

From: revecomed@usa.com
To: paige [REDACTED]
Date: Wed, 22 Aug 2007 13:06:22 -0500
Subject: Re: US market & others

Paige,

Any territory that tom and his reps do not cover is O.K. Please do not overlap the territories that they already in motion as I like to protect Tom's Reps who have been working hard for LipoTron. I want to keep basic business moral. They are innocent business person ells. So far I keep quite anything between you and myself in this office including Jim who is a close friend with Roger. It is premature to let them know and as far as business is concerned you don't want to make enemies.

I sent the following instruction to Jim to slow down their activities this morning. This will be part of your duties,too.

Q U O T E

Jim, I was scared in Mexico where one of customer's staffs burned breast. It reminds me that when we sold U/S liposuction to couple of doctors before FDA one of patients had a burn damage. Patient sued the clinic and we came up with 100 K on behalf of the clinic. From that point we never attempt to sell the liposuction in USA even for clinical study.

Roger sold one set to customer in New Jersey month ago where I was there with Roger. Because of short trip I was not able to train them sufficiently. Eventually the device has to be replaced as the customer keeps creating problem after problem. They mentioned about burn damage and FDA while they were complaining the problem. If they report to FDA what will happen is that FDA will order us to withdraw all the devices that we illegally sold, which is mandatory and if we don't come up with the order in time we go in treble right away, going to not civil court but crime court.

So to avoid or minimize the disaster here is my suggestions until 510K

1. Sell the device to the doctors to make sure that they are good friends with Reps.
2. Sell the device only their backyard where they can reach maximum 5 hours by car to their customer.
3. Minimum one full day training before use.
4. No sell through sub-reps if you don't take a full responsibility of any accident or problem in sub-reps territory.
5. No Ad, publication, release of information. Use only manufacturer supplied printed material.
6. No LipoTron or RevecoMED's products, information in Rep's Website.

In the meantime what we are going to do is :

1. FDA preparation
2. R&D for more secure device
3. Clinical Study in several applications with doctors who you trust.
4. Prepare all necessary documents which you are working on
5. Sell the device in our community

Michael

U N Q U O T E

To place a new order direct it's up to you if they are not ware of it and not in their Reps territories.