

**IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF MISSISSIPPI
SOUTHERN DIVISION**

**THE STATE OF MISSISSIPPI,
ex rel. LYNN FITCH, in her
official capacity as Attorney General
of the State of Mississippi,**

Plaintiff,

v.

Civil Action No. _____

**THE PEOPLE’S REPUBLIC OF CHINA,
THE COMMUNIST PARTY OF CHINA,
NATIONAL HEALTH COMMISSION OF
THE PEOPLE’S REPUBLIC OF CHINA,
MINISTRY OF EMERGENCY
MANAGEMENT OF THE PEOPLE’S
REPUBLIC OF CHINA, MINISTRY OF
CIVIL AFFAIRS OF THE PEOPLE’S
REPUBLIC OF CHINA, PEOPLE’S
GOVERNMENT OF HUBEI PROVINCE,
PEOPLE’S GOVERNMENT OF WUHAN
CITY, WUHAN INSTITUTE OF VIROLOGY,
and CHINESE ACADEMY OF SCIENCES,**

Defendants.

COMPLAINT

Plaintiff the State of Mississippi, *ex rel.* Lynn Fitch, Attorney General of the State of Mississippi, files this Complaint and, in support thereof, states the following:

NATURE OF THE ACTION

1. In this case, the State of Mississippi seeks recovery for the enormous

loss of life, human suffering, and economic turmoil experienced by all Mississippians from the COVID-19 pandemic that has disrupted the entire world. An appalling campaign of deceit, concealment, misfeasance, and inaction by Chinese authorities unleashed this pandemic. During the critical weeks of the initial outbreak, Chinese authorities deceived the public, suppressed crucial information, arrested whistleblowers, denied the existence of human-to-human transmission in the face of mounting evidence to the contrary, destroyed critical medical research, permitted millions of people to be exposed to the virus, leading to a global pandemic that was unnecessary and preventable – all in an effort to distract the world while engaging in unfair and deceptive trade practices related to hoarding of necessary personal protective equipment (“PPE”) and reselling substandard PPE to a desperate world at inflated prices. Defendants are responsible for the enormous death, suffering, and economic losses they inflicted on the world, including Mississippians, and they should be held accountable.

2. Mississippi faces an urgent public health crisis due to the COVID-19 pandemic created and exacerbated by Defendants’ actions.

3. As of May 2, 2020, Mississippi had at least 7,550 confirmed infections from COVID-19, and at least 303 Mississippians had died from COVID-19, with these numbers increasing on a daily basis.¹

4. Mississippi is not alone. The virus unleashed by Defendants has left no

¹ Mississippi State Department of Health, Coronavirus Disease 2019 (COVID-19), https://www.msdh.ms.gov/msdhsite/_static/14,0,420.html#Mississippi.

community in the world untouched.

5. This COVID-19 pandemic is the direct result of a sinister campaign of malfeasance and deception carried out by Defendants.

6. Defendants, in violation of their duties to the international community, engaged in commercial activities, including hoarding PPE and selling substandard PPE at inflated prices, which imperiled the lives and health of millions.

7. As hundreds of thousands of people across the globe began to die, Defendants sought to minimize the consequences, engaging in a cover-up and misleading public relations campaign by censoring scientists, ordering the destruction and suppression of valuable research, and refusing cooperation with the global community, all in violation of international health standards.

8. Defendants' actions had profound effects in Mississippi. Literally, every Mississippian has been adversely affected by Defendants' course of conduct.

9. This civil action seeks to hold Defendants accountable for the extraordinary public-health crisis that they created and to allow the State of Mississippi to recoup money lost as a result of Defendants' actions.

PARTIES

10. Lynn Fitch is the Attorney General of Mississippi (the "Attorney General").

11. Plaintiff State of Mississippi is a body politic created by the Constitution and laws of the State. Lynn Fitch is the State's duly elected and present Attorney General. The Attorney General brings this action on the State's

behalf, pursuant to her authority granted, *inter alia*, by Miss. Const. art. 6, § 173 (1890); Miss. Code Ann. § 7-5-1; Miss. Code Ann. § 75-24-9; and in her capacity as the State's Chief Legal Officer pursuant to the positive statutory, common, and decisional law of the State, which vests in her the right to initiate, conduct, and maintain all suits necessary for the enforcement of the laws of the State, preservation of order, and protection of public rights.

12. Plaintiff State of Mississippi is a sovereign State that has sustained direct and substantial injuries and losses as a result of the conduct described herein.

13. The Attorney General is suing, in part, to vindicate the State's injuries to its own economic and proprietary interests that it has directly suffered due to the actions of Defendants.

14. The Attorney General is also suing as *parens patriae* on behalf of the public interest of all Mississippi citizens, to vindicate general injuries inflicted on Mississippi citizens as a result of the pandemic caused by Defendants.

15. As a sovereign State, Mississippi has "a quasi-sovereign interest in the health and well-being—both physical and economic—of its residents in general." *Alfred L. Snapp & Son, Inc. v. Puerto Rico, ex rel., Barez*, 458 U.S. 592, 607 (1982).

16. A state like Mississippi, through its Attorney General, may act as "a representative of the public" in "complaining of a wrong which, if proven, limits the opportunities of her people [and] shackles her industries." *Alfred L. Snapp*, 458 U.S. at 606 (stating that "in matters of grave public concern" a state "has an interest apart from that of particular individuals who may be affected").

17. Defendant People's Republic of China ("PRC" or "China") is a communist nation in Asia.

18. Defendant Communist Party of China ("CPC" or "Communist Party") is the sole governing party within China, and the Communist Party's General Secretary becomes the president of the PRC; thus, the CPC and PRC essentially act as one and the same entity.

19. On information and belief, at all relevant times, the Communist Party exercised direction and control over the actions of all other Defendants.

20. Defendant National Health Commission of the People's Republic of China ("National Health Commission") is a ministry of the PRC's State Council charged with formulating health policies.

21. Defendant Ministry of Emergency Management of the People's Republic of China ("Ministry of Emergency Management") is a ministry of the PRC's State Council charged with emergency management and emergency rescue.

22. Defendant Ministry of Civil Affairs of the People's Republic of China ("Ministry of Civil Affairs") is a ministry of the PRC's State Council charged with social and administrative affairs.

23. The People's Government of Hubei Province ("Hubei Province") is the provincial government of the geographical Hubei province in the PRC.

24. The People's Government of the City of Wuhan ("City of Wuhan") is the city government of the capital city of Hubei Province in the PRC.

25. On information and belief, at all relevant times, the PRC, National

Health Commission, Ministry of Emergency Management, Ministry of Civil Affairs, Hubei Province, and City of Wuhan (collectively, the “Chinese Government Defendants”) and the Communist Party acted in concert with one another and acted as agents and/or principals of one another in relation to the conduct described herein.

26. The Wuhan Institute of Virology (“Wuhan Institute”) is located in Wuhan and is a research institute that studies virology and related topics.

27. Since at least November 2019, the Wuhan Institute has conducted research on coronaviruses and knew how contagious and deadly COVID-19 is.

28. Cables from the United States Department of State have warned of safety concerns at the Wuhan Institute.²

29. The United States is currently conducting “a full-scale investigation into whether the novel coronavirus, which went on to morph into a global pandemic that has brought the global economy to its knees, escaped from” the Wuhan Institute.³

30. Defendant Chinese Academy of Sciences (“Chinese Academy of Sciences”) is the national academy of the natural sciences for the PRC and describes itself as “the linchpin of China’s drive to explore and harness high technology and the

² Josh Rogin, *State Department cables warned of safety issues at Wuhan lab studying bat corona viruses*, WASHINGTON POST (Apr.14, 2020), available at: <https://www.washingtonpost.com/opinions/2020/04/14/state-department-cables-warned-safety-issues-wuhan-lab-studying-bat-corona-viruses/>.

³ Bret Baier, et al., *US officials confirm full-scale investigation of whether coronavirus escaped from Wuhan lab*, FOX NEWS (Apr. 17, 2020), available at: <https://www.foxnews.com/politics/us-officials-investigation-coronavirus-wuhan-lab>.

natural sciences for the benefit of China.”⁴

31. The Chinese Academy of Sciences administers the Wuhan Institute.⁵

32. On information and belief, at all relevant times, the Wuhan Institute and the Chinese Academy of Sciences (collectively, the “Laboratory Defendants”), along with the Chinese Government Defendants and the CPC, acted in concert with one another and acted as agents and/or principals of one another in relation to the conduct described herein.

JURISDICTION AND VENUE

33. Article III, Section 2 of the United States Constitution extends the judicial power of federal courts to “all Cases ... between a State, or the Citizens thereof, and foreign States, Citizens or Subjects.”

34. This Court is given jurisdiction of this matter under 28 U.S.C. § 1330, which provides for jurisdiction over foreign states, and 28 U.S.C. § 1332(a), which provides for jurisdiction over citizens of a State and citizens or subjects of a foreign state and a foreign state itself, where the amount in controversy exceeds \$75,000.

35. The amount in controversy in this matter exceeds \$75,000.

36. This Court has jurisdiction over cases filed against foreign states such as the Defendants under the commercial activity exception to the Foreign Sovereign

⁴ Chinese Academy of Sciences, About Us, available at: http://english.cas.cn/about_us/introduction/201501/t20150114_135284.shtml.

⁵ *Id.*

Immunities Act (“FSIA”), 28 U.S.C. § 1605(a)(2), which provides:

(a) A foreign state shall not be immune from the jurisdiction of courts of the United States or of the States in any case— ... (2) in which the action is based upon a commercial activity carried on in the United States by the foreign state; or upon an act performed in the United States in connection with a commercial activity of the foreign state elsewhere; or upon an act outside the territory of the United States in connection with a commercial activity of the foreign state elsewhere and that act causes a direct effect in the United States.

37. A commercial activity is defined to be “either a regular course of commercial conduct or a particular commercial transaction or act. The commercial character of an activity shall be determined by reference to the nature of the course of conduct or particular transaction or act, rather than by reference to its purpose.” 28 U.S.C. § 1603(d).

38. On information and belief, the conduct of Defendants described below arises out of commercial activities that have caused a direct effect in the United States and in the State of Mississippi, including, but not limited to the production, purchasing, and import and export of medical equipment, such as masks and other PPE necessary to COVID-19 efforts.

39. This Court has personal jurisdiction over the Defendants because the harms and injuries occurred in this District and in this Division of this District, and they otherwise have sufficient contacts in Mississippi and the rest of the United States to render the exercise of jurisdiction by this Court permissible.

40. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)(2)-(3) and (f)(1)-(2) because a substantial part of the events or omissions giving rise to Plaintiff’s claims occurred in this District and in this Division of this District.

GENERAL ALLEGATIONS

THE ORIGINS OF COVID-19

41. COVID-19 is an infectious disease caused by a novel coronavirus, severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2).

42. Humans are believed to have first contracted COVID-19 in late 2019, although the precise date is unknown.

43. Some sources date the first known case in China to November 17, 2019, or possibly earlier.⁶

44. A variety of sources also date the first known case to December 2019.

45. One theory on the origin of the virus is that it made a zoonotic transmission from animals at a wet market in Wuhan (the “Wuhan Seafood Market”).⁷

46. Another emerging theory on the origin of the virus is that it was released from the Wuhan Institute of Virology, which was studying the virus as part of a commercial activity.⁸

47. After first transmission, the virus began to spread rapidly.

⁶ Josephine Ma, *Coronavirus: China's first confirmed Covid-19 case traced back to November 17*, SOUTH CHINA MORNING PRESS (Mar. 30, 2020), available at: <https://www.scmp.com/news/china/society/article/3074991/coronavirus-chinas-first-confirmed-covid-19-case-traced-back>.

⁷ Chaolin Haung, M.D., et al., *Clinical features of patients infected with 2019 novel coronavirus in Wuhan, China*, THE LANCET vol. 395 (Jan. 24, 2020), available at: <https://www.thelancet.com/action/showPdf?pii=S0140-6736%2820%2930183-5>.

⁸ Bret Baier, et al., *Sources believe coronavirus outbreak originated in Wuhan lab as part of China's efforts to compete with US*, Fox News (Apr. 15, 2020), available at: <https://www.foxnews.com/politics/coronavirus-wuhan-lab-china-compete-us-sources>.

48. According to The Lancet, one of the earliest known patients—a man affiliated with the Wuhan Seafood Market—had a symptom onset date of December 1, 2019.⁹

49. Just five days later, the wife of this patient—who had no affiliation with the market—began exhibiting symptoms, indicating human-to-human transmission.¹⁰

50. According to a study in the Chinese Medical Journal, sometime between December 18 and 29, 2019, laboratory testing was being done on patients who exhibited symptoms consistent with COVID-19.¹¹

51. The study in the Chinese Medical Journal attributed the illnesses to “[a] novel bat-borne [coronavirus] ... that is associated with severe and fatal respiratory disease in humans.”¹²

52. According to a study in the New England Journal of Medicine, “[t]he majority of the earliest cases included reported exposure to the Huanan Seafood Wholesale Market, but there was an exponential increase in the number of non-linked cases beginning in late December.”¹³

⁹ See *supra* n. 7 at 500.

¹⁰ *Id.*

¹¹ Li-Li Ren, et al., *Identification of a novel coronavirus causing severe pneumonia in human: a descriptive study*, CHINESE MED. J. (Feb. 11, 2020), available at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7147275/>.

¹² *Id.*

¹³ Qun Li, et al., *Early Transmission Dynamics in Wuhan, China, of Novel Coronavirus-Infected Pneumonia*, NEW ENGLAND J. MED. (Jan. 29, 2020), available at: <https://www.nejm.org/doi/10.1056/NEJMoa2001316>.

53. Thus, on or around late December 2019, healthcare professionals in Wuhan were reporting infections, indicating human-to-human transmission.

54. According to Chinese sources cited in the National Review, on December 25, 2019, “Chinese medical staff in two hospitals in Wuhan [were] suspected of contracting viral pneumonia and [were] quarantined. This is additional strong evidence of human-to-human transmission.”¹⁴ This was corroborated by the Wall Street Journal.¹⁵

55. According to the South China Morning Press, “On December 27, Zhang Jixian, a doctor from Hubei Provincial Hospital of Integrated Chinese and Western Medicine, told China’s health authorities that the disease was caused by a new coronavirus. By that date, more than 180 people had been infected, though doctors might not have been aware of all of them at the time.”¹⁶

56. According to CNN, on December 30, 2019, Dr. Li Wenliang, using the popular chat application WeChat, told his medical school alumni group about patients at his hospital suffering from a SARS-like illness that may have originated from a coronavirus.¹⁷

¹⁴ Jim Geraghty, *The Comprehensive Timeline of China’s COVID-19 Lies*, NATIONAL REVIEW (March 23, 2020), available at: <https://www.nationalreview.com/the-morning-jolt/chinas-devastating-lies/>.

¹⁵ Jeremy Page, et al., *How It All Started: China’s Early Coronavirus Missteps*, THE WALL STREET JOURNAL (Mar. 6, 2020), available at: <https://www.wsj.com/articles/how-it-all-started-chinas-early-coronavirus-missteps-11583508932>.

¹⁶ *See supra* n. 6.

¹⁷ Yong Xiong, et al., *This Chinese doctor tried to save lives, but was silenced. Now he has coronavirus*, CNN (Feb. 4, 2020), available at: <https://www.cnn.com/2020/02/03/asia/coronavirus-doctor-whistle-blower-intl->

57. In his messages, Dr. Li Wenliang shared details of what would be named COVID-19, urging them to take precautions against the risk of human-to-human transmission.¹⁸

58. A study of patients admitted through January 2 found that only 27 of 41 patients had a link to the Wuhan Seafood Market, indicating human-to-human transmission in December.¹⁹

59. Despite the previously-mentioned evidence to the contrary, on December 31, 2020, the Wuhan Municipal Health Commission declared, “[t]he investigation so far has not found any obvious human-to-human transmission and no medical staff infection.”²⁰

60. The World Health Organization (“WHO”) was finally informed of these events on December 31, with the organization saying that “the WHO China Country Office was informed of cases of pneumonia unknown etiology (unknown cause) detected in Wuhan City, Hubei Province of China.”²¹

61. On information and belief, part of the Defendants’ cover-up involved misleading the WHO, an international organization under the United Nations whose

[hnk/index.html](#).

¹⁸ *Id.*

¹⁹ *See supra* n. 7 at 500.

²⁰ *See supra* n. 14.

²¹ World Health Organization, Novel coronavirus (2019-nCoV) Situation Report – 1 (Jan. 21, 2020), available at: <https://www.who.int/docs/default-source/coronaviruse/situation-reports/20200121-sitrep-1-2019-ncov.pdf?sfvrsn>.

objective is “the attainment by all peoples of the highest possible level of health,” according to its Constitution.²²

62. On information and belief, the Chinese Government Defendants delayed reporting COVID-19 to the WHO for weeks after the outbreak was identified in the Chinese medical community.

63. Under Article 6.1 of the International Health Regulations, China had a duty to report “all events which may constitute a public health emergency of international concern within its territory” within 24 hours.

64. When China did inform the WHO of the disease, Chinese authorities denied human-to-human transmission, despite having significant evidence to the contrary. On information and belief, Defendants’ denial induced the WHO to also deny or downplay the risk of human-to-human transmission in the critical weeks while the virus was first spreading.

DEFENDANTS ALLOW THE VIRUS TO SPREAD

65. According to data gathered by the New York Times, approximately 175,000 individuals left Wuhan on January 1 alone to travel for the Lunar New Year.²³

66. As stated by the New York Times, because of the Lunar New Year travel, “[t]he timing of the outbreak could not have been worse.”²⁴

²² World Health Organization, Constitution, Art. I, available at: <https://apps.who.int/gb/bd/PDF/bd47/EN/constitution-en.pdf?ua=1>.

²³ Jin Wu, et al., *How the Virus Got Out*, N.Y. TIMES (Mar. 22, 2020), available at: <https://www.nytimes.com/interactive/2020/03/22/world/coronavirus-spread.html>.

67. According to the Wall Street Journal, China “went ahead with New Year celebrations despite the risk of wider infections” and let “some five million people leave Wuhan without screening.”²⁵

THE COVER-UP BY DEFENDANTS

68. On December 30, 2019, the Wuhan Municipal Health Commission released a notice to medical institutions that patients visiting the Wuhan Seafood Market had contracted a pneumonia-like illness.²⁶

69. The notice warned medical professionals, “Any organizations or individuals are not allowed to release treatment information to the public without authorization.”²⁷

70. Within hours of sending his warning to colleagues via WeChat on December 30, screenshots of Dr. Li Wenliang’s message had been shared widely on social media, but government censors then took action to stop the circulation.²⁸

71. On or about December 31, researchers at the University of Toronto began to notice censoring of key words about the virus on Chinese social media platforms.²⁹

²⁴ *Id.*

²⁵ *See supra* n. 15.

²⁶ *See supra* n. 17.

²⁷ *Id.*

²⁸ *See supra* n. 15.

²⁹ Lotus Ruan, et al., *Censored Contagion How Information on the Coronavirus is Managed on Chinese Social Media*, UNIV. OF TORONTO, THE CITIZEN LAB (Mar. 3, 2020),

72. One of the censored platforms was WeChat, and as explained by the researchers, WeChat “has become increasingly popular among [Chinese] doctors who use it to obtain professional knowledge from peers. Because of social media’s integral role in Chinese society and its uptake by the Chinese medical community, systematic blocking of general communication on social media related to disease information and prevention risks substantially harmed the ability of the public to share information that may be essential to their health and safety.”³⁰

73. On January 1 or 2, the Wuhan police stated that they had “taken legal measures” against eight people who “published and shared rumors online,” and one of them is believed to be Dr. Wenliang.³¹

74. According to CNN, “The police announcement [against the eight people] was broadcast across the country on CCTV, China’s state broadcaster, making it clear how the Chinese government would treat such ‘rumormongers.’”³²

75. The message reportedly said, “The internet is not a land beyond the law ... Any unlawful acts of fabricating, spreading rumors and disturbing the social order will be punished by police according to the law, with zero tolerance.”³³

76. As described by the St. Louis Post-Dispatch, “The punishment of eight

available at: <https://citizenlab.ca/2020/03/censored-contagion-how-information-on-the-coronavirus-is-managed-on-chinese-social-media/>.

³⁰ *Id.*

³¹ *See supra* n. 17.

³² *Id.*

³³ *Id.*

doctors for ‘rumor-mongering,’ broadcast on national television on Jan. 2, sent a chill through the city’s hospitals,” and suppressed information from reaching the rest of the world.³⁴

77. On January 1, 2020, “after several batches of genome sequence results had been returned to hospitals and submitted to health authorities, an employee of one genomics company received a phone call from an official at the Hubei Provincial Health Commission, ordering the company to stop testing samples from Wuhan related to the new disease and destroy all existing samples.”³⁵

78. Also on January 1, 2020, Dr. Ai Fen, who ran an emergency department at a Wuhan hospital, ordered her staff to put on masks, suspecting human-to-human transmission.³⁶

79. That night, “the hospital’s discipline department summoned her for a chat the next day. She was criticized for ‘spreading rumors,’ according to Dr. Ai. She argued that the disease could be contagious. They said her action caused panic and ‘damaged the stability’ of Wuhan. Hospital leadership banned staff from discussing

³⁴ Xie Haunchi, *Six days of silence when China didn't warn public of likely pandemic*, ST. LOUIS POST DISPATCH (April 16, 2020), available at: https://www.stltoday.com/news/six-days-of-silence-when-china-didnt-warn-public-of-likely-pandemic/article_ae11db70-6704-5b49-8040-78bf21579e07.html.

³⁵ Gao Yu, et al., *How early signs of the coronavirus were spotted, spread and throttled in China*, THE STRAIGHT TIMES (Feb. 28, 2020), available at: <https://www.straitstimes.com/asia/east-asia/how-early-signs-of-the-coronavirus-were-spotted-spread-and-throttled-in-china>.

³⁶ *See supra* n. 15.

the disease in public or via texts or images.”³⁷

80. On January 2, 2020, the Wuhan Institute completed its genome sequencing of the virus.³⁸

81. Discovery of the genome sequence was not then announced.³⁹

82. On January 3, 2020, Dr. Wenliang was forced to confess to a misdemeanor, prepare a self-criticism, and agree not to commit any additional “unlawful acts.”⁴⁰

83. On January 3, 2020, “China’s National Health Commission (NHC), the nation’s top health authority, ordered institutions not to publish any information related to the unknown disease, and ordered labs to transfer any samples they had to designated testing institutions, or to destroy them.”⁴¹

84. The National Review, quoting Chinese sources, stated that on January 3, the “Wuhan Municipal Health Commission released another statement, repeating, ‘As of now, preliminary investigations have shown no clear evidence of human-to-human transmission and no medical staff infections.’”⁴²

85. According to the Wall Street Journal, on January 5, “a medical research

³⁷ *Id.*

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *See supra* n. 17.

⁴¹ *See supra* n. 36.

⁴² *See supra* n. 14.

center in Shanghai notified the National Health Commission that one of its professors had also identified a SARS-like coronavirus and mapped the entire genome using a sample from Wuhan.”⁴³

86. Like the genome discovery by the Wuhan Institute on January 2, the January 5 genome mapping was not made public for several days.⁴⁴

87. On January 5, 2020, relying on information from Chinese officials, WHO released a statement saying, “Based on the preliminary information from the Chinese investigation team, no evidence of significant human-to-human transmission and no health care worker infections have been reported.”⁴⁵

88. On January 6, the United States Centers for Disease Control offered to send a research team to assist Defendants, but Defendants did not extend permission to enter the country.⁴⁶

89. On January 8, 2020, WHO, relying on information from Chinese officials, said, “WHO does not recommend any specific measures for travelers. WHO advises against the application of any travel or trade restrictions on China based on

⁴³ *See supra* n. 15.

⁴⁴ *Id.*

⁴⁵ World Health Organization, Disease Outbreak News, *Pneumonia of Unknown Cause – China* (Jan. 5, 2020), available at: <https://www.who.int/csr/don/05-january-2020-pneumonia-of-unkown-cause-china/en/>.

⁴⁶ Marisa Taylor, *Exclusive: U.S. axed CDC expert job in China months before virus outbreak*, REUTERS (Mar. 22, 2020), available at: <https://www.reuters.com/article/us-health-coronavirus-china-cdc-exclusiv/exclusive-u-s-axed-cdc-expert-job-in-china-months-before-virus-outbreak-idUSKBN21910S>.

the information currently available.”⁴⁷

90. Chinese authorities, including Defendants, did not publicly confirm the outbreak as originating from a novel coronavirus until January 9, 2020, despite having a mapping of its genome and other details showing that it was a new virus.⁴⁸

91. On January 10, the New York Times attributed to the Wuhan City Health Commission a statement that “[t]here is no evidence that the virus can be spread between humans.”⁴⁹

92. According to the National Review, citing Chinese sources, on January 11, the Wuhan City Health Commission issued a statement saying, “All 739 close contacts, including 419 medical staff, have undergone medical observation and no related cases have been found . . . No new cases have been detected since January 3, 2020. At present, no medical staff infections have been found, and no clear evidence of human-to-human transmission has been found.”⁵⁰ This statement directly contradicted then-existing evidence.

93. Chinese authorities, including Defendants, did not share the genome sequence—which the Wall Street Journal described as a “critical step[] toward

⁴⁷ World Health Organization, WHO Statement regarding cluster of pneumonia cases in Wuhan, China (Jan. 9, 2020), available at: <https://www.who.int/china/news/detail/09-01-2020-who-statement-regarding-cluster-of-pneumonia-cases-in-wuhan-china>.

⁴⁸ *See supra* n. 15.

⁴⁹ Amy Qin, et al., *China Reports First Death from New Virus*, N.Y. TIMES (Jan. 10, 2020), available at: <https://www.nytimes.com/2020/01/10/world/asia/china-virus-wuhan-death.html>.

⁵⁰ *See supra* n. 14.

containing the epidemic and designing a vaccine”—with the international community until January 12.⁵¹

94. The first case outside of China was reported in Thailand on January 13.⁵²

95. Following the Thai case, Defendants did not tell the public about the new evidence directly confirming human-to-human transmission.⁵³

96. For instance, PRC and CPC officials continued denying human-to-human transmission and failed to inform the public, despite overwhelming evidence of the virus’s contagiousness.⁵⁴

97. According to the National Review, citing Chinese sources, on January 14, the Wuhan City Health Commission issued another statement saying, “Among the close contacts, no related cases were found.”⁵⁵

98. According to the Wall Street Journal, when President and General Secretary Xi Jinping, leader of the PRC and CPC, made “his first public statement on the crisis on January 20, he made no explicit mention of human-to-human transmission.”⁵⁶

99. By the time President Xi made his statement, millions of travelers

⁵¹ *See supra* n. 15.

⁵² *See supra* n. 35.

⁵³ *Id.*

⁵⁴ *Id.*

⁵⁵ *See supra* n. 14.

⁵⁶ *See supra* n. 15.

passed through Wuhan, and “more than 3,000 people had been infected during almost a week of public silence, according to internal documents obtained by The Associated Press and expert estimates based on retrospective infection data.”⁵⁷

100. The Wuhan City Health Commission continued publicly to deny human-to-human transmission until January 20,⁵⁸ at which point Chinese authorities finally confirmed for the first time that human-to-human transmission was occurring.⁵⁹

101. On January 20 and 21, 2020, the WHO was able to conduct a mission on the ground in China and said afterward, “Data collected through detailed epidemiological investigation and through the deployment of the new test kit nationally suggests that human-to-human transmission is taking place in Wuhan. More analysis of the epidemiological data is needed to understand the full extent of human-to-human transmission.”⁶⁰

102. On January 23, 2020, China began its first steps towards quarantining Wuhan residents.

103. Weeks after the lockdown slowed cases in Wuhan, China continued to mislead the world about its knowledge of the nature of the virus, and, on April 17,

⁵⁷ *See supra* n. 35.

⁵⁸ *Id.*

⁵⁹ Lily Kuo, *China confirms human-to-human transmission of coronavirus*, THE GUARDIAN (Jan. 20, 2020), available at: <https://www.theguardian.com/world/2020/jan/20/coronavirus-spreads-to-beijing-as-china-confirms-new-cases>.

⁶⁰ World Health Organization, Mission summary: WHO Field Visit to Wuhan, China 20-21 January 2020 (Jan. 22, 2020), available at: <https://www.who.int/china/news/detail/22-01-2020-field-visit-wuhan-china-jan-2020>.

2020, it upwardly revised the death toll in Wuhan by more than a thousand cases, attributing the error to “incorrect reporting, delays and omissions.”⁶¹

104. Chinese citizen journalists, who posted videos from Wuhan of overcrowded hospitals and other scenes from the COVID-19 pandemic, have gone missing in recent weeks.⁶²

105. On information and belief, China continues to mislead the world about the infection rate, fatality rate, and other key statistics of COVID-19. China has launched a “massive public relations campaign to avoid blame for the COVID-19 pandemic” and has spread conspiracy theories that the U.S. military had spread the virus.⁶³

THE EFFECTS OF DEFENDANTS’ ACTIONS

106. Due to Defendants’ malfeasance, COVID-19 spread rapidly across the world, and as of May 2, 2020, the CDC reports 1,092,815 confirmed cases in the United States and 64,283 deaths.⁶⁴

⁶¹ Scott Neuman, *China Raises Wuhan Death Stats By Half To Account For Reporting Delays And Omissions*, NATIONAL PUBLIC RADIO (April 17, 2020), available at: <https://www.npr.org/sections/coronavirus-live-updates/2020/04/17/836700806/china-raises-wuhan-death-stats-by-half-to-account-for-reporting-delays-and-omiss>.

⁶² Frank Miles, *2 Wuhan whistleblowers missing months after helping expose coronavirus outbreak, activists say*, FOX NEWS (April 15, 2020), available at: <https://www.foxnews.com/world/wuhan-whistleblowers-missing-exposing-coronavirus>.

⁶³ Bradford Betz, *Guest on Chinese-produced Arabic-language program claimed US may be to blame for coronavirus pandemic*, FOX NEWS (April 19, 2020), available at: <https://www.foxnews.com/world/chinese-arabic-language-program-us-coronavirus-pandemic>.

⁶⁴ United States Centers for Disease Control and Prevention, *Coronavirus Disease 2019 (COVID-19), Cases in the U.S.*, available at: <https://www.cdc.gov/coronavirus/2019-ncov/cases-updates/cases-in-us.html>.

107. As of May 2, 2020, Mississippi has 7,550 confirmed infections from COVID-19, and at least 303 Mississippians have died.⁶⁵

108. In addition to the toll on human life and health, the pandemic has caused enormous economic disruptions across the United States and in Mississippi, with over 30 million American jobs lost in less than 2 months and over 203,000 Mississippians filing jobless claims between March 15, 2020 and April 25, 2020.⁶⁶

109. The pandemic unleashed by Defendants has had enormous economic impacts on both the Mississippi government and on virtually every citizen of Mississippi.

110. Responding to the pandemic has required shutting down businesses, disrupting ordinary production and trade, and dislocating workers.

111. Mississippi's government entities have suffered direct economic losses as a result of the pandemic, including loss of revenues and budgetary shortages, with direct effects on state services, state pension funds, and many other state proprietary and economic interests.

112. In addition, innumerable citizens of Mississippi have suffered economic

⁶⁵ Mississippi Department of Health, Coronavirus Disease 2019 (COVID-19), available at: <https://www.msdh.ms.gov/msdhsite/static/14,0,420.html#Mississippi>.

⁶⁶ Jeffrey Bartash, *Millions of layoffs set to push unemployment rate to highest level since Great Depression*, MARKET WATCH (May 4, 2020), available at: <https://www.marketwatch.com/story/millions-of-lost-jobs-may-push-unemployment-rate-to-highest-since-great-depression-2020-05-02>; Anna Wolfe, *Mississippi is fighting an uphill battle with jobless claims. A decades-long shift in employment strategy didn't help.*, MISSISSIPPI TODAY (May 3, 2020), available at: <https://mississippitoday.org/2020/05/03/mississippi-is-fighting-an-uphill-battle-with-jobless-claims-a-decades-long-shift-in-employment-strategy-didnt-help/>.

losses as a result of the pandemic. These include loss of jobs, loss of income, loss of business opportunities, and other economic losses.

113. An analysis conducted as part of the State pandemic plan estimates that the economic impact of a single outbreak of a severe flu pandemic like this one on Mississippi could total \$6.61 billion, in today's dollars.⁶⁷

114. The Lieutenant Governor, Speaker of the House of Representatives, and chairmen of the House and Senate Appropriations Committees wrote all state agency directors on April 24, 2020 to ask “all state agencies, and arms of the state which receive state dollars of any kind, to be very judicious about spending the rest of this fiscal year.... COVID-19 has caused a near shutdown of the economy for a number of weeks, and the projected impact is significant. We will undoubtedly have less money in the upcoming fiscal year than we did this fiscal year.”⁶⁸

115. Beyond the costs in terms of health, life, and the economy, the toll to human relationships has been enormous, as Mississippians are unable to visit family and friends, celebrate major life milestones like high school or college graduations, or even attend Easter or Passover religious services. Literally, every Mississippian has suffered an economic, emotional, and/or spiritual toll of the coronavirus.

⁶⁷ Luke Ramsath, *'Deeply disturbing': Coronavirus impact on Mississippi's economy*, The Clarion-Ledger (Mar. 20, 2020), <https://www.clarionledger.com/story/news/politics/2020/03/20/coronavirus-impact-mississippi-economy/2865088001/>.

⁶⁸ Letter from Lieutenant Governor Delbert Hosemann, Speaker of the House Philip Gunn, Senate Appropriations Chairman Briggs Hopson, House Appropriations Chairman John Read (April 24, 2020), *See* “Exhibit A”.

116. As one example of the human toll, due to actions by Defendants, Mississippi families with loved ones in nursing homes have been unable to visit them, and some have been unable to visit dying relatives. These losses cannot be quantified.

117. In addition to emotional turmoil and economic disruption, Defendants' course of conduct has inflicted enormous educational disruption on Mississippi students at every level, from preschool through graduate studies. Schools have been closed for months, graduations ceremonies and tests canceled, students isolated at home, libraries closed, and learning completely disrupted.

DEFENDANTS' ACTIONS AS TO PPE

118. On March 13, 2020, the New York Times ran a story documenting China's hoarding of PPE, saying China has "claimed mask factory output for itself."⁶⁹

119. According to the New York Times report, "Peter Navarro, an adviser to President Trump on manufacturing and trade, contended on Fox Business last month that China had essentially taken over factories that make masks on behalf of American companies. Beijing, he said, had opted to 'nationalize effectively 3M, our company.'"⁷⁰

120. As Peter Navarro further noted on Fox News on April 19, 2020, "During that period of time, that six-week interval when they were hiding this virus from the world, China went from a net exporter of personal protective equipment – they are

⁶⁹ Keith Bradsher, et al., *The World Needs Masks. China Makes Them, but Has Been Hoarding Them*, N.Y. TIMES (Mar. 13, 2020), available at: <https://www.nytimes.com/2020/03/13/business/masks-china-coronavirus.html>.

⁷⁰ *Id.*

the largest producer of that in the world – to a large net importer.”⁷¹

121. Defendants’ hoarding had commercial value to them, as well. As Navarro continued, “now they are profiteering from it.”⁷²

122. According to a recent piece in the Washington Post, White House officials believe China’s actions of hoarding and importing PPE were a “deliberate attempt by China to corner the market as it concealed and downplayed the danger posed by the outbreak.”⁷³

123. China is not currently allowing U.S. companies to bring PPE or coronavirus test kits back to the United States, citing quality concerns.⁷⁴

124. The PPE China has released has drawn complaints across the world for being faulty, raising the prospect that it is keeping quality materials for itself while shipping defective equipment elsewhere.⁷⁵

⁷¹ *Id.*

⁷² Talia Kaplan, *Peter Navarro: China 'cornered' the personal protective equipment market and 'is profiteering' during coronavirus outbreak*, FOX NEWS (April 19, 2020), available at: <https://www.foxnews.com/media/peter-navarro>.

⁷³ Juliet Eilperin, et al., *U.S. sent millions of face masks to China early this year, ignoring pandemic warning signs*, WASHINGTON POST (April 18, 2020), available at: https://www.washingtonpost.com/health/us-sent-millions-of-face-masks-to-china-early-this-year-ignoring-pandemic-warning-signs/2020/04/18/aaccf54a-7ff5-11ea-8013-1b6da0e4a2b7_story.html.

⁷⁴ Kate O’Keeffe, *China’s Export Restrictions Strand Medical Goods U.S. Needs to Fight Coronavirus, State Department Says*, WALL STREET JOURNAL (April 16, 2020), available at: <https://www.wsj.com/articles/chinas-export-restrictions-strand-medical-goods-us-needs-to-fight-coronavirus-state-department-says-11587031203>.

⁷⁵ David Brunnstrom, et al., *U.S. asks China to revise export rules for coronavirus medical gear*, REUTERS (April 16, 2020), available at: <https://www.reuters.com/article/health-coronavirus-usa-china/us-asks-china-to-revise-export-rules-for-coronavirus-medical-gear-idUSL1N2C502N>.

125. On information and belief, the Defendants' cover-up of COVID-19, which led to greater loss of life and greater economic damage around the world, including in Mississippi, was at least in part motivated by a desire to give Defendants time to hoard PPE.

126. On information and belief, the Defendants' hoarding of PPE has been motivated, at least in part, by the desire to profit from increased worldwide demand of PPE during the viral outbreak, including in Mississippi.⁷⁶

127. On information and belief, Defendants' hoarding of PPE has adversely impaired the ability of health care providers throughout the world, including in the United States and in Mississippi, from safely and effectively treating patients with the virus.

COUNT I: VIOLATIONS OF THE
MISSISSIPPI CONSUMER PROTECTION ACT

(Against All Defendants)

128. Plaintiff repeats, restates, and incorporates by reference all allegations in Paragraphs 1 to 127.

129. Defendants are "persons" within the meaning of Miss. Code Ann. § 75-24-3, and, as such are subject to the provisions of the Mississippi Consumer Protection Act (Miss. Code Ann. § 75-24-1, *et seq.*).

130. Defendants have engaged in unfair and deceptive methods, acts, and

⁷⁶ Amber Athey, *Italy gave China PPE to help with coronavirus — then China made them buy it back*, THE SPECTATOR (April 4, 2020), available at: <https://spectator.us/italy-china-ppe-sold-coronavirus/>.

practices prohibited by Miss. Code Ann. § 75-24-5, through its concerted effort to cover up the seriousness of COVID-19, utilize time afforded by said cover-up to hoard PPE, nationalize companies manufacturing and producing PPE, sell sub-standard PPE back to a desperate world, while keeping quality materials to itself, and commit other acts constituting unfair and deceptive trade practices affecting commerce.

131. The Defendants actions were harmful to the public interest.

132. Defendants misrepresented that the little PPE it allowed for the rest of the world, including Mississippi, was of a standard, quality, or grade in violation of Miss. Code Ann. § 75-24-5(2)(g).

COUNT II: VIOLATIONS OF MISSISSIPPI ANTITRUST LAW

(Against All Defendants)

133. Plaintiff repeats, restates, and incorporates by reference all allegations in Paragraphs 1 to 132.

134. The Defendants' acts violated Miss. Code Ann. § 75-21-3, including but not limited to subsections (a) and (c), by restraining or attempting to restrain the freedom of trade concerning PPE and/or by engrossing or forestalling, or attempting to engross or forestall, PPE by hoarding PPE and endeavoring to corner the market, while they concealed the nature of the virus from the rest of the world.

135. Furthermore, Defendants created an environment ripe for the need of PPE, hoarded PPE so as to interfere with natural supply and demand patterns, and engaged in trafficking of such products to its unjust enrichment.

136. The repeated acts by the Defendants, as alleged herein, have been

injurious to—and have significantly interfered with—the lives, health, and safety of many Mississippi residents, ruining lives and damaging the public order and economy of the State of Mississippi.

137. As a proximate result of Defendants’ conduct, the State and its residents have suffered billions in economic damages, as well as substantial non-economic damages.

138. While the Mississippi Consumer Protection Act and Mississippi antitrust laws do not require the conduct to be intentional in order to constitute violations thereof, the conduct of the Defendants was knowing, willful, and in reckless disregard of the rights of the State and its residents.

139. Defendants have engaged in a continuing course of conduct. Defendants’ bad acts—as well as the resulting harm to the health, well-being, safety, comfort, economic interests, and rights of Mississippi and its residents—continue unabated.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff is entitled to relief under Miss. Code Ann. § 75-24-1, *et seq.* and Miss. Code Ann. § 75-21-3 and respectfully requests that the Court enter judgment in favor of Plaintiff, and enter an order jointly and severally against each and every Defendant that:

- (a) Awards Plaintiff all restitution authorized by law;
- (b) Enters injunctive relief;
- (c) Awards Plaintiff all civil penalties authorized by law;
- (d) Awards Plaintiff all actual damages authorized by law;

(e) Awards Plaintiff all direct and consequential damages authorized by law;

(f) Awards Plaintiff all reasonable costs attributable to the prosecution of this civil action authorized by law;

(g) Awards Plaintiff all pre-judgment interest authorized by law; and

(h) Awards Plaintiff such further relief as the Court deems just and appropriate.

Dated: May 12, 2020

Respectfully submitted,

**LYNN FITCH
ATTORNEY GENERAL OF
THE STATE OF MISSISSIPPI**

/s/ Lynn Fitch _____

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