

Part Two Civil Appeal Letter

Plaintiff: Wu Yunquan, Male, Legal Representative of China South Sea Pharmaceutical Company. Household Address: No. 26, Xiang Guang Street, Dong Shan County, Guang Dong Province, P.R.China

Legal Agent: Xiongfei Chen, Male, Attorney at Law, Shanghai Xiong Fei Law Office. Company Address: Room 531, No. 208 Xin Kai Road, Pu Dong, Shanghai

Defendant: China Representative Office, American Arlington Pharmaceutical. Company Address: No. 1748-1756 Bright Building, Pu Dong, Shanghai

Legal Requests:

1. Injunction of defendant's violation of intellectual property rights
2. Repay the plaintiff economic loss of U.S. \$300 million

Facts and reasons:

Based on the R&D results published by its collaborator, the Department of Biology at China Southern University in April 1987, the plaintiff introduced in 1990 onto the market a series of medicine, with the major ingredient T3: Jiang Ya No. 1, Jiang Ya Reduction No. 2, Jiang Ya No. 3 and Jiang Ya Kang Fu. The defendant introduced in 2001 and started to sell in 2002 a kind of blood pressure reduction medicine named "Kang Fu De" in the Chinese market. Their medicine has the same medical mechanisms with one produced by the plaintiff. It is obvious that the defendant took advantage of the plaintiff's R&D achievement. But the defendant never purchased the property rights from the plaintiff and did not obtain the permission. The behaviors of defendant seriously violated the rights of the plaintiff and severely damaged the commercial interests of the plaintiff. It is estimated that the defendant has sold more than 700 million bottles of the medicine globally and gained enormous profits. Because of the defendant's illegal behaviors, the market share of the plaintiff dropped abruptly. Direct economic loss of the plaintiff amounts to 40 million RMB. Indirect economic loss is astronomical.

In regard to the severity of defendant's illegal behaviors, we respectfully ask for the court to render proper judgments according to the relevant civil laws and regulations.

Legal Agent of the Plaintiff: Xiongfei Chen December 28, 2002

Presented to: Shanghai Pudong People's Court

