

Edward L. Schneider, M.D.  
1946 North Serrano Avenue  
Los Angeles, CA 90047

May 6, 2003

Mr. James Krug  
Falcon Waterfree Technologies  
10900 Wilshire Blvd., 15<sup>th</sup> Floor  
Los Angeles, CA 90024

Dear Mr. Krug:

I am the Executive Director of the Andrus Gerontology Center at the University of Southern California. In addition, I am a Professor of Medicine at the Keck School of Medicine, Professor of Gerontology at the Leonard Davis School of Gerontology and Professor of Biology in College of Letters, Arts and Sciences at the University of Southern California. Prior to coming to USC, I was the Deputy Director of the National Institute on Aging, which is one of the institutes at the National Institutes of Health.

In response to your request to compare the health hazards of waterfree urinals and flush urinals, I have reviewed the following:

- 1) The Waterfree Urinal Research Project final report from the UCLA
- 2) The letter from Dr. Michael Collins of the School of Public Health at UCLA.
- 3) The Letter of Michael Geyer from SCS Engineering.

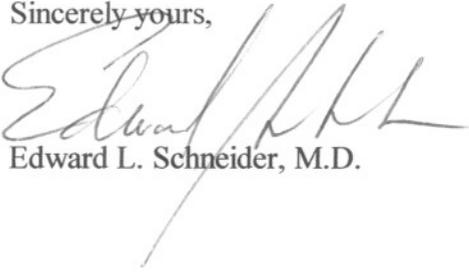
I have also conducted the following exploration of the health hazards of waterfree urinals and flush urinals:

- 1) A search of the National Library of Medicine database of scientific articles related to urinals
- 2) A search of the Centers for Disease Control and Prevention (CDC) website
- 3) An extensive Internet search using several search engines to look for articles related to urinals

Based on this review, it is my conclusion that waterless urinals do not represent any increased health risk when compared with conventional automatic flush urinals and are clearly superior to manual flush urinals. Furthermore, waterless urinals may reduce the risk of bacterial and viral exposure. There is not a shred of evidence that they are more likely to transit SARS or any other infectious disease. They clearly

are more economical to install and maintain and save considerable water and are therefore better for our environment.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Edward L. Schneider". The signature is written in black ink and is positioned above the printed name.

Edward L. Schneider, M.D.