U.S. Securities and Exchange Commission
Washington, D.C. 20549

AMENDMENT NO 1 TO

FORM 10-KSB

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2004

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [No Fee Required]
For the transition period from ________ to ________.

Commission File No. 0-30379

CHEMBIO DIAGNOSTICS, INC.
(Name of small business issuer in its charter)

Nevada	88-0425691
(State or jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3661 Horseblock Road, Medford, NY	11763
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (631) 924-1135

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
None	None

Securities registered pursuant to Section 12(g) of the Act:
Common Stock, $0.01 par value
(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such report), and (2) has been subject to such filing requirements for the past 90 days. Yes X No__

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. [X]

State issuer's revenues for its most recent fiscal year: $3,305,932.

As of March 28, 2005, the registrant had 7,048,086 common shares outstanding, and the aggregate market value of the common shares held by non-affiliates was approximately $ 5,497,507. This calculation is based upon the closing sale price of $0.78 per share on March 28, 2005.

· Without asserting that any of the issuer's directors or executive officers, or the entities that own 2,173,184, and 229,464 shares of common stock are affiliates, the shares of which they are beneficial owners have been deemed to be owned by affiliates solely for this calculation.

EXPLANATORY NOTE

The purpose of this Amendment No. 1 to the Form 10-KSB for the fiscal year ended December 31, 2004 is (i) to correct the inadvertent omission of one individual from the executive compensation table in Item 10, (ii) to state in Item 10 that Mr. Pelossof's employment contract with Chembio Diagnostics, Inc. terminates on May 10, 2007, rather than May 10, 2006, and (iii) to file as Exhibit 10.3 Mr. Pelossof's employment agreement. Accordingly, Items 10 and 13, and Exhibit 10.3, are hereby amended and restated in their entirety. The remainder of the information contained in the original filing is not amended hereby.

ITEM 10. EXECUTIVE COMPENSATION

The following table summarizes the annual compensation paid to Chembio Diagnostics, Inc.'s named executive officers for the three years ended December 31, 2004, 2003 and 2002:

		Annual Comp	Long-Term Compensation Awards—Securities Underlying
Name and Position	**Year**	**Salary**	**Stock Options**
Lawrence A. Siebert, President, CEO, Chairman of Board of Chembio Diagnostic Systems Inc. (1)	2004	$ 182,789	160,000
	2003	103,846	—
	2002	63,000	—
Avi Pelossof, Vice President of Chembio Diagnostic Systems, Inc. (2)	2004	154,635	250,000
	2003	83,077	—
	2002	80,500	—
Javan Esfandiari, Vice President of Chembio Diagnostic Systems, Inc. (3)	2004	129,323	110,000
	2003	88,269	—
	2002	83,224	—
Rick Bruce, Vice President of Chembio Diagnostic Systems Inc. (4)	2004	114,286	35,000
	2003	110,326	—
	2002	106,240	—
Konstantin Lyashchenko, Research Director of Chembio Diagnostic Systems, Inc.(5)	2004	106,365	2,500
	2003	77,885	—
	2002	75,500	—
Mark L. Baum, President, Secretary and Director of Chembio Diagnostics, Inc. (6)	2004	40,000	—
	2003	—	—
	2002	—	—

(1) Mr. Siebert currently is a director, the President and Chief Executive Officer of Chembio Diagnostics, Inc., and the President of Chembio Diagnostic Systems Inc. The compensation information represents compensation earned while employed by Chembio Diagnostic Systems Inc. In 2004, Mr. Siebert received, prior to the merger, 50,000 options exercisable at $0.75 and 10,000 options exercisable at $1.00. In addition as part of his contract signed in May 2004, Mr. Siebert received 50,000 options with an exercise price of $1.20 per share, becoming exercisable in May 2005 and 50,000 options with an exercise price of $1.50 per share becoming exercisable in May of 2006.

(2) Mr. Pelossof currently is a Vice President of both Chembio Diagnostics, Inc. and Chembio Diagnostic Systems, Inc. The compensation information represents compensation earned while employed by Chembio Diagnostic Systems Inc. In 2004, Mr. Pelossof received, prior to the merger, 40,000 options exercisable at $0.75 and 10,000 options exercisable at $1.00. In addition as part of his contract signed in May 2004, Mr. Pelossof received 100,000 options exercisable at $0.60 per share, becoming exercisable in May 2004, 50,000 options exercisable with an exercise price of 0.90 per share, becoming exercisable in May 2005 and 50,000 options with an exercise price of $1.35 per share becoming exercisable in May of 2006.

(3) Mr. Esfandiari currently is a Vice President of Chembio Diagnostics, Inc. and Chembio Diagnostic Systems, Inc. The compensation information represents compensation earned while employed by Chembio Diagnostic Systems Inc. In 2004, Mr. Esfandiari received, prior to the merger, 30,000 options exercisable at $0.75 and 5,000 options exercisable at $1.00. In addition as part of his contract signed in May 2004, Mr. Esfandiari received 25,000 options exercisable at $0.90 per share, becoming exercisable in May 2005, 25,000 options with an exercise price of $1.20 per share, becoming exercisable in May 2006 and 25,000 options with an exercise price of $1.50 per share becoming exercisable in May of 2007.

(4) Mr. Lyashchenko currently is a Research Director of Chembio Diagnostic Systems, Inc. The compensation information represents compensation earned while employed by Chembio Diagnostic Systems Inc. In 2004, Mr. Lyashchenko received, prior to the merger, 2,500 options with an exercise price of $1.00.

(5) Mr. Bruce currently is a vice president of Chembio Diagnostic Systems Inc. The compensation information represents compensation earned while employed by Chembio Diagnostic Systems Inc. Mr. Bruce received, prior to the merger, 20,000 options exercisable at $0.588, 10,000 options exercisable at $0.75 and 5,000 options exercisable at $1.00.

(6) Mr. Baum currently is a director of Chembio Diagnostics, Inc. The compensation information represents compensation earned while employed by Chembio Diagnostics, Inc.

The following table sets forth certain information regarding stock options granted to the named executive officers as of December 31, 2004.

	Individual Grants			
Name	**Number of Securities Underlying Options/SARs Granted (#)**	**Percentage of Total Options/ SARs Granted to Employees in Fiscal Year**	**Exercise or Base Price ($/Sh)**	**Expiration Date**
Lawrence A. Siebert	50,000	6.75%	1.20	5/27/11
Lawrence A. Siebert	50,000	6.75%	1.50	5/27/11
Lawrence A. Siebert	50,000	6.75%	0.75	5/04/11
Lawrence A. Siebert	10,000	1.35%	1.00	5/04/11
Avi Pelossof	100,000	13.51%	0.60	5/27/11
Avi Pelossof	50,000	6.75%	0.90	5/27/11
Avi Pelossof	50,000	6.75%	1.35	5/27/11
Avi Pelossof	40,000	5.40%	0.75	5/04/11
Avi Pelossof	10,000	1.35%	1.00	5/04/11
Javan Esfandiari	25,000	3.38%	0.90	5/27/11
Javan Esfandiari	25,000	3.38%	1.20	5/27/11
Javan Esfandiari	25,000	3.38%	1.50	5/27/11
Javan Esfandiari	30,000	4.05%	0.75	5/04/11
Javan Esfandiari	5,000	0.68%	1.00	5/04/11
Richard Bruce	20,000	2.70%	0.588	5/04/11
Richard Bruce	10,000	1.35%	0.75	5/04/11
Richard Bruce	5,000	0.68%	1.00	5/04/11
Konstantin Lyashchenko	2,500	0.34%	1.00	5/04/11

There were no options were exercised by the named executive officers in the last fiscal year.

Employment Agreements

Mr. Siebert. On May 5, 2004, Mr. Siebert and the Company entered into an employment agreement, effective May 10, 2004, which terminates on May 10, 2006. Pursuant to the employment agreement Mr. Siebert serves as the President and Chief Executive Officer of the Company and is entitled to receive a base compensation of $150,000 per year, subject to periodic review by the Board of Directors of the Company. Mr. Siebert is eligible to participate in any profit sharing, stock option, retirement plan, medical and/or hospitalization plan, and/or other benefit plans except for disability and life insurance that the Company may from time to time place in effect for the Company's executives during the term of Mr. Siebert's employment agreement. If Mr. Siebert's employment agreement is terminated by the Company without cause, or if Mr. Siebert terminates his employment agreement for a re asonable basis, including within 12 months of a change in control, the Company is required to pay as severance Mr. Siebert's salary for six months. Mr. Siebert has agreed for a period of two years after the termination of his employment with the Company not to induce customers, agents, or other sources of distribution of the Company's business under contract or doing business with the Company to terminate, reduce, alter, or divert business with or from the Company.

Mr. Pelossof. On May 5, 2004, Mr. Pelossof and the Company entered into an employment agreement, effective May 10, 2004, which terminates on May 10, 2007. Pursuant to the employment agreement Mr. Pelossof serves as the Vice President of Sales, Marketing, and Business Development of the Company and is entitled to receive a base compensation of $120,000 per year, with annual salary increases of not less than five percent, and subject to periodic review by the Board of Directors of the Company. Mr. Pelossof is eligible to participate in any profit sharing, stock option, retirement plan, medical and/or hospitalization plan, and/or other benefit plans except for disability and life insurance that the Company may from time to time place in effect for the Company's executives during the term of Mr. Pelossof's employment agreement. If Mr. Pelossof's employment agreement is terminated by the Company without cause, or if Mr. Pelossof terminates his employment agreement for a reasonable basis, including within 12 months of a change in control, the Company is required to pay as severance Mr. Pelossof's salary for six months. Mr. Pelossof has agreed for a period of two years after the termination of his employment with the Company not to induce customers, agents, or other sources of distribution of the Company's business under contract or doing business with the Company to terminate, reduce, alter, or divert business with or from the Company.

Mr. Esfandiari. On May 5, 2004, Mr. Esfandiari and the Company entered into an employment agreement, effective May 10, 2004, which terminates on May 10, 2007. Pursuant to the employment agreement Mr. Esfandiari serves as the Director of Research & Development for the Company and is entitled to receive a base compensation of $115,000 per year, subject to periodic review by the Board of Directors of the Company. Mr. Esfandiari is eligible to participate in any profit sharing, stock option, retirement plan, medical and/or hospitalization plan, and/or other benefit plans except for disability and life insurance that the Company may from time to time place in effect for the Company's executives during the term of Mr. Esfandiari's employment agreement. If Mr. Esfandiari's employment agreement is terminated by the Company without cause, or if Mr. Esfandiari terminates his employ ment agreement for a reasonable basis, including within 12 months of a change in control, the Company is required to pay as severance Mr. Esfandiari's salary for six months. Mr. Esfandiari has agreed for a period of two years after the termination of his employment with the Company not to induce customers, agents, or other sources of distribution of the Company's business under contract or doing business with the Company to terminate, reduce, alter, or divert business with or from the Company.

Director Compensation

Please see "Certain Relationships and Related Transactions" for a discussion of Mr. Baum's employment agreement and warrants. All independent directors are paid an annual retainer of $18,000, paid semi-annually and 36,000 stock options, with an exercise price equal to the market price on the date of the grant. One-third of each independent director's stock options are exercisable on the date of grant, one-third become exercisable on the first anniversary of the date of grant, and one-third become exercisable on the second anniversary of the date of grant. In addition, the independent directors are paid $1,000 in cash for each meeting of the Board of Directors attended, and paid $500 in cash for each telephonic Board of Directors meeting. Additionally, the independent directors who are members of a committee of the Board of Directors are paid $500 in cash for each committee meeting attend ed, or $750 in cash for each committee meeting attended if that independent director is the committee chairman.

ITEM 13. EXHIBITS

Number	Description
2.1(2)	Agreement and Plan of Merger dated as March 3, 2004 (the “Merger Agreement”), by and among the Registrant, New Trading Solutions, Inc. (“Merger Sub”) and Chembio Diagnostic Systems Inc.
2.2(1)	Amendment No. 1 to the Merger Agreement dated as May 1, 2004, by and among the Registrant, Merger Sub and Chembio Diagnostic Systems Inc.
3.1*	Articles of Incorporation, as amended.
3.2(2)	Bylaws.
3.3(1)	Amendment No. 1 to Bylaws dated May 3, 2004.
4.2(1)	Certificate of Designation of the Relative Rights and Preferences of the series A convertible preferred stock of the Registrant.
4.3(1)	Registration Rights Agreement, dated as of May 5, 2004, by and among the Registrant and the Purchasers listed therein.
4.4(1)	Lock-Up Agreement, dated as of May 5, 2004, by and among the Registrant and the shareholders of the Registrant listed therein.
4.5(1)	Form of Common Stock Warrant issued pursuant to the Stock and Warrant Purchase Agreement.
4.6(1)	Form of $.90 Warrant issued to Mark L. Baum pursuant to the Consulting Agreement dated as of May 5, 2004 between the Registrant and Mark L. Baum.
4.7(1)	Form of $.60 Warrant issued to Mark L. Baum pursuant to the Consulting Agreement dated as of May 5, 2004 between the Registrant and Mark L. Baum.
4.8(4)	Form of Warrant issued to Placement Agents pursuant to the Series A Convertible Stock Private Placement
4.9(5)	Certificate of Designation of Preferences, Rights, and Limitations of Series B 9% Convertible Preferred Stock of the Registrant.
4.10(5)	Form of Common Stock Warrant issued to Midtown Partners & Co., LLC
4.11(5)	Form of Common Stock Warrant issued pursuant to the Securities Purchase Agreement.
4.12(5)	Registration Rights Agreement, dated as of January 26, 2005, by and among the Registrant and the purchasers listed therein.
10.1(1)	Employment Agreement between the Registrant and Mark L. Baum dated as of May 5, 2004.
10.2(3)	Employment Agreement between the Registrant and Lawrence A. Siebert dated as of May 5, 2004.
10.3	Employment Agreement between the Registrant and with Avi Pelossof dated as of May 5, 2004.
10.4(3)	Employment Agreement between the Registrant and with Javan Esfandiari dated as of May 5, 2004.
10.5(1)	Series A Convertible Preferred Stock and Warrant Purchase Agreement (the “Stock and Warrant Purchase Agreement”), dated as of May 5, 2004, by and among the Registrant and the purchasers listed therein.
10.6(3)	License and Supply Agreement dated as of August 30, 2002 by and between Chembio Diagnostic Systems Inc. and Adaltis Inc.
10.8(4)	Contract for Transfer of Technology and Materials with Bio-Manguinhos.
10.9(6)	Agreement with Abbott Laboratories.
10.10(5)	Securities Purchase Agreement (the “Securities Purchase Agreement”), dated as of January 26, 2005, by and among the Registrant and the purchasers listed therein.
10.11(6)	Amendment No. 1 to Securities Purchase Agreement, dated as of January 28, 2005 by and among the Registrant and the purchasers listed therein.
10.12(6)	Equity Exchange Agreement, dated as of January 28, 2005, by and between the Registrant and Kurzman Partners, LP.

Number	Description
10.13*	1999 Stock Option Plan.
21(6)	List of Subsidiaries.
23.1*	Consent of Lazar, Levine & Felix LLP, Independent Accountants.
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Previously filed with the Registrant's Annual Report on Form 10-KSB for the year ended December 31, 2004, filed with the Commission on March 31, 2005.

(1) Incorporated by reference to the Registrant's Current Report on Form 8-K filed with the Commission on May 14, 2004.

(2) Incorporated by reference to the Registrant's registration statement on Form SB-2 filed with the Commission on August 23, 1999.

(3) Incorporated by reference to the Registrant's registration statement on Form SB-2 filed with the Commission on June 7, 2004.

(4) Incorporated by reference to the Registrant's registration statement on Form SB-2/A filed with the Commission on August 4, 2004.

(5) Incorporated by reference to the Registrant's current report on Form 8-K filed with the Commission on January 31, 2005.

(6) Incorporated by reference to the Company's registration statement of Form SB-2 filed with the Commission on March 28, 2005.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant has caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHEMBIO DIAGNOSTICS, INC.

Date: May 20, 2005

By /s/ Lawrence A. Siebert
Lawrence A. Siebert
President, Chief Executive Officer and
Chairman of the Board

Exhibit 10.3

EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is entered into as of this 5th day of May, 2004 by and between Chembio Diagnostics, Inc., a Nevada corporation (the "Company"), and Avi Pelossof ("Employee") and to be effective as of May 10, 2004. Employee and Company are sometimes referred to individually as a "Party" and collectively as the "Parties."

In consideration of the mutual covenants, promises and agreements herein contained, the Company and Employee hereby covenant, promise and agree to and with each other as follows:

1. Employment. The Company shall employ Employee and Employee shall perform services for and on behalf of the Company upon the terms and conditions set forth in this Agreement.

2. Positions and Duties of Employment. Employee shall be required to devote his full energy, skill and best efforts as required to the furtherance of his managerial duties with the Company as the Company's Vice President of Sales, Marketing and Business Development. While serving in such capacity(ies), Employee shall have the responsibilities, duties, obligations, rights, benefits and requisite authority as is customary for his position and as may be determined by the Board of Directors (the "Board") of the Company.

Employee understands that his employment as Vice President of Sales, Marketing and Business Development of the Company involves a high degree of trust and confidence, that he is employed for the purpose of furthering the Company's reputation and improving the Company's operations and profitability, and that in executing this Agreement he undertakes the obligations set forth herein to accomplish such objectives. Employee agrees that he shall serve the Company fully, diligently, competently, and to the best of his ability. Employee certifies that he fully understands his right to discuss this Agreement with his attorney, that he has availed himself of this right to the extent that he desires, that he has carefully read and fully understands this entire Agreement, and that he is voluntarily entering into this Agreement.

3. Duties. Employee shall perform the following services for the Company:

3.1 Employee shall serve as Vice President of Sales, Marketing and Business Development of the Company, or in such other position as determined by the Board, and in that capacity shall work with the Company to pursue the Company's plans as directed by the Board.

3.2 Employee shall perform duties with the functions of an officer of the Company, subject to the direction of the Board Of Directors (the "Board") of the Company.

3.3 During the term of this Agreement, Employee shall devote substantially all of Employee's business time to the performance of Employee's duties under this Agreement. Without limiting the foregoing, Employee shall perform services on behalf of the Company for at least 40 hours per week, and Employee shall be available at the request of the Company at other times, including weekends and holidays, to meet the needs and requests of the Company's customers.

3.4 During the term of this Agreement, Employee will not engage in any other activities or undertake any other commitments that conflict with or take priority over Employee's responsibilities and obligations to the Company and the Company's customers, including without limitation those responsibilities and obligations incurred pursuant to this Agreement.

4. Term. Unless terminated earlier as provided for in this Agreement, the term of this Agreement, shall be for three years, commencing on the Effective Date and ending on the third anniversary of the effective date (the "Term"). If the employment relationship is terminated by either Party, Employee agrees to cooperate with the Company and with the Company's new management with respect to the transition of the new management in the operations previously performed by Employee. Upon Employee's termination, Employee agrees to return to the Company all Company documents (and all copies thereof), any other Company property in Employee's possession or control, and any materials of any kind that contain or embody any proprietary or confidential material of the Company.

5. Compensation. Employee shall receive the following as compensation:

(a) A salary at an annual rate of $120,000, subject to periodic review by the Board or the Compensation Committee of the Board, payable in accordance with the Company's customary payroll practices. Annual salary increases will be not less than 5%.

(b) At the discretion of the Board or the Compensation Committee of the Board, a performance-based bonus.

(c) Employer shall include Employee, if otherwise eligible, in any profit sharing plan, executive stock option plan, pension plan, retirement plan, medical and/or hospitalization plan, and/or any and all other benefit plans, except for disability and life insurance, which may be placed in effect by Employer for the benefit of Employer's executives during the Term. Except for the fact that Employer at all times shall provide Employee with all or at least a portion of Employee's medical and/or hospitalization insurance, which shall not be' less than that afforded to Employer's other executives, nothing in this Agreement shall limit (i) Employer's ability to exercise the discretion provided to it under any such benefit plan, or (ii) Employer's discretion to adopt, not adopt, amend or terminate any such benefit plan at any time.

(d) The Company shall provide Employee with four weeks vacation leave per each year of Employee's employment (which vacation leave may carryover and accrue up to an aggregate of six weeks at any time), sick leave, medical insurance coverage, and any other benefits consistent with Company plans and policies in effect for executive Employees from time to time. The Company may modify in its sole and absolute discretion such benefits from time to time as it considers necessary or appropriate, provided that any such modification shall not affect or modify Employee's then existing rights with respect to any previously accrued vacation.

(e) Any payments which the Company shall make to Employee pursuant to this Agreement shall be reduced by standard withholding and other applicable payroll deductions, including but not limited to federal, state or local income or other taxes, Social Security and Medicare Taxes, State Unemployment Insurance, State Disability Insurance, and the like.

(f) During the term of his employment, Employee shall be reimbursed for reasonable expenses that are authorized by the Company and that are incurred by Employee for the benefit of the Company in accordance with the standard reimbursement practices of the Company. Any direct payment or reimbursement of expenses shall be made only upon presentation of an itemized accounting conforming in form and content to standards prescribed by the Internal Revenue Service relative to the substantiation of the deductibility of business expenses.

6. Confidentiality. Employee hereby warrants, covenants and agrees that, without the prior express written approval of Employer or unless required by law or court order, Employee shall hold in the strictest confidence, and shall not disclose to any person, firm, corporation or other entity, any and all of Employer's data, including but not limited to (a) information, drawings, sketches, plans or other documents concerning Employer's business or development plans, customers or suppliers, (b) Employer's development, design, construction or sales and marketing methods or techniques, or (c) Employer's trade secrets and other "know-how" or information not of a public nature, regardless of how such information came to the custody of Employee. For purposes of this Agreement, such information shall include, but not be limited to, information, including a fo rmula, pattern, compilation, program, device, method, technique or process, that (i) derives independent economic value, present or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The warranty, covenant and agreement set forth in this paragraph shall not expire, shall survive this Agreement, and shall be binding upon Employee without regard to the passage of time or other events.

7. Non-Compete. Employee acknowledges and recognizes the highly competitive nature of the Company's business and that Employee's duties hereunder justify restricting Employee's further employment following any termination of employment. The Employee agrees that so long as the Employee is employed by the Company, and (i) for a period of two years following the termination of this Agreement, Employee, except when acting at the request of the Company on behalf of or for the benefit of the Company, will not induce customers, agents or other sources of distribution of the Company's business under contract or doing business with the Company to terminate, reduce, alter or divert business with or from the Company.

8. Termination.

(a) If Employee's employment is terminated by the Company without Cause (as defined below), or if Employee terminates his employment for Reasonable Basis (as defined below), then the Company shall, in exchange for Employee's execution of a general release and waiver of claims against the Company as of the termination date in a form reasonably acceptable to the Company, continue to pay as severance Employee's salary for six months. Such payments shall be made in accordance with the Company's customary payroll practices and shall be subject to applicable withholding and payroll deductions. In the event of any such termination set forth in this section 8(a), Employee will not be entitled to any additional compensation or benefits beyond what is provided in the first sentence of this section 8(a).

(i) For purposes of this Agreement, "Cause" shall mean that the Board, acting in good faith based upon the information then known to the Company, determines that Employee has engaged in or committed any of the following: willful misconduct, gross negligence, theft, fraud, or other illegal conduct; refusal or unwillingness to perform Employee's duties; performance by Employee of Employee's duties determined by the Board to be inadequate in a material respect; breach of any applicable non-competition, confidentiality or other proprietary information or inventions agreement between Employee and the Company; inappropriate conflict of interest; insubordination; failure to follow the directions of the Board or any committee thereof; or any other material breach of this Agreement. Indictment or conviction of any felony, or any entry of a plea of nolo contendre, under th e laws of the United States or any State shall also be considered "Cause" hereunder. "Cause" shall be specified in a notice of termination to be delivered by the Company no later than the date as of which termination is effective.

(ii) For purposes of this Agreement, "Reasonable Basis" shall mean (A) a material breach of this Agreement by the Company, provided that Employee shall have first given written notice of such default to the Company and if within thirty days after receipt of such notice, the Company has not cured such default; or (B) termination of Employee's employment by the Company without Cause during the term hereof; or (C) a reduction in Employee's salary, except to the extent that a majority of the other executive officers of the Company incur reductions of salary that average no less than the percentage reduction incurred by Employee; or (E) termination of the Employee's employment by the Employee within 12 months after a "Change Of Control," with Change Of Control being defined as follows:

"Change in Control" shall mean any of the following:

(1) any consolidation or merger of Employer in which Employer is not the continuing or surviving corporation, other than a merger of Employer in which the holders of Employer common stock immediately prior to the merger own a majority of the voting common stock of the surviving corporation immediately after the merger;

(2) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions)of all or substantially all the assets of Employer;

(3) any approval by the stockholders of Employer of any plan or proposal for the liquidation or dissolution of Employer;

(4) the acquisition by any person or entity, or any group of persons and/or entities of a majority of the stock entitled to elect a majority of the directors of the Company; or

(5) subject to applicable law, in a Chapter 11 bankruptcy proceeding, the appointment of a trustee or the conversion of a case involving Employer to a case under a Chapter 7 bankruptcy proceeding.

(b) In the event that Employee's employment with the Company is terminated for Cause, by reason of Employee's death or disability, or due to Employee's resignation or voluntary termination (other than for Reasonable Basis), then all compensation and benefits will cease as of the effective date of such termination, and Employee shall receive no severance benefits, or any other compensation; provided that Employee shall be entitled to receive all compensation earned and all benefits and reimbursements due through the effective date of termination.

(c) Employee agrees that the payments contemplated by this Agreement shall constitute the exclusive and sole remedy for any termination of employment, and Employee covenants not to assert or pursue any other remedies, at law or in equity, with respect to any termination of employment.

(d) Any party terminating this Agreement shall give prompt written notice ("Notice of Termination") to the other party hereto advising such other party of the termination of this Agreement stating in reasonable detail the basis for such termination. The Notice of Termination shall indicate whether termination is being made for Cause (if Employer has terminated the Agreement) or for Reasonable Basis (if the Employee has terminated the Agreement).

9. Remedies. If there is a breach or threatened breach of any provision of Section 6 or Section 7 of this Agreement, the Company will suffer irreparable harm and shall be entitled to an injunction restraining Employee from such breach. Nothing herein shall be construed as prohibiting the Company from pursuing any other remedies for such breach or threatened breach.

10. Severability. It is the clear intention of the Parties to this Agreement that no term, provision or clause of this Agreement shall be deemed to be invalid, illegal or unenforceable in any respect, unless such term, provision or clause cannot be otherwise construed, interpreted, or modified to give effect to the intent of the Parties and to be valid, legal or enforceable. The Parties specifically charge the trier of fact to give effect to the intent of the Parties, even if in doing so, information of a specific provision of this Agreement is required consistent with the foregoing stated intent. In the event that such a term, provision, or clause cannot be so construed, interpreted or modified, the validity, legality and enforceability of the remaining provisions contained herein and other application(s) thereof shall not in any way be affected or impaired th ereby and shall remain in full force and effect.

11. Waiver of Breach. The waiver by the Company or Employee of the breach of any provision of this Agreement by the other Party shall not operate or be construed as a waiver of any subsequent breach by that Party.

12. Entire Agreement. This document contains the entire agreement between the Parties and supersedes all prior oral or written agreements, if any, concerning the subject matter hereof or otherwise concerning Employee's employment by Employer (except for options to purchase shares of Employer's restricted stock previously granted to Employee). This Agreement may not be changed orally, but only by agreement in writing signed by the Parties.

13. Governing Law. This Agreement, its validity, interpretation and enforcement, shall be governed by the laws of the State of New York, excluding conflict of laws principles. Employee hereby expressly consents to personal jurisdiction in the state and federal courts located in Long Island, NY for any lawsuit filed there against him by the Company arising from or relating to this Agreement.

14. Notices. Any notice pursuant to this Agreement shall be validly given or served if that notice is made in writing and delivered personally or sent by certified mail or registered, return receipt requested, postage prepaid, to the following addresses:

If to Company: ______________________________
____
____

Attention: ______________________

If to Employee: To the address for Employee set forth below his signature.

All notices so given shall be deemed effective upon personal delivery or, if sent by certified or registered mail, five business days after date of mailing. Either party, by notice so given, may change the address to which his or its future notices shall be sent.

15. Assignment and Binding Effect. This Agreement shall be binding upon Employee and the Company and shall benefit the Company and its successors and assigns. This Agreement shall not be assignable by Employee.

16. Headings. The headings in this Agreement are for convenience only; they form no part of this Agreement and shall not affect its interpretation.

17. Construction. Employee represents he has (a) read and completely understands this Agreement and (b) had an opportunity to consult with such legal and other advisers as he has desired in connection with this Agreement. This Agreement shall not be construed against any one of the Parties.

18. Insurance. The Company is to maintain directors' and officers' insurance in an amount determined reasonably by the Board of Directors of the Company.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year first above written.

EMPLOYEE	Chembio Diagnostics, Inc.
/s/ Avi Pelossof	By: Lawrence A. Siebert
Avi Pelossof, Individually 51A Edgewood Road Port Washington, NY 10050	Lawrence A. Siebert, President

* * * * *

EXHIBIT 31.1

CERTIFICATION

I, Lawrence A. Siebert, certify that:

1. I have reviewed this annual report on Amendment No. 1 to Form 10-KSB of Chembio Diagnostics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 20, 2005

/s / Lawrence A. Siebert
Lawrence A. Siebert
Chief Executive Officer, President, and Chairman
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, Richard J. Larkin, certify that:

1. I have reviewed this annual report on Amendment No. 1 to Form 10-KSB of Chembio Diagnostics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    c. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 20, 2005

/s / Richard J. Larkin
Richard J. Larkin
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CHEMBIO DIAGNOSTICS, INC.
SARBANES-OXLEY ACT SECTION 906 CERTIFICATION

In connection with this annual report on Amendment No. 1 to Form 10-KSB of Chembio Diagnostics, Inc. for the fiscal year ended December 31, 2004, I, Lawrence A. Siebert, Chief Executive Officer, President and Chairman of Chembio Diagnostics, Inc., hereby certify pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

1. This Amendment No. 1 to Form 10-KSB for the fiscal year ended December 31, 2004 fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in this Amendment No. 1 to Form 10-KSB for the fiscal year ended December 31, 2004 fairly presents, in all material respects, the financial condition and results of operations of Chembio Diagnostics, Inc. for the periods presented therein.

Date: May 20, 2005

/s / Lawrence A. Siebert
Lawrence A. Siebert
Chief Executive Officer, President and Chairman
(Principle Executive Officer)

EXHIBIT 32.2

CHEMBIO DIAGNOSTICS, INC.
SARBANES-OXLEY ACT SECTION 906 CERTIFICATION

In connection with this annual report on Amendment No. 1 to Form 10-KSB of Chembio Diagnostics, Inc. for the fiscal year ended December 31, 2004, I, Richard J. Larkin, Chief Financial Officer and Secretary of Chembio Diagnostics, Inc., hereby certify pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

1. This Amendment No. 1 to Form 10-KSB for the fiscal year ended December 31, 2004 fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in this Amendment No. 1 to Form 10-KSB for the fiscal year ended December 31, 2004 fairly presents, in all material respects, the financial condition and results of operations of Chembio Diagnostics, Inc. for the periods presented therein.

Date: May 20, 2005

/s./ Richard J. Larkin
Richard J. Larkin
Chief Financial Officer
(Principle Financial Officer)