

THOMSON WILKS SANDTON

23 Impala Road Chislehurston Sandton 2196 South Africa

Tel +27 (0) 11 784 8984 Fax +27 (0) 11 883 8660

PO Box 3242, Parklands, 2121 Dx 72, Nelson Mandela Square Sandton

www.thomsonwilks.co.za

Our Ref Mr J. Small

USPIKED

E-mail: mark@uspiked.com

editor@uspiked.com

Your Ref

Date

10 December 2015

Dear Sirs,

RE: OUR CLIENTS: CHEN-YEN WU & LI-JUNG WU / USPIKED

- 1. We are instructed by and act for and on behalf of our aforementioned clients at whose instance we address this letter to you.
- 2. Our clients have become aware of a series of articles published on your online website (www.uspiked.com) relating to the award of a condom tender by the National Department of Health ("the published articles") in which a number of false, misleading and defamatory allegations are made about and concerning our clients.
- 3. Our clients have instructed our offices to place on record their strong objection to the published articles and their denial of the conclusions which are drawn and particularly in respect of which it is alleged, wrongly (and unlawfully) that our clients, inter alia, are guilty of "fronting" and are being investigated for multiple cases of "tax fraud", "money laundering", "identity theft" and "other tender related crimes". Our clients are not, as is alleged, participating or involved in any fronting scheme nor are our clients under investigation for any of the charges alleged in the published articles. The suggestion that they are involved in fronting or are being investigated for any of the crimes alleged in the published articles is fabricated as well as being highly defamatory and humiliating to our clients and is severely damaging to our clients good name and reputation. Our clients are reputable and well known business people in South Africa and the published articles stand to ruin our clients financially and destroy their businesses.
- 4. Our clients are not "operating in the country using at least two sets of identity documents" as alleged. Our clients are Taiwanese nationals who relocated to South Africa in 1996 from Taiwan. In or during 1997, our clients applied for and were granted permanent

THOMSON WILKS INC. ATTORNEYS NOTARIES CONVEYANCERS

(Reg. No. 2004/000428/21)

ATTORNEYS S Akoojee^{#DB} · DD Bailes^{#S} · S Chen^{+S} · M Coetzee^{+C} · CM Dutilleux*S · N Elliot^{#C} · X Gamede^{+S} · C Giliomee^{#S} · D Gosling^{+P} · P Grobler^{+S} C Hall^{+S} · S Harding^{+S} · Y Janse van Vuuren^{+S} · J Kantor^{+C} · A Lee*S · C Loots^{+C} · E Louis^{#C} · AJ Mistry^{+S} · A Mitchell^{#D} · C Naidoo^{+S} · S Osborn^{+St} J Peters^{#D} · M Rabie^{+S} · Z Ramlakan^{+S} · S Ramlall^{+S} · C Reed^{+C} · CA Reilly^{+D} · B Schmulian^{+S} · A Scibante^{+C} JF Small^{#S} · T Steel^{+C} · H Teng^{#S} · SC Thomson^{#S} S Trappler^{+C} · R van der Bank^{+C} · B van Tonder^{+S} · GC Wilks^{+S} D Wille^{+C} · K Wiehl^{+S} · PM Wieselthaler^{+S} S Wittenberg^{#C} · G Zacharias^{+C}

^{**} Director * Consultant * Associate
C Cape Town DB Dubai Durban S Sandton St Stellenbosch P Pietermaritzburg



residence permits to which they were issued with South African bar coded identity documents. The identity number issued under a permanent residence permit contains a specific code, identified by the number "1" which is unique to permanent residence holders. In or during 2002, having being on a permanent residence permit for the mandatory period of five years, our clients applied for and received South African citizenship. Pursuant thereto, our clients were issued with new bar coded identity documents and were issued with new identity numbers which replaced the old identity numbers.

- Our clients are not under investigation nor are they blacklisted with the Ministry of Finance as alleged. Our clients are also not "the latest beneficiaries" of a R776.8m tender for condoms and lubricants.
- 6. Arising from factors outside of our clients' control, our clients had been previously blacklisted by the Ministry of Treasury. Although it is irrelevant to our clients contentions with the published articles, we record that the blacklisting of our clients was not a result of any devious scheme or misconduct by our clients but arose essentially by virtue of the failure of a company in which our clients were directors (among other directors) to deliver on a consumable tender awarded to the company by the National Department of Health. Our clients were unwitting in the failure, but at the time, were not in a financial position to contest the issue with the Ministry of Finance and accordingly agreed to a temporary blacklisting by the Ministry of Finance. The listing of our clients however has long since expired and our clients are fully entitled, should they choose, to tender on any open government tender. You need only search for the list of blacklisted entities, published by the Ministry of Finance in order to verify this.
- 7. Jiaxing U-Life Medical Device Technology Co Ltd ("Jiaxing") is a company incorporated under the laws of the Republic of China. Our clients have no beneficial interest in Jiaxing and Jiaxing, who manufacture and supply medical products, are only one of our clients many preferred suppliers who supply goods to one of our client's (specifically Chen Yen Wu) companies, Wupro Technologies (Pty) Limited ("Wupro"). In or during 2009, Wupro, with the knowledge and consent of Jiaxing, obtained the rights in South Africa for the brand name U-Life which appears to be your confusion for linking our clients to Jiaxing.
- 8. Medi-Core Technologies (Pty) Limited is a company well known to our clients and owned by Moonilal Hansraj Seopursat ("Seopursat"). Seopursat is an employee of Wupro and has been an employee of Wupro for eight (8) years. Seopursat approached Chen Yen Wu two (2) years ago to ask for his support to incorporate his own company in order to start a business for the supply of medical goods. Seopursat has worked in the industry of medical consumable manufacturing and distribution for 21 years. Our clients, particularly, Chen-Yen Wu, fully supported the new business and provided Seopursat with facilities and infrastructure to start the business. Our clients still support Seopursat and Medi-Core Technologies today and share, entirely at arms length, facilities and infrastructure with Medi-Core Technologies. Wupro also provides warehousing and logistics services to Medi-Core.



- 9. There is absolutely no case for fronting either as alleged in the published articles or at all. The quantum leap which you have made to implicate our clients in a fronting scheme is inexplicable and based only on vague assumption without conducting any real investigation. Your conclusions have been reached without so much as a discussion with either of our clients and are completely devoid of any truth whatsoever.
- 10. Our clients take the allegations which you have made very seriously and will not tolerate the publication of false and misleading allegations implicating them in cases of fronting, tax fraud, money laundering, identity theft and "other tender related crimes". Our clients have suffered damages and continue to suffer damages as a result of the published articles. Our clients' rights to fully and reasonably quantify those damages and to pursue necessary legal action against you are and remain fully reserved.
- 11. Our clients demand an immediate and irrevocable retraction of the published articles, particularly of those allegations which are made about and concerning our clients. In addition our clients require a written apology to be published on your website. Our clients also require an immediate undertaking that you will not in the future publish any further articles which are untrue, defamatory or sensationalist about and concerning our clients, speculate, without any basis for doing so, about our clients' involvement in a fronting scheme or which implicate our clients as criminals.
- 12. Should we not receive your undertaking on or before close of business on Monday 28
 December 2015, we hold instructions to immediately proceed with an urgent application in the High Court of South Africa for the necessary relief against you in respect of which our clients shall seek also that you pay our clients' legal costs on an attorney and own client scale. This letter shall be used in support of any such application.
- 9. This letter is not exhaustive of our clients' rights and our clients have not responded to each and every allegation contained the published articles. Our clients' failure to do so should not be construed as an admission or acceptance thereof and clients' rights to respond thereto, if necessary, at the appropriate time and in the appropriate forum are and remain strictly reserved.
- 10. Our clients' rights remain reserved in toto.

Yours faithfully

THOMSON WILKS INC.

(sent electronically and therefore unsigned)