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June 10, 1997

## VIA FAX

Coe A. Bloomberg, Esq. Lyon & Lyon First Interstate World Center 633 West Fifth Street, Suite 4700 34th Floor Los Angeles, CA 90071

Dear Coe:

In our telephone conference with Judge McKelvie last week, you represented that CellPro wished to file only a "short letter" with the Court on Friday, and did not propose to file any affidavits. This representation obviously was untrue, as CellPro filed not only a letter but also three declarations.

With respect to the Culver declaration, if CellPro means to rely on it for any purpose, please provide the following documents and information so that they are received in our office by courier no later than Thursday morning of this week:

- 1. A list of the U.S. sites which have one or more Ceprate® SC devices installed and in use, and the date (actual or approximate) on which an SC device was first installed there.
- 2. Documents sufficient to show the number of units of SC disposable kits delivered to each such site on a monthly basis from 4/1/96 through 5/3 1/97.
- 3. Documents sufficient to show, with respect to each of the units identified in response to ¶ 2, whether such unit was sold commercially pursuant to the approval granted by the FDA in December 1996 or rather was provided to the site for use in an approved clinical trial.

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- 4. Documents sufficient to show the prices actually charged by CellPro for each of the units described in ¶ 2, including information sufficient to show whether particular units provided for use in a clinical trial were provided on a cost-recovery basis or for free.
- 5. Documents sufficient to show, for each site at which the Ceprate® SC is installed and in use outside the United States, the disposable units sold and the prices actually charged by CellPro, on a monthly basis for the period 4/1/96 through 5/31/97.
- 6. CellPro's actual sales reports of Ceprate SC devices and disposable kits, on a quarterly basis and for April and May 1997, encompassing the period 4/1/96 through 5/31/97, in the most detailed form in which such records exist.
- 7. CellPro's current price list(s), by geographic area, for the SC device and disposable kits.
- 8. Documents sufficient to show the amount currently charged by CellPro to clinical sites for disposable kits provided on a cost recovery basis.
- All documents prepared between 4/1/96 and the present which discuss actual prices or projected or contemplated price increases for the SC device or disposable kits.
- 10. CellPro's budget for its fiscal year 1998, prepared prior to 3/12/97, and any revision thereof subsequently prepared.
- 11. CellPro's most recent business or strategic plan prepared prior to 3/12/97, and any revision thereof subsequently prepared.
- 12. Any sales projections (units and/or dollars) prepared between 12/1/96 and the present with respect to SC devices or disposable kits.
- 13. Any projections of profitability prepared between 12/1/96 and the present.
- Documents sufficient to define or explain the specific components of expense subsumed in the categories of expenses listed in the exhibits

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attached to Mr. Culver's declaration, including a specific breakdown of the "Special Items and Other" category for each fiscal year shown.

- 15. Documents sufficient to show the expense category in which Mr. Culver's exhibits include "Royalties and Fees Paid to Johns Hopkins" or "Incremental Profit Paid to Baxter."
- Documents sufficient to show, by specific type of expense, the projected changes in each of the general expense categories shown in Mr. Culver's exhibits in the periods from fiscal 1996/97 to 1997/98 and from 1997/98 to 1998/99.
- 17. Documents sufficient to show the detailed calculation of "Royalties and Fees Paid to Johns Hopkins" and "Incremental Profit Paid to Baxter" projected in Mr. Culver's exhibits.
- 18. Documents sufficient to show the breakdown of "Patient Treatments -Commercial & Clinical" as between projected commercial units and
  projected units provided for use in clinical trials under the heading
  "Therapeutic 12.8 Disposables" shown in Mr. Culver's exhibits.
- 19. With respect to projected commercial units, CellPro's estimate of the breakdown, in each fiscal year, between units used by the customer in processing autologous bone marrow pursuant to CellPro's FDA approval, and units used for "off-label" purposes.
- 20. With respect to projected clinical units, CellPro's estimate of the breakdown, in each fiscal year, between disposable kits provided on a cost recovery basis and disposable kits provided for free.
- 21. If CellPro's projections assume FDA approval for additional uses not covered by CellPro's FDA approval in December 1996, the assumptions made concerning the dates of CellPro's application for approval of such uses and the dates of the FDA's grant of such approvals.
- A description of the nature and amount of "external financing" assumed in Exhibits A-1 and A-2 to cover CellPro's projected cash deficiency.

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In view of the Court's indication that it intends to make resolution of the pending motions a high priority, we must insist on receiving these documents and other information on the timetable requested. If CellPro is unwilling to produce these materials, its refusal to do so will constitute further reason for the Court to disregard Mr. Culver's declaration.

Sincerely yours,

Donald R. Ware

DRW/kaw