

JOHN C. KELLY, M.D.
975 Ryland Street
Reno, Nevada 89502

July 15, 1988

Micromed, Incorporated
15 Brickyard Road
Essex Junction, Vermont 05452

ATTENTION: MR. DAVID PHILLIPS

Dear Mr. Phillips:

Pursuant to your request as to the implementation and utilization of ReBuilder, in Las Vegas last year, you introduced to your product after your demonstration. The ability of the product to provide significant endorphin production vis-a-vis the TENS unit impressed me significantly. I have additionally used the product on three patients for pain control of peripherovascular origin. These patients have significant claudication, vis-a-vis chronic, debilitating and uncontrolled diabetes mellites, and significant arteriosclerotic heart disease. The very satisfactory endorphin effect as provided by the TENS unit has cut down any need for artificial analgesia. It also has given the patients a significant sensation and feeling of well-being, and their general compliance and attitude toward their disease have improved.

As another observation, upon prescribing it for pain medication, we also observed some significant changes in the EMS application that we experimented with because it was available on the unit. Additionally, these individuals have received increased vascular flow in the lower extremities and in two cases, the patients have had substantial improvement and acceleration of healing of venous stasis ulcers, vis-a-vis the use of the EMS on a twice a day basis. Additionally, I have done some Doppler evaluations and have noticed a significant improvement in collateral circulation in two of the three patients. Furthermore, it is my feeling that this is a significant area of opportunity in an application that you should explore. The cases we observe specifically- increased perfusion and decreased emptying time in both lower extremities, and as previously stated, an accelerated improvement in venous stasis ulcer.

"A SIGNIFICANT BREAKTHROUGH IN THE AREA NOT ONLY OF DIABETIC NEUROPATHY"

As you know, EMS has been used for motion of musculoskeletal toning and in particular situations such as these, where we have a great deal of lymphedema and decreased vascular flow, it is obvious that there is a significant change in the perfusion of the lower extremity, and a study performed to evaluate in depth this modality and application, for I think it may

be a significant breakthrough in the area not only of diabetic neuropathy from the pain stand-point but from the perfusion standpoint.

***"PATIENTS HAVE HAD SUBSTANTIAL IMPROVEMENT
AND ACCELERATION OF HEALING"***

Furthermore, I recommend conducting studies in the area of peripheral revascularization, especially in the cardiac bypass patient. We have one candidate who has received 5 vessel bypass this last week and with whom we have discussed the possibility of using ReBuilder to increase circulation. He is amenable to same at this time, not only in pain control due to the extent and significance of the incision, but from the EMS standpoint to encourage deep vein collateral circulation, in that removal of the saphenous to support re-vascularization in the bypass.

Consequently, the professionalism that Micromed has undertaken at this time impresses me. Additionally, there has been no overstating of claims. I think one must, however, as one addresses the Micromed product, realize that willy-nilly use of this prescription item shouldn't be the basis. Furthermore, it requires an evaluation by a competent physician. Furthermore, the physicians understanding his patient and understanding the bio-physiology of the EMS and TENS capability that the unit has, and then applying this in a fashion to the best interest and most effective treatment modality for his patient's interest.

Therefore, I look forward to observing an expanding role for your equipment in the establishment of endorphins as an adjunct to removing people from the substance abuse arena by using such entities as external and exogenous sources of medication and look forward also to the arena of an expanding cardiovascular role for your equipment.

Sincerely yours for better health,

John C. Kelly, M.D.