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News Update

Axiom Worldwide Continues To Win Favorable Court Decisions

July 24, 2012, Tampa, Florida, USA: Axiom Worldwide, Inc. (Axiom) has been adamant in its longstanding position that Axiom is the ONLY rightful owner of their Intellectual Property (IP). It appears that the courts are now lining up in agreement with Axiom's position. Recent court rulings in multiple jurisdictions clearly support Axiom's outrage regarding the misappropriation of Axiom's IP by the Chinese company, HTRD and Mr. David Ren, HTRD's United States agent, Excite Medical, Mr. Saleem Musallam (Excite), and HTRD's Russian agent, Eltech. Collectively, this group has misled the public and the worldwide medical community.

In July 2011, Axiom filed its Verified Complaint seeking declaratory and injunctive relief, as well as damages against Defendants - HTRD Group Hong Kong Limited a/k/a HTRD Group Hong Kong Limited, Inc. (HTRD); Ryzur Medical, Inc., Ryzur Medical Group; Ryzur Medical Investment Co., Ltd; Excite Medical Corp. (Excite); Excite

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Diagnostics, LLC; Eltech USA, LLC; David Ren, Saleem N. Musallam and Andrew Deweerd, collectively ("Defendants"). The complaint was filed for alleged trademark and copyright misappropriation and infringement, unfair competition, breach of confidentiality agreements, providing false information to the United States Patent and Trademark Office (USTPO), and trade interference with Axiom's existing business relationships. The defendants filed false documents with the US Patent and Trademark Office and the US FDA, and other US and foreign government agencies in an attempt to fraudulently benefit, assign and utilize Axiom's trademarks and intellectual property illegally. In Axiom's opinion, all of these acts have been done illegally and are harmful to Axiom and its legally authorized distributors. Mr. James Gibson, President and CEO of Axiom Worldwide, has cooperated with a number of international investigations regarding this matter and it now appears that the courts are in agreement with Axiom's position.

On July 18th, 2012 the Federal Court in Tampa, Florida, USA made a recommendation that ruled AGAINST HTRD and Excite Medical and their alleged ownership of the Axiom Intellectual Property. Axiom has always contested the ownership claim made by HTRD and the Magistrate Judge in Tampa has determined that in the Court's opinion *"...the factual record which demonstrates that HTRD does not own any of the trademarks or other intellectual property at issue..."*. Axiom applauds the Court's opinion which references a June 2010 similar opinion issued by the United States District Court in Georgia which held that Axiom Worldwide, Inc is the owner of the IP. Axiom continues to be adamant that ONLY Axiom is the legal owner of its Intellectual Property, not HTRD, not Excite Medical, nor any other company.

This is the third consecutive legal victory against the HTRD defendants. The court noted that the transaction between Axiom Worldwide, Inc and Axiom Worldwide, LLC was in fact a complicated transaction, but one already partially litigated and ruled on by a federal judge in a previous legal matter in Atlanta, Georgia. The Judge concluded his brief by

stating, "...the ruling in the Northern District of Georgia litigation militates strongly against HTRD's claim of ownership of the trademarks and other intellectual property."

The court also noted that the evidence submitted by HTRD to support their position did nothing to demonstrate they would prevail on their claims. To clarify, Axiom Worldwide, Inc is the rightful owner of its IP including:

	<u>Trademark Name</u>	<u>Filing Date</u>	<u>Serial No.</u>
A.	Axiom Worldwide Logo	June 28, 2003	76533071
B.	DRX 9000	July 28, 2003	76533070
C.	Better Technology...	August 11, 2003	76536333
D.	Axiom Worldwide	June 4, 2004	76595705
E.	DRX	March 9, 2005	78583889

Additionally, in June of 2012, the Russian Legal System ruled in favor of Axiom Worldwide, Inc's legally authorized and exclusive distributor in Russia, OOO Axioma. The lawsuit was the result of a complaint filed by OOO Axioma against a clinic operating illegally. The clinic is called Axiom Medical Center Ltd. and is affiliated with Eltech USA. The illegally operating clinic is owned by Mr. Sergey Sidorenko in Novosibirsk. Eltech USA is owned by Mr. Ilya S. Marder. The clinic's operation of the DRX 9000 were deemed to be illegal under Russian law when Mr. Sidorenko could not demonstrate to the court that the DRX9000 that they were utilizing had been properly and legally installed and properly and legally certified by OOO Axioma. The clinic could not demonstrate to the court that its staff was properly trained and that they were utilizing the correct medical protocols on patients. OOO Axioma in Russia asked the courts to force the clinic to discontinue the use of the questionable DRX9000 medical devices and to award OOO Axioma their attorney's fees. The Russian Courts agreed with OOO Axioma and ruled that the defendants must pay OOO Axioma's attorneys fees and must allow the illegally installed and questionable medical equipment to be confiscated. Additional

litigation is anticipated as OOO Axioma continues to vigorously defend its exclusive rights in Russia against violations of their Intellectual Property and business interests.

Axiom's recent victories have inspired the company to continue its efforts to defend its lawful ownership of its Intellectual Property. The company is working with the appropriate agencies and governmental entities in China, Russia, the European Union to further protect its right and the worldwide healthcare community at large.

Axiom Worldwide, Inc was founded by Mr. James Gibson in 2001 in Tampa, Florida and obtained multiple US FDA 510(k) clearances over the years. Axiom invented its flagship products, the DRX9000 True Non-surgical Spinal Decompression System and the DRX9000C, for use in medical markets around the globe. The DRX 9000 and the DRX9000 C were created to provide relief of back and neck pain and symptoms associated with herniated discs, bulging or protruding intervertebral discs, degenerative disc disease, posterior facet syndrome, and sciatica. Please contact Mr. James Gibson, President and CEO of Axiom Worldwide, Inc for more information at President@AxiomWorldWide.com.

Please go to the Axiom Worldwide website for more news updates: www.AxiomWorldWide.com and click on the News Link.