# *The World in Brief*

***This e-newsletter is provided by courtesy of Reed CNY Business Law, P.C.***

## *WILLS & TRUSTS* – Abandoned Parent Get Nothing in the Estates of Deceased Child

When someone dies in New York State without a will they have died *intestate*. New York State's Estate, Powers and Trusts Law ("NY EPTL") then governs how much of the deceased's assets are distributed to a spouse, children and parents. It's been five months since Goo Hara, the South Korean singing idol and star passed away, without a will. Goo's biological mother, who abandoned her a long time ago, has claimed entitlement under Korean law to a parental share of Goo's estate. In New York, a parent who abandoned their child would be disqualified from inheriting under intestacy. 'Abandonment' does not require complete separation. In *re Matter of Daniels' Estate*, the court decided that a "compulsory payment of $7.50 for a period of four weeks under order of Children's Court" did not constitute a resumption of the 'parental relationship and duties' within the purview of the statue and, therefore, the father would not be allowed to share in the estate of his deceased child. Contrary to NY EPTL, in Korean jurisdiction, 'Abandonment' and 'Estate law' are in different Code Law, so Goo's mother still may inherits her share of estate.

뉴욕주에서는 유언장을 작성하지 않은 사람이 사망하였을 경우, 유산상속법에 의하여 고인의 유산을 배우자, 자식, 부모등에게 배분하도록 하고있습니다. 한국의 유명아이돌가수였던 고 구하라양이 사망한지 여러달이 지났지만, 고인의 유산에 관한 분쟁을 계속되고있습니다. 생전에 모녀관계를 단절했던, 친모가 상속권을 주장하고 있기때문입니다. 뉴욕주의 유산상속법은 친부모라 할지라도, 고인과 생전에 관계를 단절했다면, 고인의 유산에 대한 상속권을 주장할 수없도록 하고 있습니다. 이는 Daniel 군의 유산에 관한 케이스를 통해 뉴욕주에서 정립되었습니다. 저희 로펌은 재산관리 및 상속에 관하여 고객들에게 컨설팅해드리고 있습니다.

*Related news: https://www.nycourts.gov/courthelp/WhenSomeoneDies/intestacy.shtml*

## *BIO-PHARMA* – Kolon Invossa; FDA Process

For the past year, Korean bio-pharma industry sources delivered the news have closely covered developments involving Kolon Life Science, its U.S. subsidiary Kolon Tissue Gene, Inc., and their osteoarthritis drug *Invossa*. Just this month the FDA lifted an 11-month hold on the phase 3 clinical trials of *Invossa* in the U.S. The suspension, implemented in May 2019, was to give the FDA time to look into allegations of fraudulent descriptions of the drug in the New Drug Application. The suspension in the U.S. had a massive ripple effect in Korea: the Korean Ministry Food and Drug Safety pulled the product's marketing approval; the Korean Stock Exchange started an examination into whether there was price manipulation in the listing of Korean Tissue Gene; and the Seoul Prosecutor's Office started a criminal investigation, ultimately arresting several Kolon executives.

As newsworthy as this all was in Korea, there was almost no coverage in the U.S. press. Although Phase 3 clinical trials are important in the U.S., there are many such trials but only about 30% are ever approved for marketing by the FDA. But, there are more significant reasons for the disparity between the press coverage in Korea and the U.S.:

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(1) Kolon Life Sciences and its subsidiary Kolon Tissue gene are not publicly traded in the US. Therefore, they have no obligation to discuss or disclose in the U.S. the FDA's actions. If shares of one of them had been actively traded in the U.S., the Securities Exchange Commission's regulations would have required public disclosure of significant developments that could impact the stock's trading price, such as the FDA suspending Phase 3 clinical trials of the company's lead drug; and

(2) Whether the applicant company is traded in the U.S. or anywhere else, FDA regulations prohibit it from disclosing to the press or anyone else communications regarding an Investigational New Drug Application. Although Kolon's executives spoke extensively to the Korean press about the FDA suspension, they did so in Korea, in Korean. And since the FDA is prohibited from commenting, clarifying, correcting or supporting any statements by Kolon, there was little reason for the U.S. press to report on the suspension, the investigations or the arrests. Therefore, silence by the FDA and the U.S. media should not be mis-interpreted by investors in Korea as supporting Kolon's statements regarding either the progress of *Invossa's* NDA in the U.S., or the validity of the criminal investigations happening in Korea.

코오롱티슈젠의 퇴행성 관절염 치료제, 인보사에 관한 저희 로펌의 의견입니다. 코오롱생활과학은 FDA 가 미국법인인 코오롱 티슈젠의 치료제, 인보사의 3 차 임상실험을 재개하도록 승인되었다고 발표했습니다. 하지만, 한국의 언론과는 달리 미국언론들은 인보사 케이스에 대해 그다지 관심이 없는듯합니다. 물론 약품, 치료제에 관한 3 차 임상실험은 미국에서도 중요한 이슈입니다. 그러나, FDA 통계에 의하면 3 차 임상실험을 거친 약품중 대략 30%의 치료제 만이 시장에 진출하고 있습니다. 그보다 더 중요한 이슈는 제약회사와 FDA 와의 커뮤니케이션과 SEC 의 규제에 대한 것 입니다. 저희 로펌은 인보사이슈를 포함한 글로벌 바이오제약사들의 FDA 와의 커뮤니케이션과 SEC 의 규제에 관한 컨설팅을 제공해드리고 있습니다.

*Related news: https://www.fda.gov/patients/drug-development-process/step-3-clinical-research*

## *Administration* – Collaboration between NYSBA and SBA

In January, the New York State Bar Association and the Seoul Bar Association signed an historic memorandum of understanding ("MOU"), furthering collaboration and joint development of both organizations. In light of the COVID-19 crisis that is impacting Seoul and New York State, the Bar Associations have now exchanged letters offering mutual assistance as they and the communities they serve battle common issues, such as shortages of medical device and PPEs. Reed Business Law, as a member of the New York State Bar Association and applicant to the Seoul Bar Association, joins in supporting both Associations by providing quality services to our clients impacted by the coronavirus, wherever they are in the world.

지난 1 월, 뉴욕주변호사협회와 서울지방변호사협회는 서로의 발전을 도모하기 위해 역사적인 양해각서 (MOU)를 체결했습니다. 코로나바이러스의 영향을 받고있는 두 지역의 변호사협회는 현상황을 타파하고자 재차 관계를 정립하며 의료기기와 개인의료보호물품등에 대한 원조를 지원하기로 했습니다. 뉴욕주변호사협회의 멤버이자, 서울지방변호사협회와 밀접한 관계를 유지하고 있는 저희 로펌은 코로나 바이러스의 피해를 입은 고객들에게 최선의 서비스를 제공할 것입니다.

*Related news: https://nysba.org/nysba-seoul-bar-association-offer-mutual-support-in-face-of-crisis/*

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