

## HIPAA Compliance Agreement

Whereas, Client hereinafter "Covered Entity" transmits health care information in paper or electronic form and Exodon Corporation, hereinafter "Business Associate" in connection with the Exodon Agreement for Clinical Research Support Services or Screening Center (the "Agreement") to which this Exhibit is attached, intend to comply with the applicable provisions of the Health Insurance Portability and Accountability Act (1996) ("HIPAA") and agree to the following:

Business Associate agrees to receive protected health information ("PHI") from Covered Entity in accordance with regulations 164.502(e)(1) and (2), and 164.504(e)(1) and (2), in order to perform clinical research processing functions on behalf of Covered Entity. Business Associate is providing the following assurances to Covered Entity that the PHI will be appropriately safeguarded:

- a. Covered Entity is not required to actively monitor the means by which the business associate carries out the safeguards of the contract.
- b. Covered Entity is not liable for privacy violations of the business associate, unless the Covered Entity becomes aware of a violation of the business associate's obligation under this contract and then must take reasonable steps to end the violation. If such steps are not successful, then the Covered Entity must terminate the contract if feasible, or report it to the Secretary of Health and Human Services (HHS).

Business Associate will (i) only use and disclose any PHI it receives from Covered Entity as is permitted or required under the Agreement between the parties or the law, (ii) use appropriate safeguards to prevent the use or disclosure of the PHI other than as provided for in the Agreement, (iii) report to Covered Entity any use or disclosure of PHI not provided for in the Agreement of which it becomes aware, (iv) ensure that any of its agents or subcontractors to whom Business Associate provides Covered Entity's PHI will agree to the same restrictions and conditions that apply to Business Associate with respect to such PHI, (v) upon request, make PHI available to Covered Entity in accordance with §164.524, (vi) upon request make PHI available to Covered Entity for amendment and incorporate any amendments in accordance with § with 164.526, (vii) make available the information required to provide an accounting of disclosures in accordance with § 164.528, (viii) make its internal practices, books, and records relating to the use and disclosure of PHI received from or created or received by Business Associate on behalf of Covered Entity, available to the or any other officer or employee of HHS to whom the authority invoked has been delegated for purposes of determining the Covered Entity's compliance with the privacy regulations promulgated under HIPAA.

At termination of the Agreement, Business Associate will, if feasible, return or destroy all PHI received from or created or received by the Business Associate on behalf of Covered Entity that the Business Associate still maintains in any form and retain no copies of PHI. If such return or destruction is not feasible, Business Associate will extend the protections of the Agreement to PHI and limit further uses and disclosures to those purposes that make the return of PHI infeasible.

Business Associate authorizes termination of the Agreement by Covered Entity in the event that Covered Entity determines Business Associate has violated a material term of the Agreement.

HIPAA regulations do not apply for data entered into Exodon's clinical research repository as the patient's PHI is de-identified. De-identified data means the following information is removed from all medical records:

Name, Date of Birth, Admission Date, Discharge Date, If applicable, Date of Death with the exception of the year, Ages over 89, Social Security Number, Email Address, Medical Record Number, License Plate Number, Telephone Number(s), Medical Device Serial Number(s), Town, County and Zip Code, Unique Identifying Number or Characteristics (e.g. a picture of the patient)

This non-HIPAA dataset and is used only for the purpose of matching patient data to clinical research trials.

Once a patient of the Covered Entity is enrolled in a clinical research study, the HIPAA regulations noted in this Agreement will be superseded by the HIPAA compliance regulations of that specific Research Protocol Agreement supplied by the CRO, Sponsor or other organization supporting the trial.

Please fax back to Exodon's Contract Department at (973) 710-9142