

## PATENT ASSIGNMENT COVER SHEET

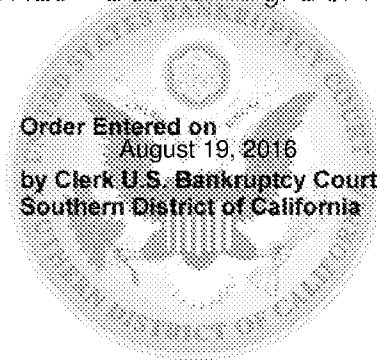
Electronic Version v1.1  
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EPAS ID: PAT6030742

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	COURT ORDER
<b>CONVEYING PARTY DATA</b>	
<b>Name</b>	<b>Execution Date</b>
CURE CARE, INC.	03/23/2016
<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	WOUND CARE, INC.
<b>Street Address:</b>	1099 NEW YORK AVE. NW
<b>Internal Address:</b>	SUITE 530
<b>City:</b>	WASHINGTON
<b>State/Country:</b>	D.C.
<b>Postal Code:</b>	20001
<b>PROPERTY NUMBERS Total: 1</b>	
<b>Property Type</b>	<b>Number</b>
Application Number:	16692197
<b>CORRESPONDENCE DATA</b>	
<b>Fax Number:</b>	(949)760-9502
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>	
<b>Phone:</b>	8587074000
<b>Email:</b>	efiling@knobbe.com
<b>Correspondent Name:</b>	KNOBBE MARTENS OLSON & BEAR LLP
<b>Address Line 1:</b>	2040 MAIN STREET
<b>Address Line 2:</b>	14TH FLOOR
<b>Address Line 4:</b>	IRVINE, CALIFORNIA 92614
<b>ATTORNEY DOCKET NUMBER:</b>	VAPOR.006C1
<b>NAME OF SUBMITTER:</b>	MITCHELL B. HADLEY
<b>SIGNATURE:</b>	/Mitchell Hadley/
<b>DATE SIGNED:</b>	03/25/2020
<b>Total Attachments: 78</b>	
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Order Entered on  
August 19, 2016  
by Clerk U.S. Bankruptcy Court  
Southern District of California

CSD 1001A [11/15/04]  
Name, Address, Telephone No. & I.D. No.  
SULLIVAN HILL LEWIN REZ & ENGEL, A.P.L.C.  
James P. Hill (SBN 90478)/Gary B. Rudolph (SBN 101921)  
550 West C Street, Suite 1500  
San Diego, CA 92101  
Tel.: (619) 233-4100  
Attorneys for Gerald H. Davis, Chapter 7 Trustee

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF CALIFORNIA  
325 West "F" Street, San Diego, California 92101-6991

In Re

CURE CARE, INC.,

Debtor,

BANKRUPTCY NO. 15-4925-LT7

Date of Hearing: August 11, 2016

Time of Hearing: 10:00 a.m.

Name of Judge: Hon. Laura S. Taylor

### ORDER

### GRANTING TRUSTEE'S MOTION TO SELL PERSONAL PROPERTY SUBJECT TO OVERBID AND FREE AND CLEAR OF LIENS

IT IS ORDERED THAT the relief sought as set forth on the continuation pages attached and numbered two (2) through 2 with exhibits, if any, for a total of 78 pages, is granted. Motion/Application Docket Entry No. 68

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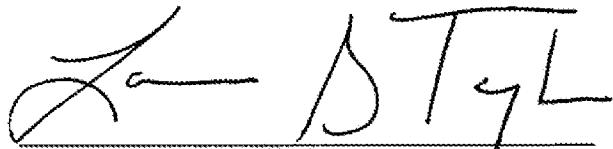
DATED: August 18, 2016

Signature by the attorney constitutes a certification under  
Fed. R. of Bankr. P. 9011 that the relief in the order is the  
relief granted by the court.

Submitted by:

SULLIVAN HILL LEWIN REZ & ENGEL APLC  
(Firm name)

By: /s/Gary B. Rudolph  
Attorney for ☒ Movant ☐ Respondent

  
Judge, United States Bankruptcy Court

CSD 1001A [11/15/04] (Page 2)

ORDER ON GRANTING TRUSTEE'S MOTION TO SELL PERSONAL PROPERTY SUBJECT TO OVERBID AND FREE AND CLEAR OF LIENS

DEBTOR:

CASE NO: 15-4925-LT7

CURE CARE, INC.,

On July 11, 2016, the Trustee filed his Motion to Sell Personal Property Subject to Overbid and Free and Clear of Liens [ECF 68] to Wound Care, Inc., or its nominee, for \$125,000 ("Motion"). In support of the Motion the Trustee also filed on July 11, 2016, the declarations of Gerald H. Davis, Trustee and of Thomas N. Tauzin. Notice of hearing on the Motion was filed July 11, 2016 [ECF 69] and served on all the Debtor's creditors and parties-in-interest. See Exhibit 1 attached hereto and herein incorporated by reference. On July 12, 2016, additional declarations of the Trustee, Gary B. Rudolph, Esq., and Laurel Turner were filed confirming the advertising of the sale of the assets [ECF 70]. On July 28, 2016, secured creditors Kenneth E. Olson Trust, Alan Donald and James Woodhill filed their consent to the Trustee's proposed sale [ECF 71]. On August 8, 2016, the Trustee filed a Status Report stating no request for overbid had been received [ECF 72]. On August 10, 2016, the Court issued its Tentative Ruling granting the Motion as unopposed, well supported and restating the Trustee's report that there were no qualifying bids and that the Trustee was authorized to submit an order approving the sale [ECF 73].

Now, therefor, with good cause appearing,

1. The Trustee's Motion is granted. The Asset Purchase Agreement attached hereto as Exhibit 2 (which was also attached as Exhibit 1 to the Declaration of Gerald H. Davis, Trustee, filed July 11, 2016 [ECF 78-1]) between the Trustee and Wound Care, Inc., a Delaware corporation or nominee for \$125,000 is approved and the sale of assets identified in the Asset Purchase Agreement is authorized.
2. The assets, described in the Asset Purchase Agreement, are sold in a "as is, where is" condition with all faults and without any representations or warranties by the Trustee; and are further sold free and clear of any liens, claims or encumbrances, which will attach to the sale proceeds in order of their validity, priority, enforceability and amount.
3. The sale of the assets, as described in the Asset Purchase Agreement, was conducted in accordance with the procedures approved by the Bankruptcy Court and that pursuant to 11 U.S.C. §363(m) the assets are sold in good faith and the Asset Purchase Agreement was negotiated without collusion or duress and in an arm's length transaction.
4. By purchasing the assets, Buyer is not acquiring or assuming any of the Debtor's or any other person's liabilities.
5. The Trustee has provided adequate notice of the sale of the assets, which were described in the notice together with the principal terms of the sale and the date, time and place of the Court hearing for approval of the sale.
6. As affirmed in the Declaration of Thomas N. Tauzin [ECF 68-2] the Buyer agrees to follow and comply with the recommendations of the Consumer Privacy Ombudsman, which are attached hereto as Exhibit 3 and herein incorporated by reference.
7. The Trustee is authorized to execute any and all documents necessary to consummate the sale of the assets as approved herein.
8. The Court shall retain jurisdiction to resolve any controversy or claim arising out of or relating to the Asset Purchase Agreement or breach thereof.

APPROVED AS TO FORM AND CONTENT:

GORDON & REES LLP

By: /s/William Rathbone

William Rathbone, Esq.

Attorney for Wound Care, Inc.

CSD 1001A

PATENT

REEL: 052223 FRAME: 0907

Signed by Judge Laura Stuart Taylor August 18, 2016



Name, Address, Telephone No. & I.D. No.

SULLIVAN HILL LEWIN REZ & ENGEL, A.P.L.C.

James P. Hill (SBN 90478)/Gary B. Rudolph (SBN 101921)

550 West C Street, Suite 1500

San Diego, CA 92101

Tel.: (619) 233-4100

Attorneys for Gerald H. Davis, Chapter 7 Trustee

**UNITED STATES BANKRUPTCY COURT**

SOUTHERN DISTRICT OF CALIFORNIA

325 West "F" Street, San Diego, California 92101-6991

In Re

CURE CARE, INC.,

BANKRUPTCY NO. 10:00 a.m.

Tax I.D. (EIN) #: 15-4925-LT7 /S.S.#:XXX-XX-August Debtor.

**NOTICE OF HEARING AND MOTION**

TO THE DEBTOR, ALL CREDITORS AND OTHER PARTIES IN INTEREST:

**YOU ARE HEREBY NOTIFIED** that on Hon. Laura S. Taylor, at GRANT m., in Department 2, Room 78, of the Jacob Weinberger United States Courthouse, located at 325 West "F" Street, San Diego, California 92101-6991, there will be a hearing regarding the Motion of 68, for [check the appropriate box]:

☐ Dismissal of a chapter 7, 11 or 12 case;

☐ Conversion of a chapter 7, 11 or 12 case by a party other than the debtor;

☐ Allowance of [interim] [final] compensation or reimbursement of expenses of professionals as provided in Exhibit "A" [information required by Federal Rule of Bankruptcy Procedure 2002(c)(2)];

☐ Appointment of a trustee in a chapter 11 case; or

☒ Other [specify the nature of the matter]:

SULLIVAN HILL LEWIN REZ & ENGEL,APLC

If not required to be attached, a set of the moving papers will be provided, upon request, by the undersigned or may be inspected at the office of the Clerk.

Any opposition or other response to the motion must be served upon the undersigned and the original and one copy of such papers with proof of service must be filed with the Clerk of the U.S. Bankruptcy Court at 325 West "F" St., San Diego, California 92101-6991, NOT LATER THAN FOURTEEN (14)<sup>1</sup> DAYS FROM THE DATE OF SERVICE.

DATED: /s/Gary B. Rudolph

SULLIVAN HILL LEWIN REZ & ENGEL, APLC

On July 11, 2016, the Trustee filed his Motion to Sell Personal

Gary B. Rudolph, Esq., Attorney for Moving Party

<sup>1</sup>If you were served electronically or by mail, you have three (3) additional days to take the above-stated actions as calculated by Fed. R. Bankr. P. 9006(f).

CERTIFICATE OF SERVICE

I, the undersigned whose address appears below, certify:

That I am, and at all times hereinafter mentioned was, more than 18 years of age;

That on 11th day of July 2016, I served a true copy of the within NOTICE OF MOTION AND HEARING by [describe here mode of service]

ECF SYSTEM & U.S. Mail

on the following persons [set forth name and address of each person served] and/or as checked below:

☒ Attorney for Debtor (if required):

By ECF System:

- Gerald H. Davis ghd@trusteedavis.com, ghd@trustesolutions.net
- Gerald H. Davis trustee7davis@gmail.com, ghd@trustesolutions.net
- Paul J Leeds leedsp@higgslaw.com, reisingc@higgslaw.com;schroedterm@higgslaw.com;hyltony@higgslaw.com
- Kristin Mihelic Kristin.T.Mihelic@usdoj.gov, tiffany.l.carroll@usdoj.gov
- Gary B. Rudolph rudolph@sullivanhill.com, hill@sullivanhill.com;millerick@sullivanhill.com;bkstaff@sullivanhill.com;
- vidovich@ecf.inforuptcy.com;rudolph@ecf.inforuptcy.com
- United States Trustee ustp.region15@usdoj.gov

By U.S. Mail:

Robert Fellmeth  
Center for Public Interest Law  
University of San Diego School of Law  
5998 Alcala Park  
San Diego, CA 92110

Raymond Ryland  
2520 Clairemont Drive, #108  
San Diego, CA 92117

-SEE ATTACHED SERVICE LIST-

[ ] For Chpt. 7, 11, & 12 cases:

UNITED STATES TRUSTEE  
Department of Justice  
402 West Broadway, Suite 600  
San Diego, CA 92101

[ ] For ODD numbered Chapter 13 cases:

THOMAS H. BILLINGSLEA, JR., TRUSTEE  
401 West "A" Street, Suite 1680  
San Diego, CA 92101

[ ] For EVEN numbered Chapter 13 cases:

DAVID L. SKELTON, TRUSTEE  
525 "B" Street, Suite 1430  
San Diego, CA 92101-4507

I certify under penalty of perjury that the foregoing is true and correct.

Executed on July 11, 2016  
(Date)

Francine Iriarte /s/Francine Iriarte  
(Typed Name and Signature)

550 West C Street, Suite 1500  
(Address)

San Diego, CA 92101  
(City, State, ZIP Code)



CURE CARE, INC.  
Case No. 15-04925-LT7  
Page 3

**ATTACHMENT TO CSD 1181 NOTICE OF HEARING AND MOTION TO SELL  
PERSONAL PROPERTY SUBJECT TO OVERBID AND FREE AND CLEAR OF  
LIENS**

Gerald H. Davis, Chapter 7 Trustee (“Trustee”), presents this Motion to Sell Personal Property Subject to Overbid and Free and Clear of Liens (“Motion”) pursuant to 11 U.S.C. § 363(b)(1)(f) and (m) and Fed. R. Bankr. P. 6004(a), (c), (f) and (g) and LBR 6004. This Motion is supported by the attached Memorandum of Points and Authorities; the concurrently filed Declaration of Gerald H. Davis, Chapter 7 Trustee (“Davis Declaration”) and Declaration of Thomas N. Tauzin, President of Wound Care, Inc. (“Tauzin Declaration”); and any and all pleadings and documents on file in this case and any related adversary proceedings as well as any argument of counsel presented at the time of the hearing.

**A. Assets**

On July 28, 2015, Cure Care, Inc. (“Debtor”) filed the underlying Chapter 7 bankruptcy proceeding [ECF 1]. Prepetition the Debtor was in the business of manufacturing healthcare products (the “Business”) and was the owner of certain equipment, office furniture and computers, and a variety of supplies (the “Equipment”) used in the manufacture of its health care products. It was the owner of patents and trademarks used in the Business (“Intellectual Property”). For purposes of this Motion, Equipment shall also include the Debtor’s “Wix” account, which provides domain, website, and email services. The Equipment and the Intellectual Property are referred to collectively herein as the “Assets.” See paragraph 2 of the Davis Declaration.

**B. WCI’s Offer to Purchase the Assets**

The Trustee received an offer from Wound Care, Inc. (“WCI”), or its nominee, to buy the Assets for \$125,000 subject to overbid. WCI has paid the Trustee a deposit of \$20,000. The Asset Purchase Agreement (“APA”) with WCI is attached as Exhibit “1” to the Davis Declaration, which identifies the Equipment and Intellectual Property as Exhibits “A” and “B” to the APA. A description of the patents is attached as Exhibit “2”

CURE CARE, INC.  
Case No. 15-04925-LT7  
Page 4

to the Davis Declaration. *See* paragraph 3 of the Davis Declaration.

**C. Personally Identifiable Information**

The Trustee has been informed that the computers to be transferred have personally identifiable information regarding consumers of the wound treatment products, systems, and methods covered by the Debtor's patents ("Customers"). The personally identifiable information presumably includes such information as Customers' first and last names, home addresses, home telephone numbers, electronic addresses, social security account numbers, birth dates, credit card information and personal medical information.

Since Customers' personally identifiable information of clients are contained in the Debtor's business records and client lists, which are being sold to WCI, the Trustee, on April 13, 2016, filed a Motion to Appoint a Consumer Privacy Ombudsman [ECF 36]. An Order granting the Trustee's motion was entered May 16, 2016 [ECF 43]. The Office of the United States Trustee appointed Professor Robert Fellmeth as the Consumer Privacy Ombudsman on May 17, 2016 and May 18, 2016 [ECF 46 and 47].

Professor Fellmeth's report and recommendations regarding the sale of Debtor's assets containing personally identifiable information was filed June 9, 2016 [ECF 55]. WCI has agreed to accept and follow the report and recommendations of Professor Fellmeth regarding disposition and dissemination of personally identifiable information. *See* Tauzin Declaration filed in support hereof. Any successful overbidder will also have to agree to accept and follow the report and recommendations of Professor Fellmeth.

**D. Liens**

As set forth in Proofs of Claim Nos. 3, 5, and 7, there are three entities ("Lienholders") with liens ("Liens") on the Assets:

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CURE CARE, INC.  
Case No. 15-04925-LT7  
Page 5

<u><b>Proof of Claim</b></u>	<u><b>Lienholder</b></u>	<u><b>Amount</b></u>	<u><b>Recorded Date of UCC-1</b></u>
3	Kenneth E. Olson Trust	\$10,750.00	July 7, 2015
5	Alan Donald	\$10,750.00	July 7, 2015
7	James Woodhill	\$30,413.70	July 7, 2015

Since this case was filed July 28, 2015, the aforementioned UCC-1 financing statements were recorded within 90 days of the bankruptcy. The Trustee submits that the Liens are preferential transfers avoidable under 11 U.S.C. § 547(b). Accordingly, on July 6, 2016, the Trustee filed the following adversary proceedings (the “Adversary Proceedings”) to avoid the preferential transfers and he respectfully requests the Court take Judicial Notice of the Adversary Proceedings pursuant to Rule 201(c)(2) of the Federal Rules of Evidence:

1. *Gerald H. Davis, Chapter 7 Trustee v. Kenneth E. Olson, as trustee of the Kenneth E. Olson Trust Dated March 16, 1989*, Adv. Proc. 16-90115-LT;
2. *Gerald H. Davis, Chapter 7 Trustee v. James Woodhill*, Adv. Proc. 16-90116-LT; and
3. *Gerald H. Davis, Chapter 7 Trustee v. Alan Donald*, Adv. Proc. 16-90114-LT.

As described in the Adversary Proceedings and explained in this Motion, there is a bona fide dispute regarding the Liens on the Assets, such that the Trustee may sell the Assets free and clear of the Liens pursuant to 11 U.S.C. § 363(f)(4). Pending the outcome of the Adversary Proceedings, the Liens will attach to the sale proceeds in order of their amount, priority, validity, and enforceability. *See* paragraphs 8 and 9 of the Davis Declaration.

#### **E. Overbid Procedures**

On April 13, 2016 [ECF 34], the Trustee filed his Motion to Approve Overbid Procedures. There was no opposition. On May 16, 2016 [ECF 42] the Court entered its order approving the bid procedures, which are contained in paragraph 4.1 of the APA and presented as follows:

CURE CARE, INC.  
Case No. 15-04925-LT7  
Page 6

(a) The procedure for the approval of the sale shall be determined by the Bankruptcy Court, provided that the motion of the Trustee for approval of the sale of the Assets to Buyer pursuant to this Agreement shall request the following terms and conditions for confirmation of the sale and for handling overbidding at the hearing on the motion ("Sale Hearing"):

(i) At any time prior to five (5) days before the Sale Hearing, any party interested in participating in the sale as a potential overbidder (other than Buyer) must become a "Qualified Overbidder" by:

(1) Providing Notice to the Trustee, identifying the proposed purchaser and providing sufficient information regarding the proposed purchaser and the proposed acquisition consideration to enable the Trustee to evaluate the capability of the proposed purchaser to complete the transaction and the feasibility and valuation of the proposed consideration;

(2) Depositing with the Trustee Good Funds in the amount of Twenty Thousand Dollars (\$20,000.00) ("Bidder Deposit"). If the Qualified Overbidder is the successful bidder, the Bidder Deposit shall either be applied and credited toward payment of the purchase price at the Closing or returned to the successful bidder (if the payment of cash is not required). If the Qualified Overbidder is not the successful bidder, the Bidder Deposit shall be refunded to the Qualified Overbidder within fifteen (15) calendar days following entry of the order approving the Sale; and

(3) Executing an Overbidder Agreement in substantially the form of this Agreement, setting forth details of the Qualified Overbidder's initial bid, which must result, as determined in the discretion of the Trustee, in a net valuation at least One Hundred Thirty Two Thousand Five Hundred Dollars (\$132,500.00).

(4) Overbidder must furnish to the Trustee proof of financial ability to close consisting of bank statements showing deposit account balances exceeding the balance of the purchase price accompanied by a personal or officer certificate confirming that those balances will remain on hand at the Closing Date;

(ii) Buyer and any Qualified Overbidders and/or their qualified representatives must be present to participate in the overbid process by making a personal appearance at the Sale Hearing.

(iii) If there is an overbid and the successful Overbidder does not consummate the sale the Trustee will be able to offer the property to the next highest Overbidder without further notice to creditors.

(b) If one or more potential overbidders have become a Qualified Overbidder, as provided above, the Trustee will request at the hearing that the Bankruptcy Court conduct an auction of the Assets. If no Qualified Overbidder is present, the Bankruptcy Court shall be requested to enter a Sale Approval Order (as defined below) approving the Buyer as the winning

CURE CARE, INC.  
Case No. 15-04925-LT7  
Page 7

bidder. If a Qualified Overbidder complies with the requirements set forth above, an auction shall be conducted by the Trustee at the hearing and at such auction, the Trustee shall recommend to the Bankruptcy Court that the minimum incremental bid be \$5,000 and the Trustee shall recommend to the Bankruptcy Court limitations on the types of consideration and the Assets to be purchased that can be taken into account for purposes of evaluating subsequent bids. An offer for the Assets of Debtor shall be preferred to an offer for a portion of the Assets. An all cash offer shall be preferred to one with a royalty-type payout or other illiquid, non-cash consideration. At the conclusion of the auction, Trustee shall designate the increased bid that is the highest and best bid, which the Trustee will recommend to the Bankruptcy Court. However, Seller shall not be deemed to have accepted any bid unless and until such bid and Seller's acceptance thereof have been authorized and approved by order of the Bankruptcy Court (the "Sale Approval Order"). All Bidder Deposits shall be returned to each bidder not selected by the Trustee as the buyer no later than five (5) business days following the Closing of the sale of the Assets.

(c) The Sale Approval Order shall further find and order that (i) Seller has conducted the sale of the Assets in accordance with procedures approved by the Bankruptcy Court; (ii) this Agreement was negotiated, proposed and entered into by Seller and Buyer (or Seller and a higher and better offeror) without collusion, in good faith and from arm's length bargaining positions; (iii) by entering into this Agreement and by closing the sale of the Assets, Buyer (or a higher and better offeror) is not acquiring or assuming any of the Debtor's or any other person's liabilities; (iv) Seller has given adequate notice of the proposed bankruptcy sale of the Assets, of the description of the Assets and the principal terms of the sale, and of the date, time and place of the hearing before the Court to approve the sale; (v) the Court shall retain jurisdiction to resolve any controversy or claim arising out of or relating to this Agreement, or the breach thereof; and (vi) Buyer (or a higher and better offeror) shall acquire the Assets on an "as is, where is, with all faults" basis, free and clear of all liens, claims, encumbrances, and other interests therein at the Closing, with all such liens, claims, encumbrances, and other interests to attach to the net proceeds of the sale of the Assets in order of their validity, priority, enforceability and amount.

The sale will be advertised in the Union Tribune, San Diego Daily Transcript, the NABT website, the Podiatry Today Journal, and the Allied Security Trust website.

**F. Assets Are to Be Purchased in Good Faith**

Pursuant to 11 U.S.C. § 363(m) and based on the Tauzin Declaration, the Trustee seeks a determination from the Court that the Assets are being purchased in good faith and in an arm's length transaction without any duress, coercion, or undue influence.

If WCI materially breaches the APA, as a remedy, the Trustee shall retain the \$20,000 deposit already paid by WCI.

*CURE CARE, INC.*  
*Case No. 15-04925-LT7*  
*Page 8*

This motion is supported by the declarations of Gerald H. Davis, Trustee; and Thomas N. Tauzin as well as all pleadings and court documents on file with this case. Any party desirous of obtaining a copy of the moving papers may make an email request to [Rudolph@sullivanhill.com](mailto:Rudolph@sullivanhill.com); review the documents at the Clerk's office located at 325 West F Street, San Diego, California 92101, during its normal business hours or call the court at 619-557-5620 for its online procedures.

Label Matrix for local noticing  
0974-3  
Case 15-04925-LT7  
Southern District of California  
San Diego  
Fri Aug 7 14:38:10 PDT 2015

Cure Care, Inc.  
2010 Jimmy Durante, Suite 220  
Del Mar, CA 92014-2260

U.S. Bankruptcy Court  
Jacob Weinberger U.S. Courthouse  
325 West F Street  
San Diego, CA 92101-6991

Alan Donald  
Promenade Rio Visa #2404  
2185 Station Village Way  
San Diego, CA 92108-6521

Alan Donald  
Promenade Rio Vista #2404  
2185 Station Village Way  
San Diego, CA 92108-6521

Anne Marie Booker  
1535 Pine St. #4  
Boulder, CO 80302-4368

Billy Tauzin  
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San Marcos, CA 92069-1832

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c/o Kimball, Tirey & St. John  
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San Diego, CA 92108-4515

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San Diego, CA 92112-4640

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401 West A Street, Suite 2600  
San Diego, CA 92101-7913

End of Label Matrix  
Mailable recipients 28  
Bypassed recipients 0  
Total 28





### ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") is made and entered into as of this 23<sup>rd</sup> day of March, 2016 (the "Effective Date"), by and between Wound Care, Inc., a Delaware corporation, or nominee, as buyer (the "Buyer"), and Gerald H. Davis, the duly-appointed Chapter 7 trustee of Debtor (as defined below) (the "Trustee"), as seller ("Seller").

### RECITALS

A. Cure Care, Inc. a California corporation, is a Chapter 7 debtor in a case pending in the United States Bankruptcy Court for the Southern District of California ("Bankruptcy Court"), Case Number 15-04925-LT7 ("Debtor" and the bankruptcy estate of the Debtor may hereinafter be referred to as the "Estate").

B. Debtor was in the business of manufacturing health care products (the "Business") and is the owner of certain equipment, office furniture and computers, and a variety of supplies (the "Equipment") used in the manufacture of its health care products (the "Products"), as listed in Exhibit "A". For purposes of this Agreement, Equipment shall also include Debtor's "Wix" account, which provides domain, website, and email services. Debtor is also the owner of certain intellectual property consisting of certain Patent Rights and Trademark Rights (as defined in Exhibit "C" hereto) related to the Business ("Intellectual Property"), as listed in Exhibit "B". The Equipment and the Intellectual Property are referred to collectively herein as the "Assets."

C. The Trustee was duly appointed Chapter 7 trustee on July 28, 2015, and as a result of such appointment, has control of and authority to act on behalf of and dispose of the Estate's property, subject to approval by and order of the Bankruptcy Court.

D. Trustee wishes to sell to Buyer the Assets on an "as is, where is, with all faults" basis as of the Effective Date, at the price and on the other terms and conditions specified in detail below and Buyer wishes to so purchase and acquire the Assets.

E. Following execution of this Agreement, the Trustee will file the necessary motion or motions with the Court to obtain Bankruptcy Court Approval (as defined below) of the sale, subject to overbid, and the sale will close to the highest and best bidder following such approval, as further described herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

#### 1. Transfer of Assets.

1.1 Purchase and Sale of Assets. On the Closing Date, as hereinafter defined, in consideration of the covenants, representations and obligations of Buyer hereunder, and subject to the conditions hereinafter set forth, Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase all of Estate's right, title and interest as of the Closing Date in and to the Assets, consisting of all of Seller's right title and interest in and to those assets listed in the attached Exhibits "A" through "D", inclusive, pursuant to 11 U.S.C. §363, free and clear of all liens, claims and encumbrances.

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1.2 Instruments of Transfer. The sale, assignment, transfer, conveyance and delivery of the Assets to Buyer shall be made by bill of sale and assignment, and such other instruments as may reasonably be requested by Buyer or Trustee.

1.3 No Assumed Liabilities. Buyer is not assuming any liability of Debtor or agreeing to assume and perform any contractual obligation of Debtor, and Buyer shall not be liable for any other liabilities or obligations of Debtor by virtue of this transaction. Unless expressly included in this Agreement (including any exhibit hereto), no contract of Debtor shall be included in the Assets.

1.4 No Representation Regarding Assets. Buyer acknowledges and agrees that the intent of this Agreement is the sale and purchase by Buyer of the Assets, excepting accounts receivable, cash and any other assets that are not specifically identified pursuant to the terms of this Agreement. Buyer also acknowledges and agrees that the Trustee has no knowledge of the Assets apart from the information provided by the Debtor or its representatives and agents. The listing of Assets set forth on Exhibits "A" through "B", inclusive, has been provided by Debtor or its representatives and agents and the Trustee has no information indicating that the specification of Assets is materially inaccurate. Nevertheless, the sale of the Assets is on an "as-is, where-is, with all faults" basis as of the Effective Date, including the responsibility of Buyer to verify the nature, quantity, quality and description of the Assets. The parties acknowledge and agree that the obligations of Buyer hereunder are not conditioned on the occurrence or non-occurrence of any other event, transaction or outcome.

## 2. Consideration.

2.1 Purchase Price. The consideration to be paid by Buyer to Trustee for the Assets is One Hundred Twenty Five Thousand Dollars (\$125,000.00) (the "Purchase Price"), which shall be paid as follows:

(a) At the Closing, Buyer shall deliver to Trustee Good Funds (defined below) in the full amount of the Purchase Price, less the Deposit.

(b) The Trustee shall apply the Deposit.

(c) At the time of execution of this Agreement, Buyer shall provide Seller with proof of Good Funds, as defined herein sufficient to close this transaction, and by executing this Agreement, Buyer agrees and confirms that Good Funds will remain on hand to the Closing Date.

2.2 Deposit. Prior to the mutual execution and delivery of this Agreement (the date of such mutual execution and delivery is sometimes referred to herein as the "Execution Date"), Buyer has deposited with the Trustee the sum of Twenty Thousand Dollars (\$20,000.00) in Good Funds (the "Deposit"). For purposes of this Agreement, "Good Funds" shall mean immediately available funds that can be delivered via wire transfer or cashier's check drawn on a California bank. The Trustee shall return to Buyer the Deposit and the balance only as provided in Section 4.4.

## 3. Closing Transaction.

3.1 Closing. The Closing of the transactions provided for herein (the "Closing") shall take place on the Closing Date at the offices of Sullivan Hill Lewin Rez &

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Engel, 550 West C Street, Suite 1800, San Diego, CA 92101 or other such place as mutually agreed upon by Seller and Buyer.

3.2 Closing Date. Following execution of this Agreement, the Trustee will file the necessary motion or motions with the Court to obtain Bankruptcy Court Approval (as defined below) and the sale will close on the 15<sup>th</sup> calendar day following the entry of the order of the Bankruptcy Court, as provided in Section 4.1, and the effectiveness of such order has not been stayed by a court of competent jurisdiction ("Closing Date"). Alternatively, the parties may mutually agree to an extended Closing Date. Until this Agreement is either terminated or the parties have agreed upon an extended Closing Date, the parties shall diligently continue to work to satisfy all conditions to Closing.

3.3 Seller's Deliveries to Buyer at Closing. On the Closing Date, Seller shall cause to be delivered to Buyer the following:

(a) An Assignment in the form attached hereto as Exhibit "C" hereto, duly executed by Seller, pursuant to which Seller sells and assigns the Assets to Buyer (the "Assignment").

(b) A Bill of Sale in the form attached hereto as Exhibit "D";

(c) Such other instruments of transfer, including without limitation such assignments and consents to assignments as are reasonably requested by Buyer and necessary to transfer to Buyer good, marketable and legal title to all of the Assets, all in forms which are consistent with the terms of this Agreement and are usual and customary for transferring the type of Assets involved under the laws of the jurisdictions applicable to such transfers.

3.4 Buyer's Deliveries to Seller at Closing. On the Closing Date, Buyer shall cause to be delivered to Seller the Purchase Price, in Good Funds and execution of the Assignment Agreement (Exhibit C hereto) and the Bill of Sale (Exhibit D).

3.5 Sales, Use and Other Taxes. Buyer shall bear and pay any sales or use taxes imposed by the State of California on the sale of the Assets based upon and to the extent of the consideration allocated to the tangible personal property. Seller shall report the sale of the Assets on tax return. Buyer shall pay over to Seller in Good Funds the full amount of sales taxes due, which Seller shall in turn pay over to the taxing authority. Buyer shall indemnify Seller and the Estate in the event the amount of sales taxes due is increased in a subsequent audit or examination by the State Board of Equalization, and shall promptly upon notice from Seller to Buyer reimburse Seller for any additional taxes payable. Buyer shall indemnify the Seller and the Estate against, any other taxes, documentary charges, recording fees or similar taxes, charges, fees or expenses that may become payable in connection with the sale of the Assets under this Agreement.

3.6 Allocation. The Parties have agreed to the allocation of the consideration referred to in Section 2.1 among the Assets; and that the purchase price shall be allocated among the assets as follows:

(a) Equipment 50%;

(b) Intellectual property 50%;

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The allocation set forth herein shall be conclusive and binding upon the parties to this Agreement for all purposes, and no party to this Agreement or and Affiliate or shareholder thereof shall file any tax return or other document with, or make any statement or declaration to, any taxing agency that is inconsistent with such allocation.

3.7 Risk of Loss. Until the Closing, Seller shall bear all risk of loss, injury, damage or destruction of the Assets. If any loss, injury, damage or destruction substantially impairs the value of the Assets, Buyer may either (i) terminate this Agreement; or (ii) proceed to Closing, and as mutually agreed by Seller and Buyer, receive either an assignment of applicable insurance proceeds or proportional reduction in the Purchase Price. After the Closing, Buyer shall bear all risk of loss.

4. Conditions Precedent to Closing.

4.1 Bankruptcy Court Approval; Hearing; Overbid Procedure. Seller's obligation to sell and Buyer's right to buy is conditioned on the approval of the Bankruptcy Court of the transaction contemplated by this Agreement. The sale of the Assets is subject to overbid.

(a) The procedure for the approval of the sale shall be determined by the Bankruptcy Court, provided that the motion of the Trustee for approval of the sale of the Assets to Buyer pursuant to this Agreement shall request the following terms and conditions for confirmation of the sale and for handling overbidding at the hearing on the motion ("Sale Hearing"):

(i) At any time prior to five (5) days before the Sale Hearing, any party interested in participating in the sale as a potential overbidder (other than Buyer) must become a "Qualified Overbidder" by:

(1) Providing Notice to the Trustee, identifying the proposed purchaser and providing sufficient information regarding the proposed purchaser and the proposed acquisition consideration to enable the Trustee to evaluate the capability of the proposed purchaser to complete the transaction and the feasibility and valuation of the proposed consideration;

(2) Depositing with the Trustee Good Funds in the amount of Twenty Thousand Dollars (\$20,000.00) ("Bidder Deposit"). If the Qualified Overbidder is the successful bidder, the Bidder Deposit shall either be applied and credited toward payment of the purchase price at the Closing or returned to the successful bidder (if the payment of cash is not required). If the Qualified Overbidder is not the successful bidder, the Bidder Deposit shall be refunded to the Qualified Overbidder within fifteen (15) calendar days following entry of the order approving the Sale; and

(3) Executing an Overbidder Agreement in substantially the form of this Agreement, setting forth details of the Qualified Overbidder's initial bid, which must result, as determined in the discretion of the Trustee, in a net valuation at least One Hundred Thirty Two Thousand Five Hundred Dollars (\$132,500.00).

(4) Overbidder must furnish to the Trustee proof of financial ability to close consisting of bank statements showing deposit account

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balances exceeding the balance of the purchase price accompanied by a personal or officer certificate confirming that those balances will remain on hand at the Closing Date;

(ii) Buyer and any Qualified Overbidders and/or their qualified representatives must be present to participate in the overbid process by making a personal appearance at the Sale Hearing.

(iii) If there is an overbid and the successful Overbidder does not consummate the sale the Trustee will be able to offer the property to the next highest Overbidder without further notice to creditors.

(b) If one or more potential overbidders have become a Qualified Overbidder, as provided above, the Trustee will request at the hearing that the Bankruptcy Court conduct an auction of the Assets. If no Qualified Overbidder is present, the Bankruptcy Court shall be requested to enter a Sale Approval Order (as defined below) approving the Buyer as the winning bidder. If a Qualified Overbidder complies with the requirements set forth above, an auction shall be conducted by the Trustee at the hearing and at such auction, the Trustee shall recommend to the Bankruptcy Court that the minimum incremental bid be \$5,000 and the Trustee shall recommend to the Bankruptcy Court limitations on the types of consideration and the Assets to be purchased that can be taken into account for purposes of evaluating subsequent bids. An offer for the Assets of Debtor shall be preferred to an offer for a portion of the Assets. An all cash offer shall be preferred to one with a royalty-type payout or other illiquid, non-cash consideration. At the conclusion of the auction, Trustee shall designate the increased bid that is the highest and best bid, which the Trustee will recommend to the Bankruptcy Court. However, Seller shall not be deemed to have accepted any bid unless and until such bid and Seller's acceptance thereof have been authorized and approved by order of the Bankruptcy Court (the "Sale Approval Order"). All Bidder Deposits shall be returned to each bidder not selected by the Trustee as the buyer no later than five (5) business days following the Closing of the sale of the Assets.

(c) The Sale Approval Order shall further find and order that (i) Seller has conducted the sale of the Assets in accordance with procedures approved by the Bankruptcy Court; (ii) this Agreement was negotiated, proposed and entered into by Seller and Buyer (or Seller and a higher and better offeror) without collusion, in good faith and from arm's length bargaining positions; (iii) by entering into this Agreement and by closing the sale of the Assets, Buyer (or a higher and better offeror) is not acquiring or assuming any of the Debtor's or any other person's liabilities; (iv) Seller has given adequate notice of the proposed bankruptcy sale of the Assets, of the description of the Assets and the principal terms of the sale, and of the date, time and place of the hearing before the Court to approve the sale; (v) the Court shall retain jurisdiction to resolve any controversy or claim arising out of or relating to this Agreement, or the breach thereof; and (vi) Buyer (or a higher and better offeror) shall acquire the Assets on an "as is, where is, with all faults" basis, free and clear of all liens, claims, encumbrances, and other interests therein at the Closing, with all such liens, claims, encumbrances, and other interests to attach to the net proceeds of the sale of the Assets in order of their validity, priority, enforceability and amount.

4.2 Conditions to Seller's Obligations. Seller's obligation to make the deliveries required of Seller at the Closing Date shall be subject to the satisfaction or waiver by Seller of each of the following conditions:

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(a) All of the representations and warranties of Buyer contained herein shall continue to be true and correct at the Closing in all material respects.

(b) Buyer shall have executed and delivered to Seller all of those documents, instruments and agreements required to be executed by Buyer to Seller under Section 3.4.

(c) No action, suit or other proceedings shall be pending before any court, tribunal or governmental authority seeking or threatening to restrain or prohibit the consummation of the transactions contemplated by this Agreement, or seeking to obtain substantial damages in respect thereof, or involving a claim that consummation thereof would result in the violation of any law, decree or regulation of any governmental authority having appropriate jurisdiction.

(d) The Trustee shall have obtained Bankruptcy Court Approval, as provided above; Trustee reserves the right to abandon the Assets if during his administration of this case, he unilaterally determines there is little or no value in the Assets for the benefit of creditors.

4.3 Conditions to Buyer's Obligations. Buyer's obligation to make the deliveries required of Buyer at the Closing shall be subject to the satisfaction or waiver by Buyer of each of the following conditions:

(a) Until the Closing Date, Seller shall promptly provide copies of any material written notices received by Seller relating to the Assets.

(b) Seller shall have kept current all filing fees and costs and any other expenses pertaining to the Assets through the Closing Date. There shall have been no material adverse change in the condition or value of the Assets from the Effective Date through the Closing Date.

(c) Seller shall have executed and delivered to Buyer all of those documents, instruments and agreements required to be executed by Seller to Buyer under Section 3.3 hereof.

(d) The Trustee shall have obtained Bankruptcy Court Approval, as provided above.

4.4 Termination. Either or both parties, as applicable, may terminate this Agreement only under the circumstances set forth below:

(a) Seller and Buyer may terminate this Agreement by written mutual consent at any time prior to the Closing.

(b) This Agreement shall terminate upon the closing of a transaction with a third-party overbidder at the Auction, as described in Section 4.1(a).

(c) Trustee reserves the right to abandon the Assets if during his administration of this case, he unilaterally determines there is little or no value in the Assets for the benefit of creditors.

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(d) Buyer may terminate this Agreement as provided in Section 3.7 above.

4.5 Consequences of Termination

(a) In the event this Agreement is terminated under Sections 3.7 and 4.4(a), (b), (c), and (d) above, all rights and obligations of the parties hereunder shall terminate without any liability of any party to any other party; provided that the Trustee shall in either event deliver to Buyer the Deposit, as Buyer's sole remedy in respect of such termination.

(b) In all other events, if this Agreement is terminated by the Trustee because of a breach of this Agreement by Buyer or because one or more of the conditions to Buyer's obligations under this Agreement is not satisfied as a result of Buyer's failure to comply with its obligations under this Agreement, the Trustee's right to pursue all legal remedies will survive such termination unimpaired; provided that the Trustee shall in such event retain the Deposit (and any interest accrued thereon), as liquidated damages.

4.6 Liquidated Damages. BUYER AND SELLER ACKNOWLEDGE THE IMPRACTICALITY AND EXTREME DIFFICULTY OF FIXING THE ACTUAL DAMAGES SELLER WOULD SUSTAIN AS A RESULT OF THE BREACH OF BUYER'S OBLIGATION TO COMPLETE THE PURCHASE OF THE ASSETS FOLLOWING CONFIRMATION, AND THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT, THE LIQUIDATED DAMAGES PROVIDED FOR IN SECTION 4.5(b) REPRESENT A REASONABLE ESTIMATE OF THE DAMAGES THAT SELLER WILL INCUR AS A RESULT OF BUYER'S FAILURE TO COMPLETE THE PURCHASE. HOWEVER, THIS SECTION SHALL NOT LIMIT SELLER'S RIGHTS UNDER THE INDEMNITY OBLIGATIONS OR ATTORNEY'S FEES PROVISIONS OF THIS AGREEMENT, OR THE RIGHT TO RETURN OR DELIVERY OF DOCUMENTS, INFORMATION, REPORTS AND OTHER MATERIALS AS PROVIDED IN THIS AGREEMENT. IF BUYER BREACHES THE OBLIGATION TO COMPLETE THE PURCHASE OF ASSETS, THEN SELLER, BY NOTICE TO BUYER, MAY TERMINATE BUYER'S RIGHTS TO PURCHASE THE ASSETS AND, AS SELLER'S SOLE REMEDY FOR THE DEFAULT BY BUYER, SELLER SHALL RECEIVE AND RETAIN THE DEPOSIT UNDER THIS AGREEMENT AS LIQUIDATED AND AGREED UPON DAMAGES. BY INITIALING THE SPACES WHICH FOLLOW, BUYER AND SELLER SPECIFICALLY AND EXPRESSLY AGREE TO ABIDE BY THE TERMS AND PROVISIONS OF THIS PARAGRAPH CONCERNING LIQUIDATED DAMAGES.

  
SELLER'S INITIALS

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BUYER'S INITIALS

5. Seller's Representations and Warranties. Seller hereby makes the following representations and warranties to Buyer:

5.1 Validity of Agreement. Upon obtaining Bankruptcy Court Approval, this Agreement shall constitute the valid and binding obligation of Seller, enforceable in accordance with its terms.

(d) Buyer may terminate this Agreement as provided in Section 3.7 above.

4.5 Consequences of Termination

(a) In the event this Agreement is terminated under Sections 3.7 and 4.4(a), (b), (c), and (d) above, all rights and obligations of the parties hereunder shall terminate without any liability of any party to any other party; provided that the Trustee shall in either event deliver to Buyer the Deposit, as Buyer's sole remedy in respect of such termination.

(b) In all other events, if this Agreement is terminated by the Trustee because of a breach of this Agreement by Buyer or because one or more of the conditions to Buyer's obligations under this Agreement is not satisfied as a result of Buyer's failure to comply with its obligations under this Agreement, the Trustee's right to pursue all legal remedies will survive such termination unimpaired; provided that the Trustee shall in such event retain the Deposit (and any interest accrued thereon), as liquidated damages.

4.6 Liquidated Damages. BUYER AND SELLER ACKNOWLEDGE THE IMPRACTICALITY AND EXTREME DIFFICULTY OF FIXING THE ACTUAL DAMAGES SELLER WOULD SUSTAIN AS A RESULT OF THE BREACH OF BUYER'S OBLIGATION TO COMPLETE THE PURCHASE OF THE ASSETS FOLLOWING CONFIRMATION, AND THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT, THE LIQUIDATED DAMAGES PROVIDED FOR IN SECTION 4.5(b) REPRESENT A REASONABLE ESTIMATE OF THE DAMAGES THAT SELLER WILL INCUR AS A RESULT OF BUYER'S FAILURE TO COMPLETE THE PURCHASE. HOWEVER, THIS SECTION SHALL NOT LIMIT SELLER'S RIGHTS UNDER THE INDEMNITY OBLIGATIONS OR ATTORNEY'S FEES PROVISIONS OF THIS AGREEMENT, OR THE RIGHT TO RETURN OR DELIVERY OF DOCUMENTS, INFORMATION, REPORTS AND OTHER MATERIALS AS PROVIDED IN THIS AGREEMENT. IF BUYER BREACHES THE OBLIGATION TO COMPLETE THE PURCHASE OF ASSETS, THEN SELLER, BY NOTICE TO BUYER, MAY TERMINATE BUYER'S RIGHTS TO PURCHASE THE ASSETS AND, AS SELLER'S SOLE REMEDY FOR THE DEFAULT BY BUYER, SELLER SHALL RECEIVE AND RETAIN THE DEPOSIT UNDER THIS AGREEMENT AS LIQUIDATED AND AGREED UPON DAMAGES. BY INITIALING THE SPACES WHICH FOLLOW, BUYER AND SELLER SPECIFICALLY AND EXPRESSLY AGREE TO ABIDE BY THE TERMS AND PROVISIONS OF THIS PARAGRAPH CONCERNING LIQUIDATED DAMAGES.

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SELLER'S INITIALS

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BUYER'S INITIALS

5. Seller's Representations and Warranties. Seller hereby makes the following representations and warranties to Buyer:

5.1 Validity of Agreement. Upon obtaining Bankruptcy Court Approval, this Agreement shall constitute the valid and binding obligation of Seller, enforceable in accordance with its terms.



5.2 Title. Upon approval of the Bankruptcy Court, at the Closing, Buyer will acquire all of Seller's right, title and interest in and to all the Assets, free and clear of any liens, claims or encumbrances, as provided in the Sale Approval Order.

6. Buyer's Representations and Warranties. Buyer hereby makes the following representations and warranties to Seller:

6.1 Validity of Agreement. This Agreement, when executed and delivered by Buyer, shall constitute the valid and binding obligation of Buyer enforceable in accordance with its terms.

6.2 No Conflicts or Violations. The execution and delivery of this Agreement, the consummation of the transactions herein contemplated, and the performance of, fulfillment of and compliance with the terms and conditions hereof by Buyer do not and will not: (i) conflict with or result in a breach of the articles of organization of Buyer; (ii) violate any statute, law, rule or regulation, or any order, writ, injunction or decree of any court or governmental authority; or (iii) violate or conflict with or constitute a default under any agreement, instrument or writing of any nature to which Buyer is a party or by which Buyer or its assets or properties may be bound.

7. "AS IS, WHERE IS" Transaction. The Trustee specifically disclaims (and the Buyer expressly agrees that the Trustee is not making or giving) any covenant, undertaking, representation or warranty, express or implied, in connection with the nature, quantity, quality and description of the Assets, or the condition, quality, suitability, value, or merchantability of Seller's interest in or rights to the Assets:

THE BUYER ACKNOWLEDGES AND AGREES THAT: (A) THE SALE OF THE ASSETS TO THE BUYER IS: ON AN "AS IS, WHERE IS" BASIS AS OF THE EFFECTIVE DATE; WITHOUT ANY REPRESENTATION OR WARRANTY AS TO THE NATURE, QUANTITY, QUALITY OR DESCRIPTION OF THE ASSETS; (B) SELLER MAKES NO REPRESENTATIONS OF ANY KIND, EXPRESS OR IMPLIED, AS TO THE CONDITION OR VALUE OF THE ASSETS; (C) THE SOLE REPRESENTATIONS AND WARRANTIES OF SELLER REGARDING THE ASSETS ARE THOSE SPECIFICALLY PROVIDED IN WRITING IN THIS AGREEMENT AND NO OTHER REPRESENTATIONS OR WARRANTIES ARE TO BE IMPLIED OR INFERRED. BUYER FURTHER ACKNOWLEDGES THAT PRIOR TO THE CLOSING DATE, BUYER HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF ALL RELEVANT MATTERS RELATING TO OR AFFECTING THE ASSETS AS BUYER DEEMED NECESSARY OR APPROPRIATE AND THAT IN PROCEEDING WITH ITS ACQUISITION OF THE ASSETS, EXCEPT FOR ANY REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN SECTION 5, BUYER IS DOING SO BASED SOLELY UPON SUCH INDEPENDENT INVESTIGATIONS. ACCORDINGLY, BUYER WILL ACCEPT THE ASSETS AT THE CLOSING "AS IS," "WHERE IS," AND "WITH ALL FAULTS" SO LONG AS THE CONDITION AND VALUE OF THE ASSETS HAS NOT BEEN SUBSTANTIALLY IMPAIRED DUE TO INJURY, DAMAGE OR DESTRUCTION SINCE THE EFFECTIVE DATE.

  
SELLER'S INITIALS

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BUYER'S INITIALS

5.2 Title. Upon approval of the Bankruptcy Court, at the Closing, Buyer will acquire all of Seller's right, title and interest in and to all the Assets, free and clear of any liens, claims or encumbrances, as provided in the Sale Approval Order.

6. Buyer's Representations and Warranties. Buyer hereby makes the following representations and warranties to Seller:

6.1 Validity of Agreement. This Agreement, when executed and delivered by Buyer, shall constitute the valid and binding obligation of Buyer enforceable in accordance with its terms.

6.2 No Conflicts or Violations. The execution and delivery of this Agreement, the consummation of the transactions herein contemplated, and the performance of, fulfillment of and compliance with the terms and conditions hereof by Buyer do not and will not: (i) conflict with or result in a breach of the articles of organization of Buyer; (ii) violate any statute, law, rule or regulation, or any order, writ, injunction or decree of any court or governmental authority; or (iii) violate or conflict with or constitute a default under any agreement, instrument or writing of any nature to which Buyer is a party or by which Buyer or its assets or properties may be bound.

7. "AS IS, WHERE IS" Transaction. The Trustee specifically disclaims (and the Buyer expressly agrees that the Trustee is not making or giving) any covenant, undertaking, representation or warranty, express or implied, in connection with the nature, quantity, quality and description of the Assets, or the condition, quality, suitability, value, or merchantability of Seller's interest in or rights to the Assets:

THE BUYER ACKNOWLEDGES AND AGREES THAT: (A) THE SALE OF THE ASSETS TO THE BUYER IS: ON AN "AS IS, WHERE IS" BASIS AS OF THE EFFECTIVE DATE; WITHOUT ANY REPRESENTATION OR WARRANTY AS TO THE NATURE, QUANTITY, QUALITY OR DESCRIPTION OF THE ASSETS; (B) SELLER MAKES NO REPRESENTATIONS OF ANY KIND, EXPRESS OR IMPLIED, AS TO THE CONDITION OR VALUE OF THE ASSETS; (C) THE SOLE REPRESENTATIONS AND WARRANTIES OF SELLER REGARDING THE ASSETS ARE THOSE SPECIFICALLY PROVIDED IN WRITING IN THIS AGREEMENT AND NO OTHER REPRESENTATIONS OR WARRANTIES ARE TO BE IMPLIED OR INFERRED. BUYER FURTHER ACKNOWLEDGES THAT PRIOR TO THE CLOSING DATE, BUYER HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF ALL RELEVANT MATTERS RELATING TO OR AFFECTING THE ASSETS AS BUYER DEEMED NECESSARY OR APPROPRIATE AND THAT IN PROCEEDING WITH ITS ACQUISITION OF THE ASSETS, EXCEPT FOR ANY REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN SECTION 6, BUYER IS DOING SO BASED SOLELY UPON SUCH INDEPENDENT INVESTIGATIONS. ACCORDINGLY, BUYER WILL ACCEPT THE ASSETS AT THE CLOSING "AS IS," "WHERE IS," AND "WITH ALL FAULTS" SO LONG AS THE CONDITION AND VALUE OF THE ASSETS HAS NOT BEEN SUBSTANTIALLY IMPAIRED DUE TO INJURY, DAMAGE OR DESTRUCTION SINCE THE EFFECTIVE DATE.

SELLER'S INITIALS

BUYER'S INITIALS

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8. Post-Closing Covenants.

8.1 Post-Closing Maintenance of and Access to Information. Buyer will also comply with the following provisions:

(a) The parties acknowledge that after Closing, Seller or its successors may need access to information or documents in the control or possession of Buyer for the purposes of concluding the transactions herein contemplated, preparing or filing tax returns or responding to audits, contracts and to satisfy other legal requirements, and to prosecute or defend third party claims.

(b) Buyer shall not dispose of or destroy any of the records and files relating to the Assets prior to the third anniversary of the Closing Date. If Buyer wishes to dispose of or destroy such records and files after that time, it shall first give sixty (60) days' prior written notice to Seller, and Seller shall have the right, at its option and expense, upon prior written notice to Buyer within such sixty-day period, to take possession of the records and files within ninety (90) days after the date of the notice from Seller.

(c) Buyer shall cooperate fully in connection with, and make available for inspection and copying by, Seller, its successors, and their respective employees, agents, counsel and accountants and/or governmental authorities, upon written request, such books, records documents and other information to the extent reasonably necessary to facilitate the purposes set forth in subsection (a) above and for other legitimate corporate purposes. In addition, Buyer shall cooperate with, and shall permit and use its best efforts to cause, its former and present directors, officers and employees to cooperate with Seller on and after Closing in furnishing information, evidence, testimony and other assistance in connection with any action, proceeding, arrangement or dispute of any nature with respect to the Assets and pertaining to periods prior to the Closing Date.

(d) Seller shall be entitled to retain any records that relate to administration of the Estate.

8.2 Indemnification. Buyer agrees to defend at its own cost and to indemnify and hold harmless Seller, and its employees, affiliates and agents, from and against any and all loss, costs, expenses (including attorney fees), damages, and liabilities, however caused, resulting directly or indirectly from or pertaining to the ownership or operation of the Assets after Closing, the operation of the business of Buyer and/or any breach of this Agreement.

8.3 Broker's Commission. Buyer and Seller each represent to the other that it knows of no claim for broker's or finder's fees or other commissions in connection with this transaction other than as provided herein.

9. Miscellaneous.

9.1 Attorneys' Fees. In the event that either party hereto brings an action or other proceeding to enforce or interpret the terms and provisions of this Agreement, the prevailing party in that action or proceeding shall be entitled to have and recover from the non-prevailing party all such fees, costs and expenses (including, without limitation, all court costs and reasonable attorneys' fees) as the prevailing party may suffer or incur in the pursuit or defense of such action or proceeding.

11

9.2 Notice. Unless otherwise provided herein, any notice, tender, or delivery to be given hereunder by either party to the other ("Notice") shall be in writing and shall be deemed given: (1) when personally delivered, or (2) upon receipt or refused delivery if deposited in the United States mail, certified or registered mail, postage prepaid, return receipt required, or (3) the next business day after being deposited with a recognized overnight mail or courier delivery service, or (4) when transmitted by facsimile or telecopy transmission, with receipt acknowledgment upon transmission, and with a copy sent on the same day by one of the other permitted methods of delivery addressed as follows:

To Seller:	Gerald H. Davis, Trustee P. O. Box 124640 San Diego, CA 92112-4640 Email: trustee7davis@gmail.com
With a copy to:	Sullivan Hill Lewin Rex & Engel 550 West C Street, 15th Floor San Diego, California 92101 Attn: Gary B. Rudolph Email: rudolph@sullivanhill.com
To Buyer:	Wound Care, Inc. 1089 New York Ave. NW Ste. 530 Washington, DC 20001 Attn: Thomas N. Tauzin Email: tom@tauzinconsultants.com
With a copy to:	Gordon & Rees, LLP 101 W. Broadway, Suite 2000 San Diego, CA 92101 Attn: William Rathbone, Esq. Email: wrathbone@gordonrees.com

9.3 Entire Agreement. This instrument and the documents to be executed pursuant hereto contain the entire agreement between the parties relating to the sale of the Assets. Any oral representations or modifications concerning this Agreement or any such other document shall be of no force and effect excepting a subsequent modification in writing, signed by the party to be charged.

9.4 Modification. This Agreement may be modified, amended or supplemented only by a written instrument duly executed by all the parties hereto and approved by the United States Bankruptcy Court, Southern District of California.

9.5 Closing Date. All actions to be taken on the Closing pursuant to this Agreement shall be deemed to have occurred simultaneously at 12:01 AM on the Closing Date, and no act, document or transaction shall be deemed to have been taken, delivered or effected until all such actions, documents and transactions have been taken, delivered or effected.

9.6 Severability. Should any term, provision or paragraph of this Agreement be determined to be illegal or void or of no force and effect, the balance of the Agreement shall survive.

9.7 Captions. All captions and headings contained in this Agreement are for convenience of reference only and shall not be construed to limit or extend the terms or conditions of this Agreement.

9.8 Further Assurances. Each party hereto will execute, acknowledge and deliver any further assurance, documents and instruments reasonably requested by any other party hereto for the purpose of giving effect to the transactions contemplated herein or the intentions of the parties with respect thereto.

9.9 Waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

9.10 Payment of Fees and Expenses. Each party to this Agreement shall be responsible for, and shall pay, all of its own fees and expenses, including those of its counsel, incurred in the negotiation, preparation and consummation of the Agreement and the transaction described herein.

9.11 Survival. Except for the covenants and agreements to be performed after the Closing Date, none of the respective representations, warranties, covenants and agreements of Seller and Buyer herein, or in any certificates or other documents delivered prior to or at the Closing, shall survive the Closing.

9.12 Assignments. Except as specifically provided otherwise in this Agreement, neither this Agreement nor any interest herein shall be assignable (voluntarily, involuntarily, by judicial process, operation of law or otherwise), in whole or in part, by Buyer without first obtaining the prior written consent of Seller. Any attempt at such an assignment without such consent shall be void and, at the option of Seller, shall be an incurable breach of this Agreement resulting in the termination of this Agreement.

9.13 Binding Effect. This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors, and assigns of the parties hereto.

9.14 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, the United States Bankruptcy Code, the Federal Bankruptcy Rules of Bankruptcy Procedure, the Federal Rules of Civil Procedure and the Federal Rules of Evidence and the Local Rules of Bankruptcy Procedure for the Southern District of California.

9.15 Good Faith. All parties hereto agree to do all acts and execute all documents required to carry out the terms of this Agreement and to act in good faith with respect to the terms and conditions contained herein before and after Closing.

9.16 Construction. In the interpretation and construction of this Agreement, the parties acknowledge that the terms hereof reflect extensive negotiations between the parties and that this Agreement shall not be deemed, for the purpose of construction and interpretation, drafted by either party hereto.

9.17 Counterparts. This Agreement may be signed in counterparts. The parties further agree that this Agreement may be executed by the exchange of facsimile signature pages.

9.18 Time is of the Essence. Time is of the essence in this Agreement, and all of the terms, covenants and conditions hereof.

9.19 Tax Effect. None of the parties (nor such parties' counsel or accountants) has made or is making in this Agreement any representation to any other party (or such party's counsel or accountants) concerning any of the tax effects or consequences on the other party of the transactions provided for in this Agreement. Each party represents that it has obtained, or may obtain, independent tax advice with respect thereto and upon which it, if so obtained, has solely relied.


9.20 Bankruptcy Court Jurisdiction. BUYER AND SELLER AGREE THAT THE BANKRUPTCY COURT SHALL HAVE EXCLUSIVE JURISDICTION OVER ALL DISPUTES AND OTHER MATTERS RELATING; TO (i) THE INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT HERETO; AND/OR (ii) THE ASSETS, AND BUYER EXPRESSLY CONSENTS TO AND AGREES NOT TO CONTEST SUCH EXCLUSIVE JURISDICTION.

IN WITNESS WHEREOF, the parties hereto have executed this Asset Purchase Agreement as of the day and year first above written.

BUYER:

Wound Care, Inc.  
a Delaware corporation

By:

  
Thomas N. Tausin, its President

SELLER:

GERALD H. DAVIS, the Duly Appointed  
Chapter 7 Trustee of the Bankruptcy Estate of Cure  
Care, Inc.

9.17 Counterparts. This Agreement may be signed in counterparts. The parties further agree that this Agreement may be executed by the exchange of facsimile signature pages.

9.18 Time is of the Essence. Time is of the essence in this Agreement, and all of the terms, covenants and conditions hereof.

9.19 Tax Effect. None of the parties (nor such parties' counsel or accountants) has made or is making in this Agreement any representation to any other party (or such party's counsel or accountants) concerning any of the tax effects or consequences on the other party of the transactions provided for in this Agreement. Each party represents that it has obtained, or may obtain, independent tax advice with respect thereto and upon which it, if so obtained, has solely relied.

9.20 Bankruptcy Court Jurisdiction. BUYER AND SELLER AGREE THAT THE BANKRUPTCY COURT SHALL HAVE EXCLUSIVE JURISDICTION OVER ALL DISPUTES AND OTHER MATTERS RELATING; TO (I) THE INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT HERETO; AND/OR (II) THE ASSETS, AND BUYER EXPRESSLY CONSENTS TO AND AGREES NOT TO CONTEST SUCH EXCLUSIVE JURISDICTION.

IN WITNESS WHEREOF, the parties hereto have executed this Asset Purchase Agreement as of the day and year first above written.

BUYER:

Wound Care, Inc.  
a Delaware corporation

By: \_\_\_\_\_  
Thomas N. Tausin, Its \_\_\_\_\_

SELLER:



GERALD H. DAVIS, the Duly Appointed  
Chapter 7 Trustee of the Bankruptcy Estate of Cure  
Care, Inc.

**EXHIBIT "A"**

**LIST OF THE EQUIPMENT**

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\* May have additional Collectors Value  
Condition - 1 = Excellent 5 = Poor

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**EXHIBIT "B"**

**LIST OF THE INTELLECTUAL PROPERTY**

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**Cure Care, Inc. Intellectual Property Docket**  
**Confidential**

Title/Docket No./Patents	Status/Country	Serial No./Patent No.	Inventors	Filing Date/Issue Date	Action
Wound Treatment System and Method of Use CCARE.001C1	Issued	12/702,231 8,353,882	Adrian Pelrus	6-Feb-10 15-Jan-13	Maintenance Fee due 15-Feb-16
Wound Treatment System and Method of Use CCARE.001C2	Issued	13/709,240 8,662,179	Adrian Pelrus	19-Dec-12 4-March-14	Maintenance Fee due 4-Sept-17
Wound Treatment System and Method of Use CCARE.002MP	Issued	12/175,200 8,241,258	Adrian Pelrus	26-Jun-09 14-Aug-12	Maintenance Fee due 14-Feb-16
Medical Treatment System and Method of Use CCARE.002MP	Pending	13861708.9	Adrian Pelrus	16-Jun-15	Waiting for first Office action
Medical Treatment System and Method of Use CCARE.006CA	Pending	2894184	Adrian Pelrus	16-Jun-15	Waiting for first Office action
Medical Treatment System and Method of Use CCARE.006MP	Pending	14640,434	Adrian Pelrus	29-May-15	Waiting for first Office action
Variable Volume Treatment Chamber CCARE.007PR2	Pending	62/208,893	Adrian Pelrus & Scott Bryson	24-Aug-15	Provisional application Conversion required on or before 24-Aug-16
Portable Medical Treatment System and Method of Use CCARE.008WO	Pending	PC770520 15/18856	Adrian Pelrus	5-March-15	PCT application claiming priority to 61/955,642 National Stage Entry 19-Sept-16

Patent Submissions

08/14/15

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**Cure Care, Inc. Intellectual Property Docket**  
**Confidential**

Title Docket Num. Trademark	Filing Date	Serial No.	Reg. No.	Reg. Date	Action
02MISLEY CCARE 0047	22-Feb-06	74-630,849	3,275,565	14-Aug-07	Registered Renewal due 14-Aug-17
VHT CCARE-INT	2-Aug-13	86-037,245			Pending
CURE CARE	21-Sep-13	86-071,158	4,533,134	20-May-14	Registered Declaration of use and incontestability due May 20, 2020 Renewal Deadline May 20, 2024
CURE CARE (Logo)	21-Sep-13	86-071,160			Pending
WTS-2000	17-Dec-13	86-146,152	4,522,168	29-Apr-14	Registered Declaration of use and incontestability due April 29, 2020 Renewal Deadline April 29, 2024

Patent Solutions

09/14/15

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**EXHIBIT "C"**

**ASSIGNMENT AGREEMENT**

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**GENERAL ASSIGNMENT  
OF INTELLECTUAL PROPERTY**

For good and valuable consideration and in satisfaction of Seller's obligations under the Asset Purchase Agreement, dated \_\_\_\_\_, 2016 (the "Agreement"), the receipt of which is hereby acknowledged, the undersigned, Gerald H. Davis ("Seller"), the duly appointed Chapter 7 trustee of the bankruptcy estate of Cure Care, Inc., a California corporation, in a case pending in the United States Bankruptcy Court for the Southern District of California, Case Number 15-04825-LT7, pursuant to that certain Order Approving Sale dated \_\_\_\_\_, 2016, of the Bankruptcy Court, does hereby sell, transfer and assign to Wound Care, Inc., a Delaware corporation ("Buyer"), whatever right, title and interest the estate has for the United States and all foreign countries in and to the patents and the rights appurtenant thereto; however, Seller makes no representation or warranty that any of the following exist, to which Buyer acknowledges:

(i) The patents and patent applications as described in Exhibit "1" ("Patent Rights"), which is attached hereto and made a part hereof by reference, such sale, assignment and transfer of the Patent Rights further including (1) rights in and to any and all inventions disclosed in said patents and patent applications; (2) any and all improvements which are disclosed in the such Patent Rights; (3) all non-provisional, divisional, continuing, continuation-in-part, substitute, renewal, reexamination, reissue and all other applications for patent which have been or shall be filed in the United States or any foreign country on any of such improvements or which claim priority to any way to any of the Patent Rights; (4) any and all original and reissued patents which have been or shall be issued in the United States or any foreign country on such improvements or the Patent Rights, specifically including the right to file foreign applications under the provisions of any convention or treaty and claim priority based on such Patent Rights; and (5) all causes of action and legal rights and claims in any way related to the Patent Rights, including rights relating to monetizing, licensing, or recovering past damages for infringement of any of the Patent Rights; and

(ii) The trademarks, service marks, trade names, brand names, logos, trade dress, right of registration or re-registration, common law trademark or service mark, other intellectual property interests or any right to obtain any of the foregoing with respect to any of the United States registered trademarks as described in Exhibit 2 ("Trademark Rights" and collectively with the Patent Rights, "Intellectual Property"), which is attached hereto and made a part hereof by reference, such sale, assignment and transfer of the Trademark Rights further including all causes of action and legal rights and claims in any way related to the Trademark Rights, including rights relating to monetizing, licensing, or recovering past damages for infringement of any of the Trademark Rights.

Seller further authorizes the Buyer to request the applicable issuing authority to issue any and all United States and foreign patents granted on such Intellectual Property and improvements to the Buyer.

Assignee hereby accepts the above assignment and assumes all obligations and liabilities arising out of or relating to the Intellectual Property accruing on and after the Closing Date of the Agreement, and Assignee will indemnify, defend and hold harmless Assignor for, from and against any and all liabilities and obligations arising out of or relating to the Intellectual Property, accruing on and after the Closing Date of the Agreement.

11

The Intellectual Property is being assigned "as is", "where is", and "with all faults" as of the Closing Date of the Agreement, without any representations or warranty whatsoever, express or implied. Assignee is hereby acquiring the Intellectual Property based solely upon its own independent investigations and inspections and not in reliance of any information provided by Assignor or Assignor's agents or contractors. Assignor specifically disclaims any warranty, guaranty or representation, oral or written, past or present, express or implied, concerning the Intellectual Property or Assignor's title thereto.

Dated: March 23, 2016

ASSIGNEE:

Wound Care, Inc.  
a Delaware corporation

By: 

Thomas N. Tauzin, its President

ASSIGNOR:

\_\_\_\_\_  
Gerald H. Davis, the Duly Appointed  
Chapter 7 Trustee of the Bankruptcy Estate  
of Cure Care Inc.

State of California )

County of \_\_\_\_\_ )

BEFORE ME, the undersigned authority, on this \_\_\_\_\_ day of \_\_\_\_\_  
2016, personally appeared Gerald H. DAVIS known to me to be the Chapter 7 Trustee of the  
Bankruptcy Estate of Cure Care Inc., subscribed to the foregoing instrument and acknowledged  
to me that he executed the same of his own free will for the purposes and consideration therein  
expressed.

\_\_\_\_\_  
Notary or Consular Officer

[SEAL]

**Exhibit "I"**  
**Patent Rights**

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# Cure Care, Inc. Intellectual Property Docket

## Confidential

Title Docket No.	Status	Serial No.	Inventors	Filing Date	Action
Patents	Country	Patent No.		Issue Date	
Wound Treatment System and Method of Use CCARE.001C1	Issued	12,702,221 8,333,882	Adrian Pelkus	8-Feb-10 15-Jan-13	Maintenance Fee due 15-Jul-16
Wound Treatment System and Method of Use CCARE.001C2	Issued	13,709,340 8,663,179	Adrian Pelkus	18-Dec-12 4-Mar-14	Maintenance Fee due 4-Sept-17
Wound Treatment System and Method of Use CCARE.0020P	Issued	12,375,208 8,241,258	Adrian Pelkus	26-Jun-09 14-Aug-12	Maintenance Fee due 14-Feb-16
Medical Treatment System and Method of Use CCARE.002EP	Pending	13,861,048.9	Adrian Pelkus	16-Jun-15	Waiting for first Office action
Medical Treatment System and Method of Use CCARE.002CA	Pending	2,894,184	Adrian Pelkus	16-Jun-15	Waiting for first Office action
Medical Treatment System and Method of Use CCARE.003P	Pending	14,646,434	Adrian Pelkus	29-May-15	Waiting for first Office action
Variable Volume Treatment Chamber CCARE.007PR2	Pending	8,270,893	Adrian Pelkus & Scott Byrum	24-Aug-15	Provisional application Conversion required on or before 24-Aug-16
Portable Medical Treatment System and Method of Use CCARE.008WO	Pending	PC/10,520 15/18,556	Adrian Pelkus	5-Mar-15	PCT application claiming priority to provisional application 61/955,642 National Stage Entry 19-Sept-16

Patent Solutions

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**Exhibit "2"**  
**Trademark Rights**

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# Cure Care, Inc. Intellectual Property Docket

## Confidential

Trademark No.	Filing Date	Serial No.	Reg. No.	Reg. Date	Action
02MISLEY	22-Feb-06	78-038,849	3,279,325	14-Aug-07	Registered Renewal due 14-Aug-17
CCARE004T	2-Aug-13	86-027,245			Pending
CCARE005T	21-Sep-13	86-071,138	4,333,124	28-May-14	Registered Declaration of use and incontestability due May 20, 2020 Renewal Deadline May 20, 2024
CURE CARE (Logo)	21-Sep-13	86-071,169			Pending
WTS-2000	17-Dec-13	86-146,152	4,527,168	29-Apr-14	Registered Declaration of use and incontestability due April 29, 2020 Renewal Deadline April 29, 2024

Patent Submissions

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08/18/16

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**EXHIBIT "D"**  
**BILL OF SALE**

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**BILL OF SALE**

For good and valuable consideration and in satisfaction of Seller's obligations under the Asset Purchase Agreement, dated \_\_\_\_\_, 2016 (the "Agreement"), the receipt of which is hereby acknowledged, the undersigned, Gerald H. Davis ("Seller"), the duly appointed Chapter 7 trustee of the bankruptcy estate of Cure Care, Inc., a California corporation, in a case pending in the United States Bankruptcy Court for the Southern District of California, Case Number 153-04925-LT7, pursuant to that certain Order Approving Sale dated \_\_\_\_\_, 2016, of the Bankruptcy Court, does hereby transfer and assign to Wound Care, Inc., a Delaware corporation, all of Seller's right, title, and interest in and to that certain tangible personal property listed in Exhibit "1" ("Tangible Personal Property"), which is attached hereto and made a part hereof by reference. For purposes of this Agreement, Equipment shall also include Debtor's "Wix" account, which provides domain, website, and email services.

The Tangible Personal Property is being assigned "as is," "where is," and "with all faults" as of the Closing Date of the Agreement, without any representations or warranties whatsoever as to its condition, fitness for any particular purpose, merchantability, or any other warranty, express or implied. Buyer is hereby acquiring the Tangible Personal Property based solely upon its own independent investigations and inspections of that property and not in reliance on any information provided by Seller or Seller's agents or contractors. Seller has made no agreement to alter, repair, or improve any of the Tangible Personal Property. Seller specifically disclaims any warranty, guaranty, or representation, oral or written, past or present, express or implied, concerning the Tangible Personal Property or Seller's title thereto.

DATED: \_\_\_\_\_, 2016

**SELLER:**

Gerald H. Davis, the Duly Appointed  
Chapter 7 Trustee of the Bankruptcy Estate of Cure Care,  
Inc.

**ACCEPTED:**

DATED: March 23, 2016

**BUYER:**

WOUND CARE, INC., a  
Delaware corporation

By: \_\_\_\_\_  
Name: Thomas N. Tauzin  
Its: President

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**Exhibit "1"**

**LIST OF TANGIBLE PERSONAL PROPERTY**

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\* May have additional Collectors Value  
Condition - 1 = Excellent 5 = Poor

PATENT PAGE 44





1 Robert C. Fellmeth California Bar #49,897  
2 Center for Public Interest Law  
3 University of San Diego School of Law  
4 5998 Alcala Park  
5 San Diego, California 92110  
6 619-260-4806, fax 619-260-4753  
7 email [cpil@sandiego.edu](mailto:cpil@sandiego.edu)

8 Consumer Privacy Ombudsman

9  
10 UNITED STATES BANKRUPTCY COURT  
11 Southern District of California  
12

13 In re

14 Cure Care, Inc

15 Debtor.

Bankruptcy Case No. 15-04925-LT7

Report of Consumer Privacy Ombudsman

Dept. 3

Hon. Laura S. Taylor

16 On May 12, 2016, I was appointed to be the consumer privacy ombudsman in the above  
17 entitled case, pursuant to 11 U.S.C. Sections 332(b), 363(b)(1)(B) and local Bankruptcy Rule  
18 6004-04. The instant case is a Chapter 7 bankruptcy of Cure Care, Inc., which operated to provide  
19 health related services and products. The business included studies of the health/medical effects  
20 of products. For example, those with foot ulcers are asked to use a product (e.g., the "Misty  
21 Wound Healing System"), to determine its efficacy. As such, these trial studies involve medical  
22 information disclosure by participants to Child Care, Inc (hereinafter, "CC").

23 In addition, I have consulted with the Office of the U.S. Trustee at the Department of  
24 Justice, and relevant counsel and received information about the nature of documents and  
25 information in CC records that may involve privacy issues. Helpful assistance has come from  
26 Kristin Mihelic, Gary Rudoph, and Erik van Joosten. I have inquired concerning records that  
27 include consumer, investor, employee or patient personal information, including credit card  
28 records, phone numbers, addresses and other personal or private records.

1 The records extant include those that fall into two particular categories under current  
2 privacy legal protection:

3 (a) Fairly common business records, such as \* Employee Records, \* Qualified Investor  
4 Applications, \* Personal Tax Returns, \* Bank and Loan Applications, \* Customer credit and  
5 payment information.. I

6 (b) Another set of documents warrants particular attention given disparate and  
7 particularized protection under the law: Medical documents relevant to testing and treatment,  
8 including medical trial agreements, patient medical histories, as well as patient logs, prescriptions,  
9 photographs, insurance information and HIPAA forms.

10 I have inquired about the kinds of documents in the possession of CC relevant to these  
11 categories or otherwise including information raising privacy concerns. I have solicited and  
12 received samples of documents in the most relevant categories above and have inspected them. I  
13 have also requested and received the documents of CC pertaining to its privacy policies, required  
14 disclosures, and waiver or consent documents. Most of these policies understandably concern the  
15 rather extraordinary medical trial experiments conducted by CC. Because of the particular  
16 privacy import of these records, and because of the importance of consistent observance of prior  
17 privacy assurances and policies, I attach as Exhibit A hereto the major documents relevant to  
18 these stated and promised privacy policies pertinent to medical records. They are germane to my  
19 recommendations for an appropriate court order that protects the privacy of consumers, patients  
20 and employees pursuant to law, as discussed below.

21 The question presented for opinion herein is, based on the circumstances and applicable  
22 law, what restrictions, if any, should the court place on the use of such information by its  
23 purchaser at auction or successor?

24 **Applicable Law – Federal**

25 The privacy of consumer personal information relevant to a retail sales (non-financial  
26 institution) context is governed by the Federal Trade Commission Act, the Children's Online  
27 Privacy Protection Act of 1998 ("COPPA"), and the Gramm-Leach-Bliley Act ("GLBA").

28 **A. Federal Trade Commission Act, Section 5**

Section 5 of the FTC Act declares unlawful “unfair or deceptive practices in commerce.”<sup>1</sup> The Act is enforced by the FTC rather than by private parties. It may find unfairness in a corporate failure to perform pursuant to an “express” corporate policy, or on an “implied” basis. The former may be invoked through the violation of an explicit privacy policy. The latter may be implicated where a corporation breaches a promise reasonably implied from “all of the elements” of its market performance. And an act may be considered “unfair” if it is likely to cause, substantial injury to consumers that is not outweighed by countervailing benefits to consumers or competition and is not reasonably avoidable by consumers.<sup>2</sup> The FTC has explicitly applied section 5’s prohibitions against deceptive acts and practices to corporate privacy statements made on the Internet and elsewhere in numerous consent orders; more than a dozen consent orders.<sup>3</sup>

#### B. The Gramm-Leach-Bliley Act

The Gramm-Leach-Bliley Act (“GLBA”) regulates the privacy of personally identifiable, nonpublic financial information disclosed to non-affiliated third parties by financial institutions. During the FTC’s consideration of its Privacy of Consumer Financial Information Rule, commenters requested guidance concerning “what notices are required in the event of a merger of two financial institutions or an acquisition of one financial institution another.”<sup>4</sup> And as suggested above, that scenario has useful parallel to a Chapter 7 sale. In its comments on the final rule, the FTC expressed a policy preference consistent with *Toysmart*.

<sup>1</sup> 15 USC Section 45.

<sup>2</sup> See generally FTC Policy Statement on Unfairness, appended to *International Harvester Co.*, 104 F.T.C. 949, 1070 (1984) available at <http://www.ftc.gov/bcp/policystmt/ad-unfair.htm>.

<sup>3</sup> See, e.g., *United States v. Choicepoint, Inc.*, Stipulated Final Judgment and Order (N.D. Ga. 2006) available at <http://www.ftc.gov/os/caselist/choicepoint/0523069stip.pdf>, *In the Matter of Vision I Properties*, Agreement Containing Consent Order (FTC 2004) available at <http://www.ftc.gov/os/caselist/0423068/050310agree0423068.pdf>, *In the Matter of Petco Animal Supplies, Inc.*, Decision and Order (FTC 2005) available at <http://www.ftc.gov/os/caselist/0323221/050308do0323221.pdf>, 3, 2006);

<sup>4</sup> Privacy of Consumer Financial Information, Final Rule, 65 Fed. Reg. 33660 (May 24, 2000)

1 That is, it indicated that in merger or acquisition scenarios the need to provide new initial (and  
2 opt-out) notices to the customers of the entity that ceases to exist will depend on whether the  
3 notices previously given to those consumers accurately reflect the policies and practices of the  
4 surviving entity. If they do, the surviving entity will not be required under the rule to provide  
5 new notices.<sup>5</sup>

#### 6 C. Statutory Standards Concerning Credit Card Numbers

7 Credit card issuers have enacted privacy and security standards that may limit the  
8 use and transferability of customers' credit card information to another company. For  
9 instance, Visa U.S.A. has published a Payment Card Industry Data Security Standard  
10 which indicates that "cardholder data" owned by merchants "can ONLY be used" by  
11 third parties for assisting "in completing a transaction, supporting a loyalty program,  
12 providing fraud control services, or for other[] uses specifically required by law."<sup>6</sup>

#### 13 D. HIPAA and Health Related Information

14 The Health Insurance Portability and Accountability Act of 1996 (HIPAA; Pub.L.  
15 104-191, 110 Stat. 1936) applies with particular importance to the records of CC. Those covered  
16 by the statute include most health care providers, including doctors, clinics, pharmacies, *et al.*  
17 The statute and implementing rules also include entities that process nonstandard health  
18 information they receive into a standard electronic format. In addition, business associates of any  
19 of these covered entities must follow relevant parts of the statute.

20 Covered entities must have contracts in place with their business associates, ensuring that  
21 they use and disclose your health information properly and safeguard it appropriately. Business  
22 associates must also have similar contracts with subcontractors. Business associates (including  
23 subcontractors) must follow the use and disclosure provisions of their contracts and the Privacy  
24

25 <sup>5</sup> *Id.* at 33660-33661.

26 <sup>6</sup> See Requirement 12.8.2 available at  
27 [http://usa.visa.com/download/business/accepting\\_visa/ops\\_risk\\_management/cisp\\_PCI\\_Data\\_Security\\_Standard.pdf?search=%22payment%20card%20industry%20data%20security%20standard%22](http://usa.visa.com/download/business/accepting_visa/ops_risk_management/cisp_PCI_Data_Security_Standard.pdf?search=%22payment%20card%20industry%20data%20security%20standard%22)  
28 %22

1 Rule, and the safeguard requirements of the Security Rule. Some organizations with health  
2 information do not have to follow these laws, such as life insurers, workers compensation carriers,  
3 schools, state Child Protective Services, and law enforcement.

4 In my opinion, the medical records of CC do not fall within one of the exempt categories  
5 and are subject to the protections of the statute. Accordingly, CC is required to put in place  
6 safeguards to protect privacy and obtain appropriate consent. The documents indicate compliance  
7 with these requirements historically, e.g., see Exhibit A hereto.

8 The statute, and the Privacy Rule adopted in 2003, specifically covers the patient's right to  
9 see his or her records, have corrections entered, receive notice of how health information may be  
10 shared or used, and allow patient permission prior to disclosure for purposes such as marketing.  
11 More recently, the initial Privacy Rule was supplemented in 2013 with the Final Omnibus Rule.  
12 Included in these changes were updates to the Security Rule and Breach Notification portions of  
13 the HITECH Act. This HITECH statute was enacted under Title XIII of the American Recovery  
14 and Reinvestment Act of 2009 (Pub.L. 111-5). Under its terms, the United States Department of  
15 Health and Human Services is spending \$25.9 billion to promote and expand the adoption of  
16 health information technology. The most germane changes to CC herein relate to the expansion of  
17 requirements to include business associates, where only covered entities had originally been held  
18 to uphold these sections of the law. In addition, the definition of 'significant harm' to an  
19 individual in the analysis of a breach was updated to provide more scrutiny to covered entities  
20 with the intent of disclosing more breaches which had been previously gone unreported.  
21 Previously an organization needed proof that harm had occurred whereas now they must prove the  
22 counter, that harm had not occurred. Protection of personal health information was changed from  
23 indefinite to 50 years after death. More severe penalties for violation of privacy requirements were  
24 also approved.

#### 25 **Applicable Law – State**

26 Apart from federal law discussed above, two sections of California law also may apply,  
27 California Civil Code Section 1798.85 prohibits display of social security numbers in unprotected  
28 fashion by any business. Specifically, it prohibits their "public display" (in any manner), required

1 transmittal over the internet, required use to access a web site, or printing on any materials mailed  
2 to the individual unless required by another statute.

3 Civil Code Section 1798.81.5 includes broad security requirements on personal  
4 information. In particular, Section 1798.81.5(b) requires a business that owns...personal  
5 information about a California resident shall implement and maintain reasonable security  
6 procedures and practices appropriate to the nature of the information, to protect the personal  
7 information from unauthorized access, destruction, use, modification, or disclosure." And (c)  
8 provides that "A business that discloses personal information about a California resident pursuant  
9 to a contract with a nonaffiliated third party shall require by contract that the third party  
10 implement and maintain reasonable security procedures...." The statute includes credit card,  
11 driver's license, and social security numbers explicitly within the ambit of these obligations (at  
12 (d)(1)).

13 As to health records, California has enacted statutes that, in the spirit of Article I, Section  
14 1 of the state constitution (*infra*), go beyond the HIPAA requirements to some extent.<sup>7</sup> The state  
15 Confidentiality of Medical Information Act (CMIA) is in the California Civil Code and regulates  
16 the privacy of medical information. (Cal. Civ. Code §§ 56-56.37) See the California Office of  
17 Health Information Integrity (CalOHII) website for a list of both who and what the CMIA covers.  
18 Most recently on point is the California's Confidential Health Information Act, which became  
19 effective on January 1, 2015. Although not applicable when the relevant CC information was  
20 collected, it may still be relevant to its confidentiality status. This new statute is intended to  
21 provide greater privacy protection to individuals covered by health insurance where that  
22 individual is not the policy holder. This Confidential Health Information Act amends the state  
23 Confidentiality of Medical Information Act, *supra*, to enable covered individuals to prevent  
24 disclosures of certain personal health information to policy holders by requiring health plans to:

25 \* Honor confidential communications requests for communications relating to sensitive  
26

27  
28 <sup>7</sup> For details see <https://www.privacyrights.org/fs/fsC1/CA-medical-privacy-basics>, the information page of  
the Privacy Rights Clearinghouse, previously a part of CPIL.

1 services, such as birth control, STD tests, or mental health care or for any disclosures that  
2 could endanger the covered individual, provided the covered individual is not the policy  
3 holder and makes the request in writing;

4 \*Accommodate requests for confidential communications in the form and format  
5 requested by the covered individual, to the extent feasible, and;

6 \*Maintain a confidential communication request until the covered individual submits a  
7 revocation of the request or a new confidential communication request. Cal. Civ. Code §  
8 56.107.<sup>8</sup>

9  
10 Beyond these specific provisions are two overarching sources: California's Unfair  
11 Competition Law (at Business and Professions Code Section 17200 et seq.) – that includes  
12 privacy incursions as a potential unfair competitive practice. Also relevant is Article I,  
13 Section 1 of the California Constitution, which includes “privacy” as an explicit and  
14 enumerated “inalienable” citizen right. Business transactions in California may be subject  
15 to a higher floor of privacy assurance because of this independent state basis for  
16 protection.

#### 17 Analysis and Recommendations

18 The fashioning of an order protecting privacy involves a balance. On the one hand,  
19 there is the interest of creditors in recovery of prior monies invested, which may be  
20 reduced if the market value of the asset purchased is unnecessarily burdened. In addition,  
21 there may be reasons to allow use of private information by a purchaser or successor in  
22 interest because of the promises made to and expectations of prior customers. Continued

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23 <sup>8</sup> This legislation is intended to close certain gaps in existing HIPAA privacy regulations. I.e., under  
24 HIPAA, individuals may submit confidential communication requests to their insurers, but insurers need not honor  
25 the request unless the request “clearly states” that disclosing the information involved might “endanger the  
26 individual.” 45 C.F.R. §§ 164.522(b)(1)(ii), 164.502(h). HIPAA does not define “endanger.” The California  
27 Confidentiality of Medical Information Act now defines “endanger” to mean that the patient “fears that disclosure of  
28 his or her medical information could subject the [individual] to harassment or abuse,” Cal. Civ. Code § 56.05, and  
requires insurers to honor confidential communications requests for certain sensitive information without a showing  
of endangerment, Cal. Civ. Code § 56.107. The law also prohibits insurers from requiring individuals to explain why  
a particular disclosure might endanger them. Cal. Civ. Code § 56.107(3).

1 attention may be something that they expect and that may provide some benefits.  
2 Reconciling those factors with the privacy interest information extant within the assets of  
3 CC is the task at hand.

4 (a) The privacy promises and privacy statutory guarantees must be applicable to the  
5 new owner of this information. Those promises and standards as well as associated  
6 information, are included within Exhibit A attached hereto, and the privacy obligations  
7 are listed in (3) below.

8 (b) The property transfer and use of information received must comply with all  
9 applicable statutory and regulatory law applicable – as briefly examined *supra*.

10 (c) Particularized instructions/limitations may be appropriate, as follows:

11 (1) The buyer shall either shred or otherwise erase, or hold in confidence,  
12 all information concerning employees and investors.

13 (2) The buyer shall either shred or erase, all credit card information of any  
14 consumer, patient, employee or other person, except for accounts where payments are still  
15 ongoing or due. As to those accounts, the information shall be held in confidence.

16 (3) The medical records of those participating in trials or receiving  
17 medicine shall be held in strict confidence, with appropriate security safeguards. Any use  
18 of that information shall be consistent with CC previous policy, and in addition, shall not  
19 be disclosed to any third party without explicit consent from the relevant person or his or  
20 her guardian or other legal representative.

21 Those medical record policies included within Exhibit A include the patient  
22 consent forms and disclosures, a patient's "bill of rights", a description of CC's  
23 "Information Practices", patient consent forms and HIPAA compliance forms. It is  
24 understood that current patient trials are not now being conducted, however, as to records  
25 pertaining to past trials, the buyer shall comply with the promises made to the relevant  
26 patients, including compliance with all medically related regulatory standards pertaining to  
27 disclosure, and in particular"

28 \* compliance with the "Compliance Program" as described in CC



1 literature;

2 \* required written consent of the patient (or his or her legal  
3 representative) as a condition of disclosure, except for use for treatment, internal  
4 administration, public health purposes, auditing, research studies and emergencies [see  
5 Patient Information Practices at Exhibit A, p. 18];

6 \* provision of any such records for the patient upon request, except  
7 for the time period of the test (which is now not applicable).

8 (d) No telephone contact initiated by the buyer or its collection assignee shall be  
9 made with any person who has registered on the "no call" list, except for contact with  
10 persons to obtain consent pursuant to (3) *supra*, to respond to inquiries made, or to correct  
11 errors or otherwise update information that is necessary to perform ongoing obligations, if  
12 any.

13 I would respectfully recommend that the court order agreement by the buyer with the four  
14 requirements enumerated above as a condition precedent to bid acceptance.

15  
16 I declare the foregoing to be true and correct based upon my information and belief, under  
17 penalty of perjury, this 9<sup>th</sup> day of June, 2016 in San Diego, California.

18  
19 Respectfully Submitted,

20 

21  
22  
23 Date: June 9, 2016

24 Robert C. Fellmeth  
25 Consumer Privacy Ombudsman  
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**Exhibit A**

**To Consumer Privacy Ombudsman Report of Professor Robert C. Fellmeth**

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**RESEARCH SUBJECT INFORMATION AND CONSENT FORM**

**TITLE:** Trial of the Misty™ Wound Treatment System (WTS-1000) When Added to the Standard of Care in the Treatment of Non-Healing Foot Ulcers.

**PROTOCOL NO.:** 2005-01  
WIRB® Protocol #20050599

**SPONSOR:** IYIA Technologies, Inc.  
San Marcos, California  
United States

**INVESTIGATOR:** Clifford J. Wolf, D.P.M.  
Suite 101  
12630 Monte Vista Road  
Poway, California 92064  
United States

**SITE(S):** Gateway Podiatry Clinic  
Poway Office  
Suite 101  
12630 Monte Vista Road  
Poway, California 92064  
United States

Podiatry Medicine and Surgery  
Suite 214  
2220 East Fruit Street  
Santa Ana, California 92701  
United States

**STUDY-RELATED  
PHONE NUMBER(S):** Clifford J. Wolf, D.P.M.  
858-451-2151  
858-451-3097 (Fax)

**SUB-  
INVESTIGATOR(S):** Lyman H. Wilson, D.P.

You are being asked to participate in a research study. To decide whether you want to take part, you should understand the study risks and benefits in order to make an informed decision. This consent form describes the purpose, procedures, possible benefits and risks of the study. This

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consent form will also explain how your medical information will be used and who may see it. You are being asked to take part in this study because the study doctor feels that you meet the qualifications of the study and your wound condition may benefit. Once you understand the study, you will be asked to sign this consent form if you wish to participate. You may have a copy of this consent form to take home and review at your leisure or to ask advice from others.

The study doctor or study staff will answer any questions you may have about this consent form or about the study. Please read this consent form carefully and do not hesitate to ask anything about this information. This consent form may contain words that you do not understand. Please ask the study doctor or study staff to explain the words or information that you do not understand.

### NATURE AND PURPOSE OF THE STUDY

You are being asked to participate in an investigative study because you have been diagnosed with having a foot ulcer (sore). The purpose of this study is to see if using the Misty™ Wound Healing System is safe and effective for use on foot ulcers when used along with a standard foot ulcer treatment compared to a standard foot ulcer treatment alone. The Misty™ Wound Healing System that will be used has not been cleared for sale in the marketplace by the United States Food and Drug Administration (FDA). Your participation in this study may last up to 24 weeks (about a half a year). The number of study visits will vary depending on how well your foot ulcer heals. About ten subjects will be enrolled at study sites in the United States.

The study is sponsored by IYIA Technologies, Inc. Your participation is entirely voluntary.

If you agree to participate in this study, you must sign this consent form before you have any procedures or tests done for this study. Signing this consent form indicates that you have read this form, the study has been explained to you, and your study doctor and the study staff have answered all of your questions. You should not participate in this study if you have any religious or cultural conflicts with the use of your own blood for medical purposes. Blood testing will be required in this study. You will receive a copy of this signed and dated consent form for your records.

### STUDY PROCEDURES

Subjects that agree to take part in this study and whose calf size is 17" or less (measured 5" up from the ankle) you will be assigned by chance (like flipping a coin) by a computer to one of the following groups:

- Combination Oxygen and, at the discretion of the study doctor, an approved antibiotic or antiseptic on all surfaces (applied four times a week for up to ten weeks) in addition to standard ulcer treatment.

or

- Standard ulcer treatment alone (applied twice weekly for up to twelve weeks).

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You have an equal chance of being assigned in either group. If you have two ulcers, the largest one that meets the study requirements will be chosen for the study. The other ulcer will be treated with standard ulcer dressings regardless of your study group assignment.

### Misty™ Wound Healing System

If you are assigned to the group who will receive the Misty™ Wound Healing System, in addition to standard ulcer care treatments and dressings, you will be asked to place your foot into a clear plastic bag that is in a tank on the front of the system. Plastic panels will be placed around your calf. These have a comfortable foam liner that will encircle your calf. A warm mist will enter the bag surrounding the foot. At the recommendation of the study doctor, the mist may contain an antibacterial agent. Oxygen will also be introduced into the area around your foot under a very slight pressure. A second application of mist and oxygen will follow the first. The plastic panels will be removed and you will be asked to remove your foot for evaluation, drying and dressing.

### Standard Ulcer Care Group

If you receive standard ulcer care treatments, your dressings will be changed as prescribed by the clinic staff for the length of the treatment or up to 12 weeks. Subjects that participate in the study that do not receive Misty™ treatments still go through the rest of the study plan steps in order to become valid comparisons.

### Screening Visit

If you decide to participate in the study, the following events will occur:

- Your medical history will be obtained, including information about your previous foot ulcer care and the circumference of your calf measured 5" up from the ankle.
- You will have a physical examination including blood pressure, temperature, and pulse. Your wound severity will be classified.
- You will have a monofilament test done to see how much feeling you have in your feet. This is done by "whispering" the foot with a special instrument in order to see how much feeling you have in your feet.
- You will be asked about any medications you are taking.
- If you have a dressing on your ulcer, it will be removed and your ulcer will be examined, cleaned, and measured.
- The unhealthy tissue from your ulcer will be surgically removed from the ulcer. Pictures will be taken of the ulcer before and after the unhealthy tissue is removed. Your study doctor may remove unhealthy tissue or you may be referred to another doctor for this procedure. You will be advised of these plans and where the procedure will be done.
- After the unhealthy tissue is removed from your ulcer, a tissue biopsy for culture (a test to check for infection) will be obtained from your ulcer to determine if infection is present.
- An x-ray of the ulcer area may be done.

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- A PO2 (oxygen measurement) test may be done.
- Ankle brachial index and toe brachial index will be done. These painless tests include checking your arm blood pressure and then repeating the test just above your ankle and at your toe. The study doctor interprets the results between the two test sites. A sound wave probe will also be used to evaluate blood flow to your feet.
- You will receive instructions on the care of your ulcer and dressings and relieving pressure on your foot between visits to the study doctor. You will also be encouraged to eat your meals and take all of your medicines correctly.
- You will be asked about your care at home, your blood sugar levels, and any problems with diabetes care. If you do not conduct your own blood glucose monitoring at home, the study doctor will perform a random finger stick blood glucose test during your visit.

#### Seven (7)-Day Screening Period

After the initial screening procedures and the surgical removal of tissue to test for infection (also called debridement) have taken place and the study doctor agrees that you are eligible to continue with the screening process, the following events will occur:

- Your ulcer will be dressed (bandaged).
- You will be given special footwear, offload device, or a wheel chair to help keep pressure off the ulcer area.

You will be asked to return to the study doctor in 6 to 8 days so the study doctor can determine if you remain eligible to enroll into the study. You will return 1 or 2 times within 8 days for dressing change.

#### Randomization Visit

After all the screening procedures are completed and the study doctor agrees that you may be enrolled in the study, the following events will occur:

- You will be assigned (like flipping a coin) to be in either the Misty™ Wound Healing group or the standard ulcer care group and you will have your ulcer cared for according to your study group assignment.
- Your ulcer dressing will be removed and your ulcer will be examined, cleaned, and measured.
- If the study doctor thinks that it is necessary, unhealthy ulcer tissue will be surgically removed from the ulcer.
- Pictures of the ulcer will be taken. These pictures will be taken when your ulcer is evaluated.
- If the study doctor thinks it is necessary, a swab (culture) will be taken of your ulcer to check for infection.
- The Misty™ Wound Healing System or standard treatment for your group will be applied.
- A oxygen measurement test may be done.

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- You will be asked about any problems or bad effects you have experienced since your last visit.
- You will be asked about your care at home, your blood sugar levels, and any problems with diabetes care since your last visit. If you do not conduct your own blood glucose monitoring at home, the study doctor will perform a random finger stick blood glucose test during your visit.
- You will be asked about your use of the footwear, crutches, walker or wheelchair since your previous visit.
- You will receive instructions on the care of your ulcer and dressings and relieving pressure on your foot between visits to the study doctor. You will also be encouraged to eat your meals and take all of your medicines correctly.
- You will be asked about any new medicines you are taking or any changes in the medications you were taking when you last visited the study doctor.
- If you are a female and able to become pregnant, a urine pregnancy test may be done if you believe you are pregnant or you have symptoms suggesting a pregnancy.

#### Study Treatment Visits

Regardless of which group you are assigned to, your ulcer will be evaluated by the study staff two times a week for twelve weeks or until your ulcer is healed, whichever comes first. During these evaluations, the following events will occur:

- Your weight, blood pressure, heart rate, and temperature will be measured.
- Your dressing will be removed and your ulcer will be examined, cleaned, and measured.
- If necessary, unhealthy ulcer tissue will be surgically removed from the ulcer.
- Pictures of the ulcer will be taken. These pictures will be taken when your ulcer is evaluated and if unhealthy tissue is removed, the pictures will be taken after this procedure is completed.
- The study device or standard bandage for your group will be applied and the dressing replaced.
- You will be asked about any excessive bleeding, problems, or bad effects you have experienced since your last visit.
- You will be asked about your care at home, your blood sugar levels, and any problems with diabetes care since your last visit. If you do not conduct your own blood glucose monitoring at home, the study doctor will perform a random finger stick blood glucose test during your visit.
- You will be asked about your use of the footwear or wheelchair since your previous visit.
- You will receive instructions on the care of your ulcer and dressings (bandages) and relieving pressure on your foot between visits to the study doctor. You will also be encouraged to eat your meals and take all of your medicines correctly.
- If necessary, an x-ray and a swab for culture may be taken of your ulcer.
- Your oxygen level may be measured.
- If you are a female, and able to become pregnant, urine pregnancy test may be done if you believe you are pregnant or you have symptoms suggesting a pregnancy.

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- \* You will be asked of any new medications you are taking or any changes in the medications you were taking when you last visited the study doctor.

#### End of Study Treatment

Subjects with a study foot wound that is closed within the 12-week study treatment phase will return one-week later to confirm the wound closure. The following events will occur:

- \* Your weight, blood pressure, heart rate, and temperature will be measured.
- \* Your ulcer will be examined and measured.
- \* If you are female and able to become pregnant, a urine pregnancy test may be done if you believe you are pregnant or you have symptoms suggesting a pregnancy.
- \* You will have a picture taken in the area of your ulcer.
- \* Your ulcer will be dressed (bandaged) as needed. The standard wound treatment for the study will be applied.
- \* You will be asked of any had infections you have had since your last visit.
- \* You will be asked about your home care, your blood sugar levels, and any problems with diabetes care since your last visit. If you do not conduct your own blood glucose monitoring at home, the study doctor will perform a random finger stick blood glucose test during your visit.
- \* You will be asked if you have been using the footwear, crutches, walker or wheelchair correctly.
- \* A member of the study staff will review your medical records.
- \* A culture of your ulcer will be taken, if necessary.
- \* You will be asked about any new medications you are taking or any changes in the medications you were taking when you last visited the study doctor.
- \* You will receive instructions on the care of your ulcer and dressings and relieving pressure on your foot between visits to the study doctor. You will also be encouraged to eat your meals and take your medicines correctly.
- \* If the study foot wound is not closed, the subject will continue care as randomized through normal course of treatment or presumed closure. This process will be repeated as necessary through week 12 or confirmation of closure.

#### Post-Closure Follow-Up Visits

If your ulcer closes between 1 and 12 weeks after your first study treatment and the ulcer has remained closed at the time of the End of Study Treatment Visit, you will return for three follow-up visits so the study doctor can evaluate whether your ulcer is still closed. These visits will take place over an 11 week period. The following events will occur at each visit:

- \* Your weight, blood pressure, heart rate, and temperature will be measure.
- \* You will have a picture taken of your ulcer.
- \* Your ulcer area will be examined and measured.
- \* Your oxygen may be measured.
- \* Your ulcer will be dressed (bandaged) as needed.



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- \* You will be asked about any excessive bleeding or bad effects you have had since your last visit.
- \* You will be asked if you have been using the footwear or wheelchair correctly.
- \* You will be asked about your care at home, your blood sugar levels, and any problems with diabetes care since your last visit. If you do not conduct your own blood glucose monitoring at home, the study doctor will perform a random finger stick blood glucose test during your visit.
- \* You will be asked about any new medications you are taking or any changes in the medications you were taking when you last visited the study doctor.
- \* You will receive instructions on the care of your ulcer and dressings and relieving pressure on your foot between visits to the study doctor. You will also be encouraged to eat your meals and take all of your medicines correctly.

If your ulcer has re-opened, you will be withdrawn from the study and given instructions for future care.

#### End of Study Visit/Procedures

You will have an End of Study Visit in the case of any of the following:

- \* If your ulcer has not healed within 12 weeks after your first application of study device, end of study procedures will be done at your week 12 visit.
- \* If your ulcer heals within 12 weeks after your first application of study device and you have entered the follow-up phase of the study, end of study procedures will be done at the final follow-up visit.
- \* If your ulcer reopens during the follow-up phase, end of study procedures will be done at that time.
- \* If you withdraw from the study or are terminated from the study by the study doctor, end of study procedures will be done.

The following events will occur at the End of Study Visit:

- \* Your weight, blood pressure, pulse, and temperature will be measured.
- \* You will have a physical exam including blood flow evaluation to your feet.
- \* You will have another monofilament test done to see how much feeling you have in your feet.
- \* You will have a picture taken of the area of your ulcer.
- \* Your ulcer area will be examined and measured.
- \* Your ulcer will be dressed (bandaged) as needed.
- \* If you are a female and able to become pregnant, a urine pregnancy test may be done if you believe you are pregnant or you have symptoms suggesting a pregnancy.
- \* You will be asked about any problems or bad effects you have experienced since your last visit.
- \* You will be asked your use of the footwear, crutches, walker or wheelchair since your previous visit.

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- You will be asked about your care at home, your blood sugar levels, and any problems with diabetes care since your last visit. If you do not conduct your own blood glucose monitoring at home, the study doctor will perform a random finger stick blood glucose test during your visit.
- You will be asked about any new medications you are taking or any changes in the medications you were taking when you last visited the study doctor.

## RISKS AND DISCOMFORTS

### Risks of the Misty™ Wound Healing System

There is a chance that the use of the Misty™ Wound Treatment system will not help your ulcer to heal.

### Risks of Standard Diabetic Ulcer Dressing

Known risks with the standard ulcer dressing are excessive moisture or excessive dryness of the ulcer bed or too much growth of the ulcer bed tissue. There is a chance that the use of dressing will not help your ulcer to heal.

### Risks of Surgical Diabetic Ulcer Cleaning

The surgical cleaning of your ulcer may cause discomfort, bleeding, pain or infection. Your facility or study doctor may require you to sign a separate consent form for the surgical cleaning of your ulcer.

### Infection Risks

It is possible that the ulcer dressings may cause bacteria to grow in your ulcer that could cause an infection. This infection could be severe, requiring additional treatment such as antibiotics.

### Blood Draw Risks

Drawing blood from your arm may cause pain, bruising, lightheadedness, and, on rare occasions, infection.

### Risks Associated with Pictures

Some people may feel uncomfortable with their ulcer being photographed. Only your ulcer will be visible in these pictures. If you are uncomfortable having your ulcer photographed or viewed, you should not participate in this study.

### Antibiotic or Antiseptic Risks

The antibiotic or antiseptic you receive may cause side effects. Your study doctor will discuss these with you.

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### Unknown Risks

There is the possibility of unknown risks or discomforts. If you experience any side effects or discomforts, inform your study doctor or study staff immediately.

### Pregnancy/Contraception

#### For Women:

If you are pregnant or breast-feeding you cannot participate in this research study because of the potential harm to the fetus/developing child or nursing infant. If you are a woman of childbearing potential, a method of birth control acceptable to you and the study doctor must have been used one month before enrollment and throughout the study. Women who have not gone through menopause or who do not use birth control pills, Norplant® System, Depo-Provera®, IUD or double barrier method (such as a condom and foam) throughout the study are not eligible to participate. If you suspect that you have become pregnant while participating in the study, you must contact the study doctor immediately.

#### For Men:

Since it is unknown whether this therapy may affect a child you may father, you must use an effective method of birth control while you are participating in this study and for six months after you leave the study. You will be asked about its use during the study.

Your condition may not get better or may become worse while you are in this study.

### POTENTIAL BENEFITS

There is no guarantee that you will receive any medical benefit as a result of participation in this study. It is possible that your ulcer may improve. It is also possible that your condition may remain the same or get worse. However, your participation in the study may benefit other patients with ulcers in the future.

### COSTS

The dressings applied to the ulcer, procedures and visits required by the study are provided at no cost to you. There is no cost for the footwear, crutches, or wheelchair you use during the study. Wheelchairs (if applicable) or walkers must be returned following completion of the study, while you may keep the other materials such as the crutches.

### PAYMENT FOR PARTICIPATION

You will not be paid for your participation in this study.

### ALTERNATIVE TREATMENTS

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You do not have to participate in this study to be treated for your ulcers. Other treatments and therapies are available, that can cover your ulcer and treat any infection. Two alternatives exist that are approved to help speed up the healing of diabetic ulcers. One, a product called Regranex<sup>®</sup> is an ointment that contains a manufactured growth factor. The other treatment, bioengineered tissue, is available as two different products, called dermagraft and apligraf respectively. These products are human skin grown in tissue culture that can add growth factors to help heal the ulcer. The study doctor will discuss the risks and benefits of alternative treatments for you.

### STUDY FACILITY PAYMENT

IYIA Technologies, Inc. is paying the study facilities for their work in this study. The study doctor, Clifford J. Wolf, D.P.M. is also being paid for his work in this study.

### COMPENSATION FOR INJURY

If you are injured as a direct result of your study participation, seek medical help immediately.

In the event that this research activity directly results in an injury, treatment will be available, including first aid, emergency treatment and follow-up care as required. Care for such injuries will be billed to you or your insurance company. Your health insurance company may or may not pay for treatment of injuries as a result of your participation in this study.

By signing this consent form, however, you do not give up your right to pursue a claim through the legal system.

### NEW FINDINGS

During the course of the study, you will be told by the study doctor of any new significant findings that might change your decision to be in this study.

### VOLUNTARY PARTICIPATION/WITHDRAWAL

Your participation in this study is entirely voluntary. You may refuse to participate or you may withdraw at any time during the study. Refusal to participate or withdrawal from the study will not result in any penalty or loss of benefits to which you are otherwise entitled. It is important that you report any problems that might have occurred during your participation in the study.

In addition, your participation may be stopped by the study doctor or the sponsor, at any time, without regard to your consent for such reasons as:

- You need additional medication
- You do not follow the study plan
- If you experience a study-related injury

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- The sponsor stops the study, or
- For administrative reasons.

If you leave the study or if your participation is stopped, you will be asked to attend the End of Study Visit and have other procedures the study doctor considers necessary for your safety.

### QUESTIONS

You may freely ask questions about this consent form or the study now or at any time during the study. If you experience anything that causes you concern, or you have questions about the research, research related-injury, or compensation, during this study contact the study doctor or study staff at:

Clifford J. Wolf, D.P.M.  
Gateway Podiatry Clinic  
Poway Office  
Suite 101  
12630 Monte Vista Road  
Poway, California 92064  
Telephone: 858-451-2151  
Fax: 858-451-3097

If you have questions about your rights as a research subject, you may call or write:

Western Institutional Review Board® (WIRB®)  
3535 Seventh Avenue, SW  
Olympia, Washington 98502  
Telephone: 1-800-562-4789 or 360-252-2500  
E-mail: ClientServices@wirb.com.

WIRB is a group of people who perform independent review of research.

Do not sign this consent form unless you have had a chance to ask questions and have received satisfactory answers to all of your questions.

If you agree to participate in this study, you will receive a signed and dated copy of this consent form and the Experimental Subject's Bill of Rights.

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**CONSENT**

I have read this consent form (or it was read to me) and its contents were explained. My questions have been answered. I voluntarily consent to participate in this research study.

By signing this consent form I am not giving up any of my legal rights under federal, state or local laws regarding informed consent.

\_\_\_\_\_  
Signature of Subject\_\_\_\_\_  
Date\_\_\_\_\_  
Printed Name of Subject**PERSON CONDUCTING INFORMED CONSENT DISCUSSION**

I have carefully explained to the subject the nature and purpose of this study. The subject signing this consent form has (1) been given adequate time and place to read and review this consent form; (2) been given an opportunity to ask questions regarding the nature, risks and benefits of participation in this research study; and (3) appears to understand the nature and purpose of the study and the demands required of participation.

\_\_\_\_\_  
Signature of Person Conducting Informed Consent Discussion  
(if other than investigator)\_\_\_\_\_  
Date\_\_\_\_\_  
Printed Name of Person Conducting Informed Consent Discussion  
(if other than investigator)\_\_\_\_\_  
Signature of Investigator (if different from above)\_\_\_\_\_  
Date\_\_\_\_\_  
Printed Name of Investigator (if different from above)

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----- Use the following only if applicable -----

*If this consent form is read to the subject because the subject is unable to read the form, an impartial witness not affiliated with the research or investigator must be present for the consent and sign the following statement:*

I confirm that the information in the consent form and any other written information was accurately explained to, and apparently understood by, the subject. The subject freely consented to participate in the research study.

\_\_\_\_\_  
Signature of Impartial Witness

\_\_\_\_\_  
Date

Note: This signature block cannot be used for translations into another language. A translated consent form is necessary for enrolling subjects who do not speak English.

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**CONFIDENTIALITY**

This research study may be done only by collecting and using your medical information. Your medical records and all information obtained during this study will be kept as private as possible. Your name will not be used to identify you in the information collected for study purposes. You may access your own medical information as allowed by national law. National and international information protection regulations give you the right to control the use of your medical information.

The following people may look at and/or copy your medical information for research or regulatory review purposes:

- IYIA and its representative(s), such as
- The study doctor and study staff,
- The US FDA and regulatory authority(ies) in countries where the device is targeted to be sold,
- Other appropriate government agencies, such as Department of Health and Human Services (DHHS),
- The Western Institutional Review Board®(WIRB®)

Information from this study may also be given to and inspected by government agencies where the device may be considered for approval in the future, including countries not covered by information protection legislation.

Absolute privacy cannot be guaranteed because of the investigative goals of this study and the need to give information to the groups listed above. Your name and any material identifying you as a study subject will not be released without your permission, except if required by law. The study information may be processed and reported as necessary for legitimate scientific purposes, including use in future medical studies for pharmaceutical research. The results of this investigative study may be presented at meetings or in publications. Your identity will not be disclosed in those presentations.

Your signature on this consent form gives permission for the study doctor to notify your primary care physician of your participation in this investigative study, and for the above mentioned groups to have access to your medical records. If you choose not to release your medical records (allow the collection, use, and sharing of your medical information), you will not be able to participate in the study.



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The information (Protected Health Information) provided by your study doctor or other health care providers may identify you by name, address, telephone number, social security number, health plan number, study number, date of birth, dates relating to various medical procedures, or other identifying information.

Once your information is disclosed to the study sponsors, the WIRB\* or government agencies as described above, there is a potential that your medical information will be re-disclosed and will no longer be protected by federal privacy regulations.

While the study is in progress, your access to your study records will be temporarily suspended. When the research study is completed, you will have the right to see and copy the medical information collected from you during the study. You will have that ability for as long as that information is maintained by the study personnel and other parties that must abide by federal privacy rules.

Should you withdraw from the study, the study information collected before your withdrawal may still be processed, along with other information collected as part of the study.

This permission will be good until December 31, 2050.

You may cancel your authorization at any time by sending a written request to:

STUDY SITE: Gateway Podiatry Clinic  
Poway Office  
Suite 101  
12630 Monte Vista Road  
Poway, California 92064

If you cancel your authorization, your participation in the study will end upon receipt of your request and the study personnel will stop collecting medical information from you. In addition, study personnel will stop using your information and will stop sharing your information to the parties described above, except for clarification about information that was already collected from you or for new information that would be key to determining if the product was safe or

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effective, or how your body handled the product. For example, the study personnel may need to use or share information obtained before you cancelled your authorization in order to maintain the soundness of the study.

Information or pictures from this study may be presented at a professional meeting, published in a medical journal, or used for promotional purposes. No names and no information that would allow the identity of subjects to be readily determined will be used.

**Authorization:**

I have been given the information about the use and disclosure of my health information for this research study. My questions have been answered.

I authorize the use and disclosure of my health information to the parties listed in the authorization section of this consent for the purposes described above.

**AUTHORIZATION SIGNATURE:**

\_\_\_\_\_  
Signature of Subject

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of Subject

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Person Conducting Informed Consent Discussion

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of Person Conducting Informed Consent Discussion  
(if other than investigator)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Investigator (if different from above)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of Investigator (if different from above)

\_\_\_\_\_  
Date

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**EXPERIMENTAL SUBJECT'S BILL OF RIGHTS**

Any person who is requested to consent to participate as a subject in a research study involving a medical experiment, or who is requested to consent on behalf of another, has the right to:

1. Be informed of the nature and purpose of the experiment.
2. Be given an explanation of the procedures to be followed in the medical experiment, and any drug or device to be used.
3. Be given a description of any attendant discomforts and risks reasonably to be expected from the experiment.
4. Be given an explanation of any benefits to the subject reasonably to be expected from the experiment, if applicable.
5. Be given a disclosure of any appropriate alternative procedures, drugs, or devices that might be advantageous to the subject, and their relative risks and benefits.
6. Be informed of the avenues of medical treatment, if any, available to the subject after the experiment if complications should arise.
7. Be given an opportunity to ask any questions concerning the experiment or other procedures involved.
8. Be instructed that consent to participate in the medical experiment may be withdrawn at any time, and the subject may discontinue participation in the medical experiment without prejudice.
9. Be given a copy of a signed and dated written consent form when one is required.
10. Be given the opportunity to decide to consent or not to consent to a medical experiment without the intervention of any element of force, fraud, deceit, duress, coercion, or undue influence on the subject's decision.

\_\_\_\_\_  
Signature of Subject\_\_\_\_\_  
Date\_\_\_\_\_  
Signature of Witness\_\_\_\_\_  
Date

Cure Care, Inc.

NOTICE OF PATIENT INFORMATION PRACTICES

This notice describes how medical information about you may be used or disclosed and how you can get access to information. Please read it carefully.

(CCI) Cure Care Inc. LEGAL DUTY

Cure Care, Inc. is required by law to protect the privacy of your personal health information, provide this notice about our information practices, and follow the information practices that are described herein.

USES AND DISCLOSURES OF HEALTH INFORMATION

CCI uses your personal health information primarily for treatment; obtaining payment for treatment; conducting internal administrative activities and evaluating the quality of care that we provide. For example, CCI may use your personal health information to contact you to provide appointment reminders, or information about treatment alternatives or other health related benefits that could be of interest to you.

CCI may also use or disclose your personal information without prior authorization for public health purposes, for auditing purposes, for research studies, and for emergencies. We also provide information when required by law.

In any other situation CCI's policy is to obtain your written authorization before disclosing your personal health information. If you provide us with a written authorization to release your information for any reason, you may later revoke that authorization to stop future disclosures at any time.

CCI may change its policy at any time. When changes are made, a new Notice of Information Practices will be posted in the waiting room and patient exam areas and will be provided to you on your next visit. You may also request an updated copy of our Notice of Information Practices at any time.

PATIENT'S INDIVIDUAL RIGHTS

You have the right to review or obtain a copy of your personal health information at any time. You have the right to request that we correct any inaccurate or incomplete information in your records. You also have the right to request a list of instances where we have disclosed your personal health information for reasons other than treatment, payment or other related administrative purposes.

You may also request in writing that we not use or disclose your personal health information for treatment, payment and administrative purposes except when specifically authorized by you, when required by law or in emergency circumstances.

Cure Care, Inc. will consider all such requests on a case by case basis, but the practice is not legally required to accept them.

## CONCERNS AND COMPLAINTS

If you are concerned that CCI may have violated your privacy rights or if you disagree with any decisions we have made regarding access or disclosure of your personal health information, please contact our practice manager at the address listed below. You may also send a written complaint to the US Department of Health and Human Services. For further information on Cure Care, Inc. Health information practices or if you have a complaint, please contact the following person:

Cure Care, Inc.  
Adrian Pelkus, CEO  
1195 Linda Vista Dr. Ste C  
San Marcos, CA 92087  
Phone: 760) 752-1036  
Email: [apelkus@iyiatechnologies.com](mailto:apelkus@iyiatechnologies.com)

## PATIENT INFORMATION ACKNOWLEDGEMENT FORM

I have read and fully understand Cure Care, Inc. notice of Patient Information practices. I understand that Cure Care, Inc. may use or disclose my personal health information for the purposes of carrying out treatment, obtaining payment, evaluating the quality of services provided, and for any administrative operations related to treatment or payment.

I understand I have the right to restrict how my personal health information is used and disclosed for treatment, payment, and administrative operations if I notify the practice. I also understand that Cure Care, Inc. will consider request for restriction on a case by case basis, but does not have to agree to requests for restrictions. I hereby consent to the use and disclosure of my personal health information for purposes as noted in Cure Care, Inc. Notice of Patient Information Practices. I understand that I retain the right to revoke this consent by notifying the practice in writing at any time.

Patient Name \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_





## Employee HIPAA Compliance Signature Form

Employee: \_\_\_\_\_ Date: \_\_\_\_\_

### MY COMMITMENT TO COMPLIANCE

I have read and understand our office's Employee HIPAA (Privacy Rule) Compliance manual. I agree to do all I can, within my area of responsibility to maintain up-to-date knowledge about federal and state laws and program requirements. I will comply with these requirements to the best of my ability, and to immediately let the Compliance Officer know if there is any area where I feel our office is not in Compliance with these laws and program requirements. Our policy is a simple, yet powerful four-step process: Keep Up-to-date, educate, comply, and audit/correct.

- a. We seek to maintain **up-to-date** knowledge about federal and state law pertaining to protection of our patients Personal Health Information.
- b. We **educate** our employees and keep them up-to-date about federal and state law as it applies to Personal Health Information.
- c. Our policy is to **comply** with all federal and state law governing Personal Health Information.

We desire that all our employees are particularly cognizant of the fact that Personal Medical Information must be treated with utmost attention, accuracy, honesty, and integrity. We seek to educate and carry out these policies with all our employees, managers, clinicians, and where appropriate, contractors and other agents.

I agree with our policy and will do all I can to comply with all regulatory laws pertaining to Personal Medical Information. I understand that our office has an open door policy and I may discuss any problems I feel may occur with PHI without worry of recourse with my supervisor or other supervisors.

\_\_\_\_\_  
Signature of Employee

\_\_\_\_\_  
Signature of Compliance Officer

MEDICAL INFORMATION RELEASE FORM

I, \_\_\_\_\_, hereby authorize (Dr.) \_\_\_\_\_ and Cure Care, Inc. to use and/or disclose my protected health information.

My protected health information will be used or disclosed upon request for the following purposes: A human interest news story.

This authorization for use and/or disclosure applies to the information described below

Initial: \_\_\_\_\_ Any and all records in the possession of (Dr.) \_\_\_\_\_ including before and after photos, mental health, HIV, and/or substance abuse records.

Initial: \_\_\_\_\_ Records regarding treatment for the following condition or injury  
Diabetic foot ulcer

I understand that I have the right to revoke this authorization, in writing, at any time by sending such written notification to Adrian Pelkus / 1195 Linda Vista Dr. Ste C San Marcos, CA 92078

I also understand that my revocation is not effective to the extent that the persons I have authorized to use and/or disclose my protected health information have acted in reliance upon this authorization.

I understand that I do not have to sign this authorization and that (Dr.) may not condition treatment or payment on whether I sign this authorization.

I understand that information used or disclosed pursuant to this authorization may be subject to re-disclosure by the recipient and no longer protected by federal laws and regulations regarding the privacy of my protected health information.

This authorization expires on February 1, 2017.

I certify that I have received a copy of this authorization and that I consent to the release of information as set forth herein.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature of Patient or Personal Representative



## **Patient Information Location**

### **Paper files --**

Are located in a locked file cabinet in the main office labeled Patient Info.

1. The following paper files should be maintained in each patients file.
  2. Each file has the patients number, first name and last initial on the tab.
  3. On the front top left corner is written the start date of the first treatment for the patient.
- 
- A. New patient info
  - B. Prescription
  - C. HIPAA form

### **Electronic files --**

Are currently located on Daniel's computer under the directory of IYIA Technologies. They will be transferred to a secure server as soon as the server becomes available. The transition to Cure Care Inc. will happen with that transfer. Each patient's folder is identified by patient number. Within each folder are the following files.

1. Photos
2. Patient log
3. Insurance info

Addition folders containing forms and files pertaining to the company are located in folders who identify their contents.

1. Blank forms
2. Business files
3. Company pictures
4. Contacts
5. O2 Misly documents
6. Phone log
7. Technical files
8. Temp files