

1.25 Total

CAVITAT LEGAL FUND PARTICIPATING AGREEMENT,
AS AMENDED OCTOBER 1, 2004

CLFPA proceeds shall be distributed, following receipt of the aforementioned award, in a timely manner, to the Participants based on Full Share ownership.

CAVITAT LEGAL FUND PARTICIPATING AGREEMENT,
AS AMENDED OCTOBER 1, 2004

SUBSCRIPTION AGREEMENT

I, Tim Bolan hereby agree(s) to become Participant(s) under the terms and conditions of CLFPA, AS AMENDED OCTOBER 1, 2004. ~~For Public Relations and Consulting Services to CLFPA, I am granted one-quarter of one Full Share.~~ The present value basis is \$6,250.00. CLFPA will consist of only Six Full Shares (One Full Share = \$25,000) and should the suit be settled before Six Full Shares have been subscribed and paid (or vested), the total award amount will still be allowed to Participants and will be distributed on the basis of amount of Participant's investment as related to One Full Share. (Example: \$12,500.00 investment will receive one-half of One Full Share of the award).

It is understood that should no financial award be received, and any remaining CLFPA legal funds have been distributed, this Participating Agreement is terminated.

ACCEPTED BY:

Date: 1-26-05

CAVITAT MEDICAL TECHNOLOGIES, INC.
Bob Jones, President and CEO [Signature]
Sarah J. Jones, Vice President/Administration [Signature]

SUBSCRIBER

Tim BOLAN [Signature] Tim Bolan - Jan Bolan
Date: 2/3/05

\$6,250.00 equals 1/4 of One Full Share
\$12,500.00 equals 1/2 of One Full Share
\$18,750.00 equals 3/4 of One Full share

1/21/05

CAVITAT LEGAL FUND PARTICIPATING AGREEMENT,
AS AMENDED OCTOBER 1, 2004:

This Agreement shall define Cavitat Legal Fund Participating Agreement, CLFPA, by and between Bob Jones and Sarah Jones, Management of Cavitat, and Participants, to be named in separate Subscription Agreements. The terms of the Participating Agreement are as follows:

- CLFPA is being created for the sole purpose of funding legal fees for Cavitat Medical Technologies Inc., Cavitat, in a lawsuit, the Legal Action, by Cavitat against Aetna Insurance, et al.
- The legal fees, in the Legal Action, are authorized by Cavitat to a maximum of \$150,000 without further written authority.
- Total funding for CLFPA will be \$150,000.00. Percentage of ownership of CLFPA shall be based on the percentage of Participation by share. One Full Share shall be priced at \$25,000. A total of six Full Shares will be offered.
- In the event that additional funding is required, Participants and Management agree to meet and attempt to resolve the matter, in a fair, equitable and reasonable manner, before proceeding.
- It is understood that Participants are making funding payments to Cavitat and such payments shall become designated as CLFPA funds and shall be maintained in a bank account, separate from other Cavitat accounts, with proper records (invoices, bank statements and copies of disbursements) kept by the Management of Cavitat.
- CLFPA funds are to be disbursed by the Management of Cavitat to pay for legal fees in the Legal Action.
- In the event that the legal fees are less than total amount funded or are awarded to Cavitat, the remaining balance shall be returned to the Participants based on Full Share ownership.
- It is agreed and understood between Participants and Management that in the event Cavitat receives a financial award from the Legal Action, such financial award, after payment of all legal fees, would be distributed in the following manner:

Cavitat Medical Technologies, Inc.	50 %
CLFPA	50 %