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December 24, 2008

ICE Cube System
South By Southwest
P.O Box 462591
Escondido, CA 92046

Re: ICE CUBE System and HIPAA

To whom it may concern:

At your request I have completed an extensive review of the Ice Cube System. Particularly, I reviewed whether South by Southwest, the manufacturer and distributor of the ICE Cube System is considered a covered entity as described by the Health Insurance Portability and Accountability Act (HIPAA) and whether the HIPAA protection is necessary for the ICE Cube System itself. After thoroughly analyzing the applicable laws, reviewing the functionality of the ICE Cube System and reviewing the way data is inputted and stored on the ICE Cube, it is my opinion that HIPAA protection is not applicable or necessary for either South By Southwest or the ICE Cube System because they are not considered covered entities under the law. I will elaborate below.

The U.S. Department of Health and Human Services (“HHS”) issued the Privacy Rule to implement the requirement of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”). The Privacy Rule established, a foundation of Federal protections for the privacy of protected health information. The Privacy Rule standards address the use and disclosure of individuals’ health information — called “protected health information” by organizations subject to the Privacy Rule — called “covered entities.”

HIPAA provisions mandated stringent standards for patient privacy protection, requiring medical, insurance, and other healthcare businesses and practitioners to protect the privacy and security of medical information both in electronic and printed formats. Neither South by Southwest nor ICE Cube System fall within the categories listed.

The Privacy Rule, the applies to health plans, health care clearinghouses, and to any health care provider who transmits health information in electronic form. The Privacy Rule also protects all "*individually identifiable health information*" held or transmitted by a covered entity or its business associate, in any form or media, whether electronic, paper, or oral. With regard to the ICE Cube System, South by Southwest is not holding or transmitting any identifiable information. Further, the only information is stored on the ICE Cube, is placed there by the consumer or end user, for the that persons use. The data is only stored locally on the ICE Cube and can not transmitted

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or disseminated to anyone or anything without the owner of the Ice Cube giving up the actual possession of the device.

If you have additional questions or need further information, please do not hesitate to contact me.

Sincerely,

Seth B. Bobroff

SBB/df