

Upon completion of this application, a Medical Facility Starter Kit including a VeriMed reader will be provided to your Facility's Emergency Department.

Medical Facility Registration Application and Agreement

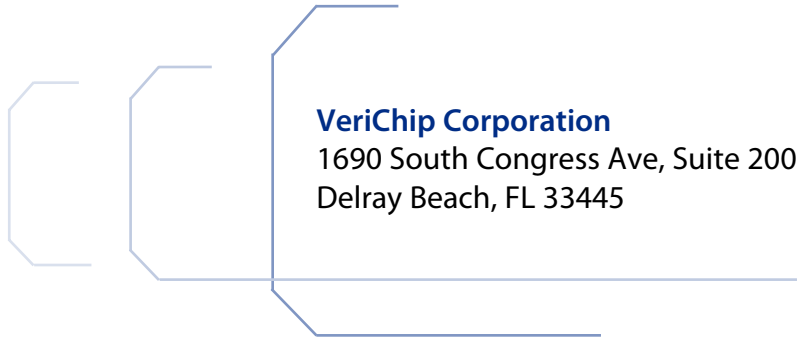


RFID Enabled Patient Information Access



VERICHIP

1690 South Congress Ave, Suite 200
Delray Beach, FL 33445



www.verimedinfo.com

Please fold, tape and mail.

997-0210-001, rev A
VCMD 100

Contact E-mail _____

Contact Telephone _____

Title _____

Contact Name (FIRST) _____ (MI) _____ (LAST) _____

Emergency Department Director _____

City _____

State _____

Zip _____

Address _____

Facility Name _____

NPI # _____

PLEASE COMPLETE ALL FIELDS.

By completing this form and the Reader Registration Agreement on the reverse side, your institution will receive a Medical Facility Starter Kit including a VeriMed™ reader for use in your Emergency Department. This RFID reader will enable your hospital staff to obtain VeriMed ID numbers and access available patient information. Upon completion of the registration process, your Facility will be provided with a Registration Number and instructions on establishing password protected access to the medical information database.

REGISTRATION INFORMATION



INTRODUCTION

VeriMed™ System Overview

VeriMed is an implantable radio frequency identification (RFID) microtransponder solution intended for personal identification, security access, financial and health information applications in humans. On October 12, 2004, the Food and Drug Administration cleared this system for medical application use in the United States. The system consists of a patented small electronic microtransponder, an insertion device (inserter), and an electronic scanner that noninvasively reads the identification (ID) number of an implanted microtransponder.

The ID number is used to access a secure database that will provide the implanted person's identity and any previously entered information pertaining to the individual.

VeriMed System Description

The patented VeriMed microtransponder is a passive device that contains an electronic circuit, which is activated externally by a low-powered radio beam sent by a handheld battery-powered reader or fixed location reader. The VeriMed is implanted subcutaneously in the rear of the upper arm by means of a small, handheld preloaded inserter. The reader scans the arm, then displays the unique ID number of the implanted microtransponder and ID-associated information (e.g., name, contact information and medical information). As a low-powered radio beam is employed to obtain the ID number, direct line of sight is not required (e.g., it reads through clothing). The ID number is used to access a secure database that will provide the patient's identity and other application specific information.

VeriMed system components:

- Implantable microtransponder with anti-migration cap
• Preloaded handheld inserter
• Reader
• Secure access database

Medical Facility Registration Application and Agreement ("Agreement")

VeriChip Corporation (the "Company") is the owner of certain rights in and to an implantable microchip device known as the VeriMed microtransponder (the "Product") and in certain related hardware and software used to access information contained in, or available through the use of, the Product (such hardware and software being referred to collectively as the "Reader") and is engaged in the business of providing the Product and the Reader for various healthcare, security and emergency applications.

The Reader is intended to provide your Facility (the "Facility") with an identification number specific to a particular individual (the "Patient") and that number provides the Facility with access to certain information regarding the Patient which information is maintained and available (i) through an internet website maintained by the Company, or (ii) by the Facility, or (iii) by third parties selected by the Facility.

Since the Facility desires to obtain from the Company the right to use the Reader in accordance with the Company's policies and procedures, the Company is willing to license such rights to the Facility on the terms set forth herein.

1. License. Facility acknowledges and agrees as follows:

- (a) that it will use the Product and the Reader and all related items and information in accordance with the policies, procedures and instructions set forth in materials provided by the Company to the Facility from time to time (and the Facility's use of any information obtained by utilizing Company products shall be in accordance with the Health Insurance Portability and Accountability Act of 1996, as amended);
(b) that the Product, the Reader and the Company's services are proprietary to the Company and are protected under various intellectual property laws;
(c) that it will promptly provide information reasonably requested by the Company regarding the Facility's use of the Product and the Reader;
(d) that it will not disassemble, decompile or otherwise reverse engineer any software, or otherwise attempt to learn the source code, structure, algorithms or ideas underlying any software that is part of the Product or the Reader; and
(e) that all information relating to a particular Patient that is available through use of the Reader has been provided by the Patient or his or her healthcare provider and not by the Company and that, accordingly, the Company is not responsible for the accuracy, completeness or currentness of any such information.

2. Term. The Facility's registration on the terms contained in this document shall continue in effect for a term of one year, automatically renewing for successive periods of 12 months each, unless the Company receives written notification of the termination thereof at least 10 days prior to an anniversary hereof. The Company thereof shall have the right to terminate this Agreement for convenience upon at least 30-days written notice.

3. Indemnity; Limitation of Liability.

- (a) An "Affiliate" of any specified entity means any person or entity directly or indirectly controlling, controlled by or under direct or indirect common control with such specified entity, and includes all equity holders, directors, officers, agents and representatives. The Facility will indemnify, defend and hold the Company and its Affiliates harmless from and against any and all claims, demands, losses, costs and liabilities of any and every kind, and against all expenses, including reasonable attorney's fees, which may be made against or incurred by the Company, relating to or arising out of the Facility's use or misuse of the Product or the Reader or of any information obtained by the Facility through use of the Product or the Reader. The Facility will, as promptly as practicable, notify the Company of any adverse reaction (or claim of an adverse reaction) by a Patient. The Company shall have the right to assume the defense of any such action, suit or proceeding at its expense upon written notice to the Facility.
(b) THE COMPANY EXPRESSLY DISCLAIMS AND EXCLUDES ALL WARRANTIES, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
(c) THE TOTAL LIABILITY OF EITHER PARTY TO THIS AGREEMENT AND ITS AFFILIATES FOR ALL CLAIMS, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE AND PRODUCT LIABILITY) OR OTHERWISE, ARISING OUT OF, CONNECTED WITH OR RESULTING FROM THE USE OF THE PRODUCT AND THE READER SHALL NOT EXCEED THE NET AMOUNT PAID BY THE FACILITY TO THE COMPANY UNDER THIS AGREEMENT.
(d) IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS OR SAVINGS) ARISING FROM ANY CAUSE WHATSOEVER, EVEN IF ADVISED OF THEIR POSSIBILITY REGARDLESS OF WHETHER SUCH DAMAGES ARE SOUGHT BASED ON

BREACH OF CONTRACT, NEGLIGENCE, OR ANY OTHER LEGAL THEORY.

4. Patient Privacy. The Facility acknowledges and agrees:

- (a) that Patient information (including the Patient's user identification number obtained through use of the Reader) is confidential;
(b) that the Facility will not use Patient information for any purpose other than in connection with the Facility's provision of services to the Patient;
(c) that the Facility will not, directly or indirectly, release any such Patient information or any information pertaining to a Patient contained on the VeriMed Patient Registry System to any person or entity without the Patient's prior written approval and without compliance with all applicable federal and state laws; the Facility agrees to keep secret and confidential all information concerning Patients in accordance with applicable state and federal privacy laws; and
(d) that the Facility's use of any information obtained by utilizing Company products shall be in accord with the Health Insurance Portability and Accountability Act of 1996.

The Facility will be provided a user ID and password to access the database. If the Facility provides this password to any employee or agent and such person ceases to be in a position warranting access, the Facility must notify the Company promptly so that such password may be changed.

5. Miscellaneous Terms.

- (a) The terms of registration are intended to comply with all applicable law, federal, state and local. If any of such laws change, or there are any additional terms, conditions, documents or actions which are required by any party in order to bring this Agreement into compliance with applicable law, this Agreement shall be deemed amended to require and include such terms.
(b) The Company's address is
1690 South Congress Avenue, Suite 200
Delray Beach, FL 33445
Facsimile: (561) 805-8001
If you need to communicate with the Company, you should do so in writing to that address (and send by overnight courier, fax or United States Postal Service, return receipt requested). If the Company needs to communicate with the Facility, it may do so by utilizing any of such means, transmitted to the address for the Facility set forth in the registration information for the Facility (or any other address the Facility requests).
(c) This registration is specific to the Facility; the Facility may not assign any right or obligation hereunder without the prior written consent of the Company.
(d) This Agreement contains the entire understanding of the parties relating to the subject matter contained herein and supersedes all prior agreements and understandings, written or oral, relating to the subject matter hereof. This Agreement shall not be modified, amended or terminated except in writing signed by the party against whom enforcement is sought.
(e) This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without regard to principles of conflicts of laws).
(f) The parties acknowledge that the provisions of this Agreement were negotiated to reflect an informed, voluntary allocation between them of all risks (both known and unknown) associated with the transactions associated with this Agreement. The warranty disclaimers and limitations in this Agreement are intended to limit the circumstances of liability. The remedy limitations and the limitations of liability are separately intended to limit the forms of relief available to the parties hereto.

Signature _____ Date _____



To register, sign above, complete information on reverse and mail.