

March 27, 2008

Dear Clinician,

Many times over the past few years you have been told that you cannot use Alternative Electrodes' products. You have also been told that using our electrodes is "off-label", potentially dangerous to your patient, and could increase your risk and liability.

We have told you just the opposite. We sell high-quality silver-carbon electrodes, and using our electrodes with a powered muscle stimulator is not "off-label". Moreover, using them will not increase your risk or liability, and our electrodes carry no restrictions of placement or application.

As further discussed in the attached Press Release, we recently filed a lawsuit in federal court against VitalStim and its affiliated companies in response to the continual false and misleading statements they have made about our products. While it will take some time for this litigation to come to a conclusion, we think it important that you have all of the facts about our products so that you can make an informed decision about which electrodes are best for your practice and patients.

In making this decision, please consider that our electrodes cost about \$3 per treatment while their electrodes cost almost \$18 per treatment. A single hospital (with multiple muscle stimulators) could save well over \$100,000 a year simply by switching to our electrodes. A large company with multiple locations can potentially save millions. In addition to being affordable, our electrodes are high-quality and safe. Based on units sold, over the past year our electrodes have been used for over 50,000 treatments with no reported adverse effects and no reported problems with patient outcomes.

Now, you have a choice. You can continue to buy electrodes that cost almost \$18 per treatment, or you can switch to Alternative Electrodes and start saving money. We would love to have your business. Please visit our website at www.AlternativeElectrodes.com for price lists and ordering information. If you have any questions, please do not hesitate to contact me at 772-408-8085.

Sincerely,

Thomas H. Ireland
President and CEO
Alternative Electrodes L.L.C.

Please pass this along to all Speech Pathologists, Managers and Supervisors of Speech or Rehabilitation and Risk Management Officers.

Alternative Electrodes LLC Files Unfair Competition Lawsuit Against DJO Incorporated, VitalStim LLC, Encore Medical, L.P. and Affiliated Companies Controlled by The Blackstone Group

Palm City, Florida, March 27, 2008 –Alternative Electrodes LLC, www.AlternativeElectrodes.com, announced today that it has filed a lawsuit against DJO Incorporated, VitalStim LLC, Encore Medical, L.P. and affiliated companies controlled by The Blackstone Group (collectively “VitalStim”) in the United States District Court for the Eastern District of New York alleging Lanham Act violations, antitrust violations, unfair competition, and other business torts.

Alternative Electrodes filed its lawsuit as a result of VitalStim’s systematic disparagement of Alternative Electrodes’ products and VitalStim’s efforts to maintain its monopoly power and prevent a competitive alternative for electrodes. Alternative Electrodes is seeking damages based on the harm that VitalStim’s conduct has caused and is causing to Alternative Electrodes, as well as an injunction and/or remedies to prevent VitalStim from harming Alternative Electrodes in the future.

“Alternative Electrodes believes it has a compelling legal position and that it will prevail in court,” said Tom Ireland, President and CEO of Alternative Electrodes. “This conflict is really all about the fundamental values of consumer choice and competition benefiting both healthcare practitioners and patients.

“My competitor has engaged in a concerted effort to eliminate competition for electrodes that are compatible with their device and its product disparagement campaign is blatantly anticompetitive,” Ireland said. Ireland also stated that, “Their predatory business practices have affected our company and prevented most speech pathologists and clinicians from trying our electrodes. However, those customers who have used our products have become repeat customers and praised the high quality of our electrodes.”

“It is critical that clinicians understand that our electrodes are a safe and legal alternative to their electrodes and that there have never been any adverse incidents reported with our products,” Ireland stated. Ireland further stated: “We introduced our mini-snap electrodes in the fall of 2006 so the rehabilitation market could have a choice of vendors. Up until that time only one vendor offered electrodes with the mini-snap connector, which they sold as single-use electrodes and which cost almost \$18 per treatment. Our high-quality, silver-carbon electrodes are reusable and sell for \$8.95 per pack which represents a cost of about \$3 per treatment if they are reused three times. This represents a significant savings to hospitals, nursing homes and other facilities that need this type of electrode. Recently, one hospital told me that they have saved hundreds of thousands of dollars this year simply by switching to my electrodes, and they have experienced no adverse reactions or problems with patient outcomes.”

In today’s lawsuit, Alternative Electrodes alleges that VitalStim and its affiliated companies have committed extensive anticompetitive practices, including the implementation of a product disparagement scheme which falsely claims that Alternative

Electrodes' products may compromise patient safety, increase liability and are not cleared for use by the Food and Drug Administration. Through the course of the litigation, Alternative Electrodes will prove that VitalStim's statements are false and that Alternative Electrodes' products provide a safe and high-quality option to caregivers who seek affordable solutions for their patients.

Alternative Electrodes is being represented in its lawsuit by The Lanier Law Firm and McCulley McCluer PLLC. Founded in 1990 by famed trial attorney Mark Lanier, The Lanier Law Firm is one of the most prominent litigation firms in the country, with offices in New York, Houston and Los Angeles. During the past five years, The Lanier Law Firm has achieved substantial recoveries on behalf of medical device companies challenging anticompetitive conduct by dominant firms. McCulley McCluer PLLC is a boutique litigation firm focused on representing plaintiffs in complex commercial litigation. With offices in Jacksonville, Florida and Oxford, Mississippi, McCulley McCluer prosecutes antitrust actions and other complex cases in federal courts throughout the country.

About Alternative Electrodes LLC

Based in Florida, Alternative Electrodes LLC is a privately held distributor of high-quality electrodes manufactured by Pepin Manufacturing, Inc. (www.PepinMfg.com). Pepin Manufacturing is a privately owned and operated, ISO-13485/CMDCAS certified contract manufacturer of medical, industrial, aerospace and consumer products. For questions about Alternative Electrodes, please contact Tom Ireland, President and CEO, at 772-408-8085 or via www.AlternativeElectrodes.com.