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VIA EMAIL AND FEDERAL EXPRESS

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Re: Defamatory Article Featured in Phoenix Weekly, October 2013 Issue

Dear Mr. Shi:

We represent the International Buddhism Sangha Association (“IBSA”), the Tibetan Buddhism Association of America (“TBAA”), Hua Zang Si, and Dharma King Hsijao Palden Lodoe (collectively, the “Parties”) in connection with a defamatory article published by Hong Kong Phoenix Weekly Magazine, Ltd. (“Phoenix”). The article was published in Phoenix’s October 2013 issue and was titled, “The Wanted Living Buddha - the Revelation of Wan Ko Yee’s Fraudulent Group” (the “Article”). It was also published worldwide on its website www.ifeng.com on or about October 15, 2013. Copies of both articles are enclosed for your convenience. We are writing to request that you retract the Article because it contains many false representations of fact that Phoenix knew, or should have known were untrue, and which Phoenix made no effort to fact check before publishing. As a result of the Article, my clients have suffered more than \$12,000,000 in documented lost donations, and millions more in reputational harm. Such harms will continue absent immediate action by Phoenix.

The Article Was Intended to Smear H.H. Dorje Chang Buddha

The International Buddhism Sangha Association and the Tibetan Buddhism Association of America are two of the most well-respected and widely followed Buddhism organizations in the world. They are charitable, non-profit organizations which offer spiritual support and guidance to millions of people every year. All of this is made possible by donations from supporters across the world.

In October 2013, Phoenix first published the Article in its print magazine. This was followed by a republication on the internet at the ifeng.com website. It was printed in Chinese and distributed to www.ifeng.com network of millions of viewers.

The Article purports to be a news story on H.H. Dorje Chang Buddha III. However, the obvious purpose of the article is to tarnish my clients. As detailed below, at least five key factual statements in the article do not withstand minimal scrutiny, viz.: (1) the statement that H.H. Dorje Chang Buddha III defrauded Lau Pak Hun; (2) that H.H. Dorje Chang Buddha III is in exile in the United States; (3) that H.H. Dorje Chang Buddha III was expelled from the Baoguang Temple in Chendgu; (4) that no Buddhist deities are worshipped at the most conspicuous place within the Hua Zang Si temple, and (5) that H.H. Dorje Chang Buddha III's Master of Oriental Art medal is a sham. Phoenix published these libelous statements without making any effort to verify if they were true. Had Phoenix done even minimal investigation and fact checking, it would have known the statements were false.

Because the defamatory statements are false on their face, they constitute defamation under U.S. law. *Price v. Stossel*, 620 F.3d 992, 1004 (9th Cir. 2010) (reversing lower court's dismissal of defamation action by minister against news publisher). In addition to being defamatory, the statements represent a complete and total breach of the ethical standards of journalism. It is a basic and global tenet that journalists must seek input from both sides of a story. This is a concept one would expect a publication such as Phoenix Weekly to follow. However, instead of seeking to fact check the statements published in the Article, Wang Jialiang and Phoenix Weekly intentionally published false and damaging claims about Dharma King Hsijao Palden Lodoe, Abbess Long-Hui Shih, Dharma Teacher Jue-Hui Shih, and their respective organizations.

H.H. Dorje Chang Buddha III Never Committed Fraud

One of the main factual predicates of the article is that H.H. Dorje Chang Buddha III defrauded Lau Pak Hun out of millions of dollars. That statement is false. Had Phoenix done any research, it would have known that two individuals were convicted of defrauding Lau Pak Hun – neither of whom had any relationship to H.H. Dorje Chang Buddha III. It is a matter of public record that Wong Hiu Shui and Wong Fai Tong were sentenced to eleven years and seven and half years in prison respectively for the crime the Article attributes to H.H. Dorje Chang Buddha III. Phoenix's article makes no mention of this fact. Nor did it make any inquiry of H.H. Dorje Chang Buddha III or any of my clients before publishing this false statement.

Moreover, neither Lau Pak Hun nor Liu Juan ever gave any money to H.H. Dorje Chang Buddha III. It is also a matter of public record that Liu Juan wrote a statement in person to the Middle-Level People's Court of the City of Shenzhen stating that H.H. Dorje Chang Buddha III never defrauded her. This statement was even signed by the Chinese Consulate in Los Angeles, California.

Despite this widely available evidence, throughout the Article, Phoenix repeatedly calls H.H. Dorje Chang Buddha III and his followers the “fraudulent group” without noting any of these publicly available materials. Phoenix’s biased failure to investigate and report these facts underscores that its only purpose in publishing the Article was to smear my clients. Falsely stating that someone has committed a crime, like Phoenix does in the Article, is slander per se. *Fashion 21 v. Coal. for Humane Immigrant Rights of Los Angeles*, 117 Cal. App. 4th 1138, 1145, 12 Cal. Rptr. 3d 493, 497 (2004) (“An allegation the plaintiff is guilty of a crime is libelous on its face”).

H.H. Dorje Chang Buddha III Is Not in Exile

The Article also claims that H.H. Dorje Chang Buddha III is in “exile” in the United States, where he purportedly “fled” after Lau Pak Hun and Liu Juan frauds were exposed in 2001. There is no truth to this statement. First, there was no “exposure” involving H.H. Dorje Chang Buddha III; as noted above, the people who committed the fraud were already tried and convicted. Further, it is a matter of public record that both the Chinese Government and Interpol investigated purported fraudulent conduct by H.H. Dorje Chang Buddha III and both determined that he had committed no crimes. The Chinese Government specifically requested that Interpol close the case and withdraw its warrant. Finally, it is widely known that H.H. Dorje Chang Buddha III left for the United States in 1999, two years earlier, at the invitation of the Getty Museum in Los Angeles, and has not returned to China since. The author knew, or should have known these facts, which take only a minimal amount of research to discover.

H.H. Dorje Chang Buddha III Was Not Expelled from the Baoguang Temple in Chengdu

H.H. Dorje Chang Buddha III worked at the Baoguang Temple at the behest of the Sichuan provincial government. The Article falsely claims that H.H. Dorje Chang Buddha III was “expelled” from the temple due to “indecent behavior.” In fact, he left the temple due to the government’s decision to withdraw *all* government workers on the *same day* and to reassign them elsewhere, and H.H. Dorje Chang Buddha III *was* reassigned to other government work. There was no improper conduct, and as such this claim is obviously false and is another transparent attempt to tarnish my clients’ reputations.

The Sakyamuni Buddha Is Placed in the Most Prominent Location Inside Hua Zang Si

The article states at the most conspicuous place within the Hua Zang Si temple no Buddhist deity statues are worshiped, and that instead H.H. Dorje Chang Buddha III is worshiped there. Obviously, Phoenix’s reporter never visited the temple, or even looked at photographs of the temple, before making this false statement. A statue of Sakyamuni Buddha is worshipped in the center of the Sakyamuni Buddha Hall of the temple. Moreover, the temple is also home to a large statue of Amitabha Buddha. The Article’s author knew, or should have known, this statement was false because in 2005 the international and widely circulated magazine *National Geographic* published a photograph of the temple depicting both the Sakyamuni Buddha and Amitabha Buddha statues. This photo is easily available through a cursory internet search. Finally, no statue of H.H. Dorje Chang Buddha III exists at the temple.

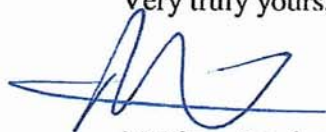
H.H. Dorje Chang Buddha III's Master of Oriental Art Medal Is Not a Sham

There is also no truth to the allegation that Dharma King Hsijao Palden Lodoe (referred to in your article as Wentou Wu) was responsible for "spinning" and "packaging" H.H. Dorje Chang Buddha III as the Master of Oriental Art in the beginning of the 90s. The Article contains no facts to support this assertion. Further, it is undoubtedly false because Dharma King Hsijao Palden Lodoe had never met H.H. Dorje Chang Buddha III until the Master of Oriental Art award ceremony itself, and did not know, and still does not know, anyone at the World Poets and Culture Congress, the organization responsible for issuing the Master of Oriental Art Medal.

In sum, we request that Phoenix immediately retract these false statements, each of which constitutes actionable defamation. As noted above, we have documented several instances, including one \$12,000,000 donation, where prospective donors withdrew their commitments to donate funds to my clients upon reading Phoenix's defamatory publications. As such, if this dispute were to proceed to litigation, my clients would demand damages in excess of \$100,000,000 based on their actual damages, ongoing reputational damage and loss of good will, and punitive damages.

Please contact me at your earliest convenience to discuss this matter.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Matthew Borden', written over a horizontal line.

Matthew Borden

Cc: Cui Qiang, Chief Executive Officer
Liu Changle, Charman and Publisher
Sun Qiang, President

Encl.