

October 31, 2011

VIA ELECTRONIC AND REGULAR MAIL

Allan Seidenfeld, President INSCYTE Corporation 2 Berkeley Street, Suite 403 Toronto, Ontario M5A 2W3

Dear Dr. Seidenfeld:

RE: Review of the Practices and Procedures of the INSCYTE Corporation in respect of CytoBase

Pursuant to subsection 13(2) of Regulation 329/04 of the *Personal Health Information Protection Act*, 2004 ("the Act"), my office is responsible for reviewing the practices and procedures implemented by each prescribed person to protect the privacy of individuals whose personal health information it receives and to protect the confidentiality of that information.

Given that the practices and procedures of the INSCYTE Corporation ("INSCYTE") in respect of CytoBase, were last approved on October 31, 2008, my office was again required to review these practices and procedures on or before October 31, 2011.

In accordance with the new process as set out in the Manual for the Review and Approval of Prescribed Persons and Prescribed Entities ("the Manual"), INSCYTE, as a prescribed person which was seeking the continued approval of its practices and procedures, submitted a detailed written report and sworn affidavit to my office. These documents were to conform to the requirements set out in the Manual.

My office has now completed its review of your report and affidavit. Based on this review, I am satisfied that INSCYTE continues to have in place practices and procedures that sufficiently protect the privacy of individuals whose personal health information it receives, that sufficiently maintain the confidentiality of that information and that continue to meet the requirements of the *Act*.

Accordingly, effective October 31, 2011, I am pleased to advise that the practices and procedures of INSCYTE continue to be approved for a further three-year period.

Attached is an Appendix containing a recommendation to further enhance the practices and procedures of INSCYTE which must be implemented prior to the next legislated review.

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I would like to extend my gratitude to you and your staff for the cooperation provided during the course of the review, including the diligence and timeliness in submitting the requested documentation, in responding to requests by my office for further information and in making the amendments requested.

Sincerely yours,

Ann Cavoukian, Ph.D.

Commissioner

Attach.

cc: Jack Golabek, Privacy Officer

Appendix

1. It is recommended that INSCYTE conduct a privacy impact assessment on CytoBase, its one data holding involving personal health information, prior to the next legislated review.