
28

1 36. Based upon the evidence adduced, this Court found in the September 2012 Order
2 that LVSC and SCL's "lack of disclosure appears to the Court to be an attempt to stall discovery,
3 and in particular, the jurisdictional discovery in these proceedings Given the number of
4 occasions the MPDPA and the production of electronically stored information by Defendants
5 was discussed there can be no other conclusion that that the conduct was repetitive and abusive."
6 The Court found "willful and intentional conduct with an intent to prevent" Jacobs and the Court
7 from accessing, and ruling upon, discoverable information in the jurisdictional proceedings. (*Id.*
8

9 37. As an ameliorative sanction, this Court ordered that "[f]or jurisdictional discovery
10 and the evidentiary hearing related to jurisdiction, LVSC and SCL will be precluded from raising
11 the MDPA as an objection or as a defense to admission, disclosure or production of any
12 documents."⁸ They were further sanctioned \$25,000 and required to cover Jacobs' reasonable
13 attorneys' fees. LVSC and SCL "did not challenge" this Court's September 2012 Order – which
14 precluded their use of the MDPA in jurisdictional discovery – with the Nevada Supreme Court.⁹
15

16 38. SCL has continued to identify the MDPA as a basis for not complying with its
17 discovery obligations and has redacted all so-called personal data – the names and personal
18 identifiers including email addresses – on all documents produced from Macau.
19

20 39. Raphaelson could not recall the substance of the input he provided to Fleming
21 concerning compliance with the September 2012 Order.
22

23 40. In October 2012, SCL retained new counsel. SCL's new counsel informed
24 Plaintiff's counsel that they intended to travel to Macau and requested a meet-and-confer
25

26 ⁸ In the September 2012 Order, the Court recognized that this restriction did not prevent
27 the Defendants from raising any other appropriate objection or privilege

28 ⁹ *Las Vegas Sands v. Eighth Jud. Dist. Ct.*, 130 Nev. Adv. Op. 61, 331 P.3d 876, 878
(2014).

1 regarding "the custodians for whom information should be reviewed and the search terms to be
2 used to identify potentially responsive jurisdictional information from those custodians." (SCL
3 Ex. 99).

4
5 41. Fleming testified that he obtained input from not only Raphaelson, but also
6 attorneys Robert Rubenstein, Randall Jones, Mark¹⁰ Jones, Mike Lackey, Wyn Hughes, and
7 Ricardo Silva in determining his course of action. (Day 1, pp. 152-56.) Based upon the input he
8 received, Fleming claims that he made the decision not to comply with the September 2012
9 Order and that the decision is one thus based in "good faith".

10
11 42. Mr. Fleming personally met with the OPDP about a dozen times before the
12 Court's September 14, 2012 Order. (2/9/15 Hearing Tr. at 169:12). He testified that he obtained
13 advice from Macanese lawyers and approached the OPDP "to see how we could overcome what
14 I perceived to be a potential problem in delivering documents which had personal data." (*Id.* at
15 140:5-25). The OPDP took the position that "under no circumstances could data of a personal
16 nature be transmitted to Las Vegas in accordance with any requirement imposed on SCL"
17 without either the consent of the data subject or OPDP's approval. (2/9/15 Hearing Tr. at 141:1-
18 18).

19
20 43. VML made several attempts to secure OPDP's approval, arguing that (as the data
21 controller) it had a legitimate reason for processing personal data to search for responsive
22 documents and for transferring that data outside of Macau. It also suggested that, insofar as this
23 case is concerned, the interests of the data subjects could be protected through a protective order.
24 In letters issued in October 2011 and again in August 8, 2012, the OPDP rejected VML's
25 arguments. It noted that the litigation was not pending in Macau, that VML was not a party to
26
27

28

10 It appears the transcript inadvertently states "Mike."

1 the litigation, and that VML had no legal obligation to respond. Under those circumstances, the
2 OPDP took the position in its August 8, 2012 letter that VML did not have “the legitimacy” even
3 to process the data, let alone to transfer it. (SCL Ex. 333 at 13, 15). The OPDP also rejected the
4 argument that sufficient protection existed in the U.S. to allow the transfer. *See id.* at 14-15, 19-
5 20. And while the OPDP suggested that data could be transferred with consent of the data
6 subject, it warned that the consent had to be “freely” given, “specific” and “informed” and that,
7 particularly in the employment relationship, it was important to ensure that the data subject was
8 not “influenced by his or her employer” and was able to freely make a choice to consent or not.
9 *Id.* at 10-11.

12 44. After Defendants informed this Court of the 2010 transfer of Jacobs’ data from
13 Macau to LVSC in Las Vegas, Mr. Fleming had series of conversations with the OPDP about the
14 situation. He described the OPDP as being “furious” about the transfer and noted the public
15 statements Macau’s secretary of finance made at about that time stating that under no
16 circumstances should there be any breach of Macau law with respect to data privacy issues and
17 that Macau had a “zero tolerance” policy with respect to such breaches. (*Id.* at 143:14-144:2;
18 2/10/15 Hearing Tr. at 231:14-21). The OPDP opened up an investigation of VML and
19 ultimately fined it for allowing Jacobs’ electronically stored information to be transferred to Las
20 Vegas. (2/10/15 Tr. at 228:13-229:22).

23 45. After a further discussion with the OPDP in or about October 2012, which was
24 attended by U.S. counsel for SCL, and a letter submitted in November 2012, the OPDP
25 eventually stepped back from the position it had taken in August 2012 that precluded VML from
26 even searching documents that contained personal data. The OPDP agreed to allow such
27 searches to take place, so long as Macanese lawyers reviewed the documents that were identified
28

1 as responsive. The OPDP rejected the suggestion that Hong Kong lawyers could do so and
2 reiterated its position that any transfer of personal data would have to be with its consent or the
3 consent of the data subject. (See 2/9/2015 Hearing. Tr. at 135:13-22). In fact, Mr. Fleming
4 testified that beginning at the end of November 2012 the deputy director of the OPDP "advised
5 us monthly that we were not to transmit data out of Macau unless we had the data subject's
6 consent." (2/9/15 Hearing Tr. at 141:1-18).

8 46. After the September 2012 Order, Macau's OPDP informed SCL that its request to
9 transfer data concerning this litigation was incomplete and was based upon the wrong provisions
10 of the MDPA. (Ex. 102; Day 2, pp. 176-78.) OPDP informed SCL that its request to transfer
11 could not be considered absent corrections and additional information being provided. (*Id.*)

13 47. Fleming concedes that he knew that OPDP considered SCL's requests to be
14 incomplete. Yet, no action was taken to remedy the deficiencies that OPDP noted. (*Id.*) Fleming
15 claimed that there was insufficient time in light of the deadlines set by this Court. Even though
16 SCL was still producing documents as late as January 2015 in redacted form, Fleming concedes
17 SCL had taken no action to address the inadequacies that OPDP had noted in 2012.

19 48. The OPDP also informed SCL that it could pursue available remedies in the
20 Macau courts concerning its desire to transfer data. (Ex. 102.) Fleming acknowledged that he
21 knew of available avenues but he took no action in that regard. This is despite the fact that one
22 of the means in which the MDPA expressly authorizes a transfer of data "for compliance with a
23 legal obligation" "or for the . . . exercise of defence [sic] of legal claims." (Ex. 341.)

25 49. SCL concedes that it did not seek consents from any of its Macau personnel.
26 Fleming's only explanation was to claim that it would be too cumbersome to do so. In prior
27 arguments to this Court, SCL has insisted it could face potential liability if it even sought
28

1 consents because it could be accused of having put pressure on personnel in order to obtain the
2 consent.

3 50. Raphaelson's revelation that "a number of consents" were obtained when LVSC
4 and SCL wanted access to information to address the United States' investigation contradicts the
5 rationale SCL has given for its inaction here. As Toh even acknowledged, he believed that he
6 had granted consent for LVSC to access his personal data pursuant to his employment
7 arrangement. Even though Toh and other SCL executives were the custodians that SCL had
8 been ordered to search for jurisdictional discovery, not a single such consent was sought.
9

10 51. The fact that consents were later obtained from four Nevada residents – Adelson,
11 Goldstein, Leven and Kay – nearly two years after the ordered production is not evidence of
12 good faith. These four executives are United States residents. Their emails are located in
13 Nevada and not even subject to the MDPA, a fact that SCL and LVSC have conceded.
14 Obtaining consents from United States residents while knowingly not seeking consents from
15 Macau personnel – several of whom were actual custodians – is further evidence as to SCL's lack
16 of good faith relative to this Court's orders and its discovery obligations.
17

18 52. Fleming concedes that he received the September 2012 Order, and understood
19 that it prohibited SCL from using the MDPA as a basis for not producing documents. He also
20 understood that the September 2012 Order precluded SCL from using the MDPA as a basis for
21 redacting documents in this litigation. Fleming acknowledged that the order was sufficiently
22 "clear" to him as to what it precluded. (Day 1, pp. 147-48, 150-51; Day 2, p. 179.)
23

24 53. The SCL Board of Directors was never provided a copy of the September 2012
25 Order. (Day 3, pp. 89-93.) Nor was the SCL Board provided copies of this Court's subsequent
26 order requiring production of jurisdictional documents. (Day 3, p. 90.) According to Fleming,
27
28

1 he did not involve the Board in making a decision as to complying with this Court's September
2 2012 Order. Fleming claims that neither the Board nor even the CEO was asked to make a
3 decision on what is now being recast as a serious problem for SCL.¹¹
4

5 54. The Board held no meetings concerning the consequences of noncompliance.
6 (Day 1, pp. 157-58.) Nor did the SCL Board vote or authorize redactions that were in knowing
7 violation of this Court's September 2012 Order. (*Id.* at pp. 166-167.) Further underscoring its
8 attitude concerning this Court's Order, there is no indication that SCL disclosed to any regulatory
9 authorities its conscious decision to violate an order of a United States court. (Day 3, p. 94.)
10

11 55. Although Fleming noted that the MDPA contained potential criminal sanctions,
12 no evidence was presented that the MDPA had ever been enforced in such a fashion or that there
13 was any risk of such sanctions when complying with the orders of a U.S. court. SCL presented
14 no actual evidence that its Board members or officers feared any potential reprisals by complying
15 with this Court's orders.
16

17 56. Fleming acknowledged that SCL had in fact violated the MDPA on at least two
18 prior occasions. One of them involved the large data transfer that SCL and LVSC undertook
19 which was concealed from this Court and had occurred even before Jacobs had commenced this
20 litigation. There were no outstanding court orders compelling the transfer of that data. Yet, for
21 that wholesale transfer, SCL paid a nominal fine, which was roughly equivalent of \$2,500 U.S.
22 dollars. (Day 2, p. 229.) For the other separate violation, SCL was fined the same nominal
23 amount of roughly \$2,500 U.S. dollars. (*Id.*)
24
25
26

27 ¹¹ Until one business day prior to the hearing, SCL maintained that the identity of the
28 persons involved in the decision making to violate this Court's September 2012 Order was
privileged. On February 6, 2015, SCL stated that the decision was made by Fleming.

1 57. There are apparently no restrictions upon taking documents or electronically
2 stored information that contain personal data out of Macau as a matter of routine business.
3 When SCL's executives travel, they are not required to surrender that information at the border of
4 Macau, nor do they. According to Fleming, the OPDP has supposedly given authorization –
5 although no such writing or any form of documentation was actually presented – for data to be
6 carried out of Macau in the ordinary course of business. As Fleming conceded, SCL could not
7 run its business without doing so.

9 58. SCL's attitude towards compliance with this Court's September 2012 Order stands
10 in sharp contrast with how it claims to have cooperated with "maximum access" relative to
11 United States government investigations.

13 59. The prejudice that SCL has inflicted with its noncompliance has been exacerbated
14 by SCL's attempts to benefit from its own noncompliance with the Court's ameliorative sanction.

16 60. Despite the entry of this Court's September 2012 Order, SCL continued to cite the
17 MDPA as a basis for its non-review and non-production of documents. This necessitated Jacobs
18 filing his initial Motion for NRCP 37 Sanctions on November 21, 2012.

20 61. On December 4, 2012, SCL filed a motion for a protective order. That motion
21 explained that SCL had just received permission from the OPDP to review documents in Macau
22 and that SCL would be producing documents after they had been reviewed and personal data had
23 been redacted by Macanese lawyers. SCL asked the court to allow it to limit its search to
24 documents for which Jacobs was the custodian, on the ground (among others) that Plaintiff
25 already had whatever documents he needed to make his jurisdictional case and that fundamental
26 principles of fairness and proportionality required the court to limit SCL's production
27 obligations. (SCL Motion for Protective Order at 22-23).
28

1 62. The Court held a hearing on December 18, 2012 and ordered SCL to produce all
2 jurisdictional documents no later than January 4, 2013. (Court Minutes, Dec. 18, 2012; Order,
3 Jan. 16, 2013 ("Sands China shall produce all information in its possession, custody, or control
4 that is relevant to jurisdictional discovery, including electronically stored information ('ESI'),
5 within two weeks of the hearing, on or before January 4, 2013").)

7 63. At the same hearing, the Court denied SCL's motion for a protective order and
8 denied Plaintiff's motion for sanctions without prejudice. In ruling on Plaintiff's Rule 37
9 motion, the Court noted that it had never entered an order requiring SCL to produce specific
10 documents and thus any motion for sanctions was premature. (12/18/12 Hearing Tr. at 28:18-
11 19). The Court then ordered SCL to produce all documents relevant to jurisdictional discovery
12 by January 4, 2013. (*Id.* at 24:12-15).

14 64. At the December 18, 2012, hearing, counsel for SCL explained the constraints
15 imposed by the MDPA on transfers of personal data out of Macau:

17 Mr. Randall Jones: The issue is whether or not . . . our client is allowed to take certain
18 information out of the country. And so I just want to make sure that's clear on the record.
19 . . . We will continue to do our best to try to comply with the Court's orders as best we
20 can. . . . I hope the Court does appreciate this is a complicated situation, and . . . we're
21 trying to make sure that we – the lawyers and our client comply with your discovery.

22 The Court: I understand.

23 Mr. Peek: Yeah. We need to have redactions as part of that, as well, as that's—I
24 understood—

25 The Court: I didn't say you couldn't have redactions.

26 Mr. Peek: That's what I thought.

27 The Court: I didn't say you couldn't have privilege logs. I didn't say any of that Mr.
28 Peek.

(12/18/12 Hearing Tr. at 26:17-27:14).

1 motions must be in writing and filed no later than **04/22/16. Orders shortening time will not**
2 **be signed except in extreme emergencies.**

3 F. All motions in limine must be filed in compliance with EDCR 2.47¹⁴ and filed no
4 later than **05/20/16. Orders shortening time will not be signed except in extreme**
5 **emergencies.**

6
7 G. Counsel shall meet, review, and discuss a proposed jury questionnaire. Counsel
8 will submit in Word format the joint proposed jury questionnaire on or before 04/08/2016, or if
9 no agreement has been reached, the competing versions in Word format on or before noon on
10 04/11/2016. The Court will freely grant requests for inclusion of questions by the Parties. Upon
11 submission of the proposed jury questionnaire, the Court will review the jury questionnaire and
12 will make any appropriate modifications. A hearing will be held on any objections to the jury
13 questionnaire on **04/14/16 at 8:30 a.m.**

14
15 H. All original deposition transcripts anticipated to be used in any manner during the
16 trial must be delivered to the clerk prior to the final Pre-Trial Conference. If deposition
17 testimony is anticipated to be used in lieu of live testimony, a designation (by page/line citation)
18 of the portions of the testimony to be offered must be filed and served by facsimile or hand, two
19

20
21
22 ¹⁴ That rule provides in pertinent part:

23 **Rule 2.47. Motions in limine.** Unless otherwise provided for in an order of the court, all motions in limine to
24 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.

25 (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.

26 (b) Motions in limine may not be filed unless an unsworn declaration under penalty of perjury or affidavit of
27 moving counsel is attached to the motion setting forth that after a conference or a good-faith effort to confer, counsel
28 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.

1 (2) judicial days prior to the final Pre-Trial Conference. Any objections or counterdesignations
2 (by page/line citation) of testimony must be filed and served by facsimile or hand, one (1)
3 judicial day prior to the final Pre-Trial Conference commencement. If video depositions are
4 sought to be used during the Trial, all edits must be completed and be available to be played to
5 the Court at the Final Pretrial Conference. Counsel shall advise the clerk prior to publication.
6

7 I. In accordance with EDCR 2.67, counsel shall meet, review, and discuss exhibits.
8 All exhibits must comply with EDCR 2.27.¹⁵ Two (2) sets must be three hole punched placed in
9 three ring binders along with the exhibit list. The sets must be delivered to the clerk prior to the
10 final Pre-Trial Conference. Any demonstrative exhibits including exemplars anticipated to be
11 used must be disclosed prior to the calendar call. Pursuant to EDCR 2.68, at the final Pre-Trial
12 Conference, counsel shall be prepared to stipulate or make specific objections to individual
13 proposed exhibits. Unless otherwise agreed to by the parties, demonstrative exhibits are marked
14 for identification but not admitted into evidence.
15

16
17 J. In accordance with EDCR 2.67, counsel shall meet, review, and discuss items to
18 be included in the Jury Notebook. Pursuant to EDCR 2.68, at the final Pre-Trial Conference,
19 counsel shall be prepared to stipulate or make specific objections to items to be included in the
20 Jury Notebook.
21

22 K. In accordance with EDCR 2.67, counsel shall meet and discuss preinstructions to
23 the jury, jury instructions, special interrogatories, if requested, and verdict forms. Each side shall
24 provide the Court, at the final Pre-Trial Conference, an agreed set of jury instructions and
25 proposed form of verdict along with any additional proposed jury instructions with an electronic
26 copy in Word format.
27

28

¹⁵ Alternatively the parties may agree to utilize the Court's electronic exhibit protocol.

1 L. In accordance with EDCR 7.70, counsel shall file and serve by facsimile or hand,
2 two (2) judicial days prior to the final Pre-Trial Conference, follow up Voir Dire to Jury
3 Questionnaire responses proposed to be conducted pursuant to conducted pursuant to EDCR
4 2.68.
5

6 M. To expedite the deposition process, depositions may be taken on a multi-track
7 system wherein separate tracks of depositions are scheduled for each day, but there shall not be
8 more than two simultaneous tracks without prior approval of the Court. Given the complexity of
9 the factual issues in this case, the time limitation contained in NRCP 30(d)(1) is suspended.

10 N. A status conference will be conducted in Department XI at 8:30 a.m. on July 30,
11 2015 and the second and fourth Thursday of every month at 8:30 a.m. beginning on August 13,
12 2015 at which time the parties shall (1) argue all motions filed and briefed in due course, (2)
13 apprise the Court of any and all pertinent developments in the case, and (3) seek/request
14 guidance from the Court on case management issues.

15 1. All motions not heard pursuant to an Order Shortening Time shall be set for hearing at
16 a status conference. It is the responsibility of counsel for the moving party to serve and
17 file any motion sufficiently in advance of the intended hearing date in compliance with
18 EDCR 2.20,

19 2. On or before the Tuesday prior to each of these status conferences, any party that has
20 administrative, scheduling or other cases management issues to address to the Court shall
21 file and serve a status report outlining those issues.

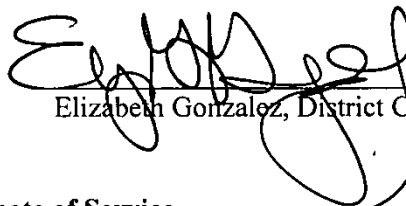
22 **Failure of the designated trial attorney or any party appearing in proper person to**
23 **appear for any court appearances or to comply with this Order shall result in any of the**
24 **following: (1) dismissal of the action (2) default judgment; (3) monetary sanctions; (4)**
25 **vacation of trial date; and/or any other appropriate remedy or sanction.**
26

27 Counsel is required to advise the Court immediately when the case settles or is otherwise
28 resolved prior to trial. A stipulation which terminates a case by dismissal shall also indicate

1 whether a Scheduling Order has been filed and, if a trial date has been set, the date of that trial.

2 A copy should be given to Chambers.

3 Dated this 16th day of July 2015.

4
5
6 
7

Elizabeth Gonzalez, District Court Judge

8
9 **Certificate of Service**

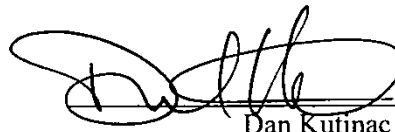
10 I hereby certify, that on the date filed, this Order was served on the parties identified on
11 Wiznet's e-service list.

12 J. Stephen Peek, Esq. (Holland & Hart)

13 Randall Jones (Kemp Jones Coulthard)

14 Steve Morris (Morris Law)

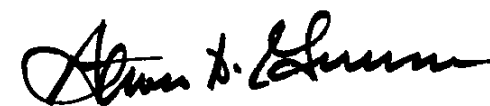
15 James J. Pisanelli, Esq. (Pisanelli Bice)

16
17 
18

Dan Kutinac

PISANELLIBICE PLLC
400 SOUTH 7TH STREET, THIRD FLOOR
LAS VEGAS, NEVADA 89101

Electronically Filed
09/15/2015 05:00:57 PM



CLERK OF THE COURT

MOT

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

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

DISTRICT COURT

CLARK COUNTY, NEVADA

STEVEN C. JACOBS,

Plaintiff,

v.

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.

AND RELATED CLAIMS

Case No.: A-10-627691

Dept. No.: XI

**PLAINTIFF STEVEN C. JACOBS'
RENEWED MOTION FOR LEAVE TO
FILE A FIFTH AMENDED
COMPLAINT ON ORDER
SHORTENING TIME**

Hearing Date:

Hearing Time:

Plaintiff Steven C. Jacobs ("Jacobs") moves to amend his complaint in light of the resetting of the trial date to include Venetian Macau Limited ("VML"). This Court has already indicated that if its Five Year Rule concerns were alleviated, it would allow Jacobs to amend his Complaint to include VML.

...

...

...

1 This Motion is made pursuant to Nevada Rule of Civil Procedure 15(a), and is based upon
2 the accompanying Memorandum of Points and Authorities and exhibits thereto, as well as the
3 papers and pleadings on file in this case, and any additional argument this Court chooses to consider
4 at the time of hearing.

5
6 DATED this 15th day of September, 2015.

7 PISANELLI BICE PLLC

8
9 By: /s/ Todd L. Bice
James J. Pisanelli, Esq., Bar No. 4027
Todd L. Bice, Esq., Bar No. 4534
10 Debra L. Spinelli, Esq., Bar No. 9695
Jordan T. Smith, Esq., Bar No. 12097
11 400 South 7th Street, Suite 300
Las Vegas, Nevada 89101

12 Attorneys for Plaintiff Steven C. Jacobs
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

ORDER SHORTENING TIME

Before this Court is the Request for an Order Shortening Time accompanied by the Declaration of counsel. Good cause appearing, the undersigned counsel will appear at Clark County Regional Justice Center, Eighth Judicial District Court, Las Vegas, Nevada, on the 15th day of September, 2015, at 9:30 a.m., in Department XI, or as soon thereafter as counsel may be heard, to bring this **PLAINTIFF STEVEN C. JACOBS' RENEWED MOTION FOR LEAVE TO FILE A FIFTH AMENDED COMPLAINT ON ORDER SHORTENING TIME** on for hearing.

DATED: September 15, 2015


DISTRICT COURT JUDGE

Respectfully submitted by:

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

**DECLARATION OF TODD L. BICE, ESQ. IN SUPPORT OF
ORDER SHORTENING TIME**

I, TODD L. BICE, Esq., being first duly sworn, hereby declare as follows:

1. I am one of the attorneys representing Plaintiff Steven C. Jacobs ("Jacobs") in the action styled *Steven C. Jacobs v. Las Vegas Sands Corp., et al.*, Case No. A656710, pending before this Court. I am competent to testify as to the facts stated herein.

2. During the evidentiary hearing on Sands China's personal jurisdiction defense, certain witnesses (including Mike Leven and Sheldon Adelson) testified that the Term Sheet was subsequently transferred to, and assumed by, Sands China and/or VML. Such assumption renders Sands China and VML liable under the Term Sheet and subjects them to personal jurisdiction in Nevada.

3. When addressing Jacobs' earlier Motion for Leave to Filed a Fourth Amended Complaint to add Sands China to Jacobs' cause of action for breach of the Term Sheet, the Court indicated that it would reconsider Jacobs' request to amend his Complaint to include VML if the Nevada Supreme Court alleviated the Court's concern about the Five Year Rule. (Hr'g Tr. at 9:9-17, June 18, 2015, on file.) Subsequently, the Nevada Supreme Court has indicated that the NRCP 41(e) Five Year Rule has been tolled.

4. With certain pretrial deadlines approaching, Jacobs requests that this motion be heard on shortened time. After all, the Court has already ruled that the motion will be granted.

5. I certify that this Motion for order shortening time is not brought for any improper purpose or to secure delay.

...

...

...

1 I declare under penalties of perjury of the laws of the State of Nevada that the foregoing is
2 true and correct.

3 Dated this 15th day of September, 2015.

4 Todd L. Bice
5 TODD L. BICE, ESQ.
6
7

8 **MEMORANDUM OF POINTS AND AUTHROTIES**

9 Nevada Rule of Civil Procedure 15(a) permits a party to amend its pleading by agreement
10 or with the Court's leave. "*[L]eave to amend should be freely given when justice requires,*" *Weiler*
11 *v. Ross*, 80 Nev. 380, 382, 395 P.2d 323, 323 (1964) (emphasis added), and "this mandate is to be
12 heeded." *Marschall v. City of Carson*, 86 Nev. 107, 112, 464 P.2d 494, 498 (1970) (quoting *Foman*
13 *v. Davis*, 371 U.S. 178, 182 (1962)).

14 The grant or denial of a motion for leave to amend is addressed to the trial court's "sound
15 discretion." *Kantor v. Kantor*, 116 Nev. 886, 891, 8 P.3d 825, 828 (2000); *Nev. Bank of Commerce*
16 *v. Edgewater, Inc.*, 84 Nev. 651, 653, 446 P.2d 990, 991 (1968). However, it is an abuse of that
17 discretion and inconsistent with the spirit of the Nevada Rules of Civil Procedure for the Court to
18 deny leave without a legitimate reason. *See Adamson v. Bowker*, 85 Nev. 115, 120, 450 P.2d 796,
19 800 (1969). "In the absence of any apparent or declared reason – such as undue delay, bad faith or
20 dilatory motive on the part of the movant . . . undue prejudice to the opposing party by virtue of
21 allowance of the amendment, futility of amendment, *etc.* – the leave sought should, as the rules
22 require, be 'freely given.'" *Id.* at 121, 450 P.2d at 800 (quoting *Foman*, 371 U.S. at 182).

23 As this Court knows, Jacobs seeks to include VML to Jacobs' claims based upon his
24 employment agreement, the Term Sheet and Share Option Grant. Evidence presented at the
25 jurisdictional hearing – through Leven and Adelson – provided that LVSC transferred or assigned
26 the contract to both Sands China and VML.

27 Assignees of a contract are liable for breach of any obligations thereunder. *See, Ross v.*
28 *Wells' Estate*, 94 Nev. 314, 317, 579 P.2d 782, 784 (1978) ("No one is liable on a contract except

1 a party or his assignee, or successor."); *see also Wells v. Bank of Nevada*, 90 Nev. 192, 197, 522
2 P.2d 1014, 1017 (1974) ("Controversies arising under an agreement properly are to be determined
3 and settled by parties to the agreement or their assigns, that is, by those who have legal rights or
4 duties thereunder."); *Enter. Leasing Corp. v. Shugart Corp.*, 231 Cal. App. 3d 737, 745-46 (1991)
5 (similar). Therefore, Jacobs should be granted leave to file the Fifth Amended Complaint
6 incorporating VML as a party.

7 Based upon the foregoing, Jacobs respectfully requests that this Court grant him leave to
8 file the proposed Fifth Amended Complaint, a version of which is attached hereto as Exhibit A.

9 DATED this 15th day of September, 2015.

10 PISANELLI BICE PLLC

11 By: /s/ Todd L. Bice
12 James J. Pisanelli, Esq., Bar No. 4027
13 Todd L. Bice, Esq., Bar No. 4534
14 Debra L. Spinelli, Esq., Bar No. 9695
15 Jordan T. Smith, Esq., Bar No. 12097
16 400 South 7th Street, Suite 300
17 Las Vegas, Nevada 89101

18 Attorneys for Plaintiff Steven C. Jacobs
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC, and that on this 15th day of September, 2015, I caused to be served via the Court's E-Filing system true and correct copies of the above and foregoing **PLAINTIFF STEVEN C. JACOBS' RENEWED MOTION FOR LEAVE TO FILE A FOURTH AMENDED COMPLAINT** 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

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

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

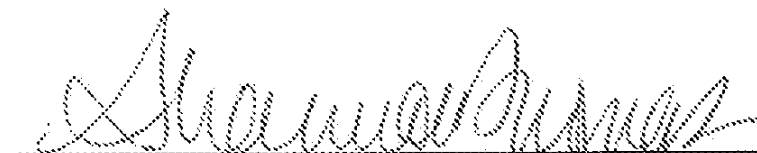

An employee of PISANELLI BICE PLLC

EXHIBIT A

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
JTS@pisanellibice.com

PISANELLI BICE PLLC

400 South 7th Street, Third Floor

Las Vegas, Nevada 89101

Telephone: (702) 214-2100

Facsimile: (702) 214-2101

Attorneys for Plaintiff Steven C. Jacobs

DISTRICT COURT

CLARK COUNTY, NEVADA

STEVEN C. JACOBS,

Plaintiff,

v.

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

Defendants.

Case No.: A-10-627691

Dept. No.: XI

FIFTH AMENDED COMPLAINT

AND RELATED CLAIMS

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

PARTIES

1. Plaintiff Steven C. Jacobs ("Jacobs") is a Florida resident who also maintains a residence in Georgia.

2. Defendant Las Vegas Sands Corp. ("LVSC") is a publicly-traded Nevada 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").

4. Defendant Venetian Macau Ltd. ("VML") purports to be an indirect operating subsidiary of Sands China. However, from its inception, VML has been treated as little more than an incorporated division of Defendant LVSC, with VML's board not actually governing its affairs, but merely signing and undertaking any actions as directed by LVSC.

10 5. Defendant Adelson is a Nevada resident who directs and operates his gaming
11 enterprise from Las Vegas, Nevada.

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

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

23 JURISDICTION AND VENUE

8. 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.

9. 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.

COMMON ALLEGATIONS

LVSC's Dysfunction and Infighting

10. 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.

11. 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.

12. 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.

13. 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.

14. 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

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

7 15. Adelson's behavior did not just alienate outsiders, it effectively paralyzed the
8 management's ability to respond to the financial calamity. LVSC faced increased cash flow needs,
9 which, in turn, threatened to trigger a breach of the company's maximum leverage ratio covenant in
10 its U.S. credit facilities. Due to Adelson's erratic behavior, LVSC's then-president and
11 Chief Operating Officer William Weidner ("Weidner") lost confidence in Adelson's abilities, and
12 undertook steps that Adelson would characterize as an attempted coup. Because Adelson controls
13 more than fifty percent (50%) of LVSC's voting power, Adelson forced Weidner's removal from
14 the company so as to preserve his own control.

15 16. Weidner was replaced as President and COO by Michael Leven ("Leven"), a
16 member of LVSC's Board of Directors.

17 17. Because of the dysfunction and paralysis Adelson created, LVSC failed to access
18 capital markets in a timely fashion, which then forced the company to engage in a number of
19 emergency transactions to raise funds in late 2008 and early 2009. Ironically for LVSC's
20 shareholders – all of those except for Adelson, that is – this unnecessary delay resulted in Adelson's
21 personal wealth as the financing source for a quick influx of liquidity. But, to access those funds,
22 Adelson would charge LVSC a hefty price, obtaining convertible senior notes, preferred shares,
23 and warrants. Later, Adelson would reap a staggering windfall as a result of these highly-favorable
24 (for him) financing terms. Conveniently, Adelson was the principal beneficiary, to the detriment
25 of all other shareholders, of the very financial calamity that he helped create.

26 **LVSC Hires Jacobs to Run Its Macau Operations**

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

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

8 19. Jacobs travelled to Las Vegas in March 2009 where he met with Leven and Adelson
9 for several days to review the company's Nevada operations. While in Las Vegas, the parties agreed
10 to a consulting contract between LVSC and Jacobs' company, Vagus Group, Inc. Jacobs then began
11 assisting LVSC in restructuring its Las Vegas operations.

12 20. Jacobs, Leven, and Adelson subsequently travelled to Macau to conduct a review of
13 LVSC's operations there. While in Macau, Leven told Jacobs that he wanted to hire him to run
14 LVSC's Macau operations. Jacobs and Leven returned to Las Vegas after spending approximately
15 a week in Macau. Jacobs then spent the bulk of the next 2-3 weeks working on the Las Vegas
16 restructuring program and also negotiating with Leven regarding LVSC's desire to hire him as a
17 full-time executive.

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

24 22. Notwithstanding that Jacobs would be spending the majority of his time in Macau
25 focusing on LVSC's operations in that location, he was also required to perform duties in Las Vegas
26 including, but not limited to, working with LVSC's Las Vegas staff on reducing costs within the
27 company's Las Vegas operations, consulting on staffing and delayed opening issues related to the
28

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

3 23. On June 24, 2009, LVSC awarded Jacobs 75,000 stock options in the company to
4 reward him for his past performance as a LVSC team member and to incentivize him to improve
5 his future performance as well as that of the company. LVSC and Jacobs executed a written
6 Nonqualified Stock Option Agreement memorializing the award.

7 24. On or about August 4, 2009, Jacobs received LVSC's "Offer Terms and Conditions"
8 (the "Term Sheet") for the position of "President and CEO Macau[.]" The Term Sheet reflected the
9 terms and conditions of employment that had been negotiated by Leven and Jacobs while Jacobs
10 was in Vegas working under the original consulting agreement with LVSC and during his
11 subsequent trips back to Las Vegas. With Adelson's express approval, Leven signed the Term Sheet
12 on or about August 3, 2009, and had his assistant, Patty Murray, email it to Jacobs who was then in
13 Macau. Jacobs signed the Term Sheet accepting the offer contained therein and delivered a copy
14 to LVSC. LVSC's Compensation Committee approved Jacobs' contract on or about August 6,
15 2009. LVSC thereafter filed a copy of the Term Sheet with the United States Securities and
16 Exchange Commission, disclosing it as Jacobs' employment contract with LVSC.

17 25. According to LVSC, it subsequently assigned the terms and conditions of Jacobs'
18 employment with LVSC to both VML and Sands China.

19 **Jacobs Saves the Titanic**

20 26. The bases for Jacobs' full-time position were apparent. The accomplishments for
21 the four quarters over which Jacobs had presided created significant value. From an operational
22 perspective, Jacobs and his team removed over \$365 million of costs from LVSC's Macau
23 operations, repaired strained relationships with local and national government officials in Macau
24 who would no longer meet with Adelson due to his obstreperous behavior, and refocused operations
25 on core businesses to drive operating margins and profits, thereby achieving the then-highest
26 EBITDA figures in the history of the company's Macau operations.

27 27. Due in large part to the success of its Macau operations under Jacobs' direction,
28 LVSC was able to raise over \$4 billion dollars from the capital markets, spin off its Macau

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

6 28. To put matters in perspective, when Jacobs began performing work for the company
7 in March 2009, LVSC shares were trading at just over \$1.70 per share and its market cap was
8 approximately \$1.1 billion USD. At the time of Jacobs' departure in July 2010, LVSC shares were
9 over \$28 per share and its market cap exceeded \$19 billion USD.

10 29. Jacobs' success was repeatedly confirmed by Board members of LVSC as well as
11 those of the new spinoff, Sands China. When Leven was asked in February 2010 to assess Jacobs'
12 2009 job performance, he advised: "there is no question as to Steve's performance[;] the Titanic
13 hit the iceberg[,] he arrived and not only saved the passengers[,] he saved the ship."
14 Unremarkably, Jacobs received a full bonus in 2009 and no more than three months later, in
15 May 2010, he was awarded an additional 2.5 million stock options in Sands China. The options
16 had an accelerated vesting period of less than two years.

17 30. But Adelson would make sure that Jacobs was cheated out of what he was owed, a
18 practice that Adelson has honed in dealing with many executives and companies that refused to do
19 as Adelson demanded.

20 **Jacobs' Confrontations with Adelson**

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

1 Per my discussion with sga [Adelson] pls be advised that input from
2 anyone [in Macau] is expected and listened to but final design
3 decisions are made by sga and las vegas[.] [T]here appears to be
4 some confusion and I want to clear the matter once and for all [that]
5 everyone has inputted [sic] but sga makes the final decisions[.]

6 32. But a greater impediment concerned the unlawful and/or unethical business practices
7 put in place by Adelson and/or under his watch, as well as repeated outrageous demands Adelson
8 made to pursue illegal and illegitimate ends. The demands included, but were not limited to:

- 9 a. Demands that Jacobs use improper "leverage" against
10 senior government officials of Macau in order to obtain
11 Strata-Title for the Four Seasons Apartments in
12 Macau;
- 13 b. Demands that Jacobs threaten to withhold Sands China
14 business from prominent Chinese banks unless they
15 agreed to use influence with newly-elected senior
16 government officials of Macau in order to obtain
17 Strata-Title for the Four Seasons Apartments and
18 favorable treatment with regards to labor quotas and
19 table limits;
- 20 c. Demands that secret investigations be performed
21 regarding the business and financial affairs of various
22 high-ranking members of the Macau government so
23 that any negative information obtained could be used
24 to exert "leverage" in order to thwart government
25 regulations/initiatives viewed as adverse to LVSC' s
26 interests;
- 27 d. Demands that Sands China continue to use the legal
28 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
- e. Demands that Jacobs refrain from disclosing truthful
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
limited to, junkets 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.

1 33. Jacobs reported these improprieties to Leven and LVSC's general counsel, in
2 accordance with LVSC's company whistleblower guidelines.

3 34. When Jacobs objected to and/or refused to carry out Adelson's illegal demands,
4 Adelson repeatedly threatened to terminate Jacobs' employment. This is particularly true in
5 reference to: (i) Jacobs' refusal to comply with Adelson's edict to terminate Sands China's General
6 Counsel, Luis Melo ("Melo"), and his entire legal department and replace him/it with Leonel Alves
7 and his team; (ii) Adelson's refusal to allow Jacobs to present to the Sands China Board information
8 that the company's development of Parcels 5 and 6 was at least 6 months delayed and more than
9 \$300 million USD over-budget due to Adelson-mandated designs and accoutrements the
10 Sands China management team did not believe would be successful in the local marketplace;
11 (iii) Adelson's refusal to allow Jacobs to disclose to the Board LVSC findings relating to the
12 allegations contained in a Reuters article that LVSC was conducting business with Chinese
13 organized crime syndicates, known as Triads; and (iv) Adelson's refusal to allow Jacobs to discuss
14 his concerns with the Board regarding the use and rehiring of Leonel Alves after Alves had
15 requested a \$300 million payment for government officials in China.

16 35. During this same time, Jacobs began developing suspicions concerning the propriety
17 of certain financial practices and transactions involving LVSC and other LVSC subsidiaries,
18 including, but not limited to: (i) certain transactions related to Hencing island, the basketball team,
19 the Adelson Center, and the Macau ferry contract which all involved payments that LVSC made;
20 (ii) allegations concerning LVSC's practice of couriering undeclared monies into the United States
21 to repay gambling debts of third parties and/or to be used to fund accounts for non-residents once
22 they arrived in the country; (iii) LVSC's practice referred to as the Affiliate Transaction Advise
23 ("ATA"), which allowed third parties and gamblers to move money into the United States by
24 depositing monies with an LVSC overseas affiliate or marketing office, creating an account in
25 Las Vegas from which the depositor or their designee would be issued chips with which to gamble,
26 and then transferring the "winnings" back offshore either to the original depositor or to a third party
27 designee not involved in the transaction; (iv) using the ATA process to move monies for known
28

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

3 36. One such suspicious entity was WDR, LLC, a wholly-owned subsidiary set up by
4 LVSC at the apparent behest of Robert Goldstein. When Jacobs raised that entity and certain
5 transactions with Sands China's then-existing CFO, he similarly considered the transactions
6 involving WDR as suspicious and expressed concerns over potential money laundering. Of course,
7 Jacobs would be fired before he could further pursue the matter. When LVSC's then-existing CFO,
8 Ken Kay, was asked about WDR at a deposition, he professed to have no knowledge of WDR or
9 what purpose it would serve. But, just a few months after Kay was questioned about WDR, Leven
10 quietly had the entity dissolved.

11 37. Jacobs' disagreements with Adelson came to a head in late June 2010 when they
12 were in Singapore to attend the grand opening of LVSC's Marina Bay Sands. While in Singapore,
13 Jacobs attended several meetings of LVSC executives including Adelson, Leven, Ken Kay (LVSC's
14 Chief Financial Officer), and others. During these meetings, Jacobs disagreed with Adelson's and
15 Leven's desire to expand the ballrooms at Parcels 5 and 6, which would add an incremental cost of
16 approximately \$30 million to a project already significantly over budget when Sands China's
17 existing facilities were already underutilized. In a separate meeting, Jacobs disagreed with
18 Adelson's desire to aggressively grow the junket business within Macau as the margins were low,
19 the decision carried credit risks, and based upon recent investigations by Reuters and others alleging
20 LVSC's involvement with Chinese organized crime groups, known as Triads, connected to the
21 junket business.

22 38. Following these meetings, Jacobs re-raised the issue about the need to advise the
23 Sands China Board of the delays and cost overruns associated with the development of Parcels 5
24 and 6 in Macau so that a determination could be made of whether the information must be disclosed.
25 Jacobs also raised the need to disclose LVSC's involvement with Triads and the implications of
26 Adelson's desire to grow Sands China's junket business in Macau, as well as Adelson's rehiring of
27 Leonel Alves, given Jacobs' and others' FCPA concerns. Once again, Adelson reminded Jacobs
28 that he was both the chairman and the controlling shareholder and that Jacobs should "do as I

1 please." This was consistent with Adelson's attitudes and Jacobs' belief that Adelson considered
2 himself untouchable. Indeed, on a prior occasion when Jacobs had voiced his concern over how
3 Nevada's gaming regulators might view Adelson's actions, Adelson scoffed at the suggestion,
4 informing Jacobs that he (Adelson) controlled the regulators, not the other way around.

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

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

10 40. In or about July 2010, Adelson directed executives from LVSC in Las Vegas,
11 Nevada to begin the process of terminating Jacobs. This process, which would be referred to as the
12 "exorcism strategy," was planned and carried out from Las Vegas and included (1) the creation of
13 fictitious Sands China letterhead upon which a notice of termination was prepared, (2) preparation
14 of the draft press releases with which to publicly announce the termination, and (3) the handling of
15 all legal-related matters for the termination. Again, all of these events took place in Las Vegas,
16 ostensibly by agents acting for both LVSC and Sands China.

17 41. Indeed, it was LVSC in-house attorneys, claiming to be acting on behalf of
18 Sands China, who informed the Sands China Board on or about July 21, 2010, about Adelson's
19 decision to terminate Jacobs, and directed the Board members to sign the corporate documents
20 necessary to effectuate Jacobs' termination. These same attorneys promised to explain the basis for
21 the termination to the Board members during the following week's Board meeting (after the
22 termination took place). Predictably, as Adelson is all-controlling, he took action first and then
23 decreed how the Board thereafter reacted.

24 42. Promptly thereafter, the team that Adelson had placed in charge of overseeing the
25 sham termination – Leven, Kenneth Kay (LVSC's CFO), Irwin Siegel (LVSC/Sands China Board
26 member), Gayle Hyman (LVSC's general counsel), Daniel Briggs (LVSC's VP of investor
27 relations), Ron Reese (LVSC's VP of public relations), Brian Nagel (LVSC's chief of security),
28

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

3 43. On the morning of July 23, 2010, Jacobs attended a meeting with Leven and Siegel,
4 which had been represented to him (albeit falsely) as pertaining to the upcoming Sands China Board
5 meeting. During the meeting, Leven unceremoniously advised Jacobs that he was being terminated
6 effective immediately. When Jacobs asked whether the termination was purportedly "for cause" or
7 not, Leven responded that he was "not sure" but that the severance provisions of the Term Sheet
8 would not be honored. Leven then handed Jacobs the letter drafted by LVSC's attorneys and signed
9 by Adelson advising him of the termination.

10 44. Cognizant that he had no legitimate basis to terminate Jacobs for cause, Adelson
11 authorized and expected Leven to meet with Jacobs and implement the termination strategy. As is
12 now a well-documented Adelson tactic, he had no regard for the contractual terms of Jacobs'
13 employment agreement. Instead, Adelson's tried and true tactic is to demand a discount off of what
14 is contractually owed for a lesser amount. If Jacobs, or anyone else for that matter, will not
15 acquiesce in Adelson's strong arm tactics, Adelson retorts to "sue me, then." And, that is essentially
16 how the Adelson game-plan played out with Jacobs.

17 45. When Leven could not persuade Jacobs to "voluntarily" resign, Jacobs was escorted
18 off the property by two members of security in public view of many company employees, resort
19 guests, and casino patrons. Jacobs was not permitted to return to his office to collect his belongings,
20 but was instead escorted to the border to leave Macau.

21 46. Because Leven had not been able to persuade Jacobs to resign, the next play from
22 the Adelson playbook went into effect – fabricating purported cause for the termination. Once
23 again, this aspect of the plan was also carried out in Las Vegas by executives professing to act for
24 both LVSC and Sands China. Indeed, this time they prepared a false letter in Las Vegas and put it
25 on Venetian Macau, Ltd. letterhead and identified twelve manufactured "for cause" reasons for
26 Jacobs' termination. Transparently, one of the purported reasons is an attempt to mask one of
27 Adelson's personal transgressions: The letter absurdly claimed that Jacobs exceeded his authority
28 and failed to keep the companies' Boards of Directors informed of important business decisions.

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

3 47. All but conceding that fact, Adelson would later claim to have developed
4 (i.e., fabricated) some 34 "for cause" reasons for Jacobs' termination.

5 48. Confirming what Jacobs had complained about regarding Adelson's improper
6 demands and concealment of information from the Board, Adelson subsequently arranged the
7 termination of Sands China's then-General Counsel, Luis Melo, and made sure that Leonel Alves
8 was retained to perform services for Sands China despite knowledge of Alves acting with disregard
9 for the United States Foreign Corrupt Practices Act. Also with Jacobs' departure, and with complete
10 disregard for internal concerns regarding junket affiliations with Triads, Adelson announced that
11 Sands China would be implementing a new junket strategy whereby it would partner with existing
12 and established junkets to grow its VIP business. In or about the same time frame, LVSC and
13 Sands China also publicly disclosed a material delay in the construction of Parcels 5 and 6 and a
14 cost increase of \$100 million to the project, further confirming the appropriateness of Jacobs'
15 insistence upon disclosure despite Adelson's insistence otherwise.

16 49. Jacobs was not terminated for cause. He was terminated for blowing the whistle on
17 improprieties and placing the interests of shareholders above those of Adelson. Indeed, in just one
18 candid communication Leven sent to executives (including Adelson) just days before Jacobs'
19 termination, Leven claimed that the problem with Jacobs was that "he believes he reports to the
20 board, not the chair [Adelson]."

21 **FIRST CAUSE OF ACTION**

22 **(Breach of Contract – LVSC, Sands China & VML)**

23 50. Plaintiff restates all preceding and subsequent allegations as though fully set forth
24 herein.

25 51. Jacobs and LVSC are parties to various contracts, including the Term Sheet and
26 Nonqualified Stock Option Agreement identified herein.

27 52. The Term Sheet provides, in part, that Jacobs would have a 3-year employment term,
28 that he would earn an annual salary of \$1.3 million plus a 50% bonus upon attainment of certain

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.

53. 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.

54. According to defendants, in conjunction with the Sands China IPO, LVSC assigned and Sands China as well as VML assumed, the obligations under the Term Sheet, thereby making LVSC, Sands China and VML jointly and severally liable for fulfilling its terms.

55. Jacobs has performed all of his contractual obligations except where excused.

56. LVSC, Sands China and VML breached the Term Sheet by falsely terminating Jacobs for "cause" when, in reality, the purported bases for Jacobs' termination, as identified in the belatedly-manufactured August 5, 2010 letter, are pretextual and in no way constitute "cause."

57. 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."

58. LVSC, Sands China and VML have wrongfully characterized Jacobs' termination as one 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 & VML)

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

60. 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,

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

3 61. Pursuant to the Term Sheet agreement between Jacobs and LVSC, which was later
4 transferred and assumed by Sands China and VML, Jacobs' stock options are subject to an
5 accelerated vest in the event he is terminated "Not for Cause." The Term Sheet further provides
6 Jacobs with a one-year right to exercise the options post-termination.

7 62. Jacobs has performed all his contractual obligations except where excused.

8 63. On September 24, 2010, Jacobs made proper demand upon LVSC and Sands China
9 to honor his right to exercise the remaining 2.5 million stock options he had been awarded in Sands
10 China. LVSC and Sands China rejected Jacobs' demand and, thus, further breached the Term Sheet
11 and the Sands China share grant agreement by characterizing Jacobs' termination as being for
12 "cause" when, in reality, the purported bases for Jacobs' termination, as identified in the belatedly-
13 manufactured August 5, 2010 letter, are pretextual and in no way constitute "cause."

14 64. LVSC, Sands China and VML have wrongfully characterized Jacobs' termination as
15 one for "cause" in an effort to deprive him of contractual benefits to which he is otherwise entitled.
16 As a direct and proximate result, Jacobs has suffered damages in an amount to be proven at trial
17 but in excess of \$10,000.

18 **THIRD CAUSE OF ACTION**

19 **(Breach of the Implied Covenant of Good Faith and Fair Dealing –**

20 **LVSC, Sands China & VML)**

21 65. Plaintiff incorporates all preceding and subsequent allegations as though fully set
22 forth herein.

23 66. All contracts in Nevada contain an implied covenant of good faith and fair dealing.

24 67. The conduct of LVSC described herein including, but not limited to, the improper
25 and illegal demands made upon Jacobs by Adelson, Adelson's continual undermining of Jacobs'
26 authority as the President and CEO of LVSC's Macau operations (and subsequently Sands China),
27 and the wrongful characterization of Jacobs' termination as being for "cause," is unfaithful to the
28

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

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

5 **FOURTH CAUSE OF ACTION**

6 **(Tortious Discharge in Violation of Public Policy - LVSC)**

7 69. Plaintiff incorporates all preceding and subsequent allegations as though fully set
8 forth herein.

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

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

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

18 **FIFTH CAUSE OF ACTION**

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

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

22 74. In an attempt to cover their tracks and distract from their improper activities,
23 Adelson, LVSC and Sands China have waged a public relations campaign to smear and spread lies
24 about Jacobs. One such instance is a press release made by Adelson, LVSC and Sands China after
25 an adverse court ruling on March 15, 2011. Having been unable to obtain a procedural victory in
26 Court, the Defendants undertook to smear Jacobs in the media, issuing a statement to Alexander
27 Berzon, a reporter for the Wall Street Journal, which provided:
28

1 "While I have largely stayed silent on the matter to this point,
2 the recycling of his allegations must be addressed," he said
3 "We have a substantial list of reasons why Steve Jacobs was
4 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."

5 75. The Defendants' media campaign stating that: (1) Jacobs was justifiably fired "for
6 cause" and (2) Jacobs had resorted to "outright lies and fabrications" were false and constitute
7 defamation per se.

8 76. All of the offending statements made by Adelson concerning Jacobs and identified
9 in Paragraph 71, supra, were (1) false and defamatory; (2) published to a third person or party for
10 the express intent of republication to a worldwide audience; (3) maliciously published knowing
11 their falsity and/or in reckless disregard of the truth thereof; (4) intended to and did in fact harm
12 Jacobs' reputation and good name in his trade, business, profession, and customary corporate office;
13 and (5) were of such a nature that the law presumes significant economic damages.

14 77. Adelson's malicious defamation of Jacobs was made in both his personal as well as
15 his representative capacities as Chairman of the Board of LVSC and as Chairman of the Board of
16 its affiliate, Sands China; both of which ratified and endorsed either explicitly or implicitly
17 Adelson's malicious invective.

18 78. The comments and statements noted in Paragraph 71, supra, were made without
19 justification or legal excuse, and were otherwise not privileged because they did not function as a
20 necessary or useful step in the litigation process and did not otherwise serve its purposes.

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

25 SIXTH CAUSE OF ACTION

26 (Tortious Discharge in Violation of Public Policy - Adelson)

27 80. Plaintiff incorporates all preceding and subsequent allegations as though fully set
28 forth herein.

1 81. Corporate officers, directors and/or agents are personally liable for tortious conduct
2 which they undertake, including engaging in a tortious discharge in violation of public policy.

3 82. Adelson retaliated against Jacobs by terminating his employment because Jacobs
4 (i) objected to and refused to participate in the illegal conduct demanded by Adelson, and
5 (ii) attempted to engage in conduct favored by public policy. In so doing, Adelson tortiously
6 discharged Jacobs in violation of public policy.

7 83. Adelson terminated Jacobs' employment with the intent to harm Jacobs for refusing
8 to comply with Adelson's illegal and unethical demands.

9 84. Adelson terminated Jacobs' employment for his own personal benefit, and not for
10 the benefit of Sands China, LVSC or their shareholders, to whom Adelson owes a fiduciary duty of
11 loyalty.

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

14 86. Adelson's conduct was done with malice, fraud and oppression, thereby entitling
15 Jacobs to an award of punitive damages.

16 SEVENTH CAUSE OF ACTION

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

18 87. Plaintiff incorporates all preceding and subsequent allegations as though fully set
19 forth herein.

20 88. LVSC and Sands China are separate legal entities, each capable of making
21 agreements.

22 89. LVSC wrongfully terminated Jacobs' employment because he (i) objected to and
23 refused to participate in the illegal conduct requested by Adelson, and (ii) attempted to engage in
24 conduct that was required by law and favored by public policy. In so doing, LVSC tortiously
25 discharged Jacobs in violation of public policy.

26 90. Sands China, through its agents, substantially assisted LVSC's tortious discharge of
27 Jacobs by, among other things, making agreements with LVSC, carrying out overt acts to effectuate

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

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

5 92. Sands China's conduct was undertaken with malice, fraud and oppression, thereby
6 entitling Jacobs to an award of punitive damages.

7 **EIGHTH CAUSE OF ACTION**

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

9 93. Plaintiff incorporates all preceding and subsequent allegations as though fully set
10 forth herein.

11 94. LVSC and Sands China are separate legal entities, each capable of making
12 agreements.

13 95. LVSC and Sands China agreed, acted in concert and conspired to effectuate Jacobs'
14 tortious discharge.

15 96. LVSC and Sands China intended to harm Jacobs for refusing to follow the illegal
16 and improper demands of their common-chairman, Adelson.

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

19 98. LVSC and Sands China's conduct was done with malice, fraud and oppression,
20 thereby entitling Jacobs to an award of punitive damages.

21 **PRAYER FOR RELIEF**

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

24 1. For compensatory damages in excess of Ten Thousand Dollars (\$10,000.00), in an
25 amount to be proven at trial;

26 2. For punitive damages in excess of Ten Thousand Dollars (\$10,000.00), in an amount
27 to be proven at trial;

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

- DATED this ____ day of September, 2015.

By: _____
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

PA860

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC, and that on this ____ day of September, 2015, I caused to be served via the Court's E-Filing system, true and correct copies of the above and foregoing **FIFTH AMENDED COMPLAINT** 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

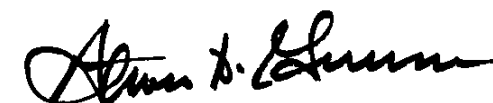
Michael E. Lackey, Jr., Esq.
MAYER BROWN LLP
1999 K Street, N.W.
Washington, DC 20006
mlackey@mayerbrown.com

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

An employee of PISANELLI BICE PLLC

KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway
Seventeenth Floor
Las Vegas, Nevada 89169
(702) 385-6000 • Fax (702) 385-6001
kic@kempjones.com



CLERK OF THE COURT

1 J. Randall Jones, Esq.
Nevada Bar No. 1927
2 jrj@kempjones.com
Mark M. Jones, Esq.
3 Nevada Bar No. 267
m.jones@kempjones.com
4 KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway, 17th Floor
5 Las Vegas, Nevada 89169
Attorneys for Sands China, Ltd.

6
7 J. Stephen Peek, Esq.
Nevada Bar No. 1758
speek@hollandhart.com
8 Robert J. Cassity, Esq.
Nevada Bar No. 9779
bcassity@hollandhart.com
9 HOLLAND & HART LLP
10 9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134
11 *Attorneys for Las Vegas Sands Corp.*
and Sands China, Ltd.

12
13 Steve Morris, Esq.
Nevada Bar No. 1543
14 Rosa Solis-Rainey, Esq.
Nevada Bar No. 7921
15 Morris Law Group
900 Bank of America Plaza
16 300 South Fourth Street
Las Vegas, Nevada 89101
17 *Attorneys for Sheldon G. Adelson*

18 **DISTRICT COURT**
19 **CLARK COUNTY, NEVADA**

20 STEVEN C. JACOBS,

21 Plaintiff,

22 v.

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

25 Defendants.
26

27 AND ALL RELATED MATTERS.
28

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

**DEFENDANTS' OPPOSITION TO
PLAINTIFF'S MOTION FOR LEAVE
TO FILE A FIFTH AMENDED
COMPLAINT ON ORDER
SHORTENING TIME**

Date: September 18, 2015
Time: 8:30 a.m.

I.

INTRODUCTION

Plaintiff's "emergency motion" for leave to file a *Fifth* Amended Complaint to add Venetian Macau Ltd. ("VML") as a defendant in the action does not present an emergency or comes as a surprise. The fact that Plaintiff has sought a hearing on the motion on an order shortening time and has represented to the Court that it "has already ruled that the motion will be granted" (Bice Decl. ¶ 4) is both surprising and dismaying because the representation is dead wrong. Plaintiff first sought leave to add VML as a defendant in June 2015. This Court denied Plaintiff's motion on June 18, 2015, "solely" in light of its analysis of Rule 41(e) issues and the then-scheduled October 2015 trial date. 6/18/15 H'ring Tr. at 10:9-14. The Court stated that "[i]f for some reason the Nevada Supreme Court makes a recalculation or issues an order related to what 41(e) mentions, I'd be happy to reconsider the motion." *Id.* The Court did *not* say that the motion would be granted. Nor did the Court rule on any of the other objections Defendants had raised to adding VML as a party.

On July 1, 2015, the Supreme Court issued an order vacating the October 2015 trial date. On July 17, 2015, this Court issued a new scheduling order under which the case will be tried in June 2016. For Plaintiff to wait two *months* after that ruling to renew his motion for leave to add VML and then to declare an unarticulated "emergency" that requires the parties and the Court to respond in two days is abusive litigation conduct that should not be endorsed by entertaining this unmeritorious motion on an order shortening time.

On its merits, however, the motion to add VML should be denied for three reasons. First, Plaintiff's new allegations represent a complete about-face from the position he took at the outset of the litigation in response to Defendants' argument that VML was an indispensable party to this litigation. Then, Plaintiff argued that VML was not a party either to his alleged employment agreement with Las Vegas Sands Corporation ("LVSC") or the stock option agreement that VML's parent company, Sands China Ltd. ("SCL"), offered to him. Now, however, Plaintiff contends that LVSC assigned "the terms and conditions of Jacobs' employment with LVSC" to VML and SCL. Proposed Fifth Am. Compl. ¶ 25. And Plaintiff

1 seeks to hold VML liable both for LVSC's alleged breach of "the Term Sheet" (in Count I) and
2 for SCL's alleged breach of a stock option agreement (Count II). Jacobs should not be
3 permitted to reverse field at this late date. That is particularly true since merits discovery has
4 already started and the addition of yet another party and additional counsel to the litigation
5 would undoubtedly lead to yet more motion practice and more delay.

6 Second, even apart from his change of position with respect to VML, Jacobs has no
7 excuse for waiting so long to seek to add VML as a defendant. It is disingenuous for Jacobs to
8 suggest that he lacked sufficient information about who his employer was while serving as CEO
9 of VML and SCL and while being paid directly by VML. All of Jacobs' paychecks, bonuses,
10 and benefits were paid and provided by VML and the very first draft employment agreement
11 presented to Jacobs listed VML as his employer.

12 Jacobs says that he obtained a new admission from Defendants at the jurisdictional
13 hearing that, unbeknownst to him, LVSC "transferred or assigned the contract to both Sands
14 China and VML." Motion at 5:25-26. But Jacobs cannot claim with a straight face that
15 information suggesting that the obligations under the contracts contemplated by the term sheet
16 were transferred or performed by SCL or VML is new to him. He could have alleged this in his
17 original complaint and chose not to. Then, he affirmatively denied that VML was ever a party
18 to an agreement with him. Jacobs chose his theory long ago. He should not be able to change it
19 now, to the prejudice of the other defendants.

20 Third, the proposed amended is futile because it is clear that the Court lacks personal
21 jurisdiction over VML and Plaintiff has failed even to attempt to plead the elements of a breach
22 of contract claim against VML. Indeed, the notion that Plaintiff can sue VML for breaching an
23 agreement with LVSC, while still maintaining that LVSC is his employer and was responsible
24 for terminating him, is absurd on its face.

25
26
27
28

II.

ARGUMENT

A. **Leave to amend is not available for untimely or bad faith requests or for requests where amendment would be futile.**

Rule 15(a) of the Nevada Rules of Civil Procedure “dictates that leave to amend a pleading ‘shall be freely given when justice so requires.’” *Brown v. Capanna*, 105 Nev. 665, 782 P.2d 1299, 1301 (1989). “This does not, however, mean that a trial judge may not, in a proper case, deny a motion to amend. If that were the intent, leave of the court would not be required. A motion for leave to amend is addressed to the sound discretion of the trial court.” *Stephens v. Southern Nev. Music Co.*, 89 Nev. 104, 105 (1973). The trial judge may deny leave to amend for undue delay, bad faith or a dilatory motive on the part of the movant. *Id.* at 106; *Kantor v. Kantor*, 8 P.3d 825, 828 (Nev. 2000). Leave must also be denied if the requested amendment would be futile. *Pink v. Modoc Indian Health Project, Inc.*, 157 F.3d 1185, 1189 (9th Cir. 1998). An amendment is futile if the amended pleading would not survive a motion for summary judgment. *Wilson v. American Trans. Air., Inc.*, 874 F.2d 275 (7th Cir. 1989); *Smith v. Chrysler Corp.*, 938 F. Supp. 1406 (S.D. Ind. 1996); *Davids v. Coyhis*, 869 F. Supp. 1401 (E.D. Wis. 1994).

In his Motion, Jacobs contends that “new” information regarding the term sheet being transferred to SCL and VML did not become available until the evidentiary hearing on jurisdiction. Jacobs argues that this information is a significant change that warrants an eleventh-hour amendment to add VML as a defendant. At the same time, however, Plaintiff continues to take the contradictory position that LVSC was his employer. In pretending that there is new information that supports the proposed amendment, Jacobs simply ignores reality. Jacobs knew the same facts he knows now when he filed his original complaint in 2010. Yet he chose not to name VML. There is no reason to allow him to change his position at this late date.

1 **1. Jacobs vehemently denied that VML was a proper party in February 2011.**

2 On December 22, 2010, LVSC filed a motion to dismiss the complaint for failure to join
3 VML as an indispensable party. LVSC's Motion to Dismiss argued that VML was Jacobs'
4 employer and that the term sheet was "at best" evidence of an employment relationship between
5 Jacobs and VML, rather than Jacobs and LVSC. *See* December 22, 2010 Las Vegas Sands
6 Corp.'s Motion to Dismiss Pursuant to NRCP 12(b)(6) and 19 for Failure to Join an
7 Indispensable Party, on file herein, at 2-3. LVSC noted that Jacobs had agreed to litigate any
8 disputes in Macau and argued that his attempt to cast LVSC as his employer was a desperate
9 attempt to find some basis to litigate in the U.S. against a U.S. entity. *Id.* In response, Jacobs
10 denied that VML was a necessary or indispensable party. He then went even further, arguing
11 that **VML was not a party to any relevant contract in this action and that LVSC was his**
12 **only employer.** *See* February 9, 2011 Jacobs' Opposition to LVS Motion to Dismiss, on file
13 herein, at 14-15 (arguing that "**VML is not a party to Jacobs' employment agreement or the**
14 **nonqualified stock option agreement.**") (emphasis added).

15 Furthermore, Jacobs specifically argued that even if VML were a co-obligor of the term
16 sheet, it still would not be an indispensable party. *Id.* at 15-21. This argument clearly
17 demonstrates that Jacobs was aware of and considered the possibility that the duties and
18 obligations under the term sheet had been transferred to VML. Jacobs' claim that the facts
19 alleged in his proposed Fifth Amended Complaint are new grossly mischaracterizes reality.
20 Jacobs' February 9, 2011 Opposition spent **6 pages** discussing and arguing that VML was not a
21 necessary or indispensable party to the litigation, even if it was a co-obligor of the term sheet.
22 *See id.* at 17 ("VML was—at most—a joint obligor (or co-obligor) with LVSC under the
23 employment agreement"). Yet Jacobs affirmatively **refused** to name VML as a defendant,
24 telling the Court that he was ready, willing and able to proceed in VML's absence. Under those
25 circumstances, Jacobs cannot credibly claim now that he was unaware that he could assert a
26 claim against VML on the theory that it was a co-obligor on the term sheet. Jacobs did not
27 eschew such a claim because he did not know about it; instead, he simply **chose** not to assert it.

1 Having made that choice, Jacobs should not be permitted to change his mind at the eleventh
2 hour because he finds it convenient to do so.

3 Indeed, even without the admissions in his own brief, Jacobs could hardly have been
4 unaware of the facts. After all, he and his lawyer negotiated the terms of an employment
5 contract with VML, all his paychecks, bonuses and benefits were paid to him by VML as his
6 employer, and Jacobs was an officer of both VML and SCL. *See infra*.

7 **2. Jacobs could have alleged that the obligations under the term sheet were**
8 **transferred to SCL and/or VML when he filed his original complaint.**

9 Jacobs also knew of facts that would have permitted him to allege that the obligations in
10 the term sheet were transferred to VML when he filed the original complaint. Jacobs' salary,
11 bonuses, and benefits were paid by VML. *See* Affidavit of Cheong, Kuok Kuan Paulo attached
12 as Exhibit A to LVSC's December 20, 2010 Motion to Dismiss Pursuant to NRCP 12(B)(6) and
13 19 for Failure to Join an Indispensable Party, on file herein, at ¶¶ 16-17. *See also* Jacobs' wage
14 records, attached hereto as Exhibit A. And the draft employment contract that was presented to
15 him (Ex. B hereto) listed VML and *only* VML as his employer. Finally, the letters terminating
16 Jacobs came from SCL and VML, not LVSC. In light of these facts, it is disingenuous for
17 Jacobs to deny any knowledge of the possibility that VML could be treated as an obligor under
18 the term sheet alleged in the complaint. It does not require holmesian levels of deductive
19 reasoning to conclude from the facts that *if*, as Jacobs alleges, the term sheet was an agreement
20 with LVSC, then that agreement had been transferred to VML, since it was the entity that would
21 be employing him in Macau.

22 If successful, Plaintiffs' untimely attempt to add VML as a defendant in this action
23 would inevitably prejudice Defendants by delaying the proceedings while VML is being served,
24 retains its own counsel, files additional motions, etc. Ironically, although Plaintiff routinely
25 complains about the delay in bringing this case to trial, most of that delay is attributable to
26 Plaintiff's penchant for changing his theories and then insisting on scorched-earth discovery to
27 support them. His attempt to add VML is just the latest example.

28

1 **3. Granting leave to amend would be futile.**

2 In addition to being untimely, Jacobs’ attempt to add VML as a party should be rejected
3 because the amendment would be futile. Plaintiff has not alleged any facts to suggest that the
4 Court would have personal jurisdiction over VML. VML is a Macau (SAR) company, with its
5 principal place of business in Macau. Under *Daimler AG v. Bauman*, 134 S.Ct. 746 (2014), and
6 *Viega GmbH v. Eighth Judicial Dist.*, 130 Nev. Adv. Rep. 40, 328 P.3d 1152 (2014), there is a
7 strong presumption that there is no general jurisdiction over VML anywhere in the United
8 States. Plaintiff does not allege any facts to suggest that VML would fit into the narrow
9 exception set forth in *Daimler*. This Court held that SCL fit the *Daimler* exception because it
10 concluded that LVSC acted as SCL’s agent in Nevada for certain purposes. But in the recent
11 oral arguments on SCL’s jurisdictional writ, Plaintiff’s counsel effectively conceded that this
12 “reverse agency” theory was wrong. See Transcript of Oral Argument, 9/1/15, attached as Ex.
13 C hereto, at 25-29. Although Plaintiff alleges in a conclusory manner that, since its inception,
14 VML “has been treated as little more than an incorporated division of Defendant LVSC”
15 (Proposed Compl. ¶ 4), general jurisdiction cannot be based on the relationship between LVSC
16 and VML unless Plaintiff meets the high burden Nevada law imposes for piercing all of the
17 corporate veils that separate LVSC from VML. See *Viega GmbH*, 328 P.3d at 1162 (the
18 corporate veil cannot be disregarded for jurisdictional purposes unless the plaintiff can show
19 “such a unity of interest and ownership that in reality no separate entities exist and failure to
20 disregard the separate identities would result in fraud or injustice”) (concurring opinion).
21 *Accord Sonora Diamond Corp. v. Superior Court*, 83 Cal.App.4th 523, 538-39 (2000) (“alter
22 ego” theory of jurisdiction requires proof both that the “separate personalities of the corporation
23 and the shareholder do not exist” and that there was “some conduct amounting to bad faith
24 [that] makes it inequitable” to recognize the subsidiary’s separate corporate identity). Plaintiff
25 never even *attempted* to show that Nevada’s stringent alter ego test warranted disregarding
26 SCL’s corporate veil, nor has he alleged any *facts* that would suggest that he can meet that
27 standard with respect to VML.
28

1 Plaintiff has also not alleged any basis for asserting specific jurisdiction over VML.
2 VML is not alleged to have done anything in Nevada to take advantage of the protections of
3 Nevada law. Indeed, Jacobs' attempts to negotiate an employment agreement with VML all
4 occurred in Macau.

5 Apart from these jurisdictional impediments, Plaintiff's breach of contract claims
6 against VML are plainly meritless. Plaintiff does not even try to explain how VML could be
7 liable under a stock option agreement that would have been solely between Jacobs and SCL had
8 Jacobs actually signed it. And as to his claim that the term sheet alleged in Count I was
9 breached, Plaintiff does not claim that *VML* breached any obligation it owed to him. On the
10 contrary, Plaintiff continues to insist that LVSC was his employer and that LVSC terminated
11 him and then breached its obligations to compensate him under the term sheet for a termination
12 without cause. Under those circumstances, even if LVSC secretly "assigned" the term sheet to
13 VML, that would not be a basis for holding VML liable. An assignment that leaves the assignor
14 as the primary obligor is, by its very nature, not an assignment at all. Furthermore, the general
15 rule in Nevada is that "personal services contracts are not assignable absent consent." *HD*
16 *Supply Facilities Maintenance, Ltd. v. Bymoen*, 125 Nev. 200, 205, 210 P.3d 183 (2009). If
17 Jacobs did not know about the purported assignment *and* the identity of the primary obligor
18 supposedly did not change, there is simply no basis on which Jacobs can assert a breach of
19 contract claim against VML.

20 III.

21 CONCLUSION

22 Because Plaintiff's claim against VML is both untimely and futile, Plaintiff should not
23 be permitted to impose on Defendants the additional delay and expense that adding VML as a
24 party would engender. Plaintiff's Motion for Leave to File a Fifth Amended Complaint should

25 ///

26 ///

27 ///

28 ///

KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway
Seventeenth Floor
Las Vegas, Nevada 89169
(702) 385-6000 • Fax (702) 385-6001
kic@kempjones.com

1 be denied.

2 DATED this 17th day of September, 2015.

3
4 /s/ J. Randall Jones

5 J. Randall Jones, Esq.
6 Mark M. Jones, Esq.
7 Kemp, Jones & Coulthard, LLP
8 3800 Howard Hughes Pkwy., 17th Floor
9 Las Vegas, Nevada 89169
10 *Attorneys for Sands China, Ltd.*

11
12 J. Stephen Peek, Esq.
13 Robert J. Cassity, Esq.
14 Holland & Hart LLP
15 9555 Hillwood Drive, 2nd Floor
16 Las Vegas, Nevada 89134
17 *Attorneys for Las Vegas Sands Corp. and Sands*
18 *China, Ltd.*

19
20 Steve Morris, Esq.
21 Rosa Solis-Rainey, Esq.
22 Morris Law Group
23 900 Bank of America Plaza
24 300 South Fourth Street
25 Las Vegas, Nevada 89101
26 *Attorneys for Sheldon G. Adelson*
27
28

KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway
Seventeenth Floor
Las Vegas, Nevada 89169
(702) 385-6000 • Fax (702) 385-6001
kic@kempjones.com

CERTIFICATE OF SERVICE

I hereby certify that on the 17th day of September, 2015, the foregoing
**DEFENDANTS' OPPOSITION TO PLAINTIFF'S MOTION FOR LEAVE TO FILE A
FIFTH AMENDED COMPLAINT ON ORDER SHORTENING TIME** was served on the
following parties through the Court's electronic filing system:

James J. Pisanelli, Esq.
Todd L. Bice, Esq.
Debra L. Spinelli, Esq.
Jordan T. Smith, Esq.
Pisanelli Bice PLLC
400 South 7th Street, Suite 300
Las Vegas, Nevada 89101
Attorneys for Plaintiff Steven C. Jacobs

Steve Morris, Esq.
Rosa Solis-Rainey, Esq.
Morris Law Group
900 Bank of America Plaza
300 South Fourth Street
Las Vegas, NV 89101

J. Stephen Peek, Esq.
Robert J. Cassity, Esq.
Holland & Hart
9555 Hillwood Drive, 2nd Floor
Las Vegas, NV 89134

/s/ Erica Bennett

An employee of Kemp, Jones & Coulthard, LLP

EXHIBIT A

EXHIBIT A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

JH-000002

205 500 5050 5050A 31020 30/09/2009

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

EMPLOYEE INFORMATION		EMPLOYEE IDENTIFICATION		EMPLOYEE STATUS		EMPLOYEE NUMBER	
205	500	5050	5050A	31020	30/09/2009	419574	
EMPLOYEE NAME				EMPLOYEE POSITION			
STEVEN CRAIG JACOBS				PRESIDENT - MACAU			
DATE	DESCRIPTION	AMOUNT	AMOUNT	DATE	DESCRIPTION	AMOUNT	AMOUNT
REGULAR PAY		870,350.01	2,611,958.03	PROFESSIONAL TAX	57,487.00	289,958.00	
PAYROLL ADJUST			4,778.00-				
GROSS PAY		870,350.01	2,606,280.03				
GROSS PAY		870,350.01	2,606,280.03				
GROSS PAY		822,863.01	2,432,872.03			57,487.00	289,958.00
PTO Balance 60.01 hrs. PTO Taken .00 hrs. Overtime Pay 臨時支付 Salary 薪金		One period behind.					
SALARY PAY FOR THE PERIOD 01-SEP-2009 THROUGH 30-SEP-2009							
OT PAY FOR THE PERIOD 17-AUG-2009 THROUGH 13-SEP-2009;PTO CUT-OFF AS AT 13-SEP							

JH-000003

PA875

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

JH-000004

205 500 5050 5050A 31020 31/12/2009

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

EMPLOYEE INFORMATION		EMPLOYEE ID		EMPLOYEE NAME		EMPLOYEE POSITION	
205	500	5050	5050A	31020	31/12/2009	14557	
STEVEN CRAIG JACOBS				PRESIDENT - MACAU			
DATE	DESCRIPTION	AMOUNT	CREDIT	DEBIT	TOTAL	TAX	TOTAL
REGULAR PAY		870,350.00	5,222,100.05	PROFESSIONAL TAX	56,415.00	487,160.00	
PAYROLL ADJUST			4,770.00-				
HOUSING		96,408.00	478,826.40				
OVERPAY-SETTLEMENT		96,408.00-	478,826.40-				
PTO Balance 105.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金		870,350.00	5,217,330.05				
PTO Balance 105.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金		870,350.00	5,217,330.05				
PTO Balance 105.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金		813,935.00	4,846,727.05		56,415.00	487,160.00	
SALARY PAY FOR THE PERIOD 01-DEC-2009 THROUGH 31-DEC-2009 OT PAY FOR THE PERIOD 16-NOV-2009 THROUGH 13-DEC-2009;PTO CUT-OFF AS AT 13-DEC							

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA.

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA.

[illegible]

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA.

JH-000008

205 500 5050 5050A 31020 31/03/2010

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205		500		5050 5050A		31020		31/03/2010		15248	
STEVEN CRAIG JACOBS						PRESIDENT - MACAU					
REGULAR PAY		870,350.01		2,611,050.02		PROFESSIONAL TAX		65,873.00		210,478.00	
PAYROLL ADJUST		.01-		.01-							
TRAVEL		27,036.30		274,009.50							
HOUSING		96,408.00		289,224.00							
OVERPAY-SETTLEMENT		96,408.00-		289,224.00-							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30		2,685,059.51							
GROSS PAY		898,186.30									

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

--

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA.

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA.

205	500	5050	5050A	31020	30/04/2010	15664
STEVEN CRAIG JACOBS				PRESIDENT - MACAU		
REGULAR PAY		876,350.01	3,481,408.03	PROFESSIONAL TAX	67,138.00	511,346.00
PAYROLL ADJUST		.01-	.02-			
BONUS			3,481,401.00			
TRAVEL		27,886.30	301,849.80			
HOUSING		96,408.00	385,632.00			
OVERTIME-SETTLEMENT		96,408.00-	385,632.00-			
		898,186.30	7,264,646.81			
		898,186.30	7,264,646.81			
		831,081.30	6,753,300.81		67,138.00	511,346.00
PTO Balance 109.01 hrs. PTO Taken 44.00 hrs. Overtime Pay 超時支付 Salary 薪金 One period behind.						
SALARY PAY FOR THE PERIOD 01-APR-2010 THROUGH 30-APR-2010 OT PAY FOR THE PERIOD 15-MAR-2010 THROUGH 18-APR-2010; PTO CUT-OFF AS AT 18-APR						

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979, CREST VALLEY DR ATLANTA
GA 30027
USA,

205	500	5050	5050A	31020	31/05/2010	15859
STEVEN CRAIG JACOBS						
PRESIDENT - MACAU						
REGULAR PAY		870,360.01	4,351,750.04	PROFESSIONAL TAX	65,873.00	577,219.00
PAYROLL ADJUST		.01-	.93-			
BONUS			3,481,401.00			
TRAVEL		27,816.30	328,682.10			
HOUSING		96,408.00	482,040.00			
OVERTIME-PAYMENT		96,408.00-	482,040.00-			
GROSS WAGES		898,185.30	8,162,833.11			
Overtime Pay		898,185.30	8,162,833.11			
Net Pay		832,323.30	7,885,614.11		65,873.00	577,219.00
PTO Balance 124.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金						
SALARY PAY FOR THE PERIOD 01-MAY-2010 THROUGH 31-MAY-2010 OT PAY FOR THE PERIOD 19-APR-2010 THROUGH 16-MAY-2010; PTO CUT-OFF AS AT 16-MAY						

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

JH-000013

205 500 5050 5050A 31020 31/08/2010

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

EMPLOYEE INFORMATION		EMPLOYEE ID		EMPLOYEE NAME		EMPLOYEE ADDRESS	
205	500	5050	5050A	31020	31/08/2010	16470	
STEVEN CRAIG JACOBS				PRESIDENT - MACAU			
EMPLOYEE	DATE	CURRENT	PREVIOUS	PROFESSIONAL TAX	CURRENT	PREVIOUS	
REGULAR PAY		680,139.36	5,902,239.31	PROFESSIONAL TAX	68,712.00	711,804.00	
PTO BALANCE	77.73	354,813.59	354,813.59				
PAYROLL ADJUST		.03	.01-				
BONUS			3,481,401.00				
TRAVEL		21,341.16	376,859.56				
HOUSING		73,912.00	653,360.80				
OVERPAY-SETTLEMENT		598,098.34-	1,177,647.14-				
PTO Balance -11.72 hrs. PTO Taken 88.00 hrs. Overtime Pay 超時支付 Salary 薪金		531,107.59	9,592,126.91		68,712.00	711,804.00	
One period behind.		531,107.59	9,592,126.91				
		462,395.50	8,880,322.91				

EXHIBIT B

EXHIBIT B

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into as of August 3, 2009 (the "Effective Date"), by and between Venetian Macau Limited, a Macau (SAR) company with its principal business offices located at Estrada Da Baia de N. Senhora da Esperanca, s/n, Executive Office, The Cotai Strip™, Taipa, Macao SAR, P.R. China (the "Company"), and Mr. Steve Jacobs, residing at _____, Atlanta, GA, _____, holder of United States of America Passport Number _____ (the "Executive").

WHEREAS, the Company desires to employ the Executive and to enter into this Agreement embodying the terms of such employment and the Executive desires to accept such employment and to enter into this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the Company and the Executive (each individually a "Party" and together the "Parties") agree as follows:

1. **Definitions.**

- 1.1 "Affiliates" shall mean the parent, subsidiary and affiliates of the Company, as defined in the rules of the United States Securities and Exchange Commission, including without limitation, Las Vegas Sands Corp.; Marina Bay Sands Pte. Ltd.; Venetian Cotai Limited; and Venetian Casino Resort, LLC.
- 1.2 "Base Salary" shall mean the salary provided for in Section 3 of this Agreement or any change thereto pursuant to the provisions of Section 3.
- 1.3 "Cause" shall mean:
 - (a) Conviction, or a guilty plea of any criminal offence (other than of a traffic offence) whether in Macau or elsewhere involving dishonesty on the part of the Executive;
 - (b) Misappropriation of any material funds or property of the Company, commission of fraud or embezzlement with respect to the Company, or any material act of dishonesty in relation to the Executive's employment by the Company resulting or intended to result in direct or indirect personal gain or enrichment at the expense of the Company; or
 - (c) Use of alcohol or drugs that renders the Executive unable to perform the functions of his job or carry out his duties; or
 - (d) The failure to obtain, or loss, revocation or suspension, regardless of cause, of any license or certification of the Executive necessary for the Executive to discharge the Executive's duties on behalf of the Company and the Executive fails to correct the situation, if possible, within the timeframe prescribed by any applicable casino regulatory authority including the Macao Gaming Authority; or
 - (e) A decree of a court of competent jurisdiction that the Executive is not mentally competent or is unable to handle his own affairs; or

- (f) The Executive's death;
- (g) The Executive's Disability, as defined below;
- (h) Any other facts that the Macao Labour Law qualifies as just cause for rescission by the Company; or
- (i) The giving of written notice by the Company to the Executive of a Material Breach of this Agreement by the Executive, which Material Breach, if curable, remains uncured for ten (10) days after the giving of such notice.

1.4 "Confidential Information" shall mean all private, personal, confidential or proprietary information, tangible or intangible, owned by or pertaining to the Company, Affiliates, or Sheldon G. Adelson, which information was learned or acquired by the Executive as a result of his employment relationship with the Company. Without limiting the generality of the preceding sentence, "Confidential Information" shall include, but not be limited to, all of the Company and Affiliates' trade secrets, business methods, lists of customers (whether or not customers may have been solicited or procured by the Executive or by the Company), secret formulas or processes, player rating and credit line information, customer information, customer data, sales data, cost data, profit data, marketing methods, credit and collections techniques, strategic planning data, and financial planning data and all data and information stored on, received on or transmitted using the Company owned or leased equipment; provided, however, that "Confidential Information" shall not include information or data: (i) generally publicly known, (ii) learned by the Executive from third persons with a legal right to disclose such information to the Executive, or (iii) discovered by the Executive through means entirely independent from and in no way arising from the disclosure to the Executive by the Company.

1.5 "Content" shall mean all Confidential Information in whatever form embodied or reduced including, but not limited to, papers, drawings, notes, memoranda, manuals, specifications, designs, devices, code, e-mail, documents, diskettes, tapes and any electronic method of recording information or any other method of recording information whether now known or discovered or invented in the future.

1.6 "Disability" shall mean the Executive's inability to perform, for a period of twelve (12) consecutive weeks, the essential functions of the position by reason of permanent mental or physical disability, whether resulting from illness, accident or otherwise.

1.7 "Good Reason" shall mean:

- (a) a material breach of this Agreement by the Company;
- (b) a reduction in the Executive's Base Salary; or
- (c) a material change in the duties and responsibilities of the Executive's office as would cause the Executive's position to have less dignity, importance or scope than intended on the Effective Date;

provided, however, that "Good Reason" shall not be deemed to occur solely as a result of a transaction in which the Company becomes a subsidiary of another company, so long as the Executive's duties and responsibilities of office are not materially changed as they

relate solely to the Company and, provided further, the Executive may not terminate employment for Good Reason, unless (i) the Executive gives written notice to the Company that Good Reason has occurred, which notice includes a reasonably detailed description of the alleged grounds for termination, and that the Executive has elected to resign, and (ii) the Company has not cured such act or omission prior to the expiration of the thirty (30) day period after delivery of such notice, in which case, the Executive's employment shall terminate thirty (30) days after delivery of such notice. It shall terminate thirty (30) days after delivery of such notice.

- 1.8 "Macao Gaming Authority" shall mean the Macao Special Administrative Region Gaming Inspection and Coordination Bureau or any other branch of the Macao Government tasked with the regulation of casinos in Macao;
- 1.9 "Material Breach" shall mean an act or omission of Executive, not otherwise specified in the definition of "Cause" set forth above, which is: (i) dishonest and relates to Executive's employment by the Company resulting in direct or indirect personal gain or enrichment at the expense of the Company or any of its Affiliates; (ii) likely to cause a material adverse effect on the business of the Company or any of its Affiliates; or (iii) serious and bad faith willful misconduct (including disclosure of Confidential Information) that is likely to cause a material adverse effect on the business of the Company or any of its Affiliates.
- 1.10 "Term of Employment" shall mean the Initial Term of Employment and any extensions thereof, subject to earlier termination as provided in this Agreement.
- 1.11 "Termination of employment" and similar terms when used in this Agreement that refer to the Executive's termination of employment or terminating employment shall be construed to refer to a termination of employment that constitutes a "separation from service" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A").

2. Term of Employment. Positions and Duties.

- 2.1 Employment Accepted. The Company hereby employs the Executive, and the Executive hereby accepts employment with the Company, for the Term of Employment, in the position and with the duties and responsibilities set forth in Section 2.3 or in such other position as reasonably assigned by the Company and upon such other terms and conditions as are hereinafter stated. Although the Executive's primary residence will be based in Hong Kong, the Executive will spend a substantial amount of his working time in Macao (SAR) with his employment and duties being assumed in both Hong Kong and Macao (SAR).
- 2.2 Initial Term of Employment. The initial term of employment shall commence upon the Effective Date and shall terminate upon the close of business on the third (3rd) anniversary thereof ("Initial Term of Employment").
- 2.3 Duties and Responsibilities. During the Term of Employment, the Executive shall be employed as President and Chief Executive Officer of Venetian Macau Limited or its controlling parent entity as a result of a transaction in which the Company becomes a subsidiary of another company. In this capacity, the Executive will either report directly to the President and Chief Operating Officer – Las Vegas Sands Corp. or to the Chief Executive Officer and Chairman of Las Vegas Sands Corp., all subject to change at the

Employment Agreement
Mr. Steve Jacobs

Executive's Initials /s/ SJ
Page [APG] of [ANP]

CONFIDENTIAL

LVS00148730

PA890

Company's discretion; provided, however, unless the Executive's replacement report is a reasonably equivalent level executive officer of Las Vegas Sands Corp. as the President and Chief Operating Officer or Chief Executive Officer and Chairman, the Executive shall have a right to terminate his employment for Good Reason, except if the reporting relationship changes as a result of a requirement of the Macao Gaming Authority. The Executive shall devote the necessary time and attention to the duties and responsibilities of this position which will include, without limitation:

- Management and oversight of all the operations of the Company and Asian operations of Las Vegas Sands Corp.;
- Performing all duties on behalf of the Company and any of its Affiliates as designated or requested by the President and Chief Operating Officer – Las Vegas Sands Corp. or as designated or requested by the Chief Executive Officer and Chairman – Las Vegas Sands Corp. (or either of their replacements as provided earlier in this Section 2.3) as are consistent with the Executive's executive officer level position.

Each Vice President and Senior Executive of the Company, including without limitation, the Executive Vice President and President Asia Development, will have a direct reporting structure to the Executive. During the period of the Executive's employment, he will faithfully and diligently devote all of his business and professional time, attention, energy, experience and ability to promote the business and interests of the Company. While employed by the Company, the Executive will not engage in any other employment, occupation, consultation or business pursuit which would interfere with or take time away from the discharge of his employment responsibilities without the prior written consent of the Company.

- 2.4 Licensing and Compliance Requirement. If required by the Company or the Macao Gaming Authority, the Executive must apply for and obtain a casino key employee license and otherwise qualify for any other license necessary to allow the Executive to perform his duties hereunder (the "License"). The Company and the Executive agree to cooperate with the Macao Gaming Authorities and with each other in applying for the License and in removing any objections that may be raised by the Macao Gaming Authorities in connection with the granting of the License. Additionally, the Agreement is contingent upon the Executive fully cooperating with, and successfully completing, the Company's background investigation pursuant to its corporate and Company compliance policies and procedures.
- 2.5 Conviction. The Executive hereby confirms that he has not been convicted of any criminal offence involving dishonesty on his part in Macao, Hong Kong or elsewhere. In the event that he is convicted of or charged with any such offence, he will immediately inform the Company.
- 2.6 Policies and Procedures. In addition to the terms herein, the Executive agrees to be bound by the Company's policies and procedures as such may be amended by the Company from time to time. In the event the terms in this Agreement conflict with the Company's policies and procedures, the terms herein shall take precedence.

3. Base Compensation.

- 3.1 Base Salary. During the Term of Employment, the Executive shall be entitled to receive a "Base Salary" equivalent to One Million Three Hundred Thousand United States Dollars per annum (the "US Base Salary") during each year of the Initial Term of Employment or such greater amount as the Company shall determine. The Base Salary shall be paid in Patacas based on the "Exchange Rate" (as defined below) determined as of the Effective Date and as of each subsequent anniversary of the Effective Date, subject to the "Base Salary Exchange Rate Adjustment" (as defined below) and shall be payable in equal installments monthly or otherwise in accordance with the regular payroll practices of the Company. Notwithstanding the foregoing, the Company agrees to protect the Executive against decreases in the value of the Patacas against the United States Dollar determined by reference to the exchange rate published by Wall Street Journal (the "Exchange Rate") of greater than one percent (1%) as provided in this Section 3.1 (the "Base Salary Exchange Rate Adjustment"), and the Company also agrees that increases in the value of the Patacas against the United States Dollar (except as part of the averaging process to determine if there is a Base Salary Rate Exchange Adjustment as described below) shall have no effect on the Base Salary. The Base Salary Exchange Rate Adjustment shall be calculated as follows: On every anniversary of the Effective Date (the "Anniversary Date"), the monthly Base Salary in effect at the end of each of the twelve (12) month periods (determining the monthly periods by taking the numerical date of the Effective Date as the beginning of the monthly period and using the numerical date of the next month immediately preceding such beginning numerical day as the ending day of the monthly period) during each annual period after the Effective Date shall be converted into United States Dollars at the Exchange Rate in effect at the end of each monthly period (the "Monthly Conversion") and the sum in United States Dollars for the twelve (12) Monthly Conversions shall be determined (the "Converted Amount"). If the Converted Amount is more than one percent (1%) less than the US Base Salary, the difference between the Converted Amount and the US Base Salary shall be paid to Executive by Company in Patacas at the Exchange Rate in effect on the Anniversary Date. The amount of any salary increase once effective shall become the Base Salary for the purpose of this Agreement and the new US Base Salary shall establish the new Base Salary adjusted by the Exchange Rate in effect at the effective date of the Base Salary adjustment.
- 3.2 Taxes/Macao Social Security Fund. The Executive shall be responsible for his own income taxes arising from employment in Macao, subject however to any withholding or deductions required by Macao law. In the event that the Company has an obligation to make Social Security Fund ("FSS") contributions in respect of the Executive, the Company will be entitled to:
- (a) make corresponding adjustments in his Base Salary; and
 - (b) recover such portion of the FSS contribution from the Executive's Base Salary as permitted by law.

Employment Agreement
Mr. Steve Jacobs

Executive's Initials /s/ SJ
Page [APG] of [ANP]

CONFIDENTIAL

LVS00148732

PA892

4. Expatriate Benefits.

- 4.1 Expatriate Benefits and Relocation. Because the Executive is required to relocate to Hong Kong, the Executive shall be entitled to a one-time payment of up to Ten Thousand US Dollars (USD 10,000) to cover all reasonable costs of relocating Executive and his personal belongings from Atlanta, Georgia to Hong Kong.
- 4.2 Housing Allowance. The Executive shall be paid a housing allowance of Twelve Thousand US Dollars (USD 12,000) per month and the Company shall pay deposits, if any, directly associated with the Executive's housing as substantiated by supporting documentation.
- 4.3 Relocation Benefits after Completion of Term or Termination Without Cause or Resignation for Good Reason. Provided that the Executive completes the Initial Term of Employment or is terminated by the Company without Cause or resigns for Good Reason, the Company shall pay Business Class airfare from Hong Kong to Atlanta, Georgia for the Executive, his spouse and his children as well as the direct reasonable cost for one twenty foot shipping container to relocate the Executive and his family's personal belongings back to the United States.
- 4.4 Business Expenses. The Company shall pay for or reimburse the Executive for all of his reasonable business expenses, including without limitation the Executive's business travel, in accordance with Company policy. In addition, the Company shall pay all direct and reasonable expenses incurred to allow the Executive to work and perform his duties in Hong Kong, including without limitation, expenses incurred relating to visas or work permits and other activities contemplated by Section 5, and obtaining a License or other qualification of the Macao Gaming Authority and any other activities contemplated by Section 2.4 provided that in all instances should legal counsel or other professional assistance be required Executive must utilize persons and/or firms as directed by Company.

5. Employment Application / Macao Work Authorization. The Executive shall provide the Company within 7 days of execution of this Agreement a completed Company Employment Application. If the Executive is not a Macao resident, the Executive shall provide the Company within 7 days of execution of this Agreement, with copies of:

- Passport and/or other travel document
- Executed Employment Agreement with the Company
- Birth Certificate with full name of Mother and Father
- Marriage Certificate, if applicable
- Education/Academic Certificate(s)
- Previous letters of service/employment verifications from prior employers (if no educational certificate is available)
- Proof of professional qualification/Curriculum Vitae

This Agreement is conditioned upon the Executive receiving all required work permits and immigration permissions from the government of Macao. The Company agrees to use best efforts to assist the Executive in the application and approval process for such permits and approvals. The Executive agrees to apply for full time resident status in Hong Kong in connection with this effort.

6. Bonus.

6.1 Annual Bonus. It is the Company's current intention to establish an annual incentive bonus program by which the Executive will be eligible to receive a discretionary annual incentive bonus based upon the achievement of individual and company goals and objectives to be established. All bonus payouts, if any, and bonus criteria are in the sole, absolute and unfettered discretion of the Company. It is contemplated that if the Company achieves its financial goals and if the Executive meets performance expectations, the Executive will be paid a bonus annually targeted at up to fifty percent (50%) of the Executive's annual Base Salary as further set forth below. Notwithstanding that contemplation, the Executive shall not have any enforceable right to receive a bonus except for such bonuses as are formally approved by the Company. Upon termination of the Executive's employment for any reason whatsoever, the Company shall have no obligation to pay the Executive any bonus or prorated portion of a bonus, except in the event the Company terminates the Executive's employment without Cause or the Executive resigns for Good Reason and bonuses have been formally approved by the Company but not yet paid at the time of termination of employment, and, in each case, Executive has worked more than six (6) months in the bonus year, then the Executive shall receive a bonus for the bonus year with respect to which the criteria were satisfied, subject to proration for the time worked in the bonus year and subject to payment at the time that the bonuses of similar level executive officers are paid (a "Prorated Bonus"). In each fiscal year of the Company (a "Fiscal Year" which, as of the Effective Date is the period January 1 through December 31) ending during the Initial Term of Employment, the Executive shall be eligible to earn a discretionary annual cash bonus (the "Annual Bonus") equal to fifty percent (50%) of Executive's Base Salary for the Fiscal Year. Twenty-five percent (25%) of the Annual Bonus (the "Financial Performance Bonus") shall be subject to the achievement of annual targets primarily based on EBITDAR to be established in the sole discretion of the Board of Directors of Las Vegas Sands Corp. (the "Board") Compensation Committee ("Committee") following consultation with senior management (the "Target"). The remaining twenty-five percent (25%) of the Annual Bonus (the "Individual Performance Bonus") shall be payable subject to the Committee's assessment of the extent, if any, by which Executive's performance for such Fiscal Year meets or exceeds the individual performance criteria established by the Committee for such Fiscal Year, which performance criteria shall be communicated to Executive as soon as practicable but no later than the 89th day of such Fiscal Year (or, in the case of the 2009 Fiscal Year, within 30 days of the Effective Date).

7. Stock Options.

7.1 General. Subject to Section 7.2, it is the Company's intention to consider the Executive for participation in the Las Vegas Sands Corp. ("LVSC") stock option plan in accordance with the Executive's grade and level equivalent to other similarly situated employees of the Company, subject to the discretion of Las Vegas Sands Corp. Compensation Committee. Notwithstanding that contemplation, the Executive shall not have any enforceable right to participate in the stock option plan, except as set forth in Section 7.2

Employment Agreement
Mr. Steve Jacobs

Executive's Initials /s/ SJ
Page [APG] of [ANP]

CONFIDENTIAL

LVS00148734

PA894

and unless any award of options is formally approved by the Compensation Committee of the LVSC or its Board of Directors.

7.2 Initial Grants. The Executive shall be granted a one-time award of nonqualified stock options to purchase 500,000 shares of common stock of LVSC ("Option Incentive Award") under the LVSC 2004 Equity Award Plan (the "Plan"). The Option Incentive Award will vest (i) as to 250,000 of the shares subject thereto on January 1, 2010, and (ii) as to 125,000 of the shares subject thereto on January 1, 2011 and (iii) as to 125,000 of the shares subject thereto on January 1, 2012 subject to your continued employment with the Company on each applicable vesting date, except as otherwise provided below. The exercise price of the Option Incentive Award shall be equal to the Fair Market Value (as defined in the Plan) of LVSC's common stock on the date of grant of the Option Incentive Award. Except as otherwise provided herein, the Option Incentive Award shall otherwise be subject to the terms and conditions of the Plan and the Company's form of stock option agreement for its senior executives.

7.3 Conversion to Hong Kong Public Offering. In the event the Company or an Affiliate applies in Hong Kong for an initial public offering of shares of LVSC in its Macao casinos ("Hong Kong IPO"), the number of shares in Executive's Option Incentive Award will be converted to an equivalent number of shares of nonqualified stock options under the Hong Kong IPO such that the aggregate Fair Market Value (as defined in the Plan) of the Hong Kong IPO list price is equal to the aggregate Fair Market Value (as defined in the Plan) of LVSC's common stock on the date of the grant of the Option Incentive Award.

8. Employment Benefit Programs.

8.1 Employee Benefits. During the Term of Employment, the Executive shall be entitled to participate in all employee benefit programs made available to the Company's executive officers and all employee benefit programs made available to the Company's salaried employees generally, including without limitation group medical insurance, vacation and paid time off, details of which will be described in an employee handbook or similar materials which will be provided to the Executive in the normal course of the commencement of his employment as such programs may be in effect from time to time.

8.2 Vacations and Holidays. During the Term of Employment, the Executive shall be entitled to vacations and holidays in accordance with the Company's policy in effect from time to time, provided, however, but no less than the following: four (4) weeks of paid vacation leave each year of the Initial Term of Employment, at such times as may be requested by you and approved by the Company. No more than three (3) weeks of vacation shall be taken consecutively. Should business demands restrict the use of vacation in any year of the Initial Term, up to two (2) weeks of vacation may be carried over to the following year, but not to the next.

9. Probation & Termination.

9.1 Termination by the Company for Cause or by the Executive without Good Reason. In the event Cause occurs, the Company shall be entitled to terminate the Executive summarily. The Executive may, without Good Reason, terminate this Agreement and his employment by giving two (2) months prior written notice to the Company. The Company may waive this notice at its discretion. In the event the Company terminates

Employment Agreement
Mr. Steve Jacobs

Executive's Initials /s/ SJ
Page [APG] of [ANP]

CONFIDENTIAL

LVS00148735

PA895

the Executive's employment for Cause or the Executive resigns without Good Reason, the Executive shall be entitled to:

- (a) Base Salary at the rate in effect at the time of his termination through the date of termination of employment;
- (b) Reimbursement for expenses incurred in the course of and for the purposes of his employment, but not paid prior to such termination of employment; and
- (c) Such rights to other compensation and benefits as may be provided in applicable agreements, plans and programs of the Company, according to the terms and conditions of such agreements, plans and programs.

9.2 Termination by the Company without Cause or by the Executive with Good Reason. The Company may, without Cause, terminate this Agreement. In the event that the Company terminates the Executive's employment without Cause or the Executive resigns for Good Reason, the Executive shall thereupon be entitled to:

- (a) Payment of a lump sum equal to the Base Salary for twelve (12) months;
- (b) Prorated Bonus (if any) due in accordance with Section 6;
- (c) Accelerated vesting of all shares of the Option Incentive Award;
- (d) A three hundred sixty-five (365) day period following such termination in which the vested portions of the Option Incentive Award shall remain exercisable by the Executive;
- (e) Continued health plan coverage for the Executive and his eligible dependents, at the same cost and on the same terms as is provided to actively employed executive officers, until the earlier of eighteen (18) months after termination of employment or until the Executive obtains health plan coverage from another employer;
- (f) Reimbursement for reasonable expenses incurred, but not paid prior to such termination of employment, subject to the receipt of supporting information and documents by the Company, and all expenses that are reimbursable pursuant to Section 4; and
- (g) Such rights to other compensation and benefits as may be provided in applicable agreements, plans and programs of the Company, according to the terms and conditions of such agreements, plans and programs.

9.3 Termination Due to Change of Control. The Executive may voluntarily terminate this Agreement and his employment with the Company upon two (2) months prior written notice to the Company; in the event Sheldon G. Adelson or his current spouse is not serving as Chief Executive Officer of the Company and Chairman of the Board ("Change of Control"); provided, that the restrictions set forth in Section 10 shall continue to apply following such termination of employment. In the event that the Executive terminates his employment due to a Change of Control as defined in this Agreement, the Executive shall thereupon be entitled to:

- (a) Base Salary at the rate in effect at the time of his termination through the date of termination of employment;
- (b) Reimbursement for expenses incurred in the course of and for the purposes of his employment, but not paid prior to such termination of employment;
- (c) Accelerated vesting of all shares of the Option Incentive Award;
- (d) A three hundred and sixty-five (365) day period following such termination in which the vested portions of the Option Incentive Award shall remain exercisable by the Executive; and
- (e) Such rights to other compensation and benefits as may be provided in applicable agreements, plans and programs of the Company, according to the terms and conditions of such agreements, plans and programs.

9.4 General Release and Covenant Not to Sue. Notwithstanding any other provision of this Agreement to the contrary, Executive acknowledges and agrees that any and all payments to which he is entitled under this Section 9 are conditional upon and subject to Executive (or Executive's estate's) execution, within 10 days following termination of employment, of the General Release and Covenant Not to Sue in the form attached hereto as Exhibit A (which form may be reasonably modified to reflect changes in the law), and, except as otherwise provided in Section 25, any payments that are subject to the execution of such General Release and Covenant Not to Sue shall commence to be paid on the day immediately following expiration of the release revocation period, if any.

10. Restrictive Covenant and Covenants not to Engage in Certain Other Acts.

10.1 Restrictive Covenant. Regardless of the reason for termination of employment, except in the case in which this Agreement expires at the expiration of the Term of Employment pursuant to Section 2.2, the Executive shall not directly or indirectly for a period of twelve (12) months from the termination date, accept any form of employment or compensation (by whatever name or title whatsoever or in effect whether as an employee or consultant) or in any other individual or representative capacity, own, manage, finance, operate, control or otherwise engage or participate in any manner or fashion in any integrated resort company, hotel company, retail leasing company, or convention related company: (i) located in Macau Special Administrative Region of The People's Republic of China; or (ii) located within 25 miles of Singapore or the site of any planned development of the Company or its parent or Affiliates; or accept any form of employment in any casino parent company that operates properties in international locations in which the Company or any of its Affiliates is doing business or has made substantial plans to commence doing business. The Executive acknowledges and agrees that the restrictive covenant contained in this Section is supported by valuable consideration, and is reasonable in its scope and duration, and that the covenant protects the legitimate interests of the Company and imposes no undue hardship on the Executive.

10.2 Non-solicitation. The Executive agrees that for a period of one (1) year after the end of the Executive's employment with the Company, he shall not induce any persons in the employment of the Company or Affiliates to (a) terminate such employment, (b) accept employment with anyone other than the Company or an Affiliate of the Company or (c) interfere with the business of the Company in any material manner.

Employment Agreement
Mr. Steve Jacobs

Executive's Initials /s/ SJ
Page [APG] of [ANP]

CONFIDENTIAL

LVS00148737

PA897

10.3 Survival. The Executive agrees that the provisions of this Section 10 shall survive the termination of this Agreement and the termination of the Executive's employment, provided that the restrictive covenants in Section 10.1 shall not apply to termination of employment due to expiration of the Term of Employment pursuant to Section 2.2.

10.4 Covenants to Protect Confidential Information.

- (a) Non-Disclosure. Both during and after the Executive's employment, the Executive agrees to hold confidential all Confidential Information learned or acquired by him and he will take all action reasonably necessary to preserve that confidentiality. The Executive represents and covenants that the Executive shall treat any Confidential Information disclosed to, or learned by, the Executive as fiduciary agent of the Company, recognizing that the Company only made the Confidential Information accessible to the Executive by reason of the special trust and confidence which the Company placed in the Executive.

In perpetuity, the Executive shall not disclose, disseminate, transmit, publish, distribute, make available or otherwise convey any of the Company's, Affiliates', or Sheldon G. Adelson's Confidential Information to any person except directors, officers and employees of the Company that in the Executive's actual and reasonable knowledge are entitled and authorized to view such Confidential Information and who need to know such Confidential Information in order to conduct bona fide activities on behalf of the Company.

- (b) Without the prior written approval of Sheldon G. Adelson or duly authorized representatives of the Company or Affiliates, which the Company, Affiliates, or Sheldon G. Adelson may in their sole discretion withhold, the Executive agrees that, during the term of this Agreement or at any time thereafter, the Executive shall keep confidential and shall not directly or indirectly disclose, reveal, publish, exploit or otherwise make use of the Confidential Information in any manner whatsoever including, but not limited to, interviews, articles, accounts, books, plays, movies, and documentaries, whether non-fiction or fictional.
- (c) Security Measures. While in possession or control of Confidential Information, or any media embodying the same, the Executive shall take reasonable efforts to keep such Confidential Information reasonably inaccessible from persons not otherwise authorized to view the Confidential Information.
- (d) Forced Disclosure. If the Executive is requested or required (by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena, civil investigative demand or other similar process) to disclose any of the Confidential Information, the Executive shall provide an officer of the Company with prompt written notice of such request or requirement so that the Company may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement.
- (e) Ownership. Notwithstanding any other provision of this Agreement, the Executive hereby acknowledges that the Company owns the exclusive right, title and interest in and to the Confidential Information and the intellectual property embodied in, relating to, based upon or arising from Confidential Information.

- (f) Return of Materials. When the Executive's employment with the Company ends, the Executive shall return to the Company all Content. The Executive shall also return any keys, access cards, credit cards, identification cards and other property and equipment belonging to the Company and/or Affiliates.
- 10.5 Non-Disparagement. During the Term of Employment and in perpetuity following the effective date of termination of this Agreement, the Executive shall not make any remarks disparaging the conduct or character of Sheldon G. Adelson, the Company or Affiliates, their agents, employees, officers, directors, successors, or assigns.
- 10.6 Cooperation. At any time following the effective date of termination of this Agreement, the Executive shall reasonably cooperate with the Company in any litigation or administrative proceedings involving any matters with which the Executive was involved during his employment by the Company. The Company shall reimburse the Executive for reasonable expenses, if any, incurred in providing such assistance.
11. Equitable Relief. The Executive acknowledges that the breach of any of the obligations of Section 10 by the Executive will cause irreparable injury to the Company and/or Affiliates which could not be adequately compensated in money damages and shall entitle the Company and/or Affiliates to all equitable remedies, including without limitation injunctive relief, specific performance and restraining orders. Equitable relief shall be in addition to all other remedies available to the Company.
12. Acknowledgement.
- 12.1 The Executive certifies that the Executive has fully read and understands the terms, nature and effect of this Agreement. The Executive also certifies that he had the opportunity to consult with his lawyer in connection with the execution of this Agreement. In executing this Agreement, the Executive does not rely on any inducements, promises or representations by the company or any person other than the terms and conditions of this Agreement.
- 12.2 The Executive warrants and represents that he does not know of any restriction or agreement to which he is bound which arguably conflicts with his execution of this Agreement or his employment hereunder.
13. Controlled Substance and Alcohol Screening. Throughout the term of this Agreement, the Executive must abide by the Company's controlled substance and alcohol policy as adopted from time to time. The Executive acknowledges and agrees that these policies may include requirements that the Executive submit to testing for controlled substances or alcohol on the basis of reasonable suspicion in accordance with the Company's controlled substance or alcohol policies.
14. Indemnification. Except as otherwise provided under Macao law, the Company agrees that, if the Executive acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful and Executive is made a party, or is threatened to be made a party, to any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that the Executive is or was a director, officer, employee, agent, manager, consultant or representative of the Company or an Affiliate or is or was serving at the request of the Company or an Affiliate as a director, officer, member, employee or agent of another corporation, partnership, joint venture,

trust, enterprise, or other person, including service with respect to employee benefit plans, whether or not the basis of such Proceeding is the Executive's alleged action or omission in an official capacity while serving as a director, officer, member, employee or agent, the Executive shall promptly be indemnified and held harmless to the fullest extent legally permitted or authorized by the Company's governing documents or by resolutions of the Board of Directors of the Company, and if such indemnification is not available for any reason, LVSC shall provide such indemnification to the fullest extent permitted by LVSC's certificate of incorporation or bylaws or by resolutions of its Board of Directors.

15. **Entire Agreement.** This Agreement contains the entire agreement between the Parties concerning the subject matter hereof and supersedes all prior agreements, understandings, discussions, negotiations and undertakings, whether written or oral, between the Parties with respect thereto.
16. **Assignability: Binding Nature.** This agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, heirs and assigns. No rights or obligations of the Parties may be assigned except that such rights or obligations may be assigned or transferred pursuant to a merger or consolidation in which the Company is not the continuing entity, or the sale or liquidation of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or substantially all of the assets of the Company and such assignee or transferee assumes the liabilities, obligations and duties of the Company, as contained in this Agreement, either contractually or as a matter of law. The Company may also assign this Agreement to a controlling parent entity, an affiliated or subsidiary entity at its sole discretion.
17. **Amendment.** No provision in this Agreement may be amended or waived unless such amendment or waiver is agreed to in writing by the parties.
18. **Construction.** The terms and conditions of this Agreement shall be construed as a whole according to its fair meaning and not strictly for or against any Party. The Parties acknowledge that each of them has reviewed this Agreement and has had the opportunity to have it reviewed by their lawyers and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement.
19. **Waiver.** Neither the failure nor any delay on the part of any party to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver of that right, remedy, power or privilege.
20. **Partial Invalidity.** If any provision or provisions of this Agreement shall be held to be invalid, illegal, or unenforceable for any reason whatsoever:
 - (a) The validity, legality, and unenforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and

- (b) To the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal, or unenforceable) shall be construed so as to give maximum possible effect to the intent manifested by the provision held invalid, illegal, or unenforceable.

21. **Notices.** All notices, consents, or other communications provided for hereunder, including without limitation notices of default, termination of this Agreement, shall be deemed effective (i) on the date when hand-delivered; (ii) on the date when forwarded by confirmed facsimile transmission provided electronic receipt of confirmation is obtained and retained or (iii) upon receipt of certified mail, return receipt requested and postage prepaid. All notices shall be addressed to the parties at their addresses set forth below:

As to the Company: Venetian Macau Limited
Estrada Da Baia de N. Senhora da Esperanca,
s/n, Executive Office
The Cotai Strip™, Taipa, Macao SAR, P.R. China

As to the Executive: Mr. Steve Jacobs
Venetian Macau Limited

With a copy to:
Mr. Steve Jacobs

22. **Governing Law.**

- (a) This Agreement is the complete, entire, and exclusive statement of the contract terms between the Parties.
- (b) This Agreement supersedes any prior understandings, agreements or undertakings between the Parties.
- (c) This Agreement shall be governed by and interpreted in accordance with the laws of Macao (SAR).
- (d) The Parties agree to the exclusive jurisdiction of the courts of Macao (SAR) for any legal proceedings related to this Agreement.
- (e) The Parties agree that the language of this Agreement shall be English. Each Party fully understands this Agreement as it is written in English.
- (f) Each Party warrants that it has full power and authority to execute and deliver this Agreement.
- (g) No modification of or addition or amendment to this Agreement shall be binding unless agreed to in writing and signed by both the Parties.

Employment Agreement
Mr. Steve Jacobs

Executive's Initials /s/ SJ
Page [116] of [120]

CONFIDENTIAL

LVS00148741

PA901

23. **Headings.** The headings of the sections contained in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of this Agreement.
24. **Counterparts.** This Agreement may be executed in counterparts each of which shall be deemed an original and all of which shall constitute one and the same agreement with the same effect as if all Parties had signed the same signature page.
25. **409A Compliance.** Notwithstanding anything in this Agreement to the contrary, in the event that the Executive is deemed to be a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Internal Revenue Code of 1986, as amended, no payments that are "deferred compensation" subject to Section 409A that are made by reason of the Executive's "separation from service" within the meaning of Section 409A shall be made to Executive prior to the date that is six (6) months after the date of the Executive's separation from service or if earlier, the date of death. Immediately following any applicable six (6) month delay, all such delayed payments will be paid in a single lump sum. In addition, to the extent any reimbursement or in-kind benefit payable pursuant to this Agreement are taxable to the Executive, the reimbursement will be paid as promptly as practicable, and in all events on or before the last day of the taxable year following the taxable year in which the related expense is incurred, and all such reimbursements and in-kind benefits are not subject to liquidation or exchange for another benefit. Further, the expenses that are eligible for reimbursement, or in-kind benefits provided, during the Executive's taxable year may not affect expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year. Except as permitted under Section 409A, any deferred compensation that is subject to Section 409A and is payable to or for Executive's benefit under any Company-sponsored plan, program, agreement or arrangement may not be reduced by or offset against any amount owing by Executive to the Company. Notwithstanding the foregoing, except as otherwise provided herein, Executive shall be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for Executive's account in connection with this Agreement (including any taxes and penalties under Section 409A), and neither the Company nor its parent or any affiliate shall have any obligation to indemnify or otherwise hold Executive (or any beneficiary) harmless from any or all of such taxes or penalties.

VENETIAN MACAU LIMITED

EXECUTIVE:

By: _____
Robert G. Goldstein
Its: Director

Steve Jacobs

Date: _____

Date: _____

LAS VEGAS SANDS CORP.

By: _____
Michael A. Leven

Date: _____

Employment Agreement
Mr. Steve Jacobs

Executive's Initials /s/ SJ
Page [APG] of [ANP]

CONFIDENTIAL

LVS00148742

PA902

EXHIBIT A

**GENERAL RELEASE
AND COVENANT NOT TO SUE**

TO ALL WHOM THESE PRESENTS SHALL COME OR MAY CONCERN, KNOW that:

Steve Jacobs ("Executive"), on Executive's own behalf and on behalf of Executive's descendants, dependents, heirs, executors and administrators and permitted assigns, past and present, in consideration for the amounts payable and benefits to be provided to Executive under that Employment Agreement dated as of August 3, 2009 (the "Agreement") by and among Executive and Venetian Macau Limited (the "Company"), does hereby covenant not to sue or pursue any litigation against, and waives, releases and discharges the Company, its parent, assigns, affiliates, subsidiaries, predecessors and successors, and the past and present shareholders, employees, officers, directors, representatives and agents of any of them (collectively, the "Company Group"), from any and all claims, demands, rights, judgments, defenses, actions, charges or causes of action whatsoever, of any and every kind and description, whether known or unknown, accrued or not accrued, that Executive ever had, now has or shall or may have or assert as of the date of this General Release and Covenant Not to Sue against the Company Group relating to his employment with the Company or the termination thereof or his service as an officer or director of any subsidiary or affiliate of the Company or the termination of such service, including, without limiting the generality of the foregoing, any claims, demands, rights, judgments, defenses, actions, charges or causes of action related to employment or termination of employment or that arise out of or relate in any way to the Age Discrimination in Employment Act of 1967 ("ADEA," a law that prohibits discrimination on the basis of age), the National Labor Relations Act, the Civil Rights Act of 1991, the Americans With Disabilities Act of 1990, Title VII of the Civil Rights Act of 1964, the Employee Retirement Income Security Act of 1974, the Family and Medical Leave Act, the Sarbanes-Oxley Act of 2002, all as amended, and other Federal, state and local laws relating to discrimination on the basis of age, sex or other protected class, all claims under Federal, state or local laws for express or implied breach of contract, wrongful discharge, defamation, intentional infliction of emotional distress, and any related claims for attorneys' fees and costs (collectively, "Claims"); provided, however, that nothing herein shall release the Company from any of its obligations to Executive under the Agreement (including, without limitation, its obligation to pay the amounts and provide the benefits upon which this General Release and Covenant Not to Sue is conditioned) or any rights Executive may have to indemnification under any insurance coverage or other benefits under any directors and officers insurance or similar policies or benefit plans.

Executive further agrees that this General Release and Covenant Not to Sue may be pleaded as a full defense to any action, suit or other proceeding for Claims that is or may be initiated, prosecuted or maintained by Executive or Executive's heirs or assigns. Executive understands and confirms that Executive is executing this General Release and Covenant Not to Sue voluntarily and knowingly, but that this General Release and Covenant Not to Sue does not affect Executive's right to claim otherwise under ADEA. In addition, Executive shall not be precluded by this General Release and Covenant Not to Sue from filing a charge with any relevant Federal, state or local administrative agency, but Executive agrees to waive Executive's rights with respect to any monetary or other financial relief arising from any such administrative proceeding.

In furtherance of the agreements set forth above, Executive hereby expressly waives and relinquishes any and all rights under any applicable statute, doctrine or principle of law restricting the right of any person to release claims that such person does not know or suspect to exist at the time of executing a release, which claims, if known, may have materially affected such person's decision to give such a release. In connection with such waiver and relinquishment, Executive acknowledges that Executive is aware that Executive may hereafter discover claims presently unknown or unsuspected, or

Employment Agreement
Mr. Steve Jacobs

Executive's Initials /s/ SJ
Page [APG]6 of [ANI]

CONFIDENTIAL

LVS00148743

PA903

facts in addition to or different from those that Executive now knows or believes to be true, with respect to the matters released herein. Nevertheless, it is the intention of Executive to fully, finally and forever release all such matters, and all claims relating thereto, that now exist, may exist or theretofore have existed, as specifically provided herein. The parties hereto acknowledge and agree that this waiver shall be an essential and material term of the release contained above. Nothing in this paragraph is intended to expand the scope of the release as specified herein.

This General Release and Covenant Not to Sue shall be governed by and construed in accordance with the laws of the State of Nevada, applicable to agreements made and to be performed entirely within such State.

Executive acknowledges that Executive has been offered but declined a period of time of at least twenty-one (21) days to consider whether to sign this General Release and Covenant Not to Sue, which Executive has waived, and the Company agrees that Executive may cancel this General Release and Covenant Not to Sue at any time during the seven (7) days following the date on which this General Release and Covenant Not to Sue has been signed by all parties to this General Release and Covenant Not to Sue. In order to cancel or revoke this General Release and Covenant Not to Sue, Executive must deliver to the General Counsel of the Company written notice stating that Executive is canceling or revoking this General Release and Covenant Not to Sue. If this General Release and Covenant Not to Sue is timely cancelled or revoked, none of the provisions of this General Release and Covenant Not to Sue shall be effective or enforceable and the Company shall not be obligated to make the payments to Executive or to provide Executive with the other benefits described in the Employment Agreement and all contracts and provisions modified, relinquished or rescinded hereunder shall be reinstated to the extent in effect immediately prior hereto.

Executive acknowledges and agrees that Executive has entered into this General Release and Covenant Not to Sue knowingly and willingly and has had ample opportunity to consider the terms and provisions of this General Release and Covenant Not to Sue.

IN WITNESS WHEREOF, the undersigned has caused this General Release and Covenant Not to Sue to be executed on this _____ day of _____, ____.

EXECUTIVE

Steve Jacobs

Employment Agreement
Mr. Steve Jacobs

Executive's Initials /s/ SJ
Page 17 of [ANP]

CONFIDENTIAL

LVS00148744

PA904

EXHIBIT C

EXHIBIT C

TRAN

IN THE SUPREME COURT OF THE STATE OF NEVADA

* * * * *

SANDS CHINA LTD.,

Petitioner

vs.

THE EIGHTH JUDICIAL DISTRICT
COURT OF THE STATE OF NEVADA,
IN AND FOR THE COUNTY OF
CLARK; AND THE HONORABLE
ELIZABETH GOFF GONZALEZ,
DISTRICT JUDGE,

Respondents,

and

STEVEN C. JACOBS,

Real Party in Interest

And related cases and parties

CASES NUMBERS 68265
68275
68309

**TRANSCRIPT OF
ORAL ARGUMENT**

BEFORE THE EN BANC COURT
CHIEF JUSTICE HARDESTY PRESIDING

TUESDAY, SEPTEMBER 1, 2015

APPEARANCES:

FOR THE PETITIONERS:

ALAN M. DERSHOWITZ, ESQ.
STEVE L. MORRIS, ESQ.

FOR THE REAL PARTY :
IN INTEREST

TODD L. BICE, ESQ.

TRANSCRIPTION BY:
FLORENCE HOYT

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

1 that entity was known as VML, Venetian Macau Limited. That is
2 not open to honest dispute. Mr. Jacobs worked in Macau for
3 about eight months prior to the IPO happening. He worked for
4 LVSC, Las Vegas Sands Corporation, just like everybody else
5 did. The IPO then happened at the end of November of 2009.
6 Now, what Sands has tried to tell the District Court and has
7 tried to be telling you for the last five years is that
8 changed the world, everything changed after that date.
9 Control switched over to Macau, control switched over to Sands
10 China, management were separate, and these were treated as
11 separate entities, unlike we had done in Singapore, unlike we
12 did with VML, and unlike we were doing in Bethlehem. That is
13 what they claim.

14 But the evidence came out at the District Court, not
15 in just the form of admissions from Mr. Leven and quite
16 frankly admissions from Mr. Adelson and Mr. Reese and Mr.
17 Goldstein, but internal emails came out, and internal emails
18 showed that none of that was really true. It was -- they
19 needed to create the appearance of this because they needed to
20 access the Hong Kong Stock Exchange to raise capital because
21 the company had been in some very serious financial difficulty
22 and in fact prior to 2009 was on the verge of default, had
23 been issued a going concern warning by its auditors it was in
24 such deep financial trouble. So what they needed to do was
25 access capital. This IPO was merely a means of financing. It

1 did not change the true corporate culture. And this is what
2 the District Court found, it's specifically in the findings.
3 Nothing really changed in terms of operation, control, and
4 management after the IPO in November 2009. And why is that
5 important here? Mr. Dershowitz argues the facts are not
6 important on general jurisdiction. Yes, they are. The claims
7 might not be, but the facts are important; because the
8 question ultimately for the Court is where is the true home of
9 this entity. This -- remember, this entity is a holding
10 company. It has no employees, it has no actual revenues of
11 its own. It is purely a holding company created as a
12 financing tool by Las Vegas Sands Corporation. The record on
13 that is replete. They created this entity out of whole cloth,
14 appointed some board members -- just like with VML, Your
15 Honor. VML is in Macau, it is a Macau corporation, it has a
16 board. But Mr. Leven acknowledged to the District Court that
17 the board doesn't govern, the board just signs whatever it's
18 told to sign by Las Vegas. The evidence showed that things
19 really did not change after VML was shoved under Sands China
20 for the IPO financing.

21 CHIEF JUSTICE HARDESTY: -- Mr. Bice, but as Mr.
22 Dershowitz argues and the papers here seem to reflect, the
23 control factor that was present in Las Vegas through the
24 chairman, Mr. Adelson --

25 MR. BICE: Yes.

1 CHIEF JUSTICE HARDESTY: -- wasn't the basis on
2 which the judge found general jurisdiction. In fact, she
3 expresses pretty clearly on Findings 121 through 125 that the
4 focus is on the fact that there's an agency relationship
5 between Sands China and Mr. Adelson and perhaps Mr. Leven, as
6 well. And so would you address the argument that's raised by
7 Mr. Dershowitz today and in the papers that this is a reverse
8 agency theory from that expressed in the footnote in Daimler.

9 MR. BICE: It is not a reverse agency, Chief
10 Justice.

11 CHIEF JUSTICE HARDESTY: Why not?

12 MR. BICE: And I will address why. Paragraph 109
13 the District Judge lays out in the findings the fact that
14 things did not change after the IPO. So while I understand --
15 what I think that the Court is referencing there is control by
16 Mr. Adelson on behalf of LVSC is not -- does not create
17 jurisdiction. No one disputes that fact. But let's remember
18 Mr. Adelson -- and I'll get to this in specific jurisdiction,
19 as well -- Mr. Adelson claims he's wearing two hats and he's
20 switching them on and off at a very accelerated rate when he's
21 making decisions in Las Vegas on behalf of the various
22 entities which he acknowledged to the District Court are,
23 quote, unquote, are "his entities," and that included all of
24 them, including Sands China. So what the District Court is
25 saying in its findings -- and I want to come to this end

1 conclusion here in just a moment. But to get back to your
2 question, Chief Justice, what the District Court is saying
3 there is LVSC did not really change the way in which it was
4 operating its various divisions throughout the world after the
5 IPO, and in reality Sands China is nothing but a division.
6 Yes, it is a corporation, just like in Singapore, just like in
7 Bethlehem they have, quote, "corporations" --

8 CHIEF JUSTICE HARDESTY: But the odd analysis here
9 for me is that would seem to suggest that Las Vegas Sands or
10 Mr. Adelson are the principal. The findings of fact here make
11 the principal Sands China and make Adelson the agent. And
12 that's what has been the basis of the general jurisdiction
13 determination in the footnote under Daimler.

14 MR. BICE: That's not the way which I am reading the
15 District Court's findings. I believe that the District
16 Court's findings are -- is that the Las Vegas Sands
17 Corporation -- Mr. Adelson and Mr. Leven were operating -- and
18 the internal emails show this, Mr. Chief Justice, were
19 operating as the true CEO and true COO of Sands China in
20 Nevada. That is what was going on. They were claiming that
21 that wasn't true, but that is in fact what the internal emails
22 showed. In fact, Mr. Jacobs was -- one of things that was
23 said after his departure is one of his supposed problems was
24 he actually thought he was the CEO of Sands China when in fact
25 he really wasn't. Just like he thought that he was in charge

1 in Macau when in fact he really wasn't. That is what the
2 internal emails show. And the District Court heard this and
3 heard the testimony of both Mr. Adelson where he acknowledged
4 that the role of chairman of Sands China and CEO of Sands
5 China got mixed up, because he was actually serving as the CEO
6 of Sands China in Nevada and he was directing personnel in
7 Nevada to be acting on behalf of Sands China and they were
8 carrying out, as the District Court said, all manner of
9 business operations for Sands China in Nevada ranging from the
10 large down to the minutia. And I believe that is what the
11 District Court is talking about when it is talking about
12 agents acting in the forum. Mr. Adelson's acting in the forum
13 as the CEO. Management is in Nevada for Sands China is what
14 the District Court is saying. That's how I read these
15 findings, and that's how I saw the evidence and I believe the
16 District Court saw the evidence. And as a result --

17 CHIEF JUSTICE HARDESTY: For example, 124 says, "The
18 activities of LVS employees as SCL agents --"

19 MR. BICE: Correct.

20 CHIEF JUSTICE HARDESTY: "-- outside of the shared
21 services agreement were continuous and significant enough to
22 render SCL at home in Nevada."

23 MR. BICE: Correct.

24 CHIEF JUSTICE HARDESTY: Which I consider to be a
25 pretty significant finding. But the analysis in Daimler and

1 the footnote exception that is offered seems to suggest that
2 the agent theory is an examination of where the principal is.
3 And in this case all that you're describing would seem to
4 suggest that Mr. Adelson is the principal and Sands China is
5 the agent. But the reverse is the finding here.

6 MR. BICE: I don't know --

7 CHIEF JUSTICE HARDESTY: How do you sustain this
8 under the Daimler footnote exception?

9 MR. BICE: The way in which you sustain this, Mr.
10 Chief Justice, I think this is quite frankly a very
11 straightforward case. Where is the true management? Where is
12 the true headquarters? Not the headquarters on paper. Where
13 is the true headquarters of Sands China? What did the
14 evidence before the District Court establish its true
15 headquarters to be? Where is its nerve center? Where are the
16 corporate decisions made? Where are the people who are truly
17 in charge acting and executing the business activities of this
18 entity? The record is replete with where that was. And
19 that's exactly what the District Court found. All of those
20 activities were being carried out in Nevada. Mr. Adelson was
21 serving as the true CEO even though that's not what the public
22 was told when Sands China went public. In fact, they were
23 told the opposite would be the case. Mr. Leven wasn't even an
24 officer of Sands China or even on the Sands China board,
25 contrary to what you were just told. He had the sole title of

1 special advisor. But internal emails amongst the Sands China
2 board members refer to Mr. Leven as the true management of
3 Sands China, and both Mr. Leven and Mr. Adelson admitted to
4 the District Court that they served those roles from their
5 offices here in Las Vegas. The true home of Sands China is
6 not in Macau, it is a holding company. It has no employees,
7 as they admitted. It is purely a holding company headed by
8 Sheldon Adelson in Las Vegas. The chief operating officer was
9 truly Mike Leven in Las Vegas, and the evidence shows that.

10 But here it comes back to why I think the facts are
11 so important here. I don't understand, frankly, what it is
12 that Sands China is asking you to do. Are they asking you to
13 send it back to the District Court to enter final findings of
14 fact and conclusions of law on personal jurisdiction? Because
15 they actually told her that she could not do that. They
16 insisted that you cannot enter final findings of fact, because
17 we cannot have binding findings on questions that ultimately
18 go to the merits. And it's clear that these facts do overlap
19 with the merits. One of the central points of contention that
20 led to the falling out between Mr. Jacobs and Mr. Leven, who
21 had been friends for nearly 20 years, was over this issue of
22 control. And the internal records show that to be true. That
23 is what was one of the causes, Mr. Jacobs protesting that the
24 way in which the company was being operated was not consistent
25 with the representations made for the IPO, that in fact

IN THE SUPREME COURT OF THE STATE OF NEVADA

Electronically Filed
Nov 03 2015 08:51 a.m.
Tracie K. Lindeman
Clerk of Supreme Court

VENETIAN MACAU LTD., a Macau
corporation,

Petitioner,

vs.

CLARK COUNTY DISTRICT COURT, THE
HONORABLE MARK R. DENTON,
DISTRICT JUDGE, DEPT. 13,

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 RE ORDER
STRIKING VENETIAN
MACAU LTD'S
PEREMPTORY
CHALLENGE**

**Volume IV of V
(PA751 – 996)**

CARBAJAL & MCNUTT
Daniel R. McNutt, Bar No. 7815
Matthew C. Wolf, Bar No. 10801
625 South Eighth Street
Las Vegas, NV 89101

Attorneys for Petitioner

CERTIFICATE OF SERVICE

Pursuant to Nev. R. App. P. 25, I certify that I am an employee of CARBAJAL & MCNUTT; that, in accordance therewith, I caused a copy of the **APPENDIX TO PETITION FOR WRIT OF PROHIBITION OR MANDAMUS RE ORDER STRIKING VENETIAN MACAU LTD'S PEREMPTORY CHALLENGE** to be hand delivered, in a sealed envelope, on the date and to the addressee(s) shown below:

Judge Mark R. Denton
Eighth Judicial District Court of
Clark County, Nevada
Regional Justice Center
200 Lewis Avenue
Las Vegas, Nevada 89155

Respondent

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

Attorneys for Steven C. Jacobs, Real Party in Interest

DATED this 2nd day of November, 2015.

By: /s/Lisa Heller

**PETITION FOR WRIT OF PROHIBITION OR
MANDAMUS RE ORDER STRIKING VENETIAN MACAU LTD'S
PEREMPTORY CHALLENGE**

CHRONOLOGICAL INDEX

Date	Description	Vol. #	Page Nos.
12/22/2010	Defendant Las Vegas Sands Corp.'s Motion to Dismiss	I	PA1 – 45
12/22/2010	Defendant Sands China Ltd.'s Motion to Dismiss	I, II, and III	PA46 – 570
02/09/2011	Plaintiff's Opposition to Las Vegas Sands Corp.'s Motion to Dismiss	III	PA571 – 723
03/15/2011	Transcript: Hearing on Defendants' Motions to Dismiss	III	PA724 – 33
05/27/2015	Order Setting Civil Jury Trial	III	PA734 – 40
06/02/2015	Plaintiff Steven C. Jacobs' Motion for Leave to File a Fourth Amended Complaint on OST	III and IV	PA741 – 68
06/12/2015	Amended Order Setting Civil Jury Trial	IV	PA769 – 76
06/18/2015	Court Minutes Plaintiff's Motion for Leave to File Fourth Amended Complaint	IV	PA777 – 78
06/18/2015	Transcript: Hearing on Plaintiff's Motion to Amend Complaint	IV	PA779 – 90
06/22/2015	Fourth Amended Complaint	IV	PA791 – 811
07/09/2015	Notice of NRCP 30(b)(6) Videotaped Deposition of Las Vegas Sands Corp.	IV	PA812 – 23
07/17/2015	Second Amended Order Setting Civil Jury Trial	IV	PA824 – 32
09/15/2015	Plaintiff's Renewed Motion for Leave to File a Fifth Amended Complaint on OST	IV	PA833 – 61
09/17/2015	Defendants' Opposition to Plaintiff's Motion for Leave to File a Fifth Amended Complaint on OST	IV	PA862 – 916

Date	Description	Vol. #	Page Nos.
09/18/2015	Transcript: Hearing on Plaintiff's Renewed Motion to File Fifth Amended Complaint	IV	PA917 – 27
09/18/2015	Court Minutes Plaintiff's Renewed Motion for Leave to File Fifth Amended Complaint on OST	IV	PA928 – 29
09/18/2015	Fifth Amended Complaint	IV	PA930 – 950
09/22/2015	Notice of Entry of Order Granting Sands China Ltd.'s Motion to Confirm that No Response to Plaintiff's Fourth Amended Complaint is Due Until NSC Acts on the Jurisdictional Writ	IV	PA950A-50D
10/16/2015	Peremptory Challenge of Judge	IV	PA951 – 53
10/16/2015	Notice of Department Reassignment	IV	PA954 – 955
10/19/2015	Plaintiff's Emergency Motion to Strike Unlawful Peremptory Challenge of Judge on OST	IV and V	PA956 - 1073
10/19/2015	Venetian Macau Ltd.'s Motion to Quash Service of Summons	V	PA1074 – 86
10/21/2015	Venetian Macau Ltd.'s Motion to Dismiss the First, Second, and Third Causes of Action in Plaintiff's Fifth Amended Complaint	V	PA1087 – 1126
10/23/2015	Venetian Macau Ltd.'s Lawful Opposition to Plaintiff's Ex Parte Motion to Strike its Rule 48.1 Peremptory Challenge	V	PA1127 – 34
10/23/2015	Plaintiff's Reply in Support of Motion to Strike Unlawful Peremptory Challenge of Judge	V	PA1135 - 39
10/26/2015	Transcript: Hearing Plaintiff's Emergency Motion to Strike Unlawful Peremptory Challenge of Judge on OST	V	PA1140 - 56

Date	Description	Vol. #	Page Nos.
10/27/2015	Order Striking Peremptory Challenge of Judge	V	PA1157 - 58

**PETITION FOR WRIT OF PROHIBITION OR
MANDAMUS RE ORDER STRIKING VENETIAN MACAU LTD'S
PEREMPTORY CHALLENGE**

ALPHABETICAL INDEX

Date	Description	Vol. #	Page Nos.
06/12/2015	Amended Order Setting Civil Jury Trial	IV	PA769 – 76
06/18/2015	Court Minutes Plaintiff's Motion for Leave to File Fourth Amended Complaint	IV	PA777 – 78
09/18/2015	Court Minutes Plaintiff's Renewed Motion for Leave to File Fifth Amended Complaint on OST	IV	PA928 – 29
12/22/2010	Defendant Las Vegas Sands Corp.'s Motion to Dismiss	I	PA1 – 45
12/22/2010	Defendant Sands China Ltd.'s Motion to Dismiss	I, II, and III	PA46 – 570
09/17/2015	Defendants' Opposition to Plaintiff's Motion for Leave to File a Fifth Amended Complaint on OST	IV	PA862 – 916
09/18/2015	Fifth Amended Complaint	IV	PA930 – 950
06/22/2015	Fourth Amended Complaint	IV	PA791 – 811
10/16/2015	Notice of Department Reassignment	IV	PA954 – 955

Date	Description	Vol. #	Page Nos.
09/22/2015	Notice of Entry of Order Granting Sands China Ltd.'s Motion to Confirm that No Response to Plaintiff's Fourth Amended Complaint is Due Until NSC Acts on the Jurisdictional Writ	IV	PA950A-50D
07/09/2015	Notice of NRCP 30(b)(6) Videotaped Deposition of Las Vegas Sands Corp.	IV	PA812 – 23
05/27/2015	Order Setting Civil Jury Trial	III	PA734 – 40
10/27/2015	Order Striking Peremptory Challenge of Judge	V	PA1157 - 58
10/16/2015	Peremptory Challenge of Judge	IV	PA951 – 53
06/02/2015	Plaintiff Steven C. Jacobs' Motion for Leave to File a Fourth Amended Complaint on OST	III and IV	PA741 – 68
10/19/2015	Plaintiff's Emergency Motion to Strike Unlawful Peremptory Challenge of Judge on OST	IV and V	PA956 - 1073
02/09/2011	Plaintiff's Opposition to Las Vegas Sands Corp.'s Motion to Dismiss	III	PA571 – 723
09/15/2015	Plaintiff's Renewed Motion for Leave to File a Fifth Amended Complaint on OST	IV	PA833 – 61
10/23/2015	Plaintiff's Reply in Support of Motion to Strike Unlawful Peremptory Challenge of Judge	V	PA1135 - 39
07/17/2015	Second Amended Order Setting Civil Jury Trial	IV	PA824 – 32
03/15/2011	Transcript: Hearing on Defendants' Motions to Dismiss	III	PA724 – 33
06/18/2015	Transcript: Hearing on Plaintiff's Motion to Amend Complaint	IV	PA779 – 90
09/18/2015	Transcript: Hearing on Plaintiff's Renewed Motion to File Fifth Amended Complaint	IV	PA917 – 27

Date	Description	Vol. #	Page Nos.
10/26/2015	Transcript: Hearing Plaintiff's Emergency Motion to Strike Unlawful Peremptory Challenge of Judge on OST	V	PA1140 - 56
10/23/2015	Venetian Macau Ltd.'s Lawful Opposition to Plaintiff's Ex Parte Motion to Strike its Rule 48.1 Peremptory Challenge	V	PA1127 – 34
10/21/2015	Venetian Macau Ltd.'s Motion to Dismiss the First, Second, and Third Causes of Action in Plaintiff's Fifth Amended Complaint	V	PA1087 – 1126
10/19/2015	Venetian Macau Ltd.'s Motion to Quash Service of Summons	V	PA1074 – 86

COMMON ALLEGATIONS

LVSC's Dysfunction and Infighting

9.10. 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.

10.11. 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.

11.12. 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.

12.13. 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.

13.14. 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

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

7 ~~44.15.~~ Adelson's behavior did not just alienate outsiders, it effectively paralyzed the
8 management's ability to respond to the financial calamity. LVSC faced increased cash flow needs,
9 which, in turn, threatened to trigger a breach of the company's maximum leverage ratio covenant in
10 its U.S. credit facilities. Due to Adelson's erratic behavior, LVSC's then-president and
11 Chief Operating Officer William Weidner ("Weidner") lost confidence in Adelson's abilities, and
12 undertook steps that Adelson would characterize as an attempted coup. Because Adelson controls
13 more than fifty percent (50%) of LVSC's voting power, Adelson forced Weidner's removal from
14 the company so as to preserve his own control.

15 ~~45.16.~~ Weidner was replaced as President and COO by Michael Leven ("Leven"), a
16 member of LVSC's Board of Directors.

17 ~~46.17.~~ Because of the dysfunction and paralysis Adelson created, LVSC failed to access
18 capital markets in a timely fashion, which then forced the company to engage in a number of
19 emergency transactions to raise funds in late 2008 and early 2009. Ironically for LVSC's
20 shareholders – all of those except for Adelson, that is – this unnecessary delay resulted in Adelson's
21 personal wealth as the financing source for a quick influx of liquidity. But, to access those funds,
22 Adelson would charge LVSC a hefty price, obtaining convertible senior notes, preferred shares,
23 and warrants. Later, Adelson would reap a staggering windfall as a result of these highly-favorable
24 (for him) financing terms. Conveniently, Adelson was the principal beneficiary, to the detriment
25 of all other shareholders, of the very financial calamity that he helped create.

26 **LVSC Hires Jacobs to Run Its Macau Operations**

27 ~~47.18.~~ It is in this poisonous environment that Jacobs enters the LVSC picture. Even before
28 Leven became LVSC's President and COO, he had reached out to Jacobs to discuss potential COO

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

8 ~~18-19.~~ Jacobs travelled to Las Vegas in March 2009 where he met with Leven and Adelson
9 for several days to review the company's Nevada operations. While in Las Vegas, the parties agreed
10 to a consulting contract between LVSC and Jacobs' company, Vagus Group, Inc. Jacobs then began
11 assisting LVSC in restructuring its Las Vegas operations.

12 ~~19-20.~~ Jacobs, Leven, and Adelson subsequently travelled to Macau to conduct a review of
13 LVSC's operations there. While in Macau, Leven told Jacobs that he wanted to hire him to run
14 LVSC's Macau operations. Jacobs and Leven returned to Las Vegas after spending approximately
15 a week in Macau. Jacobs then spent the bulk of the next 2-3 weeks working on the Las Vegas
16 restructuring program and also negotiating with Leven regarding LVSC's desire to hire him as a
17 full-time executive.

18 ~~20-21.~~ On May 6, 2009, LVSC announced that Jacobs would become the interim President
19 of Macau Operations. Jacobs was charged with restructuring the financial and operational aspects
20 of the Macau assets. This included, among other things, lowering operating costs, developing and
21 implementing new strategies, building new ties with local and national government officials, and
22 eventually spinning off the Macau assets into a new company to be taken public on the Hong Kong
23 Stock Exchange.

24 ~~21-22.~~ Notwithstanding that Jacobs would be spending the majority of his time in Macau
25 focusing on LVSC's operations in that location, he was also required to perform duties in Las Vegas
26 including, but not limited to, working with LVSC's Las Vegas staff on reducing costs within the
27 company's Las Vegas operations, consulting on staffing and delayed opening issues related to the
28

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

3 22-23. On June 24, 2009, LVSC awarded Jacobs 75,000 stock options in the company to
4 reward him for his past performance as a LVSC team member and to incentivize him to improve
5 his future performance as well as that of the company. LVSC and Jacobs executed a written
6 Nonqualified Stock Option Agreement memorializing the award.

7 23-24. On or about August 4, 2009, Jacobs received LVSC's "Offer Terms and Conditions"
8 (the "Term Sheet") for the position of "President and CEO Macau[.]" The Term Sheet reflected the
9 terms and conditions of employment that had been negotiated by Leven and Jacobs while Jacobs
10 was in Vegas working under the original consulting agreement with LVSC and during his
11 subsequent trips back to Las Vegas. With Adelson's express approval, Leven signed the Term Sheet
12 on or about August 3, 2009, and had his assistant, Patty Murray, email it to Jacobs who was then in
13 Macau. Jacobs signed the Term Sheet accepting the offer contained therein and delivered a copy
14 to LVSC. LVSC's Compensation Committee approved Jacobs' contract on or about August 6,
15 2009. LVSC thereafter filed a copy of the Term Sheet with the United States Securities and
16 Exchange Commission, disclosing it as Jacobs' employment contract with LVSC.

17 25. According to LVSC, it subsequently assigned the terms and conditions of Jacobs'
18 employment with LVSC to both VML and Sands China.

19 **Jacobs Saves the Titanic**

20 24-26. The bases for Jacobs' full-time position were apparent. The accomplishments for
21 the four quarters over which Jacobs had presided created significant value. From an operational
22 perspective, Jacobs and his team removed over \$365 million of costs from LVSC's Macau
23 operations, repaired strained relationships with local and national government officials in Macau
24 who would no longer meet with Adelson due to his obstreperous behavior, and refocused operations
25 on core businesses to drive operating margins and profits, thereby achieving the then-highest
26 EBITDA figures in the history of the company's Macau operations.

27 25-27. Due in large part to the success of its Macau operations under Jacobs' direction,
28 LVSC was able to raise over \$4 billion dollars from the capital markets, spin off its Macau

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

6 ~~26-28.~~ To put matters in perspective, when Jacobs began performing work for the company
7 in March 2009, LVSC shares were trading at just over \$1.70 per share and its market cap was
8 approximately \$1.1 billion USD. At the time of Jacobs' departure in July 2010, LVSC shares were
9 over \$28 per share and its market cap exceeded \$19 billion USD.

10 ~~27-29.~~ Jacobs' success was repeatedly confirmed by Board members of LVSC as well as
11 those of the new spinoff, Sands China. When Leven was asked in February 2010 to assess Jacobs'
12 2009 job performance, he advised: "*there is no question as to Steve's performance[;] the Titanic*
13 *hit the iceberg[.] he arrived and not only saved the passengers[.] he saved the ship.*"
14 Unremarkably, Jacobs received a full bonus in 2009 and no more than three months later, in
15 May, 2010, he was awarded an additional 2.5 million stock options in Sands China. The options
16 had an accelerated vesting period of less than two years.

17 ~~28-30.~~ But Adelson would make sure that Jacobs was cheated out of what he was owed, a
18 practice that Adelson has honed in dealing with many executives and companies that refused to do
19 as Adelson demanded.

20 **Jacobs' Confrontations with Adelson**

21 ~~29-31.~~ Jacobs' success was in spite of numerous ongoing debates he had with Adelson,
22 including Adelson's insistence that as Chairman of both LVSC and Sands China, and the primary
23 shareholder, he was ultimately in charge, including on day-to-day operations as well as such minute
24 issues as carpeting, room design, and the choice of paper towel dispensers to be used in the men's
25 room. As Leven would remind Jacobs, both orally and in writing, Adelson was in charge and the
26 substantive decisions, including such things as construction in Macau, were controlled and made in
27 Las Vegas:

28

1 Per my discussion with sga [Adelson] pls be advised that input from
2 anyone [in Macau] is expected and listened to but final design
3 decisions are made by sga and las vegas[.] [T]here appears to be
4 some confusion and I want to clear the matter once and for all [that]
5 everyone has inputted [sic] but sga makes the final decisions[.]

6 ~~30.32.~~ But a greater impediment concerned the unlawful and/or unethical business practices
7 put in place by Adelson and/or under his watch, as well as repeated outrageous demands Adelson
8 made to pursue illegal and illegitimate ends. The demands included, but were not limited to:

- 9 a. Demands that Jacobs use improper "leverage" against
10 senior government officials of Macau in order to obtain
11 Strata-Title for the Four Seasons Apartments in
12 Macau;
- 13 b. Demands that Jacobs threaten to withhold Sands China
14 business from prominent Chinese banks unless they
15 agreed to use influence with newly-elected senior
16 government officials of Macau in order to obtain
17 Strata-Title for the Four Seasons Apartments and
18 favorable treatment with regards to labor quotas and
19 table limits;
- 20 c. Demands that secret investigations be performed
21 regarding the business and financial affairs of various
22 high-ranking members of the Macau government so
23 that any negative information obtained could be used
24 to exert "leverage" in order to thwart government
25 regulations/initiatives viewed as adverse to LVSC's
26 interests;
- 27 d. Demands that Sands China continue to use the legal
28 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
- e. Demands that Jacobs refrain from disclosing truthful
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
limited to, junkets 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.

1 ~~34-33.~~ Jacobs reported these improprieties to Leven and LVSC's general counsel, in
2 accordance with LVSC's company whistleblower guidelines.

3 ~~32-34.~~ When Jacobs objected to and/or refused to carry out Adelson's illegal demands,
4 Adelson repeatedly threatened to terminate Jacobs' employment. This is particularly true in
5 reference to: (i) Jacobs' refusal to comply with Adelson's edict to terminate Sands China's General
6 Counsel, Luis Melo ("Melo"), and his entire legal department and replace him/it with Leonel Alves
7 and his team; (ii) Adelson's refusal to allow Jacobs to present to the Sands China Board information
8 that the company's development of Parcels 5 and 6 was at least 6 months delayed and more than
9 \$300 million USD over-budget due to Adelson-mandated designs and accoutrements the
10 Sands China management team did not believe would be successful in the local marketplace;
11 (iii) Adelson's refusal to allow Jacobs to disclose to the Board LVSC findings relating to the
12 allegations contained in a Reuters article that LVSC was conducting business with Chinese
13 organized crime syndicates, known as Triads; and (iv) Adelson's refusal to allow Jacobs to discuss
14 his concerns with the Board regarding the use and rehiring of Leonel Alves after Alves had
15 requested a \$300 million payment for government officials in China.

16 ~~33-35.~~ During this same time, Jacobs began developing suspicions concerning the propriety
17 of certain financial practices and transactions involving LVSC and other LVSC subsidiaries,
18 including, but not limited to: (i) certain transactions related to Hencing island, the basketball team,
19 the Adelson Center, and the Macau ferry contract which all involved payments that LVSC made;
20 (ii) allegations concerning LVSC's practice of couriering undeclared monies into the United States
21 to repay gambling debts of third parties and/or to be used to fund accounts for non-residents once
22 they arrived in the country; (iii) LVSC's practice referred to as the Affiliate Transaction Advise
23 ("ATA"), which allowed third parties and gamblers to move money into the United States by
24 depositing monies with an LVSC overseas affiliate or marketing office, creating an account in
25 Las Vegas from which the depositor or their designee would be issued chips with which to gamble,
26 and then transferring the "winnings" back offshore either to the original depositor or to a third party
27 designee not involved in the transaction; (iv) using the ATA process to move monies for known
28

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

3 34-36. One such suspicious entity was WDR, LLC, a wholly-owned subsidiary set up by
4 LVSC at the apparent behest of Robert Goldstein. When Jacobs raised that entity and certain
5 transactions with Sands China's then-existing CFO, he similarly considered the transactions
6 involving WDR as suspicious and expressed concerns over potential money laundering. Of course,
7 Jacobs would be fired before he could further pursue the matter. When LVSC's then-existing CFO,
8 Ken Kay, was asked about WDR at a deposition, he professed to have no knowledge of WDR or
9 what purpose it would serve. But, just a few months after Kay was questioned about WDR, Leven
10 quietly had the entity dissolved.

11 35-37. Jacobs' disagreements with Adelson came to a head in late June 2010 when they
12 were in Singapore to attend the grand opening of LVSC's Marina Bay Sands. While in Singapore,
13 Jacobs attended several meetings of LVSC executives including Adelson, Leven, Ken Kay (LVSC's
14 Chief Financial Officer), and others. During these meetings, Jacobs disagreed with Adelson's and
15 Leven's desire to expand the ballrooms at Parcels 5 and 6, which would add an incremental cost of
16 approximately \$30 million to a project already significantly over budget when Sands China's
17 existing facilities were already underutilized. In a separate meeting, Jacobs disagreed with
18 Adelson's desire to aggressively grow the junket business within Macau as the margins were low,
19 the decision carried credit risks, and based upon recent investigations by Reuters and others alleging
20 LVSC's involvement with Chinese organized crime groups, known as Triads, connected to the
21 junket business.

22 36-38. Following these meetings, Jacobs re-raised the issue about the need to advise the
23 Sands China Board of the delays and cost overruns associated with the development of Parcels 5
24 and 6 in Macau so that a determination could be made of whether the information must be disclosed.
25 Jacobs also raised the need to disclose LVSC's involvement with Triads and the implications of
26 Adelson's desire to grow Sands China's junket business in Macau, as well as Adelson's rehiring of
27 Leonel Alves, given Jacobs' and others' FCPA concerns. Once again, Adelson reminded Jacobs
28 that he was both the chairman and the controlling shareholder and that Jacobs should "do as I

1 please." This was consistent with Adelson's attitudes and Jacobs' belief that Adelson considered
2 himself untouchable. Indeed, on a prior occasion when Jacobs had voiced his concern over how
3 Nevada's gaming regulators might view Adelson's actions, Adelson scoffed at the suggestion,
4 informing Jacobs that he (Adelson) controlled the regulators, not the other way around.

5 37-39. When Jacobs refused, Adelson commenced carrying out a scheme to fire and
6 discredit Jacobs for having the audacity to blow the whistle and confront Adelson. Adelson has
7 admitted his personal animus and malice toward Jacobs even before firing him. Adelson had
8 privately been angling for some excuse to terminate Jacobs.

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

10 38-40. In or about July 2010, Adelson directed executives from LVSC in Las Vegas,
11 Nevada to begin the process of terminating Jacobs. This process, which would be referred to as the
12 "exorcism strategy," was planned and carried out from Las Vegas and included (1) the creation of
13 fictitious Sands China letterhead upon which a notice of termination was prepared, (2) preparation
14 of the draft press releases with which to publicly announce the termination, and (3) the handling of
15 all legal-related matters for the termination. Again, all of these events took place in Las Vegas,
16 ostensibly by agents acting for both LVSC and Sands China.

17 39-41. Indeed, it was LVSC in-house attorneys, claiming to be acting on behalf of
18 Sands China, who informed the Sands China Board on or about July 21, 2010, about Adelson's
19 decision to terminate Jacobs, and directed the Board members to sign the corporate documents
20 necessary to effectuate Jacobs' termination. These same attorneys promised to explain the basis for
21 the termination to the Board members during the following week's Board meeting (after the
22 termination took place). Predictably, as Adelson is all-controlling, he took action first and then
23 decreed how the Board thereafter reacted.

24 40-42. Promptly thereafter, the team that Adelson had placed in charge of overseeing the
25 sham termination -- Leven, Kenneth Kay (LVSC's CFO), Irwin Siegel (LVSC/Sands China Board
26 member), Gayle Hyman (LVSC's general counsel), Daniel Briggs (LVSC's VP of investor
27 relations), Ron Reese (LVSC's VP of public relations), Brian Nagel (LVSC's chief of security),
28

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

3 41-43. On the morning of July 23, 2010, Jacobs attended a meeting with Leven and Siegel,
4 which had been represented to him (albeit falsely) as pertaining to the upcoming Sands China Board
5 meeting. During the meeting, Leven unceremoniously advised Jacobs that he was being terminated
6 effective immediately. When Jacobs asked whether the termination was purportedly "for cause" or
7 not, Leven responded that he was "not sure" but that the severance provisions of the Term Sheet
8 would not be honored. Leven then handed Jacobs the letter drafted by LVSC's attorneys and signed
9 by Adelson advising him of the termination.

10 42-44. Cognizant that he had no legitimate basis to terminate Jacobs for cause, Adelson
11 authorized and expected Leven to meet with Jacobs and implement the termination strategy. As is
12 now a well-documented Adelson tactic, he had no regard for the contractual terms of Jacobs'
13 employment agreement. Instead, Adelson's tried and true tactic is to demand a discount off of what
14 is contractually owed for a lesser amount. If Jacobs, or anyone else for that matter, will not
15 acquiesce in Adelson's strong arm tactics, Adelson retorts to "sue me, then." And, that is essentially
16 how the Adelson game-plan played out with Jacobs.

17 43-45. When Leven could not persuade Jacobs to "voluntarily" resign, Jacobs was escorted
18 off the property by two members of security in public view of many company employees, resort
19 guests, and casino patrons. Jacobs was not permitted to return to his office to collect his belongings,
20 but was instead escorted to the border to leave Macau.

21 44-46. Because Leven had not been able to persuade Jacobs to resign, the next play from
22 the Adelson playbook went into effect -- fabricating purported cause for the termination. Once
23 again, this aspect of the plan was also carried out in Las Vegas by executives professing to act for
24 both LVSC and Sands China. Indeed, this time they prepared a false letter in Las Vegas and put it
25 on Venetian Macau, Ltd. letterhead and identified twelve manufactured "for cause" reasons for
26 Jacobs' termination. Transparently, one of the purported reasons is an attempt to mask one of
27 Adelson's personal transgressions: The letter absurdly claimed that Jacobs exceeded his authority
28 and failed to keep the companies' Boards of Directors informed of important business decisions.

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

3 45-47. All but conceding that fact, Adelson would later claim to have developed
4 (*i.e.*, fabricated) some 34 "for cause" reasons for Jacobs' termination.

5 46-48. Confirming what Jacobs had complained about regarding Adelson's improper
6 demands and concealment of information from the Board, Adelson subsequently arranged the
7 termination of Sands China's then-General Counsel, Luis Melo, and made sure that Leonel Alves
8 was retained to perform services for Sands China despite knowledge of Alves acting with disregard
9 for the United States Foreign Corrupt Practices Act. Also with Jacobs' departure, and with complete
10 disregard for internal concerns regarding junket affiliations with Triads, Adelson announced that
11 Sands China would be implementing a new junket strategy whereby it would partner with existing
12 and established junkets to grow its VIP business. In or about the same time frame, LVSC and
13 Sands China also publicly disclosed a material delay in the construction of Parcels 5 and 6 and a
14 cost increase of \$100 million to the project, further confirming the appropriateness of Jacobs'
15 insistence upon disclosure despite Adelson's insistence otherwise.

16 47-49. Jacobs was not terminated for cause. He was terminated for blowing the whistle on
17 improprieties and placing the interests of shareholders above those of Adelson. Indeed, in just one
18 candid communication Leven sent to executives (including Adelson) just days before Jacobs'
19 termination, Leven claimed that the problem with Jacobs was that "he believes he reports to the
20 board, not the chair [Adelson]."

21 FIRST CAUSE OF ACTION

22 (Breach of Contract — LVSC, Sands China & VML)

23 48-50. Plaintiff restates all preceding and subsequent allegations as though fully set forth
24 herein.

25 49-51. Jacobs and LVSC are parties to various contracts, including the Term Sheet and
26 Nonqualified Stock Option Agreement identified herein.

27 50-52. The Term Sheet provides, in part, that Jacobs would have a 3-year employment term,
28 that he would earn an annual salary of \$1.3 million plus a 50% bonus upon attainment of certain

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

3 58.61. Pursuant to the Term Sheet agreement between Jacobs and LVSC, which was later
4 transferred and assumed by Sands China and VML, Jacobs' stock options are subject to an
5 accelerated vest in the event he is terminated "Not for Cause." The Term Sheet further provides
6 Jacobs with a one-year right to exercise the options post-termination.

7 59.62. Jacobs has performed all his contractual obligations except where excused.

8 60.63. On September 24, 2010, Jacobs made proper demand upon LVSC and Sands China
9 to honor his right to exercise the remaining 2.5 million stock options he had been awarded in Sands
10 China. LVSC and Sands China rejected Jacobs' demand and, thus, further breached the Term Sheet
11 and the Sands China share grant agreement by characterizing Jacobs' termination as being for
12 "cause" when, in reality, the purported bases for Jacobs' termination, as identified in the belatedly-
13 manufactured August 5, 2010 letter, are pretextual and in no way constitute "cause."

14 61.64. LVSC and Sands China and VML have wrongfully characterized Jacobs'
15 termination as one for "cause" in an effort to deprive him of contractual benefits to which he is
16 otherwise entitled. As a direct and proximate result, Jacobs has suffered damages in an amount to
17 be proven at trial but in excess of \$10,000.

18 **THIRD CAUSE OF ACTION**

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

20 LVSC, Sands China & VML)

21 62.65. Plaintiff incorporates all preceding and subsequent allegations as though fully set
22 forth herein.

23 63.66. All contracts in Nevada contain an implied covenant of good faith and fair dealing.

24 64.67. The conduct of LVSC described herein including, but not limited to, the improper
25 and illegal demands made upon Jacobs by Adelson, Adelson's continual undermining of Jacobs'
26 authority as the President and CEO of LVSC's Macau operations (and subsequently Sands China),
27 and the wrongful characterization of Jacobs' termination as being for "cause," is unfaithful to the
28

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

3 ~~65,68.~~ As a direct and proximate result of LVSC's, Sands China's and VML's wrongful
4 conduct, Jacobs has suffered damages in an amount to be proven at trial but in excess of \$10,000.

5 **FOURTH CAUSE OF ACTION**

6 **(Tortious Discharge in Violation of Public Policy - LVSC)**

7 ~~66,69.~~ Plaintiff incorporates all preceding and subsequent allegations as though fully set
8 forth herein.

9 ~~67,70.~~ LVSC retaliated against Jacobs by terminating his employment because he
10 (i) objected to and refused to participate in the illegal conduct requested by Adelson, and
11 (ii) attempted to engage in conduct that was required by law and favored by public policy. In so
12 doing, LVSC tortiously discharged Jacobs in violation of public policy.

13 ~~68,71.~~ As a direct and proximate result of LVSC's tortious discharge, Jacobs has suffered
14 damages in an amount to be proven at trial but in excess of \$10,000.

15 ~~69,72.~~ LVSC's conduct, which was carried out and/or ratified by managerial level agents
16 and employees, was done with malice, fraud and oppression, thereby entitling Jacobs to an award
17 of punitive damages.

18 **FIFTH CAUSE OF ACTION**

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

20 ~~70,73.~~ Plaintiff incorporates all preceding and subsequent allegations as though fully set
21 forth herein.

22 ~~71,74.~~ In an attempt to cover their tracks and distract from their improper activities,
23 Adelson, LVSC and Sands China have waged a public relations campaign to smear and spread lies
24 about Jacobs. One such instance is a press release made by Adelson, LVSC and Sands China after
25 an adverse court ruling on March 15, 2011. Having been unable to obtain a procedural victory in
26 Court, the Defendants undertook to smear Jacobs in the media, issuing a statement to Alexander
27 Berzon, a reporter for the Wall Street Journal, which provided:
28

1 *"While I have largely stayed silent on the matter to this point,*
2 *the recycling of his allegations must be addressed," he said*
3 *"We have a substantial list of reasons why Steve Jacobs was*
4 *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."

5 ~~72-75.~~ The Defendants' media campaign stating that: (1) Jacobs was justifiably fired "for
6 cause" and (2) Jacobs had resorted to "outright lies and fabrications" were false and constitute
7 defamation per se.

8 ~~73-76.~~ All of the offending statements made by Adelson concerning Jacobs and identified
9 in Paragraph 71, *supra*, were (1) false and defamatory; (2) published to a third person or party for
10 the express intent of republication to a worldwide audience; (3) maliciously published knowing
11 their falsity and/or in reckless disregard of the truth thereof; (4) intended to and did in fact harm
12 Jacobs' reputation and good name in his trade, business, profession, and customary corporate office;
13 and (5) were of such a nature that the law presumes significant economic damages.

14 ~~74-77.~~ Adelson's malicious defamation of Jacobs was made in both his personal as well as
15 his representative capacities as Chairman of the Board of LVSC and as Chairman of the Board of
16 its affiliate, Sands China; both of which ratified and endorsed either explicitly or implicitly
17 Adelson's malicious invective.

18 ~~75-78.~~ The comments and statements noted in Paragraph 71, *supra*, were made without
19 justification or legal excuse, and were otherwise not privileged because they did not function as a
20 necessary or useful step in the litigation process and did not otherwise serve its purposes.

21 ~~76-79.~~ As a direct and proximate result of Adelson, LVSC, and Sands China's defamation,
22 Jacobs has suffered damages in an amount to be proven at trial but in excess of \$10,000. Moreover,
23 Jacobs is entitled to the imposition of punitive damages against Adelson, LVSC, and Sands China,
24 said imposition not being subject to any statutory limitations under NRS 42.005.

25 **SIXTH CAUSE OF ACTION**

26 **(Tortious Discharge in Violation of Public Policy - Adelson)**

27 ~~77-80.~~ Plaintiff incorporates all preceding and subsequent allegations as though fully set
28 forth herein.

3 ~~79-82.~~ Adelson retaliated against Jacobs by terminating his employment because Jacobs
4 (i) objected to and refused to participate in the illegal conduct demanded by Adelson, and
5 (ii) attempted to engage in conduct favored by public policy. In so doing, Adelson tortiously
6 discharged Jacobs in violation of public policy.

7 80-83. Adelson terminated Jacobs' employment with the intent to harm Jacobs for refusing
8 to comply with Adelson's illegal and unethical demands.

9 §1-84. Adelson terminated Jacobs' employment for his own personal benefit, and not for
10 the benefit of Sands China, LVSC or their shareholders, to whom Adelson owes a fiduciary duty of
11 loyalty.

12 §3.85. As a direct and proximate result of Adelson's tortious discharge, Jacobs has suffered
13 damages in an amount to be proven at trial but in excess of \$10,000.

14 ~~§3-86~~ Adelson's conduct was done with malice, fraud and oppression, thereby entitling
15 Jacobs to an award of punitive damages.

SEVENTH CAUSE OF ACTION

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

18 84-87. Plaintiff incorporates all preceding and subsequent allegations as though fully set
19 forth herein.

20 85-88, LVSC and Sands China are separate legal entities, each capable of making
21 agreements.

22 §6.89. LVSC wrongfully terminated Jacobs' employment because he (i) objected to and
23 refused to participate in the illegal conduct requested by Adelson, and (ii) attempted to engage in
24 conduct that was required by law and favored by public policy. In so doing, LVSC tortiously
25 discharged Jacobs in violation of public policy.

26 §7.90. Sands China, through its agents, substantially assisted LVSC's tortious discharge of
27 Jacobs by, among other things, making agreements with LVSC, carrying out overt acts to effectuate

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

3 88.91. As a direct and proximate result of Sands China's conduct, Jacobs has suffered
4 damages in an amount to be proven at trial but in excess of \$10,000.

5 89.92. Sands China's conduct was undertaken with malice, fraud and oppression, thereby
6 entitling Jacobs to an award of punitive damages.

7 EIGHTH CAUSE OF ACTION

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

9 90.93. Plaintiff incorporates all preceding and subsequent allegations as though fully set
10 forth herein.

11 91.94. LVSC and Sands China are separate legal entities, each capable of making
12 agreements.

13 92.95. LVSC and Sands China agreed, acted in concert and conspired to effectuate Jacobs'
14 tortious discharge.

15 93.96. LVSC and Sands China intended to harm Jacobs for refusing to follow the illegal
16 and improper demands of their common-chairman, Adelson.

17 94.97. As a direct and proximate result of LVSC's and Sands China's civil conspiracy,
18 Jacobs has suffered damages in an amount to be proven at trial but in excess of \$10,000.

19 95.98. LVSC and Sands China's conduct was done with malice, fraud and oppression,
20 thereby entitling Jacobs to an award of punitive damages.

21 PRAYER FOR RELIEF

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

24 1. For compensatory damages in excess of Ten Thousand Dollars (\$10,000.00), in an
25 amount to be proven at trial;

26 2. For punitive damages in excess of Ten Thousand Dollars (\$10,000.00), in an amount
27 to be proven at trial;

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

- DATED this 22th day of December, 2014 June, 2015.

By: _____
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

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC, and that on this
22nd day of ~~December, 2014~~ June, 2015, I caused to be served via the Court's E-Filing system,
true and correct copies of the above and foregoing ~~THIRD~~FOURTH AMENDED COMPLAINT
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
jrj@kempjones.com
mmj@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

An employee of PISANELLI BICE PLLC

Electronically Filed
06/12/2015 02:11:37 PM

DISTRICT COURT
CLARK COUNTY, NEVADA


CLERK OF THE COURT

STEVEN JACOBS,)
)
Plaintiff(s),) Case No. 10 A 627691
) Dept. No. XI
vs)
)
LAS VEGAS SANDS CORP, ET AL,)
)
Defendants.)

BUSINESS COURT SCHEDULING ORDER
AND AMENDED ORDER SETTING CIVIL JURY TRIAL,
PRE-TRIAL AND CALENDAR CALL

This BUSINESS COURT SCHEDULING ORDER AND AMENDED TRIAL SETTING ORDER is entered following the Hearing conducted on June 12, 2015. Pursuant to NRCP 16.1(f) this case has previously been deemed complex and all discovery disputes will be resolved by this Court. Filing of the Joint Case Conference Report has previously been waived. This Order may be amended or modified by the Court upon good cause shown.

IT IS HEREBY ORDERED that the parties will comply with the following deadlines:

Initial Rule 16.1 Disclosures ¹	06/22/15
Expert Disclosures are Due ²	07/17/15
Rebuttal Expert Disclosures are Due	08/14/15
Percipient Discovery Cut-Off	08/07/15

¹ Certain parties did not make Rule 16.1 disclosures following the original Rule 16 conference and prior to entry of the stay. This deadline applies to those parties.

² This deadline applies to any issue on which an expert will be presented where the party offering the expert bears the burden of proof.

RECEIVED

JUN 12 2015

CLERK OF THE COURT

PA769

1 Expert Discovery Cut-Off 09/04/15

2 Dispositive Motions to be filed by 08/07/15

3 Motions in Limine to be filed by 08/14/15

4
5 **IT IS FURTHER ORDERED THAT:**

6 A. The above entitled case is set to be tried to a jury on **October 14, 2015 at**
7
8 **9:00a.m.**

9 B. The calendar call will be held pursuant to EDCR 2.69³ on **October 12, 2015 at**
10
11 **9:00a.m.**

12 C. The Final Pre-Trial Conference pursuant to EDCR 2.68⁴ will be held with the designated
13 will be held on **September 18, 2015 at 9:00am.** Parties must disclose 48 hours prior to the Final
14 Pre-Trial Conferences and bring to the Final Pre-Trial Conferences the following:

15
16
17 ³ **Rule 2.69. Calendar call.**

- 18 (a) Unless otherwise directed by the court, trial counsel must bring to calendar call:
- 19 (1) All exhibits already marked by counsel for identification purposes.
 - 20 (2) Typed exhibit lists with all stipulated exhibits marked as admitted.
 - 21 (3) Jury instructions in 2 groups: the agreed upon set and the contested set. The contested instructions must
 - 22 contain the name of the party proposing the same and the citations relied upon for authority.
 - 23 (4) Proposed voir dire questions.
 - 24 (5) Original depositions.
 - 25 (6) A list of equipment needed for trial which is not usually found in the courtroom, i.e., overhead, VCR
 - 26 and monitor, view box, etc. At calendar call the court or its designee will inform counsel if such equipment is
 - 27 available in house or if counsel must procure the same and bring to the courtroom.
 - 28 (7) Courtesy copies of legal briefs on trial issues. Originals must be filed and a copy served on opposing
 - counsel at or before the close of trial.

24 ⁴ That rule provides in pertinent part:

25 **Rule 2.68. Final pre-trial conference.**

- 26 * * *
- (b) At the pre-trial conference, the court may consider the following subjects:
- 27 (1) Prospects of settlement.
 - 28 (2) Use of depositions at trial in lieu of live testimony.
 - (3) Time required for trial.
 - (4) Alternate methods of dispute resolution.
 - (5) Readiness of case for trial.
 - (6) Any other matters.

- (1) Typed exhibit lists;
- (2) All exhibits already marked by counsel for identification purposes.
- (3) List of depositions;
- (4) List of equipment needed for trial, including audiovisual equipment;⁵ and
- (5) Courtesy copies of any legal briefs on trial issues.
- (6) Demonstrative Exhibits⁶
- (7) Power Points to be used in Opening Statements

D. The Joint Pre-Trial Memorandum must be filed no later than **September 17, 2015**, with a courtesy copy delivered to Department XI. All parties, (Attorneys and parties in proper person) **MUST** comply with **All REQUIREMENTS** of NRCP 16.1a(3)⁷, E.D.C.R. 2.67⁸, 2.68 and 2.69.

(c) The pre-trial conference must be attended by designated trial counsel who are knowledgeable and prepared for such conference. Should the designated trial counsel fail to appear at the pre-trial conference or to comply with this rule, an ex parte hearing may be held and judgment of dismissal or default or other appropriate judgment entered or other sanctions imposed.

⁵ If counsel anticipate the need for audio visual equipment during the trial, a request must be submitted to the District Courts AV department following the calendar call. You can reach the AV Dept at 671-3300 or by e-mail at CourtHelpDesk@ClarkCountyCourts.us.

⁶ This deadline does not apply to a demonstrative exhibit intended to illustrate a single witness's testimony or utilized solely during Opening Statement or Closing Argument.

⁷ NRCP 16.1(a)(3) provides in pertinent part:

(3) Pretrial Disclosures. In addition to the disclosures required by Rule 16.1(a)(1) and (2), a party must provide to other parties the following information regarding the evidence that it may present at trial, including impeachment and rebuttal evidence:

(A) The name and, if not previously provided, the address and telephone number of each witness, separately identifying those whom the party expects to present, those witnesses who have been subpoenaed for trial, and those whom the party may call if the need arises;

(B) The designation of those witnesses whose testimony is expected to be presented by means of a deposition and, if not taken stenographically, a transcript of the pertinent portions of the deposition testimony; and

(C) An appropriate identification of each document or other exhibit, including summaries of other evidence, separately identifying those which the party expects to offer and those which the party may offer if the need arises.

Unless otherwise directed by the court, these disclosures must be made at least 30 days before trial. Within 14 days thereafter, unless a different time is specified by the court, a party may serve a list disclosing (i) any objections to the use under Rule 32(a) of a deposition designated by another party under subparagraph (B), and (ii) any objection, together with the grounds therefor, that may be made to the admissibility of materials identified under subparagraph (C). Objections not so disclosed, other than objections under NRS 48.025 and 48.035, shall be deemed waived unless excused by the court for good cause shown.

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

5 E. All pretrial motions, however styled, will be filed in compliance with EDCR 2.20⁹
6 and 2.27¹⁰ unless those requirements are specifically modified in this Order. All dispositive
7
8
9

10 ⁸ That rule provides in pertinent part:

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

12 (a) Prior to any calendar call or final pretrial conference, the designated trial attorneys for all the parties must meet
13 together to exchange their exhibits and lists of witnesses, and arrive at stipulations and agreements, all for the
14 purpose of simplifying the issues to be tried. The plaintiff must designate the time and place of the meeting which
15 must be within Clark County, unless the parties agree otherwise. At this conference between counsel, all exhibits
16 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.

17 (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:

- 18 (1) A brief statement of the facts of the case.
- 19 (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.
- 20 (3) A list of affirmative defenses.
- 21 (4) A list of all claims or defenses to be abandoned.
- 22 (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.
- 23 (6) Any agreements as to the limitation or exclusion of evidence.
- 24 (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.
- 25 (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.
- 26 (9) An estimate of the time required for trial.
- 27 (10) Any other matter which counsel desires to bring to the attention of the court prior to trial.

28 ⁹ 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.

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

3
4 F. All motions in limine must be filed in compliance with EDCR 2.47¹¹ and filed no later
5 than **August 14, 2015**. Orders shortening time will not be signed except in extreme
6 emergencies.

7
8
9 (b) All motions must contain a notice of motion setting the same for hearing on a day when the district judge to
10 whom the case is assigned is hearing civil motions in the ordinary course. The notice of motion must include the
11 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.

12 * * *

13 ¹⁰ That rule provides in pertinent part:

14 **Rule 2.27. Exhibits.**

15 (a) Exhibits that are submitted to the court that are in excess of 10 pages in length must be numbered
16 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.

17 (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.

18 (c) Unless otherwise ordered by the court, exhibits that are in a format other than documents that can be scanned
19 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
20 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.

21 (d) Oversized exhibits shall be reduced to eight and one-half inches by eleven inches (8.5" × 11") unless
22 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.

23 ¹¹ That rule provides in pertinent part:

24 **Rule 2.47. Motions in limine.** Unless otherwise provided for in an order of the court, all motions in limine to
25 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.

26 (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.

27 (b) Motions in limine may not be filed unless an unsworn declaration under penalty of perjury or affidavit of
28 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.

1 G. Counsel shall meet, review, and discuss the proposed jury questionnaire. Counsel will
2 submit in Word format the joint proposed jury questionnaire on or before **September 11,**
3 **2015** or if no agreement has been reached the competing versions in Word format on or before
4 September 13, 2015. The Court will freely grant requests for inclusion of questions by the
5 Parties. Upon submission of the proposed jury questionnaire, the Court will review the jury
6 questionnaire and will make any appropriate modifications. A hearing will be held on any
7 objections to the jury questionnaire on **September 14, 2015 at 9:00 a.m.**
8
9

10 H. All original depositions anticipated to be used in any manner during the trial must be
11 delivered to the clerk prior to the final Pre-Trial Conference. If deposition testimony is anticipated to be
12 used in lieu of live testimony, a designation (by page/line citation) of the portions of the testimony to be
13 offered must be filed and served by facsimile or hand, two (2) judicial days prior to the final Pre-Trial
14 Conference. Any objections or counterdesignations (by page/line citation) of testimony must be filed and
15 served by facsimile or hand, one (1) judicial day prior to the final Pre-Trial Conference commencement.
16 If video depositions are sought to be used during the Trial, all edits must be completed and be available to
17 be played to the Court at the Calendar Call. Counsel shall advise the clerk prior to publication.
18

19 I. In accordance with EDCR 2.67, counsel shall meet, review, and discuss exhibits. All
20 exhibits must comply with EDCR 2.27.¹² Two (2) sets must be three hole punched placed in three ring
21 binders along with the exhibit list. The sets must be delivered to the clerk prior to the final Pre-Trial
22 Conference. Any demonstrative exhibits including exemplars anticipated to be used must be disclosed
23 prior to the calendar call. Pursuant to EDCR 2.68, at the final Pre-Trial Conference, counsel shall be
24 prepared to stipulate or make specific objections to individual proposed exhibits. Unless otherwise
25 agreed to by the parties, demonstrative exhibits are marked for identification but not admitted into
26 evidence.
27

28

¹² Alternatively the parties may agree to utilize the Court's electronic exhibit protocol.

1 J. In accordance with EDCR 2.67, counsel shall meet, review, and discuss items to be
2 included in the Jury Notebook. Pursuant to EDCR 2.68, at the final Pre-Trial Conference, counsel shall be
3 prepared to stipulate or make specific objections to items to be included in the Jury Notebook.

4 K. In accordance with EDCR 2.67, counsel shall meet and discuss preinstructions to the
5 jury, jury instructions, special interrogatories, if requested, and verdict forms. Each side shall provide the
6 Court, at the final Pre-Trial Conference, an agreed set of jury instructions and proposed form of verdict
7 along with any additional proposed jury instructions with an electronic copy in Word format.

8 L. In accordance with EDCR 7.70, counsel shall file and serve by facsimile or hand, two (2)
9 judicial days prior to the final Pre-Trial Conference, follow up Voir Dire to Jury Questionnaire responses
10 proposed to be conducted pursuant to conducted pursuant to EDCR 2.68.

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

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

19 Dated this 12th day of June, 2015.

20
21
22
23
24
25
26
27
28

Elizabeth Gonzalez, District Court Judge

Certificate of Service

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- Wiznet's e-service list.
- J. Stephen Peek, Esq. (Holland & Hart)
- Randall Jones (Kemp Jones Coulthard)
- Steve Morris (Morris Law)
- James J. Pisanelli, Esq. (Pisanelli Bice)


Dan Kutinac

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Business Court

COURT MINUTES

June 18, 2015

A-10-627691-B	Steven Jacobs, Plaintiff(s) vs. Las Vegas Sands Corp, Defendant(s)
---------------	--

June 18, 2015	8:30 AM	Plaintiff Steven C. Jacobs' Motion for Leave to File a Fourth Amended Complaint on Order Shortening Time
---------------	---------	---

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

PARTIES

PRESENT:	Bice, Todd L Jones, Jon Randall McGinn, Ian P. Morris, Steve L. Peek, J. Stephen Pisanelli, James J Smith, Jordan T. Spinelli-Hays, Debra L.	Attorney for Plaintiff Attorney for Defendant Sands China Ltd. Attorney for Defendant Sands China Ltd. Attorney for Defendant Sheldon Adelson Attorney for Defendants for Las Vegas Sands, Corp. and Sands China Ltd. Attorney for Plaintiff Attorney for Plaintiff Attorney for Plaintiff
-----------------	---	---

JOURNAL ENTRIES

- Per counsel's request, COURT ORDERED, the motion to stay its June 16, 2015 order regarding Mr. Turnbull's deposition on OST will REMAIN on tomorrow's calendar.

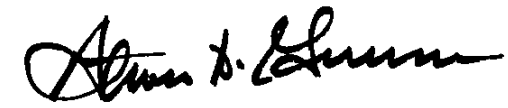
Arguments by counsel regarding Plaintiff's motion for leave to file fourth amended complaint. COURT ORDERED, motion GRANTED IN PART with respect to adding Sands China to the breach of contract action, WITHOUT PREJUDICE; however, adding Venetian Macau Limited appears to the Court under United Association of Journeymen vs. Manson to be inappropriate given Rule 41(e) issues; solely based on that issue, the motion is DENIED; if the Nevada Supreme Court does a recalculation this Court will consider it.

PRINT DATE: 06/18/2015

Page 1 of 2

Minutes Date: June 18, 2015

Court further NOTED a motion to unseal by Unite Here that was inadvertently scheduled on July 21, 2015 at 9:00 on Department XXIX's calendar, and inquired whether parties agree to move it to July 16 to be heard with the motions to intervene by Guardian News and Campaign for Accountability. Mr. Peek objected of significantly different issues. COURT ORDERED, motion to intervene and unseal reports by Unite Here SET for hearing on July 16, 2015 at 8:30 AM to be heard with the other motions. Clerk to prepare and circulate minute order.



CLERK OF THE COURT

TRAN

DISTRICT COURT
CLARK COUNTY, NEVADA
* * * * *

STEVEN JACOBS

Plaintiff

vs.

LAS VEGAS SANDS CORP., et al..

Defendants
.

CASE NO. A-627691

DEPT. NO. XI

**Transcript of
Proceedings**

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT COURT JUDGE

HEARING ON PLAINTIFF'S MOTION TO AMEND COMPLAINT

THURSDAY, JUNE 18, 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:

JILL HAWKINS
District Court

TRANSCRIPTION BY:

FLORENCE HOYT
Las Vegas, Nevada 89146

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

1 LAS VEGAS, NEVADA, THURSDAY, JUNE 18, 2015, 8:57 A.M.

2 (Court was called to order)

3 THE COURT: Good morning.

4 MR. PEEK: So are you calling us, Your Honor?

5 THE COURT: I was trying to get Mr. Hofland out of
6 here. And I failed.

7 MR. RANDALL JONES: Good morning, Your Honor.

8 THE COURT: Lovely to see you all.

9 MR. RANDALL JONES: Good to see you, as well.

10 MR. BICE: Good morning, Your Honor.

11 THE COURT: My first item of business is different
12 than your first item of business. Yesterday I signed an order
13 shortening time on a motion to stay my order related to the
14 deposition of Mr. Turnbull. Does anybody have an objection to
15 hearing that today, or do you want to come back tomorrow for
16 your third appearance of the week?

17 MR. BICE: We actually do want to come back
18 tomorrow, Your Honor.

19 THE COURT: Okay.

20 MR. BICE: We're going to be filing an opposition to
21 that. We want a record.

22 THE COURT: It's all right, Mr. Bice. I just make
23 the offer because it's not always the most convenient place to
24 come.

25 MR. BICE: I understand. I appreciate that, Your

1 Honor.

2 MR. PEEK: We enjoy coming here, though, Your Honor.

3 THE COURT: Good morning. How are you?

4 Is there anybody on the telephone? Good.

5 Mr. Bice, this is your motion.

6 MR. BICE: Yes. Thank you, Your Honor. This is our
7 motion to amend. The Court knows the facts of this case and
8 the history of it, probably much to its chagrin. But this is
9 our motion to amend to add VML as a party to the lawsuit. As
10 the Court knows, the legal standard is a liberal one; they are
11 to be granted unless there is grounds to deny it. I know that
12 when we were back here before the Court had expressed some
13 concerns about adding VML at this point in time considering
14 the trial date that the Court presently has pending.

15 THE COURT: Yeah. And there's a case that says if I
16 add a new party I can't sever them and the five year rule
17 continues to run as to that party because it's a part of this
18 case.

19 MR. BICE: Okay.

20 THE COURT: That's a case that's like 15, 20 years
21 old I think Mr. Urga's firm was involved in.

22 MR. BICE: So our position on this, Your Honor, is
23 that if the Court's position is it can't sever, first of all,
24 VML --

25 THE COURT: I think you absolutely can sever. I

1 just don't think 41(e) is affected by severance, which I think
2 is a huge problem in this case.

3 MR. BICE: Yeah. All right, Your Honor.

4 Notwithstanding that fact, VML by the assertions of the
5 defendants has been a participant in this case since the day
6 it was filed. That's been the testimony of all of their
7 witnesses, that's been the position of counsel. As the Court
8 will recall, they said that VML had to be a party to this
9 case. That's not true, and we opposed the contention that it
10 had to be a party to this case, because they were trying to
11 claim that VML had no ties to Nevada, as the Court will
12 recall, and now Mr. Leven, Mr. Adelson, and I believe even Mr.
13 Goldstein all effectively debunked that longstanding story
14 that had been advanced by the defendants.

15 Nonetheless, our point here is that VML, according
16 to Sands China -- Sands China has no employees, Sands China
17 has no documents. All of the witnesses for Sands China by
18 their own acknowledgement, except for the two highest-ranking
19 executives, Sheldon Adelson and Robert Goldstein, are actually
20 all part of VML. That's their position. That's been their
21 position since day one. So adding VML at this point cannot
22 cause any prejudice to VML, because, according to them, VML
23 should have been the party in this case since day one. That's
24 their position. And VML's documents -- and we're just
25 starting merits discovery, as the Court knows. So they've

1 accused us of bad faith in bringing this motion now.

2 What I would say to the Court on that is I think
3 that the evidence contradicts that wholly. When were we
4 allowed to ask the questions that resulted in the answers for
5 bringing VML into this lawsuit, Your Honor? We were allowed
6 to ask them during your jurisdictional hearing for the first
7 time because the defendants were trying to use that stay to
8 obstruct everything. And they were using it to obstruct
9 everything. So the first time we got these acknowledgements
10 out of Leven and Adelson that they had transferred, assigned,
11 whatever word one wants to use, the term sheet to VML/Sands
12 China was during the jurisdictional hearing. So you can't
13 accuse us of delay here when they're the parties who were
14 obstructing our ability to get those admissions on the record
15 and have the evidentiary basis upon which this motion rests.

16 So there is good cause to add them now, there is no
17 prejudice that they can cite, and, as a consequence, they will
18 be able to participate in discovery and we can move this case
19 forward. And so we ask the Court to do it.

20 Of course, if the Court says -- it's within your
21 discretion; we acknowledge that -- and you say, well, I'm
22 going to deny it, then we will, of course, file a new lawsuit
23 against VML. We are within the limitations period still, and
24 we'll file a new lawsuit against VML.

25 THE COURT: Thank you.

1 Gentlemen.

2 MR. RANDALL JONES: Good morning, Your Honor.
3 Randall Jones on behalf of Sands China Limited.

4 I'm going to be unusually brief this morning. I
5 think our papers outline our position, and I would just make a
6 couple of small points -- well, a couple of points. One is
7 that I do think it would be abuse of a discretion and
8 fundamentally unfair to my client, Sands China, irrespective
9 of VML -- certainly VML is in a much worse position, but
10 there's --

11 THE COURT: VML indirectly owns the subsidiary, your
12 client.

13 MR. RANDALL JONES: I certainly don't disagree that
14 VML is a wholly owned subsidiary of -- actually, it's a
15 subsidiary through other entities. But ultimately --

16 THE COURT: Right. But they're all owned by SCL.

17 MR. RANDALL JONES: Correct. And I would just make
18 the other point that there are two new claims against Sands
19 China that has a prejudicial effect against Sands China to try
20 to change the landscape at this point in time with the trial
21 date we have set.

22 And the only other thing I would add, Your Honor, is
23 that we disagree with the -- in the reply brief they cite --
24 Mr. Bice cites some testimony of Mr. Leven and Mr. Adelson.
25 We completely disagree with his interpretation of that

1 testimony of Mr. Adelson in particular. Mr. Adelson did not
2 ever say that the term sheet was transferred. In fact, he
3 specifically denied that. But since that was in the reply, we
4 didn't have an opportunity to respond to that.

5 And also, with respect to Mr. Leven, Mr. Leven we
6 believe should have never been able to -- should have never
7 had to answer those questions, because it went to the merits,
8 I think. And virtually every question that they refer to in
9 their reply brief I had made an objection -- I think Mr. Peek
10 made objections, as well -- based upon the stay order.

11 The only other point I would make is that to the
12 extent Mr. Leven did testify about any kind of transfers I
13 think they've taken that testimony out of context. And also,
14 if you read other testimony of Mr. Leven that they did not
15 cite to you, he clarifies what he meant by that. Also, he
16 indicated in that testimony he didn't understand the
17 legalities of the question, he was simply giving his comments
18 with respect to the practical nature of the situation in
19 certain questions. But that was also contradicted in other
20 questions.

21 So we think it would be improper to allow the
22 amendment at this time as to any party, in particular my case
23 for Sands China Limited.

24 THE COURT: Thank you.

25 Mr. Peek.

1 MR. PEEK: Your Honor, I will likewise be brief and
2 join in the remarks made by Mr. Jones and rely on the papers
3 that we have filed jointly and add, as Mr. Jones says, that
4 this request highlights the fact that this testimony came
5 during the course of an evidentiary hearing on jurisdiction;
6 however, it did go to merits and has always gone to merits
7 from the beginning.

8 So on that basis, Your Honor, I think that there has
9 been significant deprivation of the due process rights of Las
10 Vegas Sands. Thank you.

11 THE COURT: Thank you.

12 Mr. Morris, anything you'd like to add?

13 MR. MORRIS: No, Your Honor, I have nothing to add,
14 other than I support what Mr. Peek and Mr. Jones said.

15 THE COURT: Thank you.

16 Mr. Bice.

17 MR. BICE: Yes, Your Honor. I think those two
18 points by Mr. Jones and Mr. Peek actually demonstrate our
19 point, which is their position is that the truth should not
20 have been known, their witnesses should have not have been
21 required to tell the truth and those facts came out for the
22 first time on the stand. And I think that highlights exactly
23 what they were doing during jurisdictional discovery. Those
24 facts unquestionably went to the point of jurisdiction as the
25 Court even cited in its ultimate decision. But they

1 obstructed that information coming out and are now saying that
2 they should succeed through that obstruction by saying, well,
3 now, because we've ground this case for four years, actually
4 almost five years, you shouldn't allow them to add VML at this
5 point in time.

6 Again, Your Honor, there is no prejudice to them at
7 this point in time when they are the ones who have insisted
8 that they wanted VML in this lawsuit until now. Now that the
9 facts have come out they switch gears and say, well, please
10 don't add them, Your Honor. And there is no basis for that.

11 Mr. Leven's testimony will speak for itself, and
12 we'll let the jury decide what Mr. Leven said. Because that's
13 exactly what he testified to, and it's quite crystal clear
14 what he testified to. And to try and spin it now and say,
15 well, he just didn't understand the legal significance of what
16 he was admitting -- that's true of all facts. Witnesses are
17 supposed to tell the truth, not worry about the legal
18 ramifications of telling the truth, which is apparently what
19 the argument is now being advanced.

20 So the motion -- Your Honor, we ask that the motion
21 be granted. And Mr. Smith reminded me, Your Honor, there's
22 actually two aspects to this motion. One is VML, which we're
23 all focusing on, and the other one is --

24 THE COURT: And the other is Sands China's breach of
25 contract. I got it.

1 MR. BICE: -- SCL, just adding them to that other
2 count.

3 THE COURT: I got that part.

4 MR. BICE: All right. I thank the Court.

5 THE COURT: All right. The motion's granted in
6 part. With respect to adding Sands China to the breach of
7 contract cause of action the Court finds there is no prejudice
8 and grants that request.

9 As to adding VML as a new party, it appears to the
10 Court that under United Association of Journeymen versus
11 Manson it would be inappropriate to that action given the
12 Rule 41(e) issues. Solely based upon that and my analysis of
13 42(e)'s deadline at this point, which I understand the
14 defendants disagree with, I am denying the motion.

15 If for some reason the Nevada Supreme Court makes a
16 recalculation or issues an order related to what 41(e)
17 mentions, I'd be happy to reconsider the motion.

18 MR. BICE: We understand that, Your Honor.

19 THE COURT: Anything else? All right. I guess I'll
20 see you guys tomorrow on the motion to stay. Have a nice day.

21 MR. PEEK: See you tomorrow.

22 THE COURT: Oh. Sorry. My mistake. There's now a
23 new motion to unseal that is filed by UNITE HERE. It is
24 scheduled for July 21st at 9:00 o'clock. Do you want to reach
25 out to them and see if they want to have their hearing at the

1 same time on July 16th at 8:30 that Guardian and Campaign for
2 Accountability have their motions?

3 MR. BICE: They actually did reach out, and they
4 have asked for that.

5 THE COURT: Any objection?

6 MR. PEEK: Yes, Your Honor, we object to it. We
7 think that the -- we think the issues are significantly
8 different, because they're a union coming in here, as opposed
9 to the press or other so-called public interest entities, and
10 we don't think that they -- I think that the issues are
11 significantly different and it ought to be heard on a
12 different date.

13 THE COURT: Okay. I'm going to set it for hearing
14 on the same day, on July 16th. I have no idea why Master
15 Calendar set it in Department 29 at 9:00 o'clock. Since it's
16 filed in this case, it should be heard in this case at 8:30 on
17 July 16th.

18 Dulce, will you do a minute order so everybody finds
19 out.

20 THE CLERK: Yes, Your Honor.

21 THE COURT: Thank you.

22 Anything else?

23 MR. PEEK: Nothing, Your Honor.

24 THE COURT: Have a nice vacation, Mr. Peek.

25 THE PROCEEDINGS CONCLUDED AT 9:10 A.M.

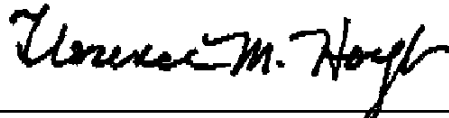
CERTIFICATION

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

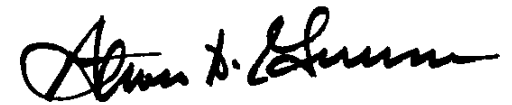
AFFIRMATION

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



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

JTS@pisanellibice.com

PISANELLI BICE PLLC

400 South 7th Street, Third Floor

Las Vegas, Nevada 89101

Telephone: (702) 214-2100

Facsimile: (702) 214-2101

Attorneys for Plaintiff Steven C. Jacobs

DISTRICT COURT

CLARK COUNTY, NEVADA

STEVEN C. JACOBS,

Plaintiff,

v.

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

Defendants.

Case No.: A-10-627691

Dept. No.: XI

FOURTH AMENDED COMPLAINT

AND RELATED CLAIMS

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

PARTIES

1. Plaintiff Steven C. Jacobs ("Jacobs") is a Florida resident who also maintains a residence in Georgia.

2. Defendant Las Vegas Sands Corp. ("LVSC") is a publicly-traded Nevada 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").

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

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

7 14. Adelson's behavior did not just alienate outsiders, it effectively paralyzed the
8 management's ability to respond to the financial calamity. LVSC faced increased cash flow needs,
9 which, in turn, threatened to trigger a breach of the company's maximum leverage ratio covenant in
10 its U.S. credit facilities. Due to Adelson's erratic behavior, LVSC's then-president and
11 Chief Operating Officer William Weidner ("Weidner") lost confidence in Adelson's abilities, and
12 undertook steps that Adelson would characterize as an attempted coup. Because Adelson controls
13 more than fifty percent (50%) of LVSC's voting power, Adelson forced Weidner's removal from
14 the company so as to preserve his own control.

15 15. Weidner was replaced as President and COO by Michael Leven ("Leven"), a
16 member of LVSC's Board of Directors.

17 16. Because of the dysfunction and paralysis Adelson created, LVSC failed to access
18 capital markets in a timely fashion, which then forced the company to engage in a number of
19 emergency transactions to raise funds in late 2008 and early 2009. Ironically for LVSC's
20 shareholders – all of those except for Adelson, that is – this unnecessary delay resulted in Adelson's
21 personal wealth as the financing source for a quick influx of liquidity. But, to access those funds,
22 Adelson would charge LVSC a hefty price, obtaining convertible senior notes, preferred shares,
23 and warrants. Later, Adelson would reap a staggering windfall as a result of these highly-favorable
24 (for him) financing terms. Conveniently, Adelson was the principal beneficiary, to the detriment
25 of all other shareholders, of the very financial calamity that he helped create.

26 **LVSC Hires Jacobs to Run Its Macau Operations**

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

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

8 18. Jacobs travelled to Las Vegas in March 2009 where he met with Leven and Adelson
9 for several days to review the company's Nevada operations. While in Las Vegas, the parties agreed
10 to a consulting contract between LVSC and Jacobs' company, Vagus Group, Inc. Jacobs then began
11 assisting LVSC in restructuring its Las Vegas operations.

12 19. Jacobs, Leven, and Adelson subsequently travelled to Macau to conduct a review of
13 LVSC's operations there. While in Macau, Leven told Jacobs that he wanted to hire him to run
14 LVSC's Macau operations. Jacobs and Leven returned to Las Vegas after spending approximately
15 a week in Macau. Jacobs then spent the bulk of the next 2-3 weeks working on the Las Vegas
16 restructuring program and also negotiating with Leven regarding LVSC's desire to hire him as a
17 full-time executive.

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

24 21. Notwithstanding that Jacobs would be spending the majority of his time in Macau
25 focusing on LVSC's operations in that location, he was also required to perform duties in Las Vegas
26 including, but not limited to, working with LVSC's Las Vegas staff on reducing costs within the
27 company's Las Vegas operations, consulting on staffing and delayed opening issues related to the
28

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

3 22. On June 24, 2009, LVSC awarded Jacobs 75,000 stock options in the company to
4 reward him for his past performance as a LVSC team member and to incentivize him to improve
5 his future performance as well as that of the company. LVSC and Jacobs executed a written
6 Nonqualified Stock Option Agreement memorializing the award.

7 23. On or about August 4, 2009, Jacobs received LVSC's "Offer Terms and Conditions"
8 (the "Term Sheet") for the position of "President and CEO Macau[.]" The Term Sheet reflected the
9 terms and conditions of employment that had been negotiated by Leven and Jacobs while Jacobs
10 was in Vegas working under the original consulting agreement with LVSC and during his
11 subsequent trips back to Las Vegas. With Adelson's express approval, Leven signed the Term Sheet
12 on or about August 3, 2009, and had his assistant, Patty Murray, email it to Jacobs who was then in
13 Macau. Jacobs signed the Term Sheet accepting the offer contained therein and delivered a copy
14 to LVSC. LVSC's Compensation Committee approved Jacobs' contract on or about August 6,
15 2009. LVSC thereafter filed a copy of the Term Sheet with the United States Securities and
16 Exchange Commission, disclosing it as Jacobs' employment contract with LVSC.

17 24. According to LVSC, it subsequently assigned the terms and conditions of Jacobs'
18 employment with LVSC to both VML and Sands China.

19 **Jacobs Saves the Titanic**

20 25. The bases for Jacobs' full-time position were apparent. The accomplishments for
21 the four quarters over which Jacobs had presided created significant value. From an operational
22 perspective, Jacobs and his team removed over \$365 million of costs from LVSC's Macau
23 operations, repaired strained relationships with local and national government officials in Macau
24 who would no longer meet with Adelson due to his obstreperous behavior, and refocused operations
25 on core businesses to drive operating margins and profits, thereby achieving the then-highest
26 EBITDA figures in the history of the company's Macau operations.

27 26. Due in large part to the success of its Macau operations under Jacobs' direction,
28 LVSC was able to raise over \$4 billion dollars from the capital markets, spin off its Macau

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

6 27. To put matters in perspective, when Jacobs began performing work for the company
7 in March 2009, LVSC shares were trading at just over \$1.70 per share and its market cap was
8 approximately \$1.1 billion USD. At the time of Jacobs' departure in July 2010, LVSC shares were
9 over \$28 per share and its market cap exceeded \$19 billion USD.

10 28. Jacobs' success was repeatedly confirmed by Board members of LVSC as well as
11 those of the new spinoff, Sands China. When Leven was asked in February 2010 to assess Jacobs'
12 2009 job performance, he advised: "*there is no question as to Steve's performance[;] the Titanic*
13 *hit the iceberg[,] he arrived and not only saved the passengers[,] he saved the ship.*"
14 Unremarkably, Jacobs received a full bonus in 2009 and no more than three months later, in
15 May 2010, he was awarded an additional 2.5 million stock options in Sands China. The options
16 had an accelerated vesting period of less than two years.

17 29. But Adelson would make sure that Jacobs was cheated out of what he was owed, a
18 practice that Adelson has honed in dealing with many executives and companies that refused to do
19 as Adelson demanded.

20 **Jacobs' Confrontations with Adelson**

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

1 Per my discussion with sga [Adelson] pls be advised that input from
2 anyone [in Macau] is expected and listened to but final design
3 decisions are made by sga and las vegas[.] [T]here appears to be
4 some confusion and I want to clear the matter once and for all [that]
5 everyone has inputed [sic] but sga makes the final decisions[.]

6 31. But a greater impediment concerned the unlawful and/or unethical business practices
7 put in place by Adelson and/or under his watch, as well as repeated outrageous demands Adelson
8 made to pursue illegal and illegitimate ends. The demands included, but were not limited to:

- 9 a. Demands that Jacobs use improper "leverage" against
10 senior government officials of Macau in order to obtain
11 Strata-Title for the Four Seasons Apartments in
12 Macau;
- 13 b. Demands that Jacobs threaten to withhold Sands China
14 business from prominent Chinese banks unless they
15 agreed to use influence with newly-elected senior
16 government officials of Macau in order to obtain
17 Strata-Title for the Four Seasons Apartments and
18 favorable treatment with regards to labor quotas and
19 table limits;
- 20 c. Demands that secret investigations be performed
21 regarding the business and financial affairs of various
22 high-ranking members of the Macau government so
23 that any negative information obtained could be used
24 to exert "leverage" in order to thwart government
25 regulations/initiatives viewed as adverse to LVSC' s
26 interests;
- 27 d. Demands that Sands China continue to use the legal
28 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
- e. Demands that Jacobs refrain from disclosing truthful
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
limited to, junkets 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.

1 32. Jacobs reported these improprieties to Leven and LVSC's general counsel, in
2 accordance with LVSC's company whistleblower guidelines.

3 33. When Jacobs objected to and/or refused to carry out Adelson's illegal demands,
4 Adelson repeatedly threatened to terminate Jacobs' employment. This is particularly true in
5 reference to: (i) Jacobs' refusal to comply with Adelson's edict to terminate Sands China's General
6 Counsel, Luis Melo ("Melo"), and his entire legal department and replace him/it with Leonel Alves
7 and his team; (ii) Adelson's refusal to allow Jacobs to present to the Sands China Board information
8 that the company's development of Parcels 5 and 6 was at least 6 months delayed and more than
9 \$300 million USD over-budget due to Adelson-mandated designs and accoutrements the
10 Sands China management team did not believe would be successful in the local marketplace;
11 (iii) Adelson's refusal to allow Jacobs to disclose to the Board LVSC findings relating to the
12 allegations contained in a Reuters article that LVSC was conducting business with Chinese
13 organized crime syndicates, known as Triads; and (iv) Adelson's refusal to allow Jacobs to discuss
14 his concerns with the Board regarding the use and rehiring of Leonel Alves after Alves had
15 requested a \$300 million payment for government officials in China.

16 34. During this same time, Jacobs began developing suspicions concerning the propriety
17 of certain financial practices and transactions involving LVSC and other LVSC subsidiaries,
18 including, but not limited to: (i) certain transactions related to Hencing island, the basketball team,
19 the Adelson Center, and the Macau ferry contract which all involved payments that LVSC made;
20 (ii) allegations concerning LVSC's practice of couriering undeclared monies into the United States
21 to repay gambling debts of third parties and/or to be used to fund accounts for non-residents once
22 they arrived in the country; (iii) LVSC's practice referred to as the Affiliate Transaction Advise
23 ("ATA"), which allowed third parties and gamblers to move money into the United States by
24 depositing monies with an LVSC overseas affiliate or marketing office, creating an account in
25 Las Vegas from which the depositor or their designee would be issued chips with which to gamble,
26 and then transferring the "winnings" back offshore either to the original depositor or to a third party
27 designee not involved in the transaction; (iv) using the ATA process to move monies for known
28

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

3 35. One such suspicious entity was WDR, LLC, a wholly-owned subsidiary set up by
4 LVSC at the apparent behest of Robert Goldstein. When Jacobs raised that entity and certain
5 transactions with Sands China's then-existing CFO, he similarly considered the transactions
6 involving WDR as suspicious and expressed concerns over potential money laundering. Of course,
7 Jacobs would be fired before he could further pursue the matter. When LVSC's then-existing CFO,
8 Ken Kay, was asked about WDR at a deposition, he professed to have no knowledge of WDR or
9 what purpose it would serve. But, just a few months after Kay was questioned about WDR, Leven
10 quietly had the entity dissolved.

11 36. Jacobs' disagreements with Adelson came to a head in late June 2010 when they
12 were in Singapore to attend the grand opening of LVSC's Marina Bay Sands. While in Singapore,
13 Jacobs attended several meetings of LVSC executives including Adelson, Leven, Ken Kay (LVSC's
14 Chief Financial Officer), and others. During these meetings, Jacobs disagreed with Adelson's and
15 Leven's desire to expand the ballrooms at Parcels 5 and 6, which would add an incremental cost of
16 approximately \$30 million to a project already significantly over budget when Sands China's
17 existing facilities were already underutilized. In a separate meeting, Jacobs disagreed with
18 Adelson's desire to aggressively grow the junket business within Macau as the margins were low,
19 the decision carried credit risks, and based upon recent investigations by Reuters and others alleging
20 LVSC's involvement with Chinese organized crime groups, known as Triads, connected to the
21 junket business.

22 37. Following these meetings, Jacobs re-raised the issue about the need to advise the
23 Sands China Board of the delays and cost overruns associated with the development of Parcels 5
24 and 6 in Macau so that a determination could be made of whether the information must be disclosed.
25 Jacobs also raised the need to disclose LVSC's involvement with Triads and the implications of
26 Adelson's desire to grow Sands China's junket business in Macau, as well as Adelson's rehiring of
27 Leonel Alves, given Jacobs' and others' FCPA concerns. Once again, Adelson reminded Jacobs
28 that he was both the chairman and the controlling shareholder and that Jacobs should "do as I

1 please." This was consistent with Adelson's attitudes and Jacobs' belief that Adelson considered
2 himself untouchable. Indeed, on a prior occasion when Jacobs had voiced his concern over how
3 Nevada's gaming regulators might view Adelson's actions, Adelson scoffed at the suggestion,
4 informing Jacobs that he (Adelson) controlled the regulators, not the other way around.

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

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

10 39. In or about July 2010, Adelson directed executives from LVSC in Las Vegas,
11 Nevada to begin the process of terminating Jacobs. This process, which would be referred to as the
12 "exorcism strategy," was planned and carried out from Las Vegas and included (1) the creation of
13 fictitious Sands China letterhead upon which a notice of termination was prepared, (2) preparation
14 of the draft press releases with which to publicly announce the termination, and (3) the handling of
15 all legal-related matters for the termination. Again, all of these events took place in Las Vegas,
16 ostensibly by agents acting for both LVSC and Sands China.

17 40. Indeed, it was LVSC in-house attorneys, claiming to be acting on behalf of
18 Sands China, who informed the Sands China Board on or about July 21, 2010, about Adelson's
19 decision to terminate Jacobs, and directed the Board members to sign the corporate documents
20 necessary to effectuate Jacobs' termination. These same attorneys promised to explain the basis for
21 the termination to the Board members during the following week's Board meeting (after the
22 termination took place). Predictably, as Adelson is all-controlling, he took action first and then
23 decreed how the Board thereafter reacted.

24 41. Promptly thereafter, the team that Adelson had placed in charge of overseeing the
25 sham termination – Leven, Kenneth Kay (LVSC's CFO), Irwin Siegel (LVSC/Sands China Board
26 member), Gayle Hyman (LVSC's general counsel), Daniel Briggs (LVSC's VP of investor
27 relations), Ron Reese (LVSC's VP of public relations), Brian Nagel (LVSC's chief of security),
28

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

3 42. On the morning of July 23, 2010, Jacobs attended a meeting with Leven and Siegel,
4 which had been represented to him (albeit falsely) as pertaining to the upcoming Sands China Board
5 meeting. During the meeting, Leven unceremoniously advised Jacobs that he was being terminated
6 effective immediately. When Jacobs asked whether the termination was purportedly "for cause" or
7 not, Leven responded that he was "not sure" but that the severance provisions of the Term Sheet
8 would not be honored. Leven then handed Jacobs the letter drafted by LVSC's attorneys and signed
9 by Adelson advising him of the termination.

10 43. Cognizant that he had no legitimate basis to terminate Jacobs for cause, Adelson
11 authorized and expected Leven to meet with Jacobs and implement the termination strategy. As is
12 now a well-documented Adelson tactic, he had no regard for the contractual terms of Jacobs'
13 employment agreement. Instead, Adelson's tried and true tactic is to demand a discount off of what
14 is contractually owed for a lesser amount. If Jacobs, or anyone else for that matter, will not
15 acquiesce in Adelson's strong arm tactics, Adelson retorts to "sue me, then." And, that is essentially
16 how the Adelson game-plan played out with Jacobs.

17 44. When Leven could not persuade Jacobs to "voluntarily" resign, Jacobs was escorted
18 off the property by two members of security in public view of many company employees, resort
19 guests, and casino patrons. Jacobs was not permitted to return to his office to collect his belongings,
20 but was instead escorted to the border to leave Macau.

21 45. Because Leven had not been able to persuade Jacobs to resign, the next play from
22 the Adelson playbook went into effect – fabricating purported cause for the termination. Once
23 again, this aspect of the plan was also carried out in Las Vegas by executives professing to act for
24 both LVSC and Sands China. Indeed, this time they prepared a false letter in Las Vegas and put it
25 on Venetian Macau, Ltd. letterhead and identified twelve manufactured "for cause" reasons for
26 Jacobs' termination. Transparently, one of the purported reasons is an attempt to mask one of
27 Adelson's personal transgressions: The letter absurdly claimed that Jacobs exceeded his authority
28 and failed to keep the companies' Boards of Directors informed of important business decisions.

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

3 46. All but conceding that fact, Adelson would later claim to have developed
4 (*i.e.*, fabricated) some 34 "for cause" reasons for Jacobs' termination.

5 47. Confirming what Jacobs had complained about regarding Adelson's improper
6 demands and concealment of information from the Board, Adelson subsequently arranged the
7 termination of Sands China's then-General Counsel, Luis Melo, and made sure that Leonel Alves
8 was retained to perform services for Sands China despite knowledge of Alves acting with disregard
9 for the United States Foreign Corrupt Practices Act. Also with Jacobs' departure, and with complete
10 disregard for internal concerns regarding junket affiliations with Triads, Adelson announced that
11 Sands China would be implementing a new junket strategy whereby it would partner with existing
12 and established junkets to grow its VIP business. In or about the same time frame, LVSC and
13 Sands China also publicly disclosed a material delay in the construction of Parcels 5 and 6 and a
14 cost increase of \$100 million to the project, further confirming the appropriateness of Jacobs'
15 insistence upon disclosure despite Adelson's insistence otherwise.

16 48. Jacobs was not terminated for cause. He was terminated for blowing the whistle on
17 improprieties and placing the interests of shareholders above those of Adelson. Indeed, in just one
18 candid communication Leven sent to executives (including Adelson) just days before Jacobs'
19 termination, Leven claimed that the problem with Jacobs was that "he believes he reports to the
20 board, not the chair [Adelson]."

21 **FIRST CAUSE OF ACTION**

22 **(Breach of Contract – LVSC & Sands China)**

23 49. Plaintiff restates all preceding and subsequent allegations as though fully set forth
24 herein.

25 50. Jacobs and LVSC are parties to various contracts, including the Term Sheet and
26 Nonqualified Stock Option Agreement identified herein.

27 51. The Term Sheet provides, in part, that Jacobs would have a 3-year employment term,
28 that he would earn an annual salary of \$1.3 million plus a 50% bonus upon attainment of certain

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.

54. Jacobs has performed all of his contractual obligations except where excused.

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 belatedly-manufactured 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."

57. LVSC and Sands China have wrongfully characterized Jacobs' termination as one 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,

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

3 60. Pursuant to the Term Sheet agreement between Jacobs and LVSC, which was later
4 transferred and assumed by Sands China, Jacobs' stock options are subject to an accelerated vest in
5 the event he is terminated "Not for Cause." The Term Sheet further provides Jacobs with a one-
6 year right to exercise the options post-termination.

7 61. Jacobs has performed all his contractual obligations except where excused.

8 62. On September 24, 2010, Jacobs made proper demand upon LVSC and Sands China
9 to honor his right to exercise the remaining 2.5 million stock options he had been awarded in Sands
10 China. LVSC and Sands China rejected Jacobs' demand and, thus, further breached the Term Sheet
11 and the Sands China share grant agreement by characterizing Jacobs' termination as being for
12 "cause" when, in reality, the purported bases for Jacobs' termination, as identified in the belatedly-
13 manufactured August 5, 2010 letter, are pretextual and in no way constitute "cause."

14 63. LVSC and Sands China have wrongfully characterized Jacobs' termination as one
15 for "cause" in an effort to deprive him of contractual benefits to which he is otherwise entitled. As
16 a direct and proximate result, Jacobs has suffered damages in an amount to be proven at trial but in
17 excess of \$10,000.

18 **THIRD CAUSE OF ACTION**

19 **(Breach of the Implied Covenant of Good Faith and Fair Dealing –** 20 **LVSC & Sands China)**

21 64. Plaintiff incorporates all preceding and subsequent allegations as though fully set
22 forth herein.

23 65. All contracts in Nevada contain an implied covenant of good faith and fair dealing.

24 66. The conduct of LVSC described herein including, but not limited to, the improper
25 and illegal demands made upon Jacobs by Adelson, Adelson's continual undermining of Jacobs'
26 authority as the President and CEO of LVSC's Macau operations (and subsequently Sands China),
27 and the wrongful characterization of Jacobs' termination as being for "cause," is unfaithful to the
28

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

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

5 **FOURTH CAUSE OF ACTION**

6 **(Tortious Discharge in Violation of Public Policy - LVSC)**

7 68. Plaintiff incorporates all preceding and subsequent allegations as though fully set
8 forth herein.

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

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

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

18 **FIFTH CAUSE OF ACTION**

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

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

22 73. In an attempt to cover their tracks and distract from their improper activities,
23 Adelson, LVSC and Sands China have waged a public relations campaign to smear and spread lies
24 about Jacobs. One such instance is a press release made by Adelson, LVSC and Sands China after
25 an adverse court ruling on March 15, 2011. Having been unable to obtain a procedural victory in
26 Court, the Defendants undertook to smear Jacobs in the media, issuing a statement to Alexander
27 Berzon, a reporter for the Wall Street Journal, which provided:
28

1 *"While I have largely stayed silent on the matter to this point,*
2 *the recycling of his allegations must be addressed," he said*
3 *"We have a substantial list of reasons why Steve Jacobs was*
4 *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."

5 74. The Defendants' media campaign stating that: (1) Jacobs was justifiably fired "for
6 cause" and (2) Jacobs had resorted to "outright lies and fabrications" were false and constitute
7 defamation per se.

8 75. All of the offending statements made by Adelson concerning Jacobs and identified
9 in Paragraph 71, *supra*, were (1) false and defamatory; (2) published to a third person or party for
10 the express intent of republication to a worldwide audience; (3) maliciously published knowing
11 their falsity and/or in reckless disregard of the truth thereof; (4) intended to and did in fact harm
12 Jacobs' reputation and good name in his trade, business, profession, and customary corporate office;
13 and (5) were of such a nature that the law presumes significant economic damages.

14 76. Adelson's malicious defamation of Jacobs was made in both his personal as well as
15 his representative capacities as Chairman of the Board of LVSC and as Chairman of the Board of
16 its affiliate, Sands China; both of which ratified and endorsed either explicitly or implicitly
17 Adelson's malicious invective.

18 77. The comments and statements noted in Paragraph 71, *supra*, were made without
19 justification or legal excuse, and were otherwise not privileged because they did not function as a
20 necessary or useful step in the litigation process and did not otherwise serve its purposes.

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

25 **SIXTH CAUSE OF ACTION**

26 **(Tortious Discharge in Violation of Public Policy - Adelson)**

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

81. Adelson retaliated against Jacobs by terminating his employment because Jacobs (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.

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.

85. Adelson's conduct was done with malice, fraud and oppression, thereby entitling Jacobs to an award of punitive damages.

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

87. LVSC and Sands China are separate legal entities, each capable of making agreements.

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

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

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

5 91. Sands China's conduct was undertaken with malice, fraud and oppression, thereby
6 entitling Jacobs to an award of punitive damages.

7 **EIGHTH CAUSE OF ACTION**

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

9 92. Plaintiff incorporates all preceding and subsequent allegations as though fully set
10 forth herein.

11 93. LVSC and Sands China are separate legal entities, each capable of making
12 agreements.

13 94. LVSC and Sands China agreed, acted in concert and conspired to effectuate Jacobs'
14 tortious discharge.

15 95. LVSC and Sands China intended to harm Jacobs for refusing to follow the illegal
16 and improper demands of their common-chairman, Adelson.

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

19 97. LVSC and Sands China's conduct was done with malice, fraud and oppression,
20 thereby entitling Jacobs to an award of punitive damages.

21 **PRAYER FOR RELIEF**

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

24 1. For compensatory damages in excess of Ten Thousand Dollars (\$10,000.00), in an
25 amount to be proven at trial;

26 2. For punitive damages in excess of Ten Thousand Dollars (\$10,000.00), in an amount
27 to be proven at trial;

28 3. For pre-judgment and post-judgment interest, as allowed by law;

PISANELLI BICE PLLC
400 SOUTH 7TH STREET, THIRD FLOOR
LAS VEGAS, NEVADA 89101

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
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

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:

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
irj@kempjones.com
mmj@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/ Shannon Thomas
An employee of PISANELLI BICE PLLC

PISANELLIBICE PLLC
400 SOUTH 7TH STREET, SUITE 300
LAS VEGAS, NEVADA 89101

NOTC

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

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

DISTRICT COURT

CLARK COUNTY, NEVADA

STEVEN C. JACOBS,

Plaintiff,

v.

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.

AND RELATED CLAIMS

Case No.: A-10-627691

Dept. No.: XI

**NOTICE OF NRCP 30(b)(6)
VIDEOTAPED DEPOSITION OF
LAS VEGAS SANDS CORP.**

Date of Deposition: July 28, 2015

Time of Deposition: 9:30 a.m.

PLEASE TAKE NOTICE that at 9:30 a.m. on July 28, 2015, pursuant to Rule 30(b)(6) of the Nevada Rules of Civil Procedure, Plaintiff, Stephen C. Jacobs, by and through his counsel will take the videotaped deposition of the Rule 30(b)(6) designee for Las Vegas Sands Corp. ("LVSC") at the law office of PISANELLI BICE PLLC, located at 400 South 7th Street, Suite 300, Las Vegas, Nevada 89101. The deposition will be taken upon oral examination, before a Notary Public, videographer and/or before some other officer authorized by law to administer oaths.

1 Pursuant to NRC 30(b)(6), LVSC is required to designate individual[s] to provide
2 testimony on all of the following topics:

3 1. All efforts to locate responsive and discoverable documents, information and
4 evidence in this action, including (but not limited to) files searched, search terms used, the date
5 searches were conducted and the identity of all persons involved in the search.

6 2. All efforts to preserve information and evidence related to this action, including
7 (but not limited to) notices sent, the date of preservation efforts and the identity of all persons
8 involved in such preservation.

9 3. Any LVSC policies, memoranda, procedures, methods, instructions, customs
10 and/or practices for maintaining, storing, organizing, preserving, archiving, saving and/or
11 destroying Documents from January 1, 2009 to the present (specifically including, but not limited
12 to, Documents related to Steven Jacobs).

13 4. Any LVSC policies, memoranda, procedures, methods, instructions, customs
14 and/or practices for maintaining, storing, backing-up, organizing, preserving, archiving, saving
15 and/or destroying electronically stored information from January 1, 2009 to the present
16 (specifically including, but not limited to, Steven Jacobs).

17 5. Any Documents and/or ESI, or any portion thereof, relating to Jacobs or the
18 claims or defenses asserted in this action that was concealed, lost, destroyed and/or misplaced and
19 the circumstances behind such concealment, loss, destruction and/or misplacement.

20 6. Any efforts by or on behalf of LVSC to determine whether each current and/or
21 former employee of LVSC has or had any Documents and/or ESI related to Jacobs or the claims
22 and defenses in this action.

23 7. All efforts to obtain consents from anyone under the MPDPA from January 1,
24 2009 to the present, including (but not limited to) the date of such efforts, the identity of all
25 persons or consents were sought and the identity of all persons involved in procuring consents.

26 8. The date, persons involved and substance of any communications with any Macau
27 government official concerning the facts and allegations of this action.
28

1 9. All damages claimed by LVSC in its counterclaim, including the facts giving rise
2 to those damages and the manner and means of calculation.

3 10. All communications with any government official either in the United States or
4 Macau, Hong Kong or China concerning the MPDPA and its purported requirements, including
5 (but not limited to) all efforts to obtain any authorizations or consents for the search of documents
6 from January 1, 2009 to the present.

7 11. All communications with prior employers of Plaintiff and/or Vagus Group,
8 including (but not limited to) the participants in any such communications, the date, the substance
9 of the communication, and any documents discussed or obtained.

10 12. The factual basis for claiming that Plaintiff has stolen any property or information.

11 13. All investigations into Plaintiff and/or family members, including (but not limited
12 to) the identity of all participants, the contents of all written or verbal reports, all conclusions, and
13 all persons with whom the information was shared.

14 14. All alleged breaches of fiduciary or employment obligations by Jacobs, including
15 (but not limited to) the date, all persons with knowledge, the alleged breaches and the location of
16 all documents concerning any such purported breach.

17 15. The formation, purpose and operations of WDR, LLC and its subsequent
18 dissolution, including (but not limited to) its involvement in any transfers of funds.

19 16. Any suspected violations of the Foreign Corrupt Practices Act by any LVSC
20 officer, employee, agent or representative that in any way relates to, references or concerns
21 Macau and/or China.

22 17. All investigations conducted concerning any officer, employee, agent or
23 representative of LVSC as to potential violations of Foreign Corrupt Practices Act that in any
24 way relates to, references or concerns Macau and/or China.

25 18. Any suspected violations of the Foreign Corrupt Practices Act by any Sands China
26 officer, employee, agent or representative that in any way relates to, references or concerns
27 Macau and/or China.

1 19. All investigations conducted concerning any officer, employee, agent or
2 representative of Sands China as to potential violations of Foreign Corrupt Practices Act that in
3 any way relates to, references or concerns Macau and/or China.

4 20. The direct or indirect relationships between LVSC or any of its subsidiaries –
5 including (but not limited to) the date commenced, terminated, financial terms of and agreements
6 – that concern any of the following:

- 7 a. Sociedade
- 8 b. Nove
- 9 c. Sun City
- 10 d. Neptune
- 11 e. Unik Ltd.
- 12 f. Shanghai Sat Leng
- 13 g. Dore
- 14 h. Tak Lek
- 15 i. Li Kwok Hung
- 16 j. Sat leng Unipessoal Limited
- 17 k. Cheung Chi Tai
- 18 l. Charles Heung
- 19 m. Yvonne Mao
- 20 n. Angela Leong
- 21 o. Ng Lap Sing
- 22 p. Jack Lam
- 23 q. Tantra Lotus Club
- 24 r. Lee Chai Ming

25 21. Any communications with any Macau government official, including (but not
26 limited to) Edmund Ho, concerning the settlement of the action styled *Clive Bassett Jones, et al v.*
27 *Las Vegas Sands Corp., et al.*, Eighth Judicial District Court Case No. 06-A516404.

1 22. Any communications with Leonel Alves concerning payments to any third parties
2 in exchange for receiving any form of government approvals such as (but not limited to) strata
3 title, including (but not limited to) the date, substance of the communication and all participants
4 to any communication[s].

5 23. The form of any notice given to Plaintiff concerning any alleged breach of
6 fiduciary duty or terms/conditions of employment, including (but not limited to) the date,
7 substance of the notice and all participants in the communication[s].

8 24. The award of any stock options or grants to Plaintiff, including (but not limited to)
9 the factual basis for the award, the value of those options/grants when awarded, the maximum
10 value of those options from the date of award to the present and the basis for any
11 termination/non-exercise of the award.

12 25. The facts provided to any official and/or officer of the United States government
13 from October 23, 2010 to the present that in any way relates to, references or concerns the
14 Plaintiff, his complaint in this action or your defenses to this action, including (but not limited to)
15 documents provided or discussed.

16 26. Any demand for retraction of purported false and/or defamatory statements or
17 publications made on behalf of LVSC or any of its officers or directors including (but not limited
18 to) the date, the substance of the retraction, the participants and the substance of the purported
19 defamatory/false statement.

20 27. Any investigation conducted by LVSC, its officers, agents or representatives as to
21 any Macau government or military official, including (but not limited to) the purpose of the
22 investigation, date, all participants, substance, documents examined and/or considered,
23 conclusions and to whom the outcome of the investigation were shared.

24 28. Any investigation conducted by LVSC, its officers, agents or representatives as to
25 any China government or military official, including (but not limited to) the purpose of the
26 investigation, date, all participants, substance, documents examined and/or considered,
27 conclusions and to whom the outcome of the investigation were shared.

28

1 29. Any circumstances where cash or other currency exceeding a value of
2 \$50,000 U.S. dollars was transported upon any airplane owned or leased by LVSC or any other
3 entity controlled by Sheldon Adelson.

4 30. The actual, attempted or threatened termination or separation for cause of any
5 person holding the position of Vice President or above from January 2008 to the present,
6 including (but not limited to) name, date, or separation events which constituted purported cause,
7 and the ultimate resolution.

8 31. Any investigations conducted by LVSC or any of its officers, agents or
9 representatives as to potential or suspected money laundering from January 1, 2009 to the
10 present, including but not limited to the identity of all persons involved, documents in any
11 investigation, with whom such information was shared and the investigations' ultimate
12 outcome/conclusion.

13 32. The factual basis for any claim by LVSC that the Term Sheet dated August 3,
14 2009, which it filed with the United State Securities and Exchange Commission, is not valid and
15 binding.

16 33. Your access to and review of any phone records for Plaintiff, including the date of
17 review, the participants, and the contents of all phone records reviewed.

18 34. The access to and review of the contents of any phone used by Plaintiff, including
19 (but not limited to) who obtained the phone, any representations made to obtain access or
20 possession, the contents of any information obtained and with whom the contents were shared.

21 35. The communications with any representative of the news media about Plaintiff
22 from June 22, 2010 to the present.

23 36. The allegations in your counterclaim at Paragraph 17 that "Jacobs was violating
24 his obligations not only to Sands China but also to the LVSC as the majority shareholder of
25 Sands China."

26 37. The allegations in your counterclaim at Paragraphs 18-21 that Jacobs violated a
27 "non-competition deed."
28

1 38. The allegations in your counterclaim at Paragraphs 22-26 that "Jacobs endangers
2 LVSC's and Sands China's relationship with the governments of Macau and China."

3 39. The allegations in your counterclaim at Paragraphs 27-40 that "Jacobs delays
4 terminating the contract between Cheung Chi-Tai and VML."

5 40. The allegations in your counterclaim at Paragraphs 41-47 that "Jacobs'
6 employment is terminated by Sands China and VML for cause and Jacobs initiates his extortion
7 scheme."

8 41. The allegations in your counterclaim at Paragraphs 48-52 that "Jacobs files a
9 wrongful suit against LVSC in furtherance of his scheme."

10 42. The allegations in your counterclaim at Paragraphs 53-60 that Jacobs has engaged
11 in "abuse of process."

12 43. The allegations in your counterclaim at Paragraphs 61-68 that Jacobs is engaged in
13 "business defamation/disparagement."

14 44. The allegations in your counterclaim at Paragraphs 69-74 that Jacobs undertook
15 "intentional interference with respect to the economic advantage."

16 45. The allegations in your counterclaim at Paragraphs 75-79 that Jacobs has
17 undertaken "civil extortion."

18 46. The factual basis for your Second Affirmative Defense that Jacobs' claims are
19 barred by the doctrine of laches.

20 47. The factual basis in your Third Affirmative Defense that Jacobs' claims are barred
21 by the doctrine of unclean hands.

22 48. The factual basis for your Fourth Affirmative Defense that Jacobs' claims are
23 barred by the doctrine of estoppel.

24 49. The factual basis for your Fifth Affirmative Defense that Jacobs' claims are barred
25 by the doctrine of waiver.

26 50. The factual basis for your Sixth Affirmative Defense that Jacobs' claims are barred
27 by the doctrine of election of remedies.

28

1 51. The factual basis for your Seventh Affirmative Defense that Jacobs' claims are
2 barred by the doctrine of accord and satisfaction.

3 52. The factual basis for your Eighth Affirmative Defense that Jacobs' damages, if
4 any, were caused by his own actions and not by that of LVSC.

5 53. The factual basis for your Ninth Affirmative Defense that at all times, LVSC acted
6 in accordance with reasonable commercial standards, in good faith, and with ordinary care and
7 LVSC's actions did not contribute to the alleged damages.

8 54. The factual basis for your Tenth Affirmative Defense that Jacobs failed to do
9 equity towards LVSC and, therefore, is not entitled to any relief from LVSC.

10 55. The factual basis for your Twelfth Affirmative Defense that LVSC is not a party to
11 the Term Sheet and, therefore, is not a proper party to the breach of contract claim.

12 56. The factual basis for your Thirteenth Affirmative Defense that LVSC was not
13 Jacobs' employer and, therefore, is not a proper party to the tortious discharge claim.

14 57. The factual basis for your Fourteenth Affirmative Defense to the effect that Jacobs
15 "breached his contractual and fiduciary obligations and therefore relieved LVSC of any further
16 obligations" to Jacobs.

17 58. Any factual presentation, including any Documents, made during road shows for
18 the potential IPO that would become Sands China, Ltd. concerning or relating to the following:

- 19 a. The roles and responsibilities of Sheldon G. Adelson
- 20 b. The roles and responsibilities of Steven C. Jacobs
- 21 c. The roles and responsibilities of Michael Leven
- 22 d. The involvement by LVSC in Sands China's governance
- 23 e. The potential conflicts of interest for LVSC
- 24 f. The potential conflicts of interest for Sheldon Adelson
- 25 g. The potential conflicts of interest for LVSC Board members
- 26 h. Adelson's ability or inability to vote on matters relating to Sands China

1 59. All communications had with, or presentations made by, any officer, employee,
2 agent or representative of LVSC to any official of the United States or any State concerning the
3 following:

- 4 a. Steven C. Jacobs
- 5 b. Pansy Ho
- 6 c. Leonel Alves
- 7 d. WDR
- 8 e. Cheung Chi Tai
- 9 f. Charles Heung
- 10 g. Yvonne Mao
- 11 h. Angelo Leon
- 12 i. Ng Lop Sing
- 13 j. Jack Lam
- 14 k. Lee Chai Ming
- 15 l. Edmund Ho
- 16 m. Fernando Choy
- 17 n. Luis Melo
- 18 o. Ben Toh

19 60. Any investigation conducted by or for the HKSE regarding Jacobs, any stock
20 options granted to Jacobs, and/or the facts and circumstances alleged in this action, including (but
21 not limited to) all facts provided, the date, all participants, the substance, Documents examined
22 and/or considered, and any conclusions.

23 61. Any investigation into or funds paid for acquiring the rights to any sports team in
24 Macau or Mainland China, including (but not limited to) all facts, participants, Documents
25 reviewed and conclusions.

26 62. The facts concerning any default of any credit instrument or bank obligations by
27 LVSC or any of its subsidiaries between January 1, 2008 and July 23, 2010, including (but not
28

1 limited to) the nature of the default, the financial terms of the default and the manner in which the
2 potential default was avoided or default remedied.

3 63. The financial terms of any funding to LVSC provided by Sheldon G. Adelson or
4 any trust or entity controlled by him to LVSC from January 1, 2008 and July 23, 2010, including
5 (but not limited to) the financial terms of any such funding, any options provided, and the total
6 cost of the funding to LVSC.

7 64. The total remuneration from LVSC and any of its subsidiaries, including salary,
8 bonus, benefits, options, grants or anything else of value, paid to or received by Sheldon G.
9 Adelson from January 1, 2007 to the present.

10 65. The total remuneration from LVSC and any of its subsidiaries, including salary,
11 bonus, benefits, options, grants or anything else of value, paid to or received by Robert Goldstein
12 from January 1, 2007 to the present.

13 66. The total remuneration from LVSC and any of its subsidiaries, including salary,
14 bonus, benefits, options, grants or anything else of value, paid to or received by Mike Leven from
15 January 1, 2007 to the present.

16 67. The total remuneration from LVSC and any of its subsidiaries, including salary,
17 bonus, benefits, options, grants or anything else of value, paid to or received by Ken Kay from
18 January 1, 2007 to the present.

19 68. The total remuneration from LVSC and any of its subsidiaries, including salary,
20 bonus, benefits, options, grants or anything else of value, paid to or received by David Sisk from
21 January 1, 2007 to the present.

22 69. The total remuneration from LVSC and any of its subsidiaries, including salary,
23 bonus, benefits, options, grants or anything else of value, paid to or received by Steven C. Jacobs
24 from January 1, 2007 to the present.

25 70. The total remuneration from LVSC and any of its subsidiaries, including salary,
26 bonus, benefits, options, grants or anything else of value, paid to or received by Erwin Siegel
27 from January 1, 2007 to the present.
28

1 71. The total remuneration from LVSC and any of its subsidiaries, including salary,
2 bonus, benefits, options, grants or anything else of value, paid to or received by Jeff Schwartz
3 from January 1, 2007 to the present.

4 72. The total remuneration from LVSC and any of its subsidiaries, including salary,
5 bonus, benefits, options, grants or anything else of value, paid to or received by George Koo from
6 January 1, 2007 to the present.

7 73. The total remuneration from LVSC and any of its subsidiaries, including salary,
8 bonus, benefits, options, grants or anything else of value, paid to or received by Irwin Chafetz
9 from January 1, 2007 to the present.

10 74. The total remuneration from LVSC and any of its subsidiaries, including salary,
11 bonus, benefits, options, grants or anything else of value, paid to or received by Charles Forman
12 from January 1, 2007 to the present.

13 75. The total remuneration from LVSC and any of its subsidiaries, including salary,
14 bonus, benefits, options, grants or anything else of value, paid to or received by Steven Weaver
15 from January 1, 2007 to the present.

16 76. The total remuneration from LVSC and any of its subsidiaries, including salary,
17 bonus, benefits, options, grants or anything else of value, paid to or received by Ed Tracy from
18 January 1, 2007 to the present.

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

21 DATED this 9th day of July, 2015.

22 PISANELLI BICE PLLC

23
24 By: /s/ Todd L. Bice
25 James J. Pisanelli, Esq., Bar No. 4027
26 Todd L. Bice, Esq., Bar No. 4534
27 Debra L. Spinelli, Esq., Bar No. 9695
28 Jordan T. Smith, Esq., Bar No. 12097
 400 South 7th Street, Suite 300
 Las Vegas, Nevada 89101

Attorneys for Plaintiff Steven C. Jacobs

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC, and that on this 9th day of July, 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 NRCP 30(b)(6) VIDEOTAPED DEPOSITION OF LAS VEGAS SANDS CORP.** properly addressed to the following:

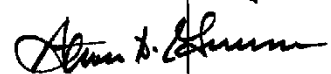
J. Stephen Peek, Esq.
Robert J. Cassity, Esq.
HOLLAND & HART
9555 Hillwood Drive, Second Floor
Las Vegas, NV 89134
speek@hollandhart.com
rcassity@hollandhart.com

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
jjrj@kempjones.com
mmj@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


CLERK OF THE COURT

DISTRICT COURT
CLARK COUNTY, NEVADA

STEVEN JACOBS,)
)
Plaintiff(s),) Case No. 10 A 627691
) Dept. No. XI
vs)
)
LAS VEGAS SANDS CORP, ET AL,)
)
Defendants.)

AMENDED BUSINESS COURT SCHEDULING ORDER and
2nd AMENDED ORDER SETTING CIVIL JURY
TRIAL, PRE-TRIAL AND CALENDAR CALL

This AMENDED BUSINESS COURT SCHEDULING ORDER AND SECOND
AMENDED TRIAL SETTING ORDER is entered following the Hearing conducted on July 16,
2015. Pursuant to NRCP 16.1(f) this case has previously been deemed complex and all discovery
disputes will be resolved by this Court. Filing of the Joint Case Conference Report has
previously been waived. This Order may be amended or modified by the Court upon good cause
shown.

IT IS HEREBY ORDERED that the parties will comply with the following deadlines:

Substantive Expert Disclosures are Due¹ **11/20/15**
Substantive Rebuttal Expert Disclosures are Due² **01/22/16**

¹ This deadline applies to any issue on which an expert will be presented where the party offering the expert bears the burden of proof. In compliance with NRCP 16.1(a)(2) and 26(b)(4), the parties shall disclose any expert witnesses on which it bears the burden of proof as required by the Nevada Rules of Civil Procedure and Nevada law.. All disclosures of expert witnesses shall satisfy the requirements of NRCP 16.1(2).

52

MC

CLERK OF THE COURT
JUL 17 2015
RECEIVED

1 Damages Expert Disclosures are Due³ 02/05/16

2 Damages Rebuttal Expert Disclosures are Due⁴ 03/18/16

3 Discovery Cut-Off 04/18/16

4 Dispositive Motions to be filed by 04/22/16

5 Motions in Limine to be filed by 05/20/16

6 **IT IS FURTHER ORDERED THAT:**

7 A. The above entitled case is set to be tried to a jury on a 5 week stack that begins on
8 **June 27, 2016 at 9:00 a.m.**

9 B. The calendar call will be held pursuant to EDCR 2.69⁵ on **June 23, 2016 at**
10 **8:30 a.m.**

11
12
13
14
15
16 ² This deadline applies to any issue on which an expert will be presented where the party offering the expert
17 bears the burden of proof. In compliance with NRCP 16.1(a)(2) and 26(b)(4), the parties shall identify and disclose
any rebuttal expert witnesses. All disclosures of expert witnesses shall satisfy the requirements of NRCP 16.1(2).

18 ³ This deadline applies to any issue on which an expert will be presented where the party offering the expert
19 bears the burden of proof. In compliance with NRCP 16.1(a)(2) and 26(b)(4), the parties shall disclose any expert
witnesses on which it bears the burden of proof as required by the Nevada Rules of Civil Procedure and Nevada
20 law. All disclosures of expert witnesses shall satisfy the requirements of NRCP 16.1(2).

21 ⁴ This deadline applies to any issue on which an expert will be presented where the party offering the expert
22 bears the burden of proof. In compliance with NRCP 16.1(a)(2) and 26(b)(4), the parties shall identify and disclose
any rebuttal expert witnesses. All disclosures of expert witnesses shall satisfy the requirements of NRCP 16.1(2).

23 ⁵ That rule provides in pertinent part:

24 **Rule 2.69. Calendar call.**

25 (a) Unless otherwise directed by the court, trial counsel must bring to calendar call:

26 (1) All exhibits already marked by counsel for identification purposes.

27 (2) Typed exhibit lists with all stipulated exhibits marked as admitted.

28 (3) Jury instructions in 2 groups: the agreed upon set and the contested set. The contested instructions must
contain the name of the party proposing the same and the citations relied upon for authority.

(4) Proposed voir dire questions.

(5) Original depositions.

(6) A list of equipment needed for trial which is not usually found in the courtroom, i.e., overhead, VCR
and monitor, view box, etc. At calendar call the court or its designee will inform counsel if such equipment is
available in house or if counsel must procure the same and bring to the courtroom.

1 C. The Final Pre-Trial Conference pursuant to EDCR 2.68⁶ will be held with the
2 designated will be held on **June 24, 2016 at 9:00 a.m.** Parties must disclose 48 hours prior
3 to the Final Pre-Trial Conferences and bring to the Final Pre-Trial Conferences the following:
4

5 (1) Typed exhibit lists.

6 (2) All exhibits already marked by counsel for identification purposes.⁷

7 (3) List of depositions.

8 (4) List of equipment needed for trial, including audiovisual equipment.⁸

9 (5) Courtesy copies of any legal briefs on trial issues.

10 (6) Demonstrative Exhibits.⁹

11 (7) Power Points to be used in Opening Statements.
12
13
14

15 (7) Courtesy copies of legal briefs on trial issues. Originals must be filed and a copy served on opposing
16 counsel at or before the close of trial.

17 ⁶ That rule provides in pertinent part:

18 **Rule 2.68. Final pre-trial conference.**

* * *

19 (b) At the pre-trial conference, the court may consider the following subjects:

20 (1) Prospects of settlement.

21 (2) Use of depositions at trial in lieu of live testimony.

22 (3) Time required for trial.

(4) Alternate methods of dispute resolution.

(5) Readiness of case for trial.

(6) Any other matters.

23 (c) The pre-trial conference must be attended by designated trial counsel who are knowledgeable and prepared
24 for such conference. Should the designated trial counsel fail to appear at the pre-trial conference or to comply with
this rule, an ex parte hearing may be held and judgment of dismissal or default or other appropriate judgment
entered or other sanctions imposed.

25 ⁷ The parties may agree to utilize the Court's electronic exhibit protocol.

26 ⁸ If counsel anticipate the need for audio visual equipment during the trial, a request must be submitted to the
District Courts AV department following the calendar call. You can reach the AV Dept at 671-3300 or by e-mail at
27 CourtHelpDesk@ClarkCountyCourts.us.

28 ⁹ This deadline does not apply to a demonstrative exhibit intended to illustrate a single witness's testimony
or utilized solely during Opening Statement or Closing Argument.

1 D. The Joint Pre-Trial Memorandum must be filed no later than **June 22, 2016**,
2 with a courtesy copy delivered to Department XI. All parties, (Attorneys and parties in proper
3 person) **MUST** comply with **ALL REQUIREMENTS** of NRCP 16.1a(3)¹⁰, E.D.C.R. 2.67¹¹, 2.68
4

5
6 ¹⁰ NRCP 16.1(a)(3) provides in pertinent part:

7 **(3) Pretrial Disclosures.** In addition to the disclosures required by Rule 16.1(a)(1) and (2), a party must
8 provide to other parties the following information regarding the evidence that it may present at trial, including
9 impeachment and rebuttal evidence:

10 (A) The name and, if not previously provided, the address and telephone number of each witness,
11 separately identifying those whom the party expects to present, those witnesses who have been subpoenaed for trial,
12 and those whom the party may call if the need arises;

13 (B) The designation of those witnesses whose testimony is expected to be presented by means of a
14 deposition and, if not taken stenographically, a transcript of the pertinent portions of the deposition testimony; and

15 (C) An appropriate identification of each document or other exhibit, including summaries of other
16 evidence, separately identifying those which the party expects to offer and those which the party may offer if the
17 need arises.

18 Unless otherwise directed by the court, these disclosures must be made at least 30 days before trial. Within 14 days
19 thereafter, unless a different time is specified by the court, a party may serve a list disclosing (i) any objections to
20 the use under Rule 32(a) of a deposition designated by another party under subparagraph (B), and (ii) any objection,
21 together with the grounds therefor, that may be made to the admissibility of materials identified under subparagraph
22 (C). Objections not so disclosed, other than objections under NRS 48.025 and 48.035, shall be deemed waived
23 unless excused by the court for good cause shown.

24 ¹¹ That rule provides in pertinent part:

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

26 (a) Prior to any calendar call or final pretrial conference, the designated trial attorneys for all the parties must meet
27 together to exchange their exhibits and lists of witnesses, and arrive at stipulations and agreements, all for the
28 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.

1 and 2.69. Counsel should include in the Memorandum an identification of orders on all motions
2 in limine or motions for partial summary judgment previously made, a summary of any
3 anticipated legal issues remaining, a brief summary of the opinions to be offered by any witness
4 to be called to offer opinion testimony as well as any objections to the opinion testimony.
5

6 E. All pretrial motions, however styled, will be filed in compliance with EDCR
7 2.20¹² and 2.27¹³ unless those requirements are specifically modified in this Order. All dispositive
8

9
10 (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.

11 (9) An estimate of the time required for trial.

12 (10) Any other matter which counsel desires to bring to the attention of the court prior to trial.

13
14 That rule provides in pertinent part:

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

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

19 (b) All motions must contain a notice of motion setting the same for hearing on a day when the district judge to
20 whom the case is assigned is hearing civil motions in the ordinary course. The notice of motion must include the
21 time, department, and location where the hearing will occur.

22 (c) A party filing a motion must also serve and file with it a memorandum of points and authorities in support of
23 each ground thereof. The absence of such memorandum may be construed as an admission that the motion is not
24 meritorious, as cause for its denial or as a waiver of all grounds not so supported.

25 * * *

26
27 That rule provides in pertinent part:

28 **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" x 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.