

Dear AdvaMed Member:

**SUBJECT: NEW CODE OF ETHICS AND COMMUNICATION TOOLS**

In keeping with our commitment to support ethical behavior for industry interactions with health care professionals and to periodically assess the applicability of ethical guidelines, AdvaMed is pleased to provide the attached revised Code of Ethics and Frequently Asked Questions (FAQ), approved overwhelmingly by our Board of Directors this month. This document, superceding a version approved last March, incorporates AdvaMed's response to concerns learned this summer during a discussion with representatives of the Department of Health and Human Services' Office of the Inspector General (OIG). You should encourage your company's sales, marketing, and legal staff as well as senior executives to familiarize themselves with the revised Code.

**EFFECTIVE DATE.** The revised Code becomes effective January 1, 2004. During the next four months, the industry will be able to learn about the revisions, initiate any appropriate internal changes, and educate customers, health care professionals, dealers, and distributors.

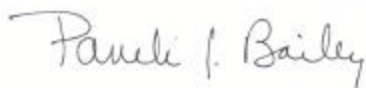
**VOLUNTARY COMPLIANCE.** The Code of Ethics is voluntary and was adopted by the Board of Directors to facilitate appropriate ethical behavior. As the Code states, it "is not intended to be, nor should it be, construed as legal advice," nor is it intended "to define or create legal rights, standards or obligations."

**COMMUNICATION TOOLS.** It is critically important that medical technology firms, their customers and agents, and health care professionals are fully aware of the ethical expectations regarding training, education, sales and marketing, gifts to physicians, and other aspects unique to manufacturers' relationships with health care professionals. AdvaMed is undertaking an extensive communications program to those audiences. Moreover, we are providing you with:

- Member educational conference calls on September 18 and 30 and October 6. (Register at [http://www.advamed.org/members/privatedocs/conf\\_call\\_signup.html](http://www.advamed.org/members/privatedocs/conf_call_signup.html))
- The attached FAQ to provide greater clarity to the revised Code
- AdvaMed's letters to physician groups, hospitals, distributors, and trade associations to forward to your contacts and demonstrate your company's commitment to this Code
- A PowerPoint presentation to complement your company's training efforts

All informational materials will be available on [www.advamed.org](http://www.advamed.org) and we encourage you to take full advantage of these resources when communicating the principles and provisions of this Code to internal and external audiences.

Sincerely,



Pamela G. Bailey