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July 16, 2012

VIA FEDERAL EXPRESS

Mr. Jesse Ferguson  
Press Secretary  
Democratic Congressional Campaign Committee  
430 South Capitol Street, S.E.  
Washington, D.C. 20003

*Defamation of Sheldon Adelson*

Dear Mr. Ferguson:

I write on behalf of this firm's client Sheldon Adelson to demand that you and the Democratic Congressional Campaign Committee (DCCC) immediately retract and apologize for defamatory statements falsely accusing Mr. Adelson of encouraging and profiting from prostitution, maliciously branding Mr. Adelson as a pimp who has given "Chinese prostitution money" to your political opponents. These false allegations constitute libel *per se* entitling Mr. Adelson to compensatory and punitive damages.

On June 29, under the banner bold-faced headline "**Breaking: House Republicans' Biggest Donor Approved 'Prostitution Strategy' in China,**" the DCCC issued a statement representing that "The Associated Press reports that House Republicans' single largest donor, Sheldon Adelson, 'personally approved of prostitution and knew of other improper activity at his company's properties in the Chinese enclave' of Macau, China." After noting that Mr. Adelson had made campaign contributions to House Republicans, your statement asked: "What will Speaker Boehner, Leader Cantor, and House Republicans do with their Chinese prostitution money?"

On July 2, you and the DCCC repeated and exaggerated these outrageous charges, asserting as fact that Mr. Adelson makes campaign contributions using money

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generated from profits of a “Chinese prostitution strategy.” Your July 2 statement said: “‘What will House Republicans do when their Chinese prostitution money comes from billionaire Sheldon Adelson?’ said Jesse Ferguson of the Democratic Congressional Campaign Committee. ‘House Republicans are fighting tirelessly to protect billionaires like Sheldon Adelson who make fortunes overseas and Adelson is now the largest single donor to the Republican Majority. It’s past time for House Republicans to reject the support of these groups funded by foreign money from a Chinese prostitution strategy.’”

Your statements had their intended effect. They were widely repeated in news outlets and on the internet, causing serious and irreparable injury to Mr. Adelson and his family.

As you and the DCCC surely knew when you spoke, the charges you made are outrageous and completely untrue. Neither the Associated Press nor anyone else has reported that Mr. Adelson or Las Vegas Sands Corp. generates profits from a “Chinese prostitution strategy.” That claim was made up, in the hope of creating an illegitimate political advantage for the DCCC. As the nonpartisan Politifact Ohio put it, “The claim that Adelson’s donations . . . amount to ‘Chinese prostitution money’ is dubious enough that inserting the word ‘allegedly’ can’t save it. On the Truth-O-Meter, the DCCC statement rates ‘Pants on Fire.’” That rating, according to Politifact, is given to statements that are “not accurate and make[] a ridiculous claim.”

Mr. Adelson does not tolerate prostitution—let alone, as you have said, make money from it. The fact is that Mr. Adelson has consistently objected to and maintained a strong policy against prostitution, a commitment that extends to his personal life. Over 20 years ago, he and his wife established the first of a number of clinics, the Dr. Miriam and Sheldon G. Adelson Clinic for Drug Abuse Treatment & Research in Tel Aviv, and many of the Clinic’s more than 500 patients are women whose addiction has forced them into prostitution. The Adelsons have also established similar clinics in Las Vegas and Macao. And this is not simply a monetary commitment—Dr. Adelson, a recognized expert in drug abuse and addiction, is deeply and personally involved in the work of the Clinic and has worked with police and the courts to get prostitutes into treatment and end their involvement in prostitution. The Adelsons’ well-known support of these activities is one reason why your libelous statements were so malicious and have inflicted such pain.

Mr. Adelson has no objection to honest political debate—indeed, he welcomes and fosters it—but he will not tolerate baseless attacks on him and his family. Political differences are no excuse for defamation, particularly the vile charges you have made. We demand that you (1) remove the allegations concerning Mr. Adelson from the DCCC web site; (2) agree not to republish in any form your allegations concerning Mr. Adelson; and (3) release a prominent statement, in a form approved by Mr. Adelson, retracting and apologizing for your false claims.

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This letter is without waiver of any of Mr. Adelson's rights to seek damages and other relief based on your conduct. We demand that you preserve for evidentiary use all documents, memoranda, sources, e-mails, drafts, notes or other materials of any kind, in paper, electronic or other form, concerning, relating or referring to Mr. Adelson, to any communications concerning Mr. Adelson or to any matters mentioned in your June 29 or July 2 statements.

I look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read "Lewis R. Clayton", with a long, sweeping horizontal stroke extending to the right.

Lewis R. Clayton

LRC:mfb