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Docket No.: 7341-23533

To the Honorable Commissioner of Patents ar... ed original documents or copy thereof.

1. Name of conveying party(ies):

Disc Computer Systems, Inc.

MPD 8/23/99

- ☐ Individual(s)
- ☐ Association
- ☐ General Partnership
- ☐ Limited Partnership
- ☒ Corporation-State **Minnesota**
- ☐ Other

Additional names(s) of conveying party(ies) ☐ Yes ☐ No

2. Name and address of receiving party(ies):

Name: **InfoCure Systems, Inc.**

Internal Address:

Street Address: **1765 The Exchange, Suite 300**

City: **Atlanta** State: **GA** ZIP: **30326**

- ☐ Individual(s) citizenship
- ☐ Association
- ☐ General Partnership
- ☐ Limited Partnership
- ☒ Corporation-State **Georgia**
- ☐ Other

If assignee is not domiciled in the United States, a domestic designation is ☐ Yes ☐ N

(Designations must be a separate document from Additional name(s) & address(es) ☐ Yes ☐ N

3. Nature of conveyance:

- ☐ Assignment
- ☐ Merger
- ☐ Security Agreement
- ☐ Change of Name
- ☒ Other **Stock Purchase Agreement**

Execution Date:

4. Application number(s) or registration numbers(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2,161,991

Additional numbers ☐ Yes ☒ No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: **Leah S. Aldridge**

Internal Address: **Morris, Manning & Martin, LLP**

Street Address: **1600 Atlanta Financial Center**

3343 Peachtree Road, NE

City: **Atlanta** State: **GA** ZIP: **30326**

6. Total number of applications and registrations involved:.....

7. Total fee (37 CFR 3.41):.....$ **$40.00**

- ☒ Enclosed
- ☐ Authorized to be charged to deposit account

8. Deposit account number:

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9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

H. Le Giap — Name of Person Signing

Signature

8/13/95 — Date

Total number of pages including cover sheet, attachments, and

TRADEMARK

STOCK PURCHASE AGREEMENT

MADE AS OF

JUNE 21, 1999,

BUT EFFECTIVE MAY 31, 1999,

BY AND AMONG

INFOCURE SYSTEMS, INC.,
("BUYER")

INFOCURE CORPORATION,
("INFOCURE")

HEALTHSPAN/LSI, INC.
("HEALTHSPAN"),

CERTAIN INDIVIDUALS LISTED ON THE SIGNATURE PAGES THERETO (THE "MINORITY SHAREHOLDERS") AND

ALLINA HEALTH SYSTEM,
("ALLINA")

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STOCK PURCHASE AGREEMENT

THIS **STOCK PURCHASE AGREEMENT** ("Agreement") is made as of June 21, 1999, but effective as of May 31, 1999, by **InfoCure Systems, Inc.**, a Georgia corporation ("Buyer"), **InfoCure Corporation**, a Delaware corporation ("InfoCure"), **HealthSpan/LSI, Inc.**, a Minnesota not-for-profit corporation ("HealthSpan"), those certain individuals listed on the signature pages hereto under the heading **Minority Shareholders** (each a "Minority Shareholder" and collectively, the "Minority Shareholders") (HealthSpan and the Minority Shareholders collectively referred to as "Sellers" and individually as a "Seller") and **Allina Health System**, a Minnesota not-for-profit corporation ("Allina").

RECITALS:

Sellers desire to sell, and Buyer desires to purchase, all of the issued and outstanding shares (the "Shares") of the capital stock of StrategiCare, Inc., a Minnesota corporation (the "Company"), for the consideration and on the terms set forth in this Agreement.

AGREEMENT:

The parties, intending to be legally bound, agree as follows:

1. DEFINITIONS.

For purposes of this Agreement, the following terms have the meanings specified or referred to in this Section 1.:

"**Applicable Contract**" - any Contract (i) under which Company or Subsidiary has or may acquire any rights; (ii) under which Company or Subsidiary has or may become subject to any obligation or liability or (iii) by which Company or Subsidiary or any of the assets owned or used by either Company or Subsidiary is or may become bound.

"**Affiliated Group**" means any affiliated group within the meaning of IRC § 1504(a).

"**Best Efforts**" - the efforts that a prudent Person desirous of achieving a result would reasonably use in similar circumstances to ensure that such result is achieved as expeditiously as possible; provided, however, that an obligation to use Best Efforts under this Agreement does not require the Person subject to that obligation to take actions that would result in a materially adverse change in the benefits to such Person of this Agreement and the Contemplated Transactions.

"**Benefit Plan**" - a deferred compensation, bonus, stock option, stock purchase or other employee benefit plan or fringe benefit plan, agreement, commitment or arrangement which is neither a Pension Plan nor a Welfare Plan.

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"**Breach**" - a "Breach" of a representation, warranty, covenant, obligation, or other provision of this Agreement will be deemed to have occurred if there is or has been any inaccuracy in or breach of, or any failure to perform or comply with, such representation, warranty, covenant, obligation, or other provision and the term "Breach" means any such inaccuracy, breach or failure.

"**Buyer**" - as defined in the first paragraph of this Agreement.

"**Closing**" - as defined in Section 2.4.

"**Closing Date**" - the date and time as of which the Closing actually takes place.

"**Company**" - as defined in the Recitals of this Agreement.

"**Consent**" - any approval, consent, ratification, waiver, or other authorization (including any Governmental Authorization).

"**Contemplated Transactions**" - all of the transactions contemplated by this Agreement, including, without limitation:

A. The sale of the Shares by Sellers to Buyer;

B. The execution, delivery, and performance of this Agreement, the Restrictive Covenant Agreements, the Escrow Agreement and the other agreements and documents referenced in Section 2.5.;

C. The performance by Buyer and Sellers of their respective covenants and obligations under this Agreement; and

D. Buyer's acquisition and ownership of the Shares.

"**Contract**" - any agreement, contract, obligation, promise, or undertaking (whether written or oral and whether express or implied) that is legally binding.

"**Damages**" - any loss, liability, claim, damages (excluding incidental and consequential damages), expense (including, without limitation, out-of-pocket costs of investigation and defense and reasonable attorneys' fees), whether or not involving a third party.

"**Disclosure Schedule**" - the disclosure schedule delivered by Allina and Sellers to Buyer concurrently with the execution and delivery of this Agreement. Unless otherwise specified, capitalized terms used in the Disclosure Schedule shall be as defined in the Agreement.

"**Encumbrance**" - any charge, claim, community property interest, condition, equitable interest, lien, option, pledge, security interest, right of first refusal, or legal or contractual restriction of any kind, including any restriction on use, voting, transfer, receipt of income, or exercise of any other attribute of ownership.

"**Environmental Requirements**" - means federal, state and local laws relating to pollution or protection of the environment, including laws or provisions relating to emissions, discharges, releases or threatened releases of pollutants, contaminants, or hazardous or toxic materials, substances, or wastes into air, surface water, groundwater, or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants or hazardous or toxic materials, substances, or wastes.

"**ERISA**" - the Employee Retirement Income Security Act of 1974, as amended, and regulations and rules issued pursuant to that Act, as amended.

"**ERISA Affiliate**" - any person which would be required to be aggregated with Company and/or any Subsidiary under IRC § 414(b), (c), (m) and/or (o) at any time on or prior to the Closing Date.

"**Escrow Agreement**" - as defined in Section 2.5.(v).

"**Financial Statements**" - as defined in Section 3.4.

"**GAAP**" - generally accepted United States accounting principles, applied on a basis consistent with the basis on which the Financial Statements were prepared.

"**Governmental Authorization**" - any approval, consent, license, permit, waiver, or other authorization issued, granted, given, or otherwise made available by or under the authority of any Governmental Body or pursuant to any Legal Requirement.

"**Governmental Body**" - any:

A. Nation, state, county, city, town, village, district, or other jurisdiction of any nature;

B. Federal, state, local, municipal, foreign, or other government;

C. Governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); or

D. Body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature.

"**IRC**" - the Internal Revenue Code of 1986, as amended, and regulations issued by the IRS pursuant to the Internal Revenue Code, as amended.

"**IRS**" - the United States Internal Revenue Service, and, to the extent relevant, the United States Department of the Treasury.

"**Knowledge**" - an individual will be deemed to have "Knowledge" of a particular fact or other matter if:

A. Such individual is actually aware of such fact or other matter; or

B. A prudent individual given his position with Company would be reasonably likely to discover or otherwise become aware of such fact or other matter.

A Person (other than an individual) will be deemed to have "Knowledge" of a particular fact or other matter if any individual who is serving, or who has served, within the last two (2) years, as a director, officer, partner, executor, or trustee of such Person (or in any similar capacity) has, or at any time during such two (2) year period had, Knowledge of such fact or other matter.

"**Legal Requirement**" - any federal, state, local, municipal, foreign, international, or other administrative order, constitution, law, ordinance, principle of common law, regulation, statute, or treaty.

"**Order**" - any award, decision, injunction, judgment, order, ruling, subpoena, or verdict entered, issued, made, or rendered by any court, administrative agency, or other Governmental Body or by any arbitrator.

"**Ordinary Course of Business**" - an action taken by a Person will be deemed to have been taken in the "Ordinary Course of Business" only if:

A. Such action is reasonably consistent with the past practices of such Person and is taken in the ordinary course of the normal day-to-day operations of such Person; and

B. Such action is not required to be authorized by the board of directors of such Person (or by any Person or group of Persons exercising similar authority).

"**Organizational Documents**" - (i) the Articles or Certificate of Incorporation and the Bylaws of a corporation; (ii) any charter or similar document adopted or filed in connection with the creation, formation, or organization of a Person and (iii) any amendment to any of the foregoing.

"**Pension Plan**" - an employee pension benefit plan as such term is defined in ERISA § 3(2).

"**Person**" - any individual, corporation (including any non-profit corporation), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union, or other entity or Governmental Body.

"**Plan**" - as defined in Section 3.13.1.

"**Proceeding**" - any action, arbitration, audit, hearing, investigation (but only investigations of which the Company or Subsidiary has Knowledge), litigation, or suit (whether civil, criminal, administrative, investigative, or informal) commenced (to the Company's or Subsidiary's Knowledge), brought, conducted, or heard by or before, or otherwise involving, any Governmental Body or arbitrator.

"**Related Person**" - with respect to a specified Person:

A. Any Person that directly or indirectly controls, is directly or indirectly controlled by, or is directly or indirectly under common control with such specified Person;

B. Any Person that holds a Material Interest in such specified Person;

C. Each Person that serves as a director, officer, partner, executor, or trustee of such specified Person (or in a similar capacity);

D. Any Person in which such specified Person holds a Material Interest; and

E. Any Person with respect to which such specified Person serves as a general partner or a trustee (or in a similar capacity).

For purposes of this definition, "Material Interest" means direct or indirect beneficial ownership (as defined in Rule 13d-3 under the Securities Exchange Act of 1934) of voting securities or other voting interests representing at least twenty-five percent (25%) of the outstanding voting power of a Person or equity securities or other equity interests representing at least twenty-five percent (25%) of the outstanding equity securities or equity interests in a Person.

"**Representative**" - with respect to a particular Person, any director, officer, agent, or other representative of such Person, including legal counsel, accountants, and financial advisors.

"**Restrictive Covenant Agreements**" - as defined in Section 2.5.A.(iv).

"**Securities Act**" - the Securities Act of 1933 or any successor law, and regulations and rules issued pursuant to that Act or any successor law.

"**Sellers**" - as defined in the first paragraph of this Agreement.

"**Shares**" - as defined in the Recitals of this Agreement.

"**Subsidiary**" - when used without reference to a particular Person, "Subsidiary" means Disc Computer Systems, Inc., a Minnesota corporation and wholly owned subsidiary of Company.

"**Tax**" means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under IRC § 59A), customs duties, capital stock, franchise, profits, withholding,

social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated or other tax of any kind whatsoever, including any interest, penalty or addition thereto, whether disputed or not.

"**Tax Return**" - any return (including any information return), report, statement, schedule, notice, form, or other document or information filed with or submitted to, or required to be filed with or submitted to, any Governmental Body in connection with the determination, assessment, collection, or payment of any Tax or in connection with the administration, implementation, or enforcement of or compliance with any Legal Requirement relating to any Tax.

"**Threatened**" - a claim, Proceeding, dispute, action, or other matter will be deemed to have been "Threatened" if any demand or statement has been made (either orally if received by any employee of the Company or Subsidiary having a base salary of at least Seventy Thousand and No/100 Dollars ($70,000.00) or in writing) or any notice has been given (either orally if received by any employee of the Company or Subsidiary having a base salary of at least Seventy Thousand and No/100 Dollars ($70,000.00) or in writing) or that would lead a prudent Person to conclude that such a claim, Proceeding, dispute, action, or other matter is likely to be asserted, commenced, taken, or otherwise pursued in the future.

"**Welfare Plan**" - an employee welfare benefit plan as such term is defined in ERISA § 3(1).

2. SALE AND TRANSFER OF SHARES; CLOSING.

2.1. Shares. Subject to the terms and conditions of this Agreement, at the Closing, Sellers will sell and transfer the Shares to Buyer, and Buyer will purchase the Shares from Sellers.

2.2. Purchase Price. The purchase price for the Shares shall equal Eleven Million Five Hundred Thousand and No/100 Dollars ($11,500,000.00) (the "Base Consideration Amount"), subject to the Net Worth Adjustment as set forth in Section 2.2.A. below (the "Purchase Price").

A. The Base Consideration Amount shall be adjusted by the Net Worth Adjustment which shall be determined in accordance with the procedures set forth in Section 2.3. below. For purposes hereof, the term "Actual Net Worth" shall mean the net worth of Company (after giving effect to the spin-off of Marudas Business Forms Company, a Minnesota corporation ("Marudas")) as reflected on the balance sheet of Company, as of May 31, 1999, and prepared in consultation with Deloitte & Touche, LLP and reviewed by the accounting firm of BDO Seidman, L.L.P. (together the "Accountants") in accordance with this Agreement and with GAAP, without taking into account the Contemplated Transactions (the "Effective Date Balance Sheet"). If the Actual Net Worth is greater than Two Million Three Hundred Fifty Thousand and No/100 Dollars ($2,350,000.00) (the amount of said excess hereinafter referred to as the "Net Worth Excess"), then the Base Consideration Amount shall be increased One and No/100 Dollar ($1.00) for every dollar of Net Worth Excess. On the other hand, if the Actual Net Worth is less than Two Million and No/100 Dollars ($2,000,000.00) (said amount hereinafter referred to as the

"Net Worth Shortfall"), then the Base Consideration Amount shall be reduced One and No/100 Dollar ($1.00) for every dollar of the Net Worth Shortfall. The foregoing adjustment is referred to herein as the "Net Worth Adjustment." If the Actual Net Worth is equal to or greater than Two Million and No/100 Dollars ($2,000,000.00), but less than Two Million Three Hundred Fifty Thousand and No/100 Dollars ($2,350,000.00), there shall be no Net Worth Adjustment.

B. The Base Consideration Amount (less the amounts to be placed in escrow as set forth in Section 2.2.C.) shall be paid by wire transfer on the Closing Date to the Sellers and in accordance with the wire transfer instructions attached hereto as **Exhibit H**.

C. Ten percent (10%) of the Purchase Price shall be paid to the Escrow Agent at Closing as provided in Section 2.5.B.(ii) below.

2.3. Cooperation in Preparation of the Effective Date Financial Statements. Sellers shall cause the Company to cooperate with the Accountants, in the preparation of the Effective Date Balance Sheet and an unaudited interim income statement for the five (5) months period ending May 31, 1999 (such Effective Date Balance Sheet and unaudited income statement are hereinafter referred to as "Effective Date Financial Statements"). The cost of this audit will be paid by Buyer and Sellers with respect to each of their Accountants.

Each party will furnish to the Accountants such work papers and other documents and information relating to any disputed issues as the Accountants may request and are available to that party or the Company, Subsidiary or Marudas and will be afforded the opportunity to present to the Accountants any material relating to the preparation of the Effective Date Financial Statements and to discuss the preparation of the Effective Date Financial Statements with the Accountants.

2.4. Closing. The purchase and sale (the "Closing") provided for in this Agreement will take place at the offices of Morris, Manning & Martin, L.L.P., Buyer's counsel, at 1600 Atlanta Financial Center, 3343 Peachtree Road, N.E., Atlanta, Georgia 30326, at 10:00 a.m. (local time) on June 21, 1999 (the "Closing Date"), or at such other time and place as the parties may agree; provided, however, the Closing shall be effective as of May 31, 1999 (the "Effective Date").

Except as otherwise provided in Section 10. hereof, failure to consummate the purchase and sale provided for in this Agreement on the date and time and at the place determined pursuant to this Section 2.4. will not result in the termination of this Agreement and will not relieve any party of any obligation under this Agreement.

2.5. Closing Obligations. At the Closing:

A. Sellers and Allina, as the case may be, will deliver to Buyer:

(i) Certificates representing the Shares, duly endorsed (or accompanied by duly executed stock powers), with medallion guaranteed signatures (guaranteed by a commercial bank or by a member firm of the New York Stock Exchange), for transfer to Buyer;

(ii) Minority Shareholder Release Agreement properly executed by the Minority Shareholders of Company, substantially in the form of **Exhibit A** attached hereto;

(iii) Opinion of Counsel. Buyer shall have received an opinion dated the Closing Date from Faegre & Benson, LLP, counsel for HealthSpan and Allina, substantially in the form of **Exhibit C** attached hereto;

(iv) Restrictive Covenant Agreements. Each Seller (other than HealthSpan, David Cordes and David Nickolay) shall have each entered into a restrictive covenant agreement with Buyer and InfoCure, substantially in the form of **Exhibit B** hereto; David Cordes shall have entered into a restrictive covenant agreement with Buyer and InfoCure, substantially in the form of **Exhibit K** hereto; David Nickolay shall have entered into a restrictive covenant agreement with Buyer and InfoCure, substantially in the form of **Exhibit N** hereto; and HealthSpan and Allina shall have entered into a restrictive covenant agreement with Buyer and InfoCure, substantially in the form of **Exhibit F** hereto (collectively, the "Restrictive Covenant Agreements");

(v) Escrow Agreement. HealthSpan shall have entered into an escrow agreement (the "Escrow Agreement") with Buyer and SunTrust Bank, Atlanta as escrow agent substantially in the form of **Exhibit G** hereto;

(vi) Termination of Phantom Stock Plan. Copy of resolutions of board of directors of the Company terminating and discharging all obligations under its "Phantom Stock Plan";

(vii) Termination of Firstar Security Interest. Evidence that Firstar Bank of Minnesota, N.A. will promptly terminate its security interest in the assets of the Company and Subsidiary upon confirmation of the Closing by Company and Subsidiary;

(viii) Marudas Spin-Off. Evidence that the Marudas spin-off referred to in Section 7.7. hereof has been consummated; and

(ix) Directors and Shareholder Resolutions; Good Standing Certificate. HealthSpan shall have delivered a certified copy of the resolution of the directors and shareholders of HealthSpan approving the Contemplated Transactions. Sellers shall have delivered to Buyer a certificate evidencing the good standing of Company and Subsidiary as of a recent practicable date.

B. Buyer will deliver:

(i) The amounts specified in **Exhibit H** attached hereto to Sellers by wire transfer to the accounts listed therein;

(ii) The amount of ten percent (10%) of the Purchase Price to the Escrow Agent by wire transfer in accordance with the Escrow Agreement; and

(iii) To Sellers an opinion dated the Closing Date from Morris, Manning & Martin, L.L.P., counsel for Buyer, substantially in the form of **Exhibit I** hereto.

3. REPRESENTATIONS AND WARRANTIES OF HEALTHSPAN AND ALLINA

Except as disclosed in the Disclosure Schedules hereto, HealthSpan and Allina, jointly and severally, represent and warrant to Buyer as follows:

3.1. Organization and Good Standing.

A. **Schedule 3.1** of the Disclosure Schedule contains a complete and accurate list of Company's name, its jurisdiction of incorporation, other jurisdictions in which it is authorized to do business, and its capitalization (including the identity of each stockholder and the number of Shares held by each).

Company is a corporation duly organized, validly existing, and in good standing under the laws of Minnesota, with full corporate power and authority to conduct its business as it is now being conducted, to own or use the properties and assets that it purports to own or use, and to perform all its obligations under Applicable Contracts.

Company is duly qualified to do business as a foreign corporation and is in good standing under the laws of each state or other jurisdiction in which either the ownership or use of the properties owned or used by it, or the nature of the activities conducted by it, requires such qualification, except where the failure to be so qualified would not have a material adverse effect on Company.

Schedule 3.1 of the Disclosure Schedule also contains a complete and accurate list of Subsidiary's name, its jurisdiction of incorporation, other jurisdictions in which it is authorized to do business, and its capitalization (including the identity of each stockholder and the number of shares held by each). As of Closing, the sole direct or indirect subsidiary (excluding Marudas which will be spun-off prior to Closing Date) of Company is Disc Computer Systems, Inc.

Subsidiary is a corporation duly organized, validly existing, and in good standing under the laws of Minnesota, with full corporate power and authority to conduct its business as it is now being conducted, to own or use the properties and assets that it purports to own or use, and to perform all its obligations under Applicable Contracts.

Subsidiary is duly qualified to do business as a foreign corporation and is in good standing under the laws of each state or other jurisdiction in which either the ownership or use of the properties owned or used by it, or the nature of the activities conducted by it, requires such qualification, except where the failure to be so qualified would not have a material adverse effect on Company.

B. The Company has delivered to Buyer copies of the Organizational Documents of Company and Subsidiary, as currently in effect.

3.2. Authority; No Conflict.

A. This Agreement constitutes the legal, valid, and binding obligation of HealthSpan and Allina, enforceable against HealthSpan and Allina in accordance with its terms. Upon the execution and delivery by HealthSpan and Allina of the Escrow Agreement and the Restrictive Covenant Agreements, as applicable (collectively, the "Sellers' Closing Documents"), Sellers' Closing Documents will constitute the legal, valid, and binding obligations of HealthSpan and Allina, enforceable against HealthSpan and Allina in accordance with their respective terms.

HealthSpan and Allina have the absolute and unrestricted right, corporate power, authority, and capacity to execute and deliver this Agreement and Sellers' Closing Documents and to perform their obligations under this Agreement and Sellers' Closing Documents.

B. Except as set forth in **Schedule 3.2** of the Disclosure Schedule, neither the execution and delivery of this Agreement nor the consummation or performance of any of the Contemplated Transactions will, directly or indirectly (with or without notice or lapse of time):

(i) Contravene, conflict with, or result in a violation of (1) any provision of the Organizational Documents of HealthSpan, Allina, Company or Subsidiary in effect on the date hereof or (2) any resolution adopted by the board of directors or the stockholders of HealthSpan, Allina, Company or Subsidiary in effect on the date hereof;

(ii) Contravene, conflict with, or result in a violation of, any of the Contemplated Transactions or to exercise any remedy or obtain any relief under, any Legal Requirement or any Order to which Company, Subsidiary or any Seller, or any of the assets owned or used by Company or Subsidiary, is subject;

(iii) Contravene, conflict with, or result in a violation of any of the terms or requirements of any Governmental Authorization that is held by HealthSpan, Allina, Company or Subsidiary;

(iv) Cause Buyer, Company or Subsidiary to become subject to, or to become liable for the payment of, any Tax;

(v) Contravene, conflict with, or result in a violation or breach of any provision of, or give any Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate, or modify, any Applicable Contract; or

(vi) Result in the imposition or creation of any Encumbrance upon or with respect to any of the assets owned or used by Company or Subsidiary.

Except as set forth in **Schedule 3.2** of the Disclosure Schedule, neither Company nor Subsidiary is or will be required to give any notice to or obtain any Consent from any Person in connection with the execution and delivery of this Agreement or the consummation or performance of any of the Contemplated Transactions.

3.3. Capitalization. The authorized equity securities of Company consist of five million (5,000,000) shares of common stock, par value $.001 per share, of which three million eight hundred twenty thousand three hundred sixty-six (3,820,366) shares are issued and outstanding and constitute the Shares.

The authorized equity securities of Subsidiary consist of five thousand (5,000) shares of common stock, par value Two and No/100 Dollars ($2.00) per share, of which two thousand five hundred forty-eight (2,548) shares are issued and outstanding. Company is the sole stockholder of Subsidiary.

Sellers are and will be immediately prior to the Closing Date the record and beneficial owners and holders of the Shares, free and clear of all Encumbrances, except those created by the Stock Transfer Agreement dated March 1, 1995 of Company ("Stock Transfer Agreement") to be terminated at Closing. HealthSpan owns three million ninety-eight thousand eight hundred seventy-eight (3,098,878) of the Shares and the Minority Shareholders own all of the remaining issued and outstanding Shares.

With the exception of the Shares (which are owned by Sellers), no other capital stock or other equity interests or securities of Company is outstanding.

All of the outstanding equity securities of Company have been duly authorized and validly issued and are fully paid and nonassessable. Except for the Stock Transfer Agreement, there are no Contracts relating to the issuance, sale, or transfer of any equity securities or other securities of Company.

None of the outstanding equity securities or other securities of Company was issued in violation of the Securities Act or any other Legal Requirement. Company does not own, nor does it have any Contract to acquire, any equity securities or other securities of any Person (other than Company) or any direct or indirect equity or ownership interest in any other business.

With the exception of the shares owned by Company, no other capital stock or other equity interests or securities of Subsidiary is outstanding.

All of the outstanding equity securities of Subsidiary have been duly authorized and validly issued and are fully paid and nonassessable. There are no Contracts relating to the issuance, sale, or transfer of any equity securities or other securities of Subsidiary.

None of the outstanding equity securities or other securities of Subsidiary was issued in violation of the Securities Act or any other Legal Requirement. Subsidiary does not own, nor does it have any Contract to acquire, any equity securities or other securities of any Person (other than Subsidiary) or any direct or indirect equity or ownership interest in any other business.

3.4. Financial Statements. Attached to **Schedule 3.4** of the Disclosure Schedule are:

A. Consolidated balance sheets of Company as of December 31 in each of the years 1997 and 1998, and the related consolidated statements of income, changes in stockholders' equity, and cash flow for each of the fiscal years then ended, together with the report thereon of Deloitte & Touche, LLP, Certified Public Accountants, independent certified public accountants; and

B. The Effective Date Financial Statements.

The foregoing financial statements and related notes (collectively referred to as the "Financial Statements") fairly present the financial condition and the results of operations, changes in stockholders' equity, and cash flow of Company (except the Effective Date Financial Statements do not reflect changes in stockholders' equity and cash flow of Company) as at the respective dates of and for the periods referred to in such financial statements, all in accordance with GAAP, subject, in the case of interim financial statements, to normal recurring year-end adjustments (the effect of which will not, individually or in the aggregate, be materially adverse) and the absence of notes.

The Financial Statements reflect the consistent application of such accounting principles throughout the periods involved. No financial statements of any Person, other than Company, Subsidiary and Marudas are required by GAAP to be included in the consolidated financial statements of Company.

3.5. Books and Records. The books of account, minute books, stock record books, and other records of Company and Subsidiary, all of which have been made available to Buyer, are complete and correct in all material respects and have been maintained in accordance with sound business practices.

The minute books of Company and Subsidiary contain accurate and complete records of all meetings held of, and corporate action taken by, the stockholders, the Boards of Directors, and committees of the Boards of Directors of Company and of Subsidiary, and no meeting of any such stockholders, Board of Directors, or committee has been held for and no material action has been taken at any meeting for which minutes have not been prepared and are not contained in such minute books. All of those books and records will be transferred to Buyer within a reasonable time following the Closing Date, which books and records shall be available for access by Sellers for proper business purposes following the Closing Date, subject to reasonable notice and request and the restrictions set forth in the Restrictive Covenant Agreements.

3.6. Title to Properties; Encumbrances. **Schedule 3.6** of the Disclosure Schedule contains a complete and accurate list of all leaseholds, or other interests therein owned by Company and Subsidiary. Neither Company nor Subsidiary own any real property.

Company and Subsidiary each own all the properties and assets (whether personal or mixed and whether tangible or intangible) that each of them purports to own located in the facilities owned or operated by Company or Subsidiary, as the case may be, or reflected as owned

in the books and records of Company or Subsidiary, as the case may be, including all of the properties and assets reflected in the Effective Date Financial Statements (except for assets held under capitalized leases disclosed or not required to be disclosed in **Schedule 3.6** of the Disclosure Schedule).

Except as listed on **Schedule 3.6**, all material properties and assets reflected in the Effective Date Financial Statements are free and clear of all Encumbrances.

3.7. Condition and Sufficiency of Assets. The equipment and other tangible personal property of Company and Subsidiary is structurally sound, in good operating condition and repair, and adequate for the uses to which it is being put; and none of such equipment or other property is in need of maintenance or repairs except for ordinary, routine maintenance and repairs that are not material in nature or cost.

3.8. Accounts Receivable. All accounts receivable of Company and Subsidiary that are reflected on the Effective Date Balance Sheet or on the accounting records of Company or Subsidiary as of the Closing Date (collectively, the "Accounts Receivable") represent or will represent, in all material respects, valid obligations arising from sales actually made or services actually performed in the Ordinary Course of Business.

Unless paid prior to the Closing Date, the Accounts Receivable are or will be as of the Closing Date collectible, in all material respects, net of the respective reserves shown on the Effective Date Balance Sheet.

Subject to such reserves, except for the credit issued by Subsidiary against future purchases on account of Partners in Pediatrics in the amount of Thirty-Five Thousand and No/100 Dollars ($35,000.00), there is no contest, claim, or right of set-off, other than returns in the Ordinary Course of Business, under any Contract with any obligor of an Accounts Receivable relating to the amount or validity of such Accounts Receivable.

Schedule 3.8 of the Disclosure Schedule contains a complete and accurate list of all Accounts Receivable as of May 31, 1999, which list sets forth the aging of such Accounts Receivable.

Except as expressly provided for in this Agreement, Sellers will cause all indebtedness owed to Company or Subsidiary by any Seller to be paid in full prior to Closing.

3.9. Inventory. All inventory of Company and Subsidiary, whether or not reflected in the Effective Date Financial Statements, consists of a quality and quantity usable and salable in the Ordinary Course of Business, except for immaterial amounts of obsolete items and items of below-standard quality, all of which have been written off or written down to net realizable value in the Effective Date Balance Sheet or on the accounting records of Company and Subsidiary as of the Closing Date, as the case may be.

The quantities of each item of inventory (whether raw materials, work-in-process, or finished goods) are not excessive, but are reasonable in the present circumstances of Company and Subsidiary.

3.10. No Undisclosed Liabilities. Except as set forth in **Schedule 3.10** of the Disclosure Schedule, neither Company nor Subsidiary has any liability or obligation of any nature (whether known or unknown and whether absolute, accrued, contingent, or otherwise) except for liabilities or obligations reflected or reserved against in the Effective Date Balance Sheet and current liabilities incurred in the Ordinary Course of Business since the date thereof.

3.11. Taxes.

3.11 1. Neither Company nor Subsidiary has been a member of an Affiliated Group filing a consolidated federal income Tax Return other than a group the common parent of which is HealthSpan Medical Management, Inc. ("HMMI"). Except as set forth on **Schedule 3.11** to the Disclosure Schedule, HealthSpan, Company and Subsidiary each have timely filed all Tax Returns required to be filed by them with respect to Company and Subsidiary, including, without limitation, all federal, state and local Tax Returns, have not extended the time to file any Tax Returns that otherwise currently would be due, and have paid in full or made adequate provision by the establishment of reserves for all Taxes and other charges which have become due or which are attributable to the conduct of Company's business and Subsidiary's business prior to Closing. HealthSpan, Company and Subsidiary will continue to make adequate provision for all such Taxes and other charges for all periods through the Closing Date.

Neither Company nor Subsidiary has any liability for Taxes of any person other than Company or Subsidiary (i) under Treasury Regulation § 1.1502-6 (or any similar provision of state, local or foreign law); (ii) as a transferee or successor; (iii) by contract (including, without limitation, a tax sharing agreement) or (iv) otherwise. Except as set forth on **Schedule 3.11** to the Disclosure Schedule, none of Sellers nor Company nor Subsidiary has any Knowledge of any tax deficiency proposed or threatened against Company, Subsidiary or the Affiliated Group of which HMMI is the common parent. There are no tax liens upon any property or assets of Company or Subsidiary. No claim has ever been made by an authority in a jurisdiction where either the Affiliated Group of which HMMI is the common parent, Company or Subsidiary does not file a Tax Return that any of them is or may be subject to taxation by that jurisdiction.

Except as set forth on **Schedule 3.11** to the Disclosure Schedule, HealthSpan, Company and Subsidiary have made all payments of estimated Taxes when due in amounts sufficient to avoid the imposition of any penalty with respect to Company, Subsidiary or the Affiliated Group of which HMMI is the common parent.

3.11.2. Except as set forth on **Schedule 3.11** to the Disclosure Schedule, all Taxes and other assessments and levies which HealthSpan, Company or Subsidiary was required by law to withhold or to collect on behalf of Company or Subsidiary or any of their employees, independent contractors, creditors, stockholders or other third parties have been duly withheld and collected, and have been paid over to the proper governmental entity.

3.11.3. Except as set forth in **Schedule 3.11** to the Disclosure Schedule, the Tax Returns of Company, Subsidiary or the Affiliated Group of which HMMI is the common parent have not been audited since March 1, 1995 by any tax authorities, nor are any such audits in process. Except as set forth in **Schedule 3.11** to the Disclosure Schedule there are no outstanding agreements or waivers extending the statute of limitations applicable to any Tax Returns of Company, Subsidiary or the Affiliated Group of which HMMI is the common parent for any period.

3.11.4. Under its contracts with its customers for the license or sale of Company Technology (as defined in Section 3.22. below), such customers are liable for any and all sales or use taxes imposed by virtue of or with respect to such sales or licenses.

3.12. No Material Adverse Change. Since May 31, 1999, there has not been any material adverse change in the business, operations, properties, prospects, assets, or condition of Company or Subsidiary, and no event, of which Company or Subsidiary has Knowledge, has occurred that is likely to result in such a material adverse change.

3.13. Employee Benefits Matters.

3.13.1. **Schedule 3.13.1** lists each Pension Plan, each Welfare Plan, and each Benefit Plan sponsored or maintained by or on behalf of, or to which contributions are or were made by, Company and/or any ERISA Affiliate within the last seven (7) years that provide or provided benefits, compensation or other remuneration to, or for the benefit of, current or former employees of Company and/or any Subsidiary or any other individual who provides services to Company and/or any Subsidiary (including, but not limited to, any shareholder, officer, director, employee or consultant), or any spouse, child or other dependent of such current or former employee or other individual (collectively, the "Company Plans"). Except as set forth on **Schedule 3.13.1** to the Disclosure Schedule, only current employees of Company and Subsidiary participate in the Company Plans, except as required by IRC § 4980B and/or ERISA §§ 601-609 or Minn. Stat. §§ 61A.092, 62A.148 or 62A.21. Copies of all Company Plans and, to the extent applicable, all related trust agreements, actuarial reports, and valuations for the most recent three (3) years, all summary plan descriptions, prospectuses, Annual Report Form 5500's or similar forms (and attachments thereto) for the most recent three (3) years, all Internal Revenue Service determination letters, and any related documents requested by Buyer, including all amendments, modifications and supplements thereto, all material employee and/or participant communications relating to each of the Company Plans, and all insurance contracts, administrative services agreements or contracts, have been delivered to Buyer, and all of the same are true, correct and complete.

3.13.2. Except as set forth in **Schedule 3.13.2**, with respect to each Company Plan to the extent applicable:

A. No litigation or administrative or other proceeding or investigation is pending or threatened involving such Plan or any administrator, fiduciary, employee, contributing employer, contractor or agent of such Plan.

B. To the Knowledge of Company and/or Subsidiary, such Plan has been administered and operated in compliance with, and has been amended to comply with, all applicable laws, rules, and regulations, including, without limitation, ERISA, the IRC, and the regulations issued under ERISA and the IRC.

C. Company and each ERISA Affiliate has made and as of the Closing Date will have made or accrued, all payments and contributions required, or reasonably expected to be required, to be made under the provisions of such Plan or required to be made under applicable laws, rules and regulations, with respect to any period prior to the Closing Date, such amounts to be determined using the ongoing actuarial and funding assumptions of the Plan if applicable.

D. Each such Plan that is a Pension Plan is fully funded in an amount sufficient to pay all liabilities (whether or not vested) accrued to the date hereof.

E. On the Closing Date each such Plan that is a Pension Plan will be fully funded in an amount sufficient to pay all liabilities (whether or not vested) accrued as of the Closing Date or adequate reserves will be set up on Company's books and records therefor.

F. Each such Plan has been administered and operated only in the ordinary and usual course and in accordance with its terms, and there has not been in the four (4) years prior hereto any increase in the liabilities of such Plan beyond increases typically experienced by employers similar to Company.

G. Each such Plan is not a multi-employer plan (as defined in ERISA §§ 3(37) or 4001(a)(3)), is not a single-employer plan (as defined in ERISA § 4001(a)(15)), and is not a defined benefit plan (as defined in ERISA § 3(35).

H. To the Knowledge of Company and/or Subsidiary, no Person has engaged in any "prohibited transaction" (as defined in ERISA § 406 or Code §§ 503(b) or 4975) with respect to such Plan on or prior to the Closing Date, and no Person who would be a fiduciary with respect to such Plan has breached any of his responsibilities or obligations imposed upon fiduciaries under Title I of ERISA which would subject Company, Subsidiary or any ERISA Affiliate, or any Person whom Company or Subsidiary has an obligation to indemnify, to any liability.

I. Such Plan contains provisions which allow benefits under the Plan to be discontinued at any time and for any reason, and which allow the Plan to be terminated (or Company's and/or Subsidiary's participation in the Plan to be terminated) by the Company and/or the Subsidiary at any time and for any reason, and, if such Plan were terminated (or the Company's and/or the Subsidiary's participation in such Plan were terminated) on or prior to the Closing Date, no additional liability would be incurred by Company or Subsidiary by such action.

J. All material communications to participants and beneficiaries with respect to each such Plan by Company and/or Subsidiary on or prior to the Closing Date have reflected accurately the documents and operations of such Plan, and neither Company nor

Subsidiary has, as of the Closing Date, any liability under any applicable law by reason of all material communications or failure to communicate with respect to or in connection with such Plan.

K. Each such Plan does not provide benefits to any former employee, or any other Person who is not performing services for Company or Subsidiary, except as required by IRC § 4980B and/or ERISA §§ 601-609 or Minn. Stat. §§ 61A.092, 62A.148 or 62A.21.

L. No liability to the Pension Benefit Guaranty Corporation ("PBGC") has been incurred or will be incurred as of the Closing Date by Company, Subsidiary or any ERISA Affiliate.

M. Neither Company, Subsidiary nor any ERISA Affiliate has ceased operations at any facility or withdrawn from any Pension Plan in a manner which could subject Company, Subsidiary or any ERISA Affiliate to liability under ERISA §§ 4062, 4063 or 4064, and no events have occurred or will occur on or prior to the Closing Date which might give rise to any liability of Company, Subsidiary or any ERISA Affiliate to the PBGC under Title IV of ERISA or which could reasonably be anticipated to result in any claims being made against Company, Subsidiary or ERISA Affiliate by the PBGC.

N. No entitlement to any benefit (including, but not limited to, severance pay, unemployment compensation or payment contingent upon a change in control or ownership of Company or Subsidiary) from any such Plan shall arise, and no acceleration or increase in benefits due any Person shall occur, by reason of the consummation of the transactions contemplated by this Agreement.

O. No contributions by any Person have ever been made to any trust which was used, or intended, to fund benefits under any Welfare Plan sponsored or maintained by the Company and/or the Subsidiary prior to the Closing Date.

3.13.3. Except for the Company Plans listed in **Schedule 3.13.1**, there exists no Pension Plan, Welfare Plan or Benefit Plan of any ERISA Affiliate (such affiliation being determined immediately prior to the Closing Date, and not thereafter) of Company or of Subsidiary which could possibly result in any liability (under any applicable law) being imposed upon Company or Subsidiary after the Closing Date.

3.13.4. The participants and beneficiary records with respect to each Plan providing benefits to employees or other Persons performing services for Company and Subsidiary and their spouses, dependents, etc., are in the custody of Company (or an agent of Company who must, upon demand, provide such records to Company), and such records accurately state the history of each participant and beneficiary in connection with each such Plan and accurately state the benefits earned by and/or owed to each such participant and beneficiary.

3.14. Compliance With Legal Requirements; Governmental Authorizations.

A. To their Knowledge, Company and Subsidiary each are, and at all times since December 31, 1994 each has been, in full compliance with each material Legal Requirement that is or was applicable to it or to the conduct or operation of their respective businesses or the ownership or use of any of their respective assets. No event has occurred or circumstance exists that (with or without notice or lapse of time) (i) is likely to constitute or result in a violation by Company or Subsidiary of, or a failure on the part of Company or Subsidiary to comply with, any material Legal Requirement or (ii) is likely to give rise to any obligation on the part of Company or Subsidiary to undertake, or to bear all or any portion of the cost of, any remedial action of any nature pursuant to a material Legal Requirement. Neither Company nor Subsidiary has received, at any time since December 31, 1994, any notice or other written communication from any Governmental Body or any other Person regarding (i) any actual, alleged, or Threatened violation of, or failure to comply with, any material Legal Requirement or (ii) any actual, alleged, or threatened obligation on the part of Company or Subsidiary to undertake, or to bear all or any portion of the cost of, any remedial action of any nature.

B. Neither Company nor Subsidiary hold any Governmental Authorizations and no material Governmental Authorization is necessary to conduct the business of Company or Subsidiary.

3.15. Legal Proceedings; Orders.

A. Except as set forth in **Schedule 3.15** of the Disclosure Schedule, there is no pending Proceeding:

(i) That has been commenced by or against Company or Subsidiary or to their Knowledge, is likely to adversely affect the business of, or any of the assets owned or used by, Company or Subsidiary; or

(ii) That challenges, or is likely to have the effect of preventing, delaying, making illegal, or otherwise interfering with, any of the Contemplated Transactions.

Except as set forth in **Schedule 3.15** of the Disclosure Schedule, to the Knowledge of HealthSpan, Company and Subsidiary, (i) no such Proceeding has been Threatened and (ii) no event has occurred or circumstance exists that is likely to give rise to or serve as a basis for the commencement of any such Proceeding. Sellers have delivered to Buyer copies of all pleadings and material correspondence, and other material documents relating to each Proceeding listed in **Schedule 3.15** of the Disclosure Schedule. The Proceedings listed in **Schedule 3.15** of the Disclosure Schedule will not, to the Knowledge of Company and Subsidiary, have a material adverse effect on the business, operations, assets, condition, or prospects of Company or Subsidiary.

B. Except as set forth in **Schedule 3.15** of the Disclosure Schedule:

(i) There is no Order to which Company, Subsidiary or any of their respective assets, is subject;

(ii) Neither Company nor Subsidiary, to their Knowledge, is subject to any Order that relates to the business of, or any of the assets owned or used by Company or Subsidiary; and

(iii) To the Knowledge of the Company and Subsidiary, no officer, director, agent, or employee of Company or Subsidiary is subject to any Order that prohibits such officer, director, agent, or employee from engaging in or continuing any conduct, activity, or practice relating to the business of Company or Subsidiary.

C. Except as set forth in **Schedule 3.15** of the Disclosure Schedule:

(i) Company and Subsidiary each are, and at all times since December 31, 1997, each has been, in full compliance with all of the terms and requirements of each Order (if any) to which it, or any of the assets owned or used by it, is or has been subject;

(ii) To Company and Subsidiary's Knowledge, no event has occurred or circumstance exists that is likely to constitute or result in (with or without notice or lapse of time) a violation of or failure to comply with any term or requirement of any Order to which Company or Subsidiary, or any of the assets owned or used by Company or Subsidiary, is subject; and

(iii) Neither Company nor Subsidiary has received, at any time since December 31, 1997, any notice or other communication (whether oral or written) from any Governmental Body or any other Person regarding any actual, alleged, or threatened violation of, or failure to comply with, any term or requirement of any Order to which Company or Subsidiary, or any of the assets owned or used by Company or Subsidiary, is or has been subject.

3.16. Absence of Certain Changes and Events. Except as set forth in **Schedule 3.16** of the Disclosure Schedule, since December 31, 1998, Company and Subsidiary have each conducted their respective businesses in the Ordinary Course of Business in all material respects and there has not been any:

A. Change in Company's or Subsidiary's authorized or issued capital stock; grant of any stock option or right to purchase shares of capital stock of Company or Subsidiary; issuance of any security convertible into such capital stock; grant of any registration rights; purchase, redemption, retirement, or other acquisition by Company or Subsidiary of any shares of any such capital stock; or declaration or payment of any dividend or other distribution or payment in respect of shares of capital stock;

B. Amendment to the Organizational Documents of Company or Subsidiary;

C. Adoption of, or increase in the payments to or benefits under, any profit sharing, bonus, deferred compensation, savings, insurance, pension, retirement, or other employee benefit plan for or with any employees of Company or Subsidiary;

D. Damage to or destruction or loss of any asset or property of Company or Subsidiary, whether or not covered by insurance, materially and adversely affecting the properties, assets, business, financial condition, or prospects of Company or Subsidiary, taken as a whole;

E. Termination of, or receipt of notice of termination of (i) any license, distributorship, dealer, sales representative, joint venture, credit, or similar agreement or (ii) any Contract or transaction involving a total remaining commitment by or to Company or Subsidiary of at least Ten Thousand and No/100 Dollars ($10,000.00);

F. Sale (other than sales of inventory in the Ordinary Course of Business), lease, or other material disposition of any asset or property of Company or Subsidiary or mortgage, pledge, or imposition of any lien or other encumbrance on any material asset or property of Company or Subsidiary, including the sale, lease, or other disposition of any of the Technology;

G. Cancellation or express waiver of any individual claim or right with a value to Company or Subsidiary in excess of Five Thousand and No/100 Dollars ($5,000.00);

H. Material change in the accounting methods used by Company or Subsidiary; or

I. Agreement, whether oral or written, by Company or Subsidiary to do any of the foregoing.

3.17. Contracts; No Defaults.

A. **Schedule 3.17(a)** of the Disclosure Schedule contains a complete and accurate list, and Sellers have caused Company to deliver (other than agreements on standard forms, the forms of which have been provided pursuant to this Agreement) to Buyer true and complete copies, of:

(i) Each Applicable Contract that involves performance of services or delivery of goods or materials by Company or Subsidiary of an amount or value annually in excess of Ten Thousand and No/100 Dollars ($10,000.00);

(ii) Each Applicable Contract that involves performance of services or delivery of goods or materials to Company or Subsidiary of an amount or value annually in excess of Ten Thousand and No/100 Dollars ($10,000.00);

(iii) Each Applicable Contract that was not entered into in the Ordinary Course of Business and that involves expenditures or receipts of Company or Subsidiary annually in excess of Ten Thousand and No/100 Dollars ($10,000.00);

(iv) Each lease, rental or occupancy agreement, license, installment and conditional sale agreement, and other Applicable Contract affecting the ownership of, leasing of, title to, use of, or any leasehold or other interest in, any real or personal property (except personal property leases and installment and conditional sales agreements having a value per item or aggregate payments annually of less than Ten Thousand and No/100 Dollars ($10,000.00) and with terms of less than one (1) year);

(v) Each License Agreement (as defined in Section 3.22.) or other Applicable Contract with respect to patents, trademarks, copyrights, or other intellectual property, including agreements with current or former employees, consultants, or contractors regarding the appropriation or the non-disclosure of any of the Technology;

(vi) Each collective bargaining agreement and other Applicable Contract to or with any labor union or other employee representative of a group of employees;

(vii) Each joint venture, partnership, and other similar Applicable Contract (however named) involving a sharing of profits, losses, costs, or liabilities by Company or Subsidiary with any other Person;

(viii) Each Applicable Contract containing covenants that in any way purport to restrict the business activity of Company or Subsidiary or limit the freedom of Company or Subsidiary to engage in any line of business or to compete with any Person;

(ix) Each power of attorney that is currently effective and outstanding;

(x) To Company and Subsidiary's Knowledge, each Applicable Contract entered into other than in the Ordinary Course of Business that contains or provides for an express undertaking by Company or Subsidiary to be responsible for consequential damages;

(xi) Each written warranty, guaranty, and or other similar undertaking with respect to contractual performance extended by Company or Subsidiary other than in the Ordinary Course of Business; and

(xii) Each written amendment, supplement, and modification in respect of any of the foregoing.

B. Except as set forth in **Schedule 3.17(b)** of the Disclosure Schedule:

(i) Neither HealthSpan nor any Related Person of HealthSpan (other than Company or Subsidiary) has or may acquire any rights under, and neither HealthSpan nor any such Related Person has or may become subject to any obligation or liability under, any Contract that relates to the business of, or any of the assets owned or used by, Company or Subsidiary; and

(ii) To Company and Subsidiary's Knowledge, no officer, director, agent or employee of Company or Subsidiary is bound by any Contract that purports to limit the ability of such officer, director, agent or employee to (1) engage in or continue any conduct,

activity, or practice relating to the business of Company or Subsidiary or (2) assign to Company or Subsidiary or to any other Person any rights to any invention, improvement, or discovery.

C. To Company and Subsidiary's Knowledge, except as set forth in **Schedule 3.17(c)** of the Disclosure Schedule, each Contract identified or required to be identified in **Schedule 3.17(a)** of the Disclosure Schedule is in full force and effect and is valid and enforceable in accordance with its terms.

D. Except as set forth in **Schedule 3.17(d)** of the Disclosure Schedule:

(i) Company and Subsidiary each are, and at all times since December 31, 1996, each has been, in full compliance with all material terms and requirements of each Contract under which such party has or had any obligation or liability or by which such party or any of the assets owned or used by such party is or was bound;

(ii) To Company and Subsidiary's Knowledge, each material obligation or liability under any Contract under which Company or Subsidiary has or had any rights is, and at all times since December 31, 1996, has been, enforced by the Company and Subsidiary;

(iii) To Company and Subsidiary's Knowledge, no event has occurred or circumstance exists that (with or without notice or lapse of time) is likely to contravene, conflict with, or result in a violation or breach of, or give Company, Subsidiary or other Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate, or modify, any Applicable Contract; and

(iv) Neither Company nor Subsidiary has given to or received from any other Person, at any time since December 31, 1996, any written notice or other written communication regarding any actual, alleged or threatened violation or breach of, or default under, any Contract.

E. All material Contracts relating to the sale, design, manufacture, or provision of products or services by Company and Subsidiary have been entered into in the Ordinary Course of Business and have been entered into without the commission of any act alone or in concert with any other Person, or any consideration having been paid or promised, that is or would be in violation of any material Legal Requirement.

3.18. Insurance.

A. Sellers have caused the Company to deliver to Buyer:

(i) True and complete copies of all policies of insurance issued by third parties to which either Company or Subsidiary is a party or under which Company or Subsidiary, or any director of Company or Subsidiary, is or has been covered at any time within the two (2) years preceding the date of this Agreement;

(ii) True and complete copies of all pending applications for policies of insurance; and

(iii) Any statement by the auditor of Company's financial statements with regard to the adequacy of such entity's coverage or of the reserves for claims.

B. Except as set forth on **Schedule 3.18(d)** of the Disclosure Schedule:

(i) All third party insurance policies to which Company or Subsidiary is a party or that provide coverage to any Seller, Company, Subsidiary or any director or officer of Company or Subsidiary:

(1) Are valid, outstanding, and enforceable;

(2) Taken together in the reasonable judgment of Sellers, provide adequate insurance coverage for the assets and the operations of Company and Subsidiary for all risks to which Company and Subsidiary are normally exposed;

(3) Are sufficient for compliance with all express statutory Legal Requirements and Contracts to which Company and/or Subsidiary is a party or by which either of them are bound;

(4) Unless otherwise directed by Buyer, will continue in full force and effect following the consummation of the Contemplated Transactions; and

(5) Do not provide for any retrospective premium adjustment or other experienced-based liability on the part of Company or Subsidiary.

(ii) Neither Company nor Subsidiary has received (1) any refusal of coverage or any notice that a defense will be afforded with reservation of rights or (2) any notice of cancellation or any other indication that any insurance policy is no longer in full force or effect or will not be renewed or that the issuer of any policy is not willing or able to perform its obligations thereunder.

(iii) Company and Subsidiary have each paid all premiums due, and have otherwise performed all of their respective material obligations, under each third party insurance policy to which Company or Subsidiary is a party or that provides coverage to Company, Subsidiary or director or officer thereof.

(iv) Company and Subsidiary have each given notice to the insurer of all claims that may be insured thereby, except for claims for which the failure to give notice would not have a material adverse effect on Company or Subsidiary.

3.19. Environmental Matters. Except as set forth in **Schedule 3.19** of the Disclosure Schedule, Company and Subsidiary have each obtained and each are in material compliance with all permits, licenses and other authorizations required to do business by Environmental Requirements. There are no conditions, circumstances, activities, practices, incidents, or actions

(collectively, "Conditions") resulting from the conduct of their respective businesses which Conditions may reasonably form the basis of any claim or suit against Company or Subsidiary based on or related to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling by Company or Subsidiary, or the emission, discharge, release or threatened release by Company or Subsidiary into the environment, of any pollutant, contaminant, or hazardous or toxic materials, substances or wastes.

3.20. Employees.

A. **Schedule 3.20** of the Disclosure Schedule contains a complete and accurate list of the following information for each employee of Company and Subsidiary, including each employee on leave of absence or layoff status: employer; name; job title; current compensation; vacation accrued (as of May 31, 1999); and date of hire for purposes of benefit accrual, vesting and eligibility to participate (where applicable) under the Company's or the Subsidiary's Pension Plans, Welfare Plans and Benefit Plans. Except as set forth on **Schedule 3.20**, each employee of Company and Subsidiary has entered into a form "Employment Agreement" substantially in the form of the "Standard" or "Manager" form employment agreements attached to **Schedule 3.20** and each employee of Company and Subsidiary executed his or her employment agreement prior to or on the first (1st) day of said employee's employment with Company or Subsidiary, as the case may be, as a condition of employment with said company.

B. To the Knowledge of Company and Subsidiary, no employee of Company or Subsidiary is a party to, or is otherwise bound by, any agreement or arrangement, including any confidentiality, noncompetition, or proprietary rights agreement, between such employee and any other Person ("Proprietary Rights Agreement") that adversely affects or will affect (i) the performance of his or her duties as an employee of Company or Subsidiary or (ii) the ability of Company or Subsidiary to conduct their respective businesses, including any Proprietary Rights Agreement with Sellers, Company or Subsidiary by any such employee.

3.21. Labor Relations; Compliance. Neither Company nor Subsidiary has been nor is either a party to any collective bargaining or other organized labor Contract. There has not been, there is not presently pending or existing, and to Company's and/or Subsidiary's Knowledge there is not Threatened:

A. Any strike, slowdown, picketing, work stoppage or employee grievance process;

B. Except as listed in **Schedule 3.21**, any Proceeding against or affecting Company or Subsidiary relating to the alleged violation of any Legal Requirement pertaining to labor relations or employment matters, including any charge or complaint filed by an employee or union with the National Labor Relations Board, the Equal Employment Opportunity Commission, or any comparable Governmental Body, organizational activity, or other labor or employment dispute against or affecting Company, Subsidiary or their respective premises; or

C. Any application for certification of a collective bargaining agent.

To Knowledge of Company, HealthSpan and Subsidiary, no event has occurred or circumstance exists that is likely to provide the basis for any work stoppage or other labor dispute. There is no lockout of any employees by Company or by Subsidiary, and no such action is contemplated by Company or by Subsidiary. To the Knowledge of Company and Subsidiary, each have each complied in all material respects with all Legal Requirements relating to employment, equal employment opportunity, nondiscrimination, immigration, wages, hours, benefits, collective bargaining, the payment of social security and similar taxes, occupational safety and health and plant closing.

Neither Company nor Subsidiary is liable for the payment of any compensation, Damages, taxes, fines, penalties, or other amounts, however, designated, for failure to comply with any of the foregoing Legal Requirements.

3.22. Intellectual Property Rights of Company and Subsidiary.

A. Definitions. As used in this Section 3.22. and in addition to any other terms defined herein, the following defined terms shall have the following meanings:

(i) "Intellectual Property Rights" means any and all rights to exclude others existing, from time to time, in a specified jurisdiction under copyright law, U.S. patent law, U.S. laws similar to moral rights law, trade-secret law, U.S. semiconductor chip protection law, U.S. trademark law, unfair competition law, or other similar rights.

(ii) "Mass-Market Software" means third party software that is acquired in a retail market transaction under terms and in a quantity consistent with an ordinary transaction in that market and not for redistribution or customization.

(iii) "Technology" means any computer program, operating system, applications system, firmware or software of any nature, whether operational or under development for which source code or specifications for source code have been prepared, including all object code, source code, technical manuals, user manuals and other documentation thereof, whether in machine-readable form, programming language or any other language or symbols and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper or other media of any nature and all current and historical data bases, research records, test information, market surveys, know-how, processes and procedures.

B. Unless the context otherwise requires, the representations and warranties in this Section 3.22. are limited to the Intellectual Property Rights and/or Technology used (whether directly or outsourced to a third party) and/or licensed by Company and/or Subsidiary in connection with their respective businesses on or prior to the Closing.

C. Set forth in **Schedule 3.22(c)** is (i) a complete list of each registration of patents, copyrights, trademarks, service marks, trade names, and any other Intellectual Property Rights which have been issued to Company or Subsidiary (collectively "Registrations"); (ii) a complete list of each pending Registration of Company and Subsidiary and (iii) a complete list of

all of Company's and Subsidiary's applications for or Registrations which have been withdrawn, abandoned, or have lapsed or been denied. A summary of any written advice to Company or Subsidiary with respect to the Registration or protectability of the Intellectual Property Rights relating to the Registrations has been supplied to Buyer and InfoCure. With respect to the Registrations, to the extent applicable and due, all affidavits of use or continuing use have been filed and all current maintenance fees have been paid.

D. **Schedule 3.22(d)** sets forth an accurate and complete list of all material Intellectual Property Rights owned by or licensed to Company or to Subsidiary that are not covered by the Registrations, which description indicates the nature of Company's and Subsidiary's rights or title to such Intellectual Property Rights if such rights are not owned exclusively by Company or Subsidiary (such Intellectual Property Rights, whether material or not, are collectively referred to as the "Unregistered Intellectual Property Rights"). The Intellectual Property Rights covered by the Registrations and the Unregistered Intellectual Property Rights are collectively referred to in this Section 3.22. as "Company's Intellectual Property Rights."

E. To the Knowledge of the Company or Subsidiary, neither Company nor Subsidiary has made and neither of them is using any unauthorized copies of any Mass-Market Software and to the Knowledge of the Company or Subsidiary, none of the employees, agents or representatives of Company or Subsidiary have made or are using any such unauthorized copies.

F. Set forth in **Schedule 3.22(f)** is an accurate and complete list (including a name, product description) of all of the following:

(i) All Technology owned by Company and Subsidiary or under development by Company or Subsidiary ("Owned Technology").

(ii) All Technology, other than the Owned Technology and Mass-Market Software, that is either (1) offered or provided to Company's or Subsidiary's customers and currently used by any such customers or (2) used by Company or Subsidiary in connection with offering or providing the Owned Technology to Company's or Subsidiary's customers or providing services to Company's or Subsidiary's customers (collectively, the "Third Party Technology").

Except as set forth in **Schedule 3.22(f)**, Company or Subsidiary, as the case may be, has good and marketable title to the Owned Technology and all Intellectual Property Rights therein, free and clear of any liens, claims, charges or encumbrances which would affect the use of the Owned Software in connection with the operation of Company's or Subsidiary's business as currently conducted. Owned Technology and Third Party Technology is hereafter referred to collectively as "Company's Technology."

G. No Technology other than Company's Technology and no Intellectual Property Rights other than Company's Intellectual Property Rights are required to operate the business as presently conducted and as contemplated in the Company's and Subsidiary's

existing, written product plans, except to the extent such product plans identify Technology and Intellectual Property Rights that may be required to commercialize the products.

H. **Schedule 3.22(h)** identifies and attaches each form of license agreement or other written or oral agreement or permission by which Company or Subsidiary has granted any rights to Company's Technology to any third party, including, but not limited to, distribution agreements and customer agreements (all license agreements or other written or oral agreement or permission by which Company or Subsidiary has granted any rights to Company's Technology to any third party are collectively referred to as the "License Agreements"). All of Company's and Subsidiary's contracts with customers for Company's Technology are evidenced by written agreements containing provisions reasonably equivalent to those terms contained in **Schedule 3.22(h)** or as otherwise disclosed in **Schedule 3.22(h)**.

I. **Schedule 3.22(i)** identifies each agreement or other written or oral agreement or permission with a third party authorizing Company or Subsidiary to use, sublicense and/or distribute the Third Party Technology (collectively, "Third Party License Agreements"), except that **Schedule 3.22(i)** does not identify any such agreement or permission that is not currently being distributed to or used or licensed by licensees of the Owned Technology.

J. **Schedule 3.22(j)** describes each agreement entered into by Company or Subsidiary providing for the delivery of the source code of Company's Technology, whether immediately, upon the passage of time or upon the occurrence of certain events, and lists each third party to whom any Company's Technology in source code form has been provided.

K. [**Intentionally Omitted**].

L. Company and Subsidiary have each complied in all material respects with all License Agreements and Third Party License Agreements, and to Company's or Subsidiary's Knowledge all other parties to such agreements have complied in all material respects with all provisions thereof.

M. None of the past or current uses by or through Company or Subsidiary of the Owned Technology and, to Company's or Subsidiary's actual knowledge without inquiry, the Third Party Technology, has violated or infringed upon, or is violating or infringing upon, any Intellectual Property Rights of any third party.

N. To Company's or Subsidiary's Knowledge, no third party is either violating or infringing upon, or has violated or infringed upon at any time, any of Company's Intellectual Property Rights.

O. No litigation is pending and no claim has been made against Company or Subsidiary or, to Company's or Subsidiary's Knowledge, is threatened, which contests the right of Company or Subsidiary to sell or license to any person or use any of Company's Technology.

P. Neither Company nor Subsidiary is a party to or bound by and, upon the consummation of the transactions contemplated by this Agreement, Buyer will not be a party to

or bound by (as a result of any acts or agreements of Company or Subsidiary), any license or other agreement requiring the payment by Company, Subsidiary or any of their respective assigns of any royalty or license payment, excluding such agreements relating to the Third Party Technology to the extent such royalty or license payment is expressly set forth on **Schedule 3.22(p)**.

Q Except as set forth on **Schedule 3.22(q)**, the Owned Technology and the Third Party Technology are "Millennium Compliant." For the purposes of this Agreement "Millennium Compliant" means:

(i) The functions, calculations, and other computing processes of the Owned Technology and, to Company's or Subsidiary's actual knowledge, after inquiry, Third Party Technology (collectively, "Processes"), perform in an accurate manner regardless of the date in time on which the Processes are actually performed and regardless of the date input to the Owned Technology and Third Party Technology, whether before, on, or after January 1, 2000 (but prior to 2080), and whether or not the dates are affected by leap years;

(ii) The Owned Technology and, to Company's or Subsidiary's actual knowledge, after inquiry, Third Party Technology accept, store, sort, extract, sequence, and otherwise manipulate date inputs and date values, and return and display date values, in an accurate manner regardless of the dates used, whether before, on, or after January 1, 2000 (but prior to 2080);

(iii) The Owned Technology and, to Company's or Subsidiary's actual knowledge, after inquiry, Third Party Technology will function without interruptions caused by the date in time on which the Processes are actually performed or by the date input to the Owned Technology and Third Party Technology, whether before, on, or after January 1, 2000 (but prior to 2080);

(iv) The Owned Technology and, to Company's or Subsidiary's actual knowledge, after inquiry, Third Party Technology accept and respond to two (2) digit year and four (4) digit year date input in a manner that resolves any ambiguities as to the century in a defined, predetermined, and accurate manner;

(v) The Owned Technology and, to Company's or Subsidiary's actual knowledge, after inquiry, Third Party Technology display, print, and provide electronic output of date information in ways that are unambiguous as to the determination of the century; and

(vi) The Owned Technology has been tested by Company or Subsidiary to determine whether the Owned Technology is Millennium Compliant, and the Third Party Technology, to Company's or Subsidiary's actual knowledge, after inquiry, has been tested by, or has been warranted to have been tested by, the third party providing the Third Party Technology, to the extent that such testing information has been disclosed by such third party. Company shall deliver the test plans and results of such tests upon receipt of Buyer's written request. Company shall notify Buyer immediately of the results of any test or any claim or other information that indicates the Owned Technology is not Millennium Compliant.

R. Without limiting any of the foregoing, to Company's or Subsidiary's Knowledge, none of Company's or Subsidiary's employees or independent contractors have disclosed to any person (without obligation of confidentiality) or otherwise used or utilized on behalf of any person other than Company or Subsidiary, any trade secrets or proprietary information of Company or Subsidiary, including, without limitation, the source code for Company's Technology, or trade secrets or proprietary information of third parties for which Company or Subsidiary is contractually obligated not to disclose or use.

S. **Schedule 3.22(s)** identifies all independent contractors who have contributed within the last four (4) years to the development of Company's Technology.

T. Company's Technology in software form that is offered or provided to Company's and Subsidiary's customers:

(i) Substantially performs in accordance with all published specifications for such software Technology;

(ii) Substantially complies with all other published documentation, descriptions and literature with respect to such software Technology; and

(iii) Substantially complies with all representations, warranties and other requirements specified in all the License Agreements.

Except as set forth on **Schedule 3.22(t)** or **Schedule 3.22(j)**, no License Agreement with a customer provides for (i) the assignment to the customer therein of any Intellectual Property Rights relating to Company's Technology or (ii) the right to sublicense or otherwise transfer to a third party any of the Intellectual Property Rights relating to Company's Technology.

U. Except as set forth on **Schedule 3.22(u)**, each past or present customer of Company and Subsidiary to whom Company or Subsidiary disclosed any of the confidential information or trade secrets constituting Intellectual Property Rights relating to Company's Technology is bound by a confidentiality provision which requires such past or present customer to take reasonable steps to protect the rights of Company and Subsidiary in the Intellectual Property Rights relating to Company's Technology.

3.23. Certain Payments. Since December 31, 1997, neither Company nor Subsidiary nor any director, officer or agent of Company or Subsidiary, nor to HealthSpan's Knowledge any other Person associated with or acting for or on behalf of Company or Subsidiary, has directly or indirectly on behalf of Company or Subsidiary:

A. Made any illegal contribution, gift, bribe, rebate, payoff, influence payment, kickback, or other payment to any Person, private or public, regardless of form, whether in money, property, or services (i) to obtain favorable treatment in securing business; (ii) to pay for favorable treatment for business secured; (iii) to obtain special concessions or for special concessions already obtained, for or in respect of Company or Subsidiary or any Affiliate of Company or Subsidiary or (iv) in violation of any Legal Requirement.

B. Established or maintained any fund or asset that has not been recorded in the books and records of Company or Subsidiary, except for funds or assets of a *de minimis* and non-material nature.

3.24. Disclosure. To the Knowledge of Allina, HealthSpan, Subsidiary and Company, no representation or warranty of Allina in this Agreement and no statement in the Disclosure Schedule omits to state a material fact necessary to make the statements herein or therein, in light of the circumstances in which they were made, not misleading.

3.25. Potential Conflicts of Interest. Except as disclosed in **Schedule 3.25**, (i) no officer, director or shareholder of the Company or Subsidiary and (ii) no spouse, child, parent or sibling of any such officer, director or shareholder:

A. Owns or holds, directly or indirectly, any interests in or is an officer, director, employee or consultant of, any business, entity or organization which is (or is engaged in business as) a competitor, supplier or customer of the Company or Subsidiary (except stock holdings of less than one percent (1%) held for investment purposes in securities of publicly held and traded companies);

B. Owns or holds, directly or indirectly, in whole or in part, any property or rights (tangible or intangible) that the Company or Subsidiary uses in the conduct of its business; or

C. Owns or holds (directly or indirectly) any debt or other obligation of the Company or Subsidiary, is owed any dividends by the Company or Subsidiary, or owes any amount to the Company or Subsidiary.

3.26. Brokers or Finders. Except as set forth in **Schedule 3.26** of the Disclosure Schedule, Sellers and their agents have incurred no obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payment in connection with this Agreement.

3A. REPRESENTATIONS AND WARRANTIES OF MINORITY SHAREHOLDERS.

Except as disclosed in the Disclosure Schedules, each Seller (other than HealthSpan) represents and warrants to Buyer, with regards to such Seller, as follows:

3A.1. Shares Owned by Minority Shareholders.

A. The number of Shares listed opposite such Seller's name on **Schedule 3.1** of the Disclosure Schedule represents the number of Shares owned by such Seller. Such Seller is and will be on the Closing Date the record and beneficial owner and holder of the Shares listed opposite such Seller's name on **Schedule 3.1** of the Disclosure Schedule, free and clear of all Encumbrances, except for Encumbrances that exist under the Stock Transfer Agreement.

B. Except for any right such Seller may have under the Stock Transfer Agreement and except for the Shares listed opposite such Seller's name of **Schedule 3.1** of the Disclosure Schedule, such Seller holds no ownership interest or other beneficial interest, direct or indirect, in the Company or Subsidiary, including, without limitation, any pre-emptive or nondilution right, option, warrant, put, call, right of first refusal or conversion right.

3A.2. Authority of Minority Shareholders; No Conflict.

A. This Agreement constitutes the legal, valid, and binding obligation of such Seller, enforceable against such Seller in accordance with its terms. Upon the execution and delivery by such Seller of this Agreement, this Agreement will constitute the legal, valid and binding obligation of such Seller, enforceable against such Seller in accordance with its terms.

B. Except for the restrictions under the Stock Transfer Agreement, which by the express terms of this Agreement do not create a conflict, such Seller has the absolute and unrestricted right, power, authority, and capacity to execute and deliver this Agreement and to perform such Seller's obligations hereunder.

4. REPRESENTATIONS AND WARRANTIES OF BUYER AND INFOCURE

Buyer and InfoCure, jointly and severally, represent and warrant to Sellers as follows:

4.1. Organization and Good Standing. Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the State of Georgia. InfoCure is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware.

4.2. Authority. This Agreement constitutes the legal, valid, and binding obligation of Buyer and InfoCure, enforceable against Buyer and InfoCure in accordance with its terms. Upon the execution and delivery by Buyer and InfoCure of the Escrow Agreement (the "Buyer's Closing Documents"), Buyer's Closing Documents will constitute the legal, valid, and binding obligations of Buyer and InfoCure, enforceable against Buyer and InfoCure in accordance with their respective terms. Buyer and InfoCure each have the absolute and unrestricted right, power, and authority to execute and deliver this Agreement and Buyer's Closing Documents and to perform their respective obligations under this Agreement and Buyer's Closing Documents.

4.3. Investment Intent. Buyer is acquiring the Shares for its own account and not with a view to their distribution within the meaning of Section 2(11) of the Securities Act.

4.4. Certain Proceedings. There is no pending Proceeding that has been commenced against Buyer or InfoCure and that challenges, or may have the effect of preventing, delaying, making illegal, or otherwise interfering with, any of the Contemplated Transactions. To Buyer's Knowledge, no such Proceeding has been Threatened.

4.5. Brokers or Finders. Neither Buyer nor InfoCure nor any of their respective officers and agents have incurred any obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payment in connection with this Agreement and Buyer and InfoCure will indemnify and hold Sellers harmless from any such

payment alleged to be due by or through Buyer or InfoCure as a result of the action of Buyer, InfoCure or any of their respective officers or agents.

5. RESERVED.

6. RESERVED.

7. CONDITIONS PRECEDENT TO BUYER'S OBLIGATION TO CLOSE.

Buyer's obligation to purchase the Shares and to take the other actions required to be taken by Buyer at the Closing is subject to the satisfaction, at or prior to the Closing, of each of the following conditions (any of which may be waived by Buyer, in whole or in part):

7.1. Accuracy of Representations. All of Allina's and Sellers' representations and warranties in this Agreement (considered collectively), and each of these representations and warranties (considered individually), must have been accurate in all material respects on the date this Agreement was executed, and must be accurate in all material respects as of the Closing Date as if made on the Closing Date.

7.2. Sellers' and Allina's Performance.

A. All of the covenants and obligations that Sellers and Allina's are required to perform or to comply with pursuant to this Agreement at or prior to the Closing (considered collectively), and each of these covenants and obligations (considered individually), must have been duly performed and complied with in all material respects.

B. Each document required to be delivered pursuant to Section 2.5. must have been delivered.

C. Company shall have net working capital as of May 31, 1999, as shown on the Effective Date Balance Sheet, which net working capital ("Target Working Capital") shall not be materially different from (defined for purposes hereof as fifteen percent (15%) more or less than) the net working capital of the Company reflected on the March 31, 1999 summary balance sheet of the Company provided to Buyer ("March 31 Net Working Capital"). In the event Target Working Capital as shown on the Effective Date Balance Sheet is more than fifteen percent (15%) less than March 31 Net Working Capital, then (i) HealthSpan shall have the right, but not the obligation, to remedy such deficiency by contributing to the capital of Company by Closing sufficient working capital to remedy such deficiency and (ii) in the event that HealthSpan elects not to remedy such deficiency, Buyer and InfoCure's sole remedy against Sellers with respect to this paragraph shall be to exercise its rights not to close the Contemplated Transactions.

7.3. Consents. Each of the Consents identified in **Schedule 3.2** of the Disclosure Schedule must, except as otherwise noted on **Schedule 3.2**, have been obtained and must be in full force and effect.

7.4. Additional Documents. Sellers and Allina, as the case may be, shall deliver such other documents as Buyer may reasonably request for the purpose of (i) evidencing the accuracy of any of Sellers' and Allina's representations and warranties; (ii) evidencing the performance by any Seller or Allina of, or the compliance by any Seller or Allina with, any covenant or obligation required to be performed or complied with by such Seller or Allina, as the case may be; (iii) evidencing the satisfaction of any condition referred to in this Section 7. or (iv) otherwise facilitating the consummation or performance of any of the Contemplated Transactions.

7.5. No Proceedings. There must not have been commenced or Threatened against Buyer, or against any Person affiliated with Buyer, any Proceeding (i) involving any challenge to, or seeking Damages or other relief in connection with, any of the Contemplated Transactions or (ii) that is likely to have the effect of preventing, delaying, making illegal, or otherwise interfering with any of the Contemplated Transactions.

7.6. No Claim Regarding Stock Ownership or Sale Proceeds. There must not have been made or Threatened by any Person (who is not a Seller) any claim asserting that such Person (i) is the holder or the beneficial owner of, or has the right to acquire or to obtain beneficial ownership of, any stock of, or any other voting, equity, or ownership interest in, any of Company or (ii) is entitled to all or any portion of the Purchase Price payable for the Shares.

7.7. Marudas. Company shall have spun-off or otherwise disposed of all of the stock of Marudas and shall no longer conduct the business known as "Marudas Print Services and Promotional Products."

8. CONDITIONS PRECEDENT TO SELLERS' OBLIGATION TO CLOSE

Sellers' obligation to sell the Shares and to take the other actions required to be taken by Sellers at the Closing is subject to the satisfaction, at or prior to the Closing, of each of the following conditions (any of which may be waived by HealthSpan, in whole or in part):

8.1. Accuracy of Representations. All of Buyer's and InfoCure's representations and warranties in this Agreement (considered collectively), and each of these representations and warranties (considered individually), must have been accurate in all material respects on the date this Agreement was executed and must be accurate in all material respects as of the Closing Date as if made on the Closing Date.

8.2. Buyer's Performance.

A. All of the covenants and obligations that Buyer and InfoCure are each required to perform or to comply with pursuant to this Agreement at or prior to the Closing (considered collectively), and each of these covenants and obligations (considered individually), must have been performed and complied with in all material respects.

B. Buyer and InfoCure must have delivered each of the documents required to be delivered by Buyer or InfoCure pursuant to Section 2.4. and must have made the cash payment required to be made by Buyer pursuant to Sections 2.2.

8.3. Consents. Each of the Consents identified in **Schedule 3.2** of the Disclosure Schedule, except as otherwise noted on **Schedule 3.2**, must have been obtained and must be in full force and effect.

8.4. Additional Documents. Buyer and InfoCure must have caused the following documents to be delivered to Sellers and Allina and such other documents as Sellers or Allina may reasonably request for the purpose of (i) evidencing the accuracy of any representation or warranty of Buyer or InfoCure; (ii) evidencing the performance by Buyer and InfoCure of, or the compliance by Buyer and InfoCure with, any covenant or obligation required to be performed or complied with by Buyer or InfoCure; (iii) evidencing the satisfaction of any condition referred to in this Section 8. or (iv) otherwise facilitating the consummation of any of the Contemplated Transactions.

8.5. No Proceeding. There must not have been commenced or Threatened against Buyer, or against any Person affiliated with Buyer, any Proceeding (i) involving any challenge to, or seeking Damages or other relief in connection with, any of the Contemplated Transactions or (ii) that is likely to have the effect of preventing, delaying, making illegal, or otherwise interfering with any of the Contemplated Transactions.

9. TERMINATION

9.1. Termination Events. This Agreement may, by notice given prior to or at the Closing, be terminated:

A. By either Buyer or HealthSpan if a material Breach of any provision of this Agreement has been committed by the other party and such Breach has not been waived or cured;

B. (i) By Buyer if any of the conditions in Section 7. has not been satisfied as of the Closing Date or if satisfaction of such a condition is or becomes impossible (other than through the failure of Buyer to comply with its obligations under this Agreement) and Buyer has not waived such condition on or before the Closing Date;

(ii) By HealthSpan, if any of the conditions in Section 8. has not been satisfied as of the Closing Date or if satisfaction of such a condition is or becomes impossible (other than through the failure of Sellers to comply with their obligations under this Agreement) and HealthSpan has not waived such condition on or before the Closing Date; or

C. By mutual consent of Buyer and HealthSpan; or

D. By either Buyer or HealthSpan if the Closing has not occurred (other than through the failure of any party seeking to terminate this Agreement to comply fully with its obligations under this Agreement) on or before July 15, 1999, or such later date as the parties may agree upon.

9.2. Effect of Termination. Each party's right of termination under Section 9.1. is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated pursuant

to Section 9.1., all further obligations of the parties under this Agreement will terminate, except that the obligations in Sections 11.6. and 11.8. will survive; provided, however, that if this Agreement is terminated by a party because of the Breach of the Agreement by the other party or because one (1) or more of the conditions to the terminating party's obligations under this Agreement is not satisfied as a result of the other party's failure to comply with its obligations under this Agreement, the terminating party's right to pursue all legal remedies will survive such termination unimpaired.

10. INDEMNIFICATION; REMEDIES.

10.1. Agreement by Sellers and Allina to Indemnify. Solely with respect to representations and warranties of Minority Shareholders under Article 3A. hereof, each Minority Shareholder, severally but not jointly, agrees to indemnify and hold Buyer and InfoCure harmless in respect of the aggregate of all Indemnifiable Damages of Buyer and InfoCure relating to such representations and warranties; provided, however, that each Minority Shareholder shall only be responsible for Indemnifiable Damages relating to a representation or warranty made specifically by such Minority Shareholder.

HealthSpan and Allina (together with the Minority Shareholders, to the extent applicable pursuant to the immediately preceding paragraph, the "Seller Indemnifying Parties"), jointly and severally agree that they will indemnify and hold Buyer and InfoCure harmless in respect of the aggregate of all Indemnifiable Damages of Buyer and InfoCure.

For this purpose, "Indemnifiable Damages" of Buyer or InfoCure means the aggregate of all Damages incurred or suffered by Buyer or InfoCure resulting from:

A. Any liability of any of Company or Subsidiary for Taxes of any person other than Company and Subsidiary (i) under Reg. § 1.502-6 (or any similar provision of state, local or foreign law); (ii) as a transferee or successor; (iii) by contract or (iv) otherwise;

B. Any inaccurate representation or warranty made by HealthSpan, Allina or any Minority Shareholders in or pursuant to this Agreement;

C. Any default in the performance of any of the covenants or agreements made by HealthSpan, Allina or any Minority Shareholders in this Agreement;

D. Any liability in excess of amounts accrued on the Effective Date Balance Sheet for:

(i) The business (whether such claim arises before or after Closing, but only to the extent such liability does not relate to post-closing transactions between Marudas and the Company) of Marudas, including, without limitation, (1) any liability for Taxes resulting from the spin-off of Marudas as contemplated in Section 7.7. above and (2) any liability relating to the Marudas obligations referred to in Section 11.23. herein;

(ii) The dispute with Oakdale Obstetrics & Gynecology, P.A. referred to on **Schedule 3.10**; and

(iii) The State of Minnesota audit and the Internal Revenue Service audit referred to on **Schedule 3.11**.

Without limiting the generality of the foregoing, with respect to the measurement of "Indemnifiable Damages", Buyer shall have the right to be put in the same financial position as it would have been had each of the representations and warranties of Sellers been true and correct and had each of the covenants of Sellers been performed in full, except that Indemnifiable Damages shall not include incidental or consequential damages.

The foregoing obligation of Seller Indemnifying Parties to indemnify Buyer shall be subject to each of the following principles or qualifications:

10.1.1. Each of the representations and warranties made by HealthSpan, Allina or any Minority Shareholder in this Agreement, shall survive for a period of two (2) years following the Closing; provided, however, (i) that the representations and warranties made by HealthSpan, Allina or such Minority Shareholder to the extent they relate to title to such party's Shares shall survive forever; (ii) that the representations and warranties made by HealthSpan and Allina in Section 3.11. hereof ("Tax Matters") shall in each case survive until the six (6) month anniversary of the later of (1) the date on which the applicable period of limitation on assessment or refund of tax has expired or (2) the date on which the applicable taxable year (or portion thereof) has closed and (iii) that the representations and warranties made by Sellers in Section 3.13. hereof ("Employee Benefits Matters") shall survive following the Closing Date with respect to Indemnifiable Damages arising from the actions of third parties until the date on which the applicable statute of limitations for any such third party claim would have expired.

No claim for the recovery of Indemnifiable Damages as a result of an inaccurate representation or warranty may be asserted by Buyer or InfoCure against Seller Indemnifying Parties or their successors in interest after such representations and warranties shall be thus extinguished; provided, however, that claims first asserted in writing within the applicable period shall not thereafter be barred. In addition, Seller Indemnifying Parties shall have no liability with respect to Indemnifiable Damages until the total of all such Damages exceeds One Hundred Thousand and No/100 Dollars ($100,000.00) in which event Seller Indemnifying Parties shall be obligated to indemnify Buyer as provided herein for all such Damages in excess of One Hundred Thousand and No/100 Dollars ($100,000.00); provided, however, this sentence shall not apply with respect to Indemnifiable Damages resulting from the matters described in clauses A., D.(i) and the Internal Revenue Service audit described in D.(iii) of Section 10.1. Notwithstanding the foregoing, (i) in no event shall the aggregate liability of Seller Indemnifying Parties under this Section 10. exceed eighty percent (80%) of the Purchase Price; (ii) the amount of Indemnifiable Damages shall be calculated to be the cost or loss to Buyer and InfoCure after giving effect to amounts recoverable under insurance with respect thereto and (iii) Indemnifiable Damages relating to Employee Benefits Matters shall be limited to claims originating from third parties and not from actions of the Company, Subsidiary, Buyer or InfoCure. It is further agreed that there shall be no recovery against any Seller of any amount under this Section 10. or this Agreement that would be recoverable under insurance of the Company or Subsidiary in effect on the date hereof or any insurance maintained by Buyer or InfoCure.

10.1.2. Other Agreements; Exclusive Remedy. Any indemnity obligations which Seller Indemnifying Parties may have to Buyer or InfoCure shall first be discharged from the funds held in escrow pursuant to Section 2.5.A.(v) above. The parties acknowledge and agree that the Escrow Fund (as defined in the Escrow Agreement) shall not be the exclusive source of funds for the indemnities set forth herein in the event that indemnification is payable hereunder and the funds in the Escrow Fund have been fully disbursed; provided, however, that notwithstanding any other provision in this Agreement, the Escrow Agreement or any other agreement delivered herewith, (i) in no instance will any Seller Indemnifying Parties be liable to Buyer, InfoCure or any other Person for any indemnity hereunder (or any other Damages whatsoever) to the extent that such indemnities (or other Damages) in the aggregate exceed the limits set forth in paragraph 10.1.1. and (ii) the right to indemnification pursuant to this Section 10. shall be the exclusive remedy for monetary damages with respect to any claims of Buyer or InfoCure or any other Person under this Agreement.

10.2. Agreements by Buyer to Indemnify. Buyer and InfoCure, jointly and severally, (the "Buyer Indemnifying Party"), agree to indemnify and hold Sellers (the "Seller Indemnified Parties") harmless in respect of the aggregate of all Indemnifiable Damages of any of Seller Indemnified Parties. For purposes of this paragraph, HealthSpan shall have the sole right to bring claims on behalf of the Seller Indemnified Parties.

For this purpose, "Indemnifiable Damages" of any of Seller Indemnified Parties means the aggregate of all Damages incurred or suffered by any of Seller Indemnified Parties resulting from:

A. Any inaccurate representation or warranty made by Buyer or pursuant to this Agreement; or

B. Any default in the performance of any of the covenants or agreements made by Buyer in this Agreement.

Without limiting the generality of the foregoing, with respect to the measurement of "Indemnifiable Damages", each of Seller Indemnified Parties shall have the right to be put in the same financial position as they would have been had each of the representations and warranties of Buyer Indemnifying Parties been true and correct and had each of the covenants of Buyer Indemnifying Parties been performed in full, except that Indemnifiable Damages shall not include incidental or consequential damages.

The foregoing obligation of Buyer Indemnifying Parties to indemnify Seller Indemnified Parties shall be subject to each of the following principles or qualifications:

10.2.1. Each of the representations and warranties made by Buyer and InfoCure in Article 3. of this Agreement shall survive for a period of two (2) years after the Closing Date, and thereafter all such representations and warranties shall be extinguished.

No claim for the recovery of Indemnifiable Damages pursuant to clause A. of Section 10.2. may be asserted by Seller Indemnified Parties against Buyer Indemnifying Parties or its

successors in interest after such representations and warranties shall be thus extinguished; provided, however, that claims first asserted in writing within the applicable period shall not thereafter be barred.

10.3. Matters Involving Third Parties. If any third party shall notify Buyer or any Seller (the "Indemnified Party") with respect to any matter which may give rise to a claim for indemnification against any other Party (the "Indemnifying Party") under this Section 10., then the Indemnified Party shall notify each Indemnifying Party thereof promptly; provided, however, that no delay on the part of the Indemnified Party in notifying any Indemnifying Party shall relieve the Indemnifying Party from any liability or obligation hereunder unless (and then solely to the extent that) the Indemnifying Party thereby is Damaged.

If any Indemnifying Party notifies the Indemnified Party within fifteen (15) days after the Indemnified Party has given notice of the matter that the Indemnifying Party is assuming the defense thereof, then:

A. The Indemnifying Party will defend the Indemnified Party against the matter with counsel of the Indemnifying Party's choice reasonably satisfactory to the Indemnified Party;

B. The Indemnified Party may retain separate co-counsel at its sole cost and expense (except that the Indemnifying Party will be responsible for the fees and expenses of the separate co-counsel to the extent the Indemnified Party reasonably concludes that the counsel the Indemnifying Party has selected has a conflict of interest);

C. The Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to the matter without the written consent of the Indemnifying Party (not to be unreasonably withheld or delayed); and

D. The Indemnifying Party will not consent to the entry of any judgment with respect to the matter, or enter into any settlement which does not include a provision whereby the plaintiff or claimant in the matter releases the Indemnified Party from all liability with respect thereto, without the written consent of the Indemnified Party (not to be unreasonably withheld or delayed).

If no Indemnifying Party notifies the Indemnified Party within fifteen (15) days after the Indemnified Party has given notice of the matter that the Indemnifying Party is assuming the defense thereof, then the Indemnified Party may defend against, or enter into any settlement with respect to, the matter in any manner it may reasonably deem appropriate.

11. GENERAL PROVISIONS.

11.1. Tax Matters. The following provisions shall govern the allocation of responsibility among the Company, Subsidiary, Buyer, Sellers, InfoCure, HealthSpan and Allina for certain tax matters following the Closing Date:

A. Tax Sharing Agreements. Any tax sharing agreement between the Company and/or Subsidiary and any other member of the Affiliated Group of which Company and/or Subsidiary are members will be terminated as of the Closing Date and will have no further effect for any taxable year (whether the current year, a future year or a past year).

B. Returns for Periods Through the Closing Date. HMMI will include the income of Company and Subsidiary (including any deferred income triggered into income by Reg. § 1.1502-13 and Reg. § 1.1502-14 and any excess loss accounts taken into income under Reg. § 1.1502-19) on the HMMI consolidated federal income Tax Returns and any similar unitary or combined state income Tax Returns for all periods through the Closing Date and pay any federal or state income Taxes attributable to such income. After the Closing Date, Company and Subsidiary will furnish Tax information to HMMI for inclusion in HMMI's federal consolidated income Tax Return and any similar unitary or combined state income Tax Return for the period which includes the Closing Date in accordance with Company's past custom and practice. HMMI will allow Buyer and InfoCure an opportunity to review and comment upon such Tax Returns (including any amended returns) to the extent that they relate to Company and Subsidiary. HMMI will take no position on such returns that relate to Company and Subsidiary that would adversely affect Company and Subsidiary after the Closing Date unless such position would be reasonable in the case of a person that owned Company and Subsidiary both before and after the Closing Date. For purposes of such Tax Returns, the income of Company and Subsidiary will be apportioned to the period up to and including the Closing Date and the period after the Closing Date by closing the books of Company and Subsidiary as of the end of the Closing Date. With respect to Tax Returns other than consolidated federal income Tax Returns and unitary or combined state income Tax Returns, Buyer shall prepare or cause to be prepared, and file or cause to be filed, all Tax Returns for the Company and Subsidiary for all periods ending on or prior to May 31, 1999, which are required to be filed after the Closing Date. Buyer shall permit HealthSpan or Allina to review and comment on each such material Tax Return described in the preceding sentence prior to filing. HealthSpan and Allina shall reimburse Buyer for Taxes of the Company and Subsidiary with respect to any period on or prior to May 31, 1999 within fifteen (15) days of written notice thereof by Buyer (but no earlier than fifteen (15) days prior to the date such Taxes are due) to the extent such Taxes are not reflected in the reserve for Tax liability in the Effective Date Balance Sheet. Notwithstanding the foregoing, any Tax Returns of the Company or Subsidiary relating to the reporting year 1998 that have not been filed as of the Closing Date shall be prepared and filed by HMMI.

C. Audits and Cooperation. After the Closing Date, HealthSpan will provide Company with written notice of any audits, litigation or other proceedings with respect to HMMI's consolidated federal income Tax Returns and/or unitary or combined state income Tax Returns to the extent that such audit, litigation or other proceeding relates to Company and Subsidiary. HealthSpan and Seller will not settle any such audit, litigation, or other proceeding in a manner which would adversely affect Company and Subsidiary after the Closing Date unless such settlement would be reasonable in the case of a person that owned Company and Subsidiary both before and after the Closing Date. Further, HealthSpan, Sellers, Buyer, Company, and Subsidiary shall cooperate fully, as and to the extent reasonably requested by the other party, in connection with the filing of Tax Returns pursuant to this Section and any audit, litigation or other proceeding with respect to Taxes. Such cooperation shall include the retention and (upon

the other party's request) the provision of records and information which are reasonably relevant to any such audit, litigation or other proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. HealthSpan, Sellers, Buyer, Company, and Subsidiary agree (1) to retain all books and records with respect to Tax matters pertinent to the Company and Subsidiary relating to any taxable period beginning before the Closing Date until the expiration of the statute of limitations (and any extensions thereof) of the respective taxable periods, and to abide by all record retention agreements entered into with any taxing authority and (2) to give the other party reasonable written notice prior to transferring, destroying or discarding any such books and records and, if the other party so requests, to allow the other party to take possession of such books and records. HealthSpan, Sellers, Buyer, Company, and Subsidiary further agree, upon request, to use their best efforts to obtain any certificate or other document from any governmental authority or any other Person as may be necessary to mitigate, reduce or eliminate any Tax that could be imposed (including, but not limited to, with respect to the transactions contemplated hereby).

D. Carryovers. After the Closing Date, HealthSpan will not elect to retain any net operating loss carryovers or capital loss carryovers of Company and Subsidiary under Reg. § 1.1502-20(g). After the Closing Date, Buyer will not elect to carry back any post-Closing losses or other items of Company and Subsidiary to pre-Closing tax periods.

E. Transfer Taxes. All transfer, documentary, sales, use, stamp, registration and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement shall be paid by Sellers when due, and Sellers will, at their own expense, file all necessary Tax Returns and other documentation with respect to all such transfer, documentary, sales, use, stamp, registration and other Taxes and fees, and, if required by applicable law, Buyer will, and will cause its affiliates to, join in the execution of any such Tax Returns and other documentation.

11.2. No Deemed Representation or Warranty. No Seller shall be deemed to have made to Buyer or InfoCure any representation or warranty other than as expressly made by such Seller in this Agreement. Without limiting the generality of the foregoing, and notwithstanding any otherwise express representation or warranty made by Sellers in this Agreement, no Seller makes any representation or warranty to Buyer or InfoCure with respect to:

A. Any projections, estimates or budgets heretofore delivered to or made available to Buyer or InfoCure of future revenues, expenses or expenditures or future results of operations; or

B. Except as expressly covered by a representation and warranty contained in this Agreement, any other information or document (financial or otherwise) made available to Buyer or InfoCure or its counsel, accountants or advisers with respect to Sellers, the Company or Subsidiary.

11.3. Certain Acknowledgements. Buyer and InfoCure each acknowledge that:

A. It has had the opportunity to visit with Sellers and meet with the Company's and Subsidiary's respective officers and other representatives to discuss the business and the assets, liabilities, financial condition, cash flow and operations of the Company and Subsidiary;

B. All materials and information requested by Buyer or InfoCure have been provided to Buyer or InfoCure to their reasonable satisfaction;

C. It has made its own independent examination, investigation, analysis and evaluation of the Company and Subsidiary, including Buyer's and InfoCure's own estimate of the value of the Company's and Subsidiary's business; and

D. It has undertaken such due diligence (including a review of the assets, liabilities, books, records and contracts of the Company and Subsidiary) as Buyer and InfoCure each deem adequate, including that described above.

11.4. COBRA Responsibilities. Buyer and Seller agree as follows regarding COBRA continuation coverage (i.e., the continuation coverage requirements of Code § 4980B and/or ERISA §§ 601-608) for former employees of Company, Subsidiary or Marudas who terminated employment prior to the Closing Date and who elect COBRA continuation coverage under any group health plan subject to the requirements of Code § 4980B and/or ERISA §§ 601-608:

Any individual who elects COBRA coverage and who receives such coverage by reason of being employed by Company or Subsidiary or by reason of being a dependent of an individual employed by Company or Subsidiary, shall receive their COBRA continuation coverage on and after July 1, 1999, if any, under a group health plan of Company or Subsidiary, and Buyer shall be exclusively responsible for the provision of such continuation coverage to such individual. A listing of these individuals is set forth on **Schedule 11.4**.

Any individual who elects COBRA coverage and who receives such coverage by reason of being employed by Marudas or by reason of being a dependent of an individual employed by Marudas shall receive their COBRA continuation coverage on and after July 1, 1999, if any, under a group health plan of Marudas and Marudas shall be exclusively responsible for the provision of such continuation coverage to such individual. A listing of these individuals is set forth on **Schedule 11.4**.

11.5. Stock Transfer Agreement. Each Seller that is a party to the Stock Transfer Agreement:

A. Hereby acknowledges that all obligations to such Seller have been (i) heretofore satisfied in accordance with their terms; or (ii) hereby irrevocably waived and forever terminated, effective at the time of Closing; and

B Hereby acknowledges and agrees that if Closing does not occur for any reason, then the Stock Transfer Agreement shall continue in full force and effect in accordance with its terms.

11.6. Expenses. Except as otherwise expressly provided in this Agreement, each party to this Agreement will bear its respective expenses incurred in connection with the preparation, execution, and performance of this Agreement and the Contemplated Transactions, including all fees and expenses of agents, representatives, counsel, and accountants.

Sellers will not cause Company or Subsidiary to incur any out-of-pocket expenses in connection with the Contemplated Transactions that are not reflected on the Effective Date Financial Statements. In the event of termination of this Agreement, the obligation of each party to pay its own expenses will be subject to any rights of such party arising from a breach of this Agreement by another party.

11.7. Public Announcements. Any public announcement or similar publicity with respect to this Agreement or the Contemplated Transactions will be issued, if at all, at such time and in such manner as Buyer and HealthSpan may jointly agree. Unless consented to by Buyer in advance or required by Legal Requirements or until public disclosure of the Contemplated Transactions has been made by Buyer or InfoCure, prior to the Closing Sellers shall, and shall cause Company to, keep this Agreement strictly confidential and may not make any disclosure of this Agreement to any Person (other than Sellers' Representatives).

Sellers and Buyer will consult with each other concerning the means by which Company's and Subsidiary's employees, customers, and suppliers and others having dealings with Company or Subsidiary will be informed of the Contemplated Transactions, and Buyer will have the right to be present for any such communication.

11.8. Confidentiality. Between the date of this Agreement and the Closing Date, Buyer and Sellers will maintain in confidence, and will cause the directors, officers, employees, agents, and advisors of Buyer and InfoCure, on the one hand and Company and Subsidiary, on the other hand, to maintain in confidence, and not use to the detriment of any other party any written, oral, or other information obtained in confidence from another party in connection with this Agreement or the Contemplated Transactions, unless:

A. Such information is already known to such party or to others not bound by a duty of confidentiality or such information becomes publicly available through no fault of such party;

B. The use of such information is necessary or appropriate in making any filing or obtaining any consent or approval required for the consummation of the Contemplated Transactions; or

C. The furnishing or use of such information is required by or necessary or appropriate in connection with legal proceedings.

If the Contemplated Transactions are not consummated, each party will return or destroy as much of such written information as the other party may reasonably request.

11.9. Notices. All notices, consents, waivers, and other communications under this Agreement must be in writing and will be deemed to have been duly given when (i) delivered by hand (with written confirmation of receipt); (ii) sent by telecopier (with written confirmation of receipt), provided that a copy is mailed by registered mail, return receipt requested or (iii) when received by the addressee, if sent by a nationally recognized overnight delivery service, in each case to the appropriate addresses and telecopier numbers set forth below (or to such other addresses and telecopier numbers as a party may designate by notice to the other parties):

Sellers:	Allina Health System 5601 Smetana Drive Post Office Box 9310 Minneapolis, Minnesota 55440-9310 Attention: General Counsel Telecopy No.: (612) 992-3998
With a copy to:	Faegre & Benson, LLP 2200 Norwest Center 90 South Seventh Street Minneapolis, Minnesota 55402-3901 Attention: Laura S. Carlson, Esq. Telecopy No.: (612) 336-3026
Buyer:	InfoCure Corporation 1765 The Exchange Suite 450 Atlanta, Georgia 30339 Attention: James K. Price Telecopy No.: (770) 857-1300
With a copy to:	Morris, Manning & Martin, L.L.P. 1600 Atlanta Financial Center 3343 Peachtree Road, N.E. Atlanta, Georgia 30326-1044 Attention: Richard L. Haury, Jr., Esq. Telecopy No.: (404) 365-9532

11.10. Jurisdiction; Service of Process. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement may be brought against any of the parties in the courts of the State of Georgia, County of Cobb, or, if it has or can acquire jurisdiction, in the United States District Court for the Northern District of Georgia, and each of the parties consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

11.11. Further Assurances. The parties agree (i) to furnish upon request to each other such further information; (ii) to execute and deliver to each other such other documents and (iii)

to do such other acts and things, all as the other party may reasonably request for the purpose of carrying out the intent of this Agreement and the documents referred to in this Agreement.

11.12. Waiver. The rights and remedies of the parties to this Agreement are cumulative and not alternative. Neither the failure nor any delay by any party in exercising any right, power, or privilege under this Agreement or the documents referred to in this Agreement will operate as a waiver of such right, power, or privilege, and no single or partial exercise of any such right, power, or privilege will preclude any other or further exercise of such right, power, or privilege or the exercise of any other right, power, or privilege.

To the maximum extent permitted by applicable law:

A. No claim or right arising out of this Agreement or the documents referred to in this Agreement can be discharged by one (1) party, in whole or in part, by a waiver or renunciation of the claim or right unless in writing signed by the other party;

B. No waiver that may be given by a party will be applicable except in the specific instance for which it is given; and

C. No notice to or demand on one (1) party will be deemed to be a waiver of any obligation of such party or of the right of the party giving such notice or demand to take further action without notice or demand as provided in this Agreement or the documents referred to in this Agreement.

11.13. Entire Agreement and Modification. This Agreement supersedes all prior agreements between the parties with respect to its subject matter (including the Letter of Intent between Buyer and Sellers dated May 14, 1999) and constitutes (along with the documents referred to in this Agreement) a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. This Agreement may not be amended except by a written agreement executed by the party to be charged with the amendment.

11.14. Disclosure Schedule. In the event of any inconsistency between the statements in the body of this Agreement and those in the Disclosure Schedule (other than an exception expressly set forth as such in the Disclosure Schedule with respect to a specifically identified representation or warranty), the statements in the body of this Agreement will control.

11.15. Assignments, Successors and No Third-Party Rights. Neither party may assign any of its rights under this Agreement without the prior consent of the other parties, which will not be unreasonably withheld. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon, and inure to the benefit of the successors and permitted assigns of the parties.

Nothing expressed or referred to in this Agreement will be construed to give any Person other than the parties to this Agreement any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement. This Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the parties to this Agreement and their successors and assigns.

11.16. Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

11.17. Section Headings; Construction. The headings of Sections in this Agreement are provided for convenience only and will not affect its construction or interpretation. All references to "Section" or "Sections" refer to the corresponding Section or Sections of this Agreement. All words used in this Agreement will be construed to be of such gender or number as the circumstances require. Unless otherwise expressly provided, the word "including" does not limit the preceding words or terms.

11.18. Time of Essence. With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

11.19. Governing Law. This Agreement will be governed by the laws of the State of Georgia without regard to conflicts of laws principles.

11.20. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

11.21. Arrangements With Allina Health System. With respect to that certain Master Agreement dated January 1, 1999, between Subsidiary and Allina ("Master Agreement"), at the time that Allina provides notice of termination to Buyer and InfoCure of the termination of the Master Agreement, the parties agree to negotiate, using best efforts, to provide maintenance and support for the Company Technology and related products for a period of two (2) years after such termination. Allina intends that such support, which would be compensated with fees to be negotiated by the parties, would include, but not be limited to, standard service and support of the type provided under the Master Agreement; product enhancements; and maintaining an office in the Twin Cities area throughout the period for the purpose of containing equipment provided in connection with the Master Agreement (if applicable) and local service personnel. The parties agree to negotiate additional development (if applicable) of the Company Technology and, with regard to the processing of patient statements, Allina's right to provide its own statement processing in the event that such services are not provided locally.

11.22. Allina Sublease. Allina covenants and agrees to continue to sublease that certain space presently subleased, as of the date hereof, by Allina from Company in the facility located at 3055 Old Highway Eight, Minneapolis, Minnesota at the same rent and other terms and conditions presently applicable to such sublease, which sublease shall terminate contemporaneously with that certain Office Lease, dated April, 1987, as amended, by and between the Company and R.L. Johnson Investment Company.

11.23. Post-Closing Covenants of HealthSpan and Allina.

11.23.1. Office Lease. With regard to that certain Lease Agreement, dated November 20, 1997, among Killkenny Limited Liability Company (f/k/a Hillcrest Development), Marudas and the Company ("Office Lease"), each of HealthSpan and Allina will use its reasonable best efforts to obtain from Lessor (as defined in the Office Lease) under such Office Lease, as soon as practicable after the Closing Date, a termination of all obligations of the Company under such Office Lease. Notwithstanding the provisions of Section 10.1. hereof, each of HealthSpan and Allina hereby indemnifies the Company from any and all obligations under the Office Lease and such indemnification shall not be subject to the limitations in Section 10.1.1. hereof.

11.23.2. Equipment Lease Agreement. With regard to that certain Equipment Lease Agreement (#S905898), dated January, 1998, among Imaging Financial Services, Inc. (d/b/a EKCC), Marudas and the Company ("Equipment Lease"), each of HealthSpan and Allina will use its best efforts to obtain from Lessor under such Equipment Lease, as soon as practicable after the Closing Date, a termination of all obligations of the Company under such Equipment Lease. Notwithstanding the provisions of Section 10.1. hereof, each of HealthSpan and Allina hereby indemnifies the Company from any and all obligations under the Equipment Lease and such indemnification shall not be subject to the limitations in Section 10.1.1. hereof.

[SIGNATURES BEGIN ON PAGE 50]

[INTENTIONALLY OMITTED]

[INTENTIONALLY OMITTED]

[INTENTIONALLY OMITTED]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

BUYER:

InfoCure Systems, Inc.

By: _____

Title: _____

Date: _____

HEALTHSPAN:

HealthSpan/LSI, Inc.

By: _____

Title: _____

Date: _____

INFOCURE:

InfoCure Corporation

By: _____

Title: _____

Date: _____

MINORITY SHAREHOLDERS:

_____
Carlyn S. Brunes

_____
Ronald L. Cleven

_____
David C. Cordes

ALLINA:

Allina Health System

By: _____

Title: _____

Date: _____

_____
James L. Ekstrom

_____
Stephen M. Frazier

_____
Paul Frenz

_____
Timothy B. Hasty

_____
James C. Lundberg

_____
Phillip P. Marudas

0511402.07

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

BUYER:

InfoCure Systems, Inc.

By:_____

Title:_____

Date:_____

HEALTHSPAN:

HealthSpan/LSI, Inc.

By:_____

Title: President

Date:_____

INFOCURE:

InfoCure Corporation

By:_____

Title:_____

Date:_____

ALLINA:

Allina Health System

By:_____

Title: System Vice President

Date:_____

MINORITY SHAREHOLDERS:

Carlyn S. Brunes

Ronald L. Cleven

David C. Cordes

James L. Ekstrom

Stephen M. Frazier

Paul Frenz

Timothy B. Hasty

James G. Lundberg

Phillip C. Marudas

David F. Nickolay

Gina A. Quinn

Gary L. Storm

Michael S. Traynor

EXHIBITS

Exhibit A	Minority Shareholder Release Agreement.
Exhibit B	Restrictive Covenant Agreement (General).
Exhibit C	Opinion of Counsel for HealthSpan and Allina.
Exhibit D	Reserved.
Exhibit E	Reserved.
Exhibit F	Restrictive Covenant Agreement (HealthSpan and Allina).
Exhibit G	Escrow Agreement.
Exhibit H	Wire Transfer Instructions.
Exhibit I	Opinion of Buyer's Counsel.
Exhibit J	Reserved.
Exhibit K	Restrictive Covenant Agreement (Cordes).
Exhibit L	Reserved.
Exhibit M	Reserved.
Exhibit N	Restrictive Covenant Agreement (Nickolay).

EXHIBITS TO THAT CERTAIN

STOCK PURCHASE AGREEMENT
MADE AS OF
JUNE 21, 1999,
BUT EFFECTIVE MAY 31, 1999,
BY AND AMONG
INFOCURE SYSTEMS, INC.,
INFOCURE CORPORATION,
HEALTHSPAN/LSI, INC.,
CERTAIN INDIVIDUALS LISTED ON THE
SIGNATURE PAGES THERETO AND
ALLINA HEALTH SYSTEM

MINORITY SHAREHOLDER RELEASE AGREEMENT

THIS MINORITY SHAREHOLDER RELEASE AGREEMENT (this "Agreement") is entered into effective as of the 21st day of June, 1999, by and among HealthSpan/LSI, Inc., a Minnesota corporation ("HealthSpan"), Allina Health System, a Minnesota not-for-profit corporation ("Allina"), and each of the other parties listed on the signature page hereto (with each of such other parties referred to herein as a "Minority Shareholder" and together as the "Minority Shareholders").

RECITALS

WHEREAS, HealthSpan and the Minority Shareholders collectively own all of the issued and outstanding shares of the capital stock of StrategiCare, Inc., a Minnesota corporation ("StrategiCare") and parent corporation of Disc Computer Systems, Inc., a Minnesota corporation ("Disc");

WHEREAS, HealthSpan, Allina and the Minority Shareholders have agreed to sell, and InfoCure Systems, Inc., a Georgia corporation ("Buyer"), has agreed to purchase, all of the issued and outstanding capital stock of StrategiCare, pursuant to that certain Stock Purchase Agreement (the "SPA"), dated as of the date hereof, with Buyer and InfoCure Corporation, a Delaware corporation ("InfoCure"), (the "InfoCure Sale");

WHEREAS, pursuant to the SPA, HealthSpan and Allina have agreed to undertake certain obligations and risks instead of having the Minority Shareholders bear such obligations and risks;

NOW, THEREFORE, the parties hereto agree as follows:

1. Consideration for Release.

Under the SPA, an escrow fund equal to 10% of the Base Consideration Amount (as defined in the SPA) is to be created to provide recourse for indemnification claims by Buyer and InfoCure. The parties acknowledge and agree that:

(a) HealthSpan and Allina will provide all amounts for such escrow fund from sale proceeds to be received by HealthSpan, and no Minority Shareholder will be required to contribute any amount to such escrow fund (and each Minority Shareholder will receive at Closing all sale proceeds payable to him or her); and

(b) HealthSpan and Allina have made substantially all of the representations and warranties in the SPA relating to StrategiCare, Disc and their businessess and have undertaken the risks of indemnification claims thereunder, in lieu of having the Minority Shareholders make such representations and warranties and undertake such risks (and the Minority Shareholders are to make only limited representations and warranties).

2. Release. In consideration for receiving the benefits referred to herein, each Minority Shareholder does hereby release and forever discharge:

(a) StrategiCare, Disc and each of its successors, assigns or designees, directors, officers, agents and employees, from any and all actions, causes of action, suits, demands and other claims arising through the date hereof, in law or in equity, that such Minority Shareholder has or may have; and

(b) any right or interest of any kind such Minority Shareholder may have in any of the assets of StrategiCare or Disc.

3. HealthSpan's Right to Indemnification. Each Minority Shareholder acknowledges and agrees that HealthSpan shall have the right to indemnification from such Minority Shareholder for any claim for which HealthSpan actually indemnifies a third party pursuant to the SPA, including without limitation Buyer or InfoCure, if the basis for such indemnification is a breach of a representation or warranty given by such Minority Shareholder in Section 3A of the SPA.

4. Third Party Beneficiaries. Each party hereto acknowledges and agrees that Buyer and InfoCure shall each be a third party beneficiary of this Agreement, and Buyer and InfoCure shall each have the right to enforce the terms hereof.

5. Legal Counsel. Each party hereto acknowledges and agrees that such party has had the opportunity to seek the advice of counsel of such party's own choosing with respect to this Agreement and that such party has not relied on any officer, director, agent or representative of Allina, StrategiCare, Disc or HealthSpan with respect to this Agreement.

6. Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

7. Fees and Expenses. The proceeds payable to HealthSpan and the Minority Shareholders pursuant to the InfoCure Sale will be net of all broker's fees and commissions and professional fees incurred in completing the transactions contemplated by the SPA, including without limitation fees of attorneys and accountants.

8. Successors and Assigns. The rights created by this Agreement shall inure to the benefit of, and the obligations created hereby shall be binding upon, the successors, heirs and assigns of the respective parties hereto.

9. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original, and all of which, when taken together, will be deemed to constitute one and the same agreement.

IN WITNESS WHEREOF, each party hereto has executed this Minority Shareholder Release Agreement as of the date and year first above written.

HEALTHSPAN/LSI, INC.

By _____
Its President

Paul Frenz

ALLINA HEALTH SYSTEM

Timothy Hasty

By _____
Its Senior Vice President

James Lundberg

Carlyn Brunes

Phillip P. Marudas

Ronald L. Cleven

David Nickolay

David Cordes

Gina Quinn

James Ekstrom

Gary L. Storm

Stephen Frazier

Michael S. Traynor

MI 503539 02

IN WITNESS WHEREOF, each party hereto has executed this Minority Shareholder Release Agreement as of the date and year first above written.

HEALTHSPAN/LSI, INC.

By _____
Its _____

Paul Frenz

Timothy Hasty

ALLINA HEALTH SYSTEM

By _____
Its _____

James Lundberg

Carlyn Brunes

Phillip P. Marudas

Ronald L. Cleven

David Nickolay

David Cordes

Gina Quinn

James Ekstrom

Gary L. Storm

Stephen Frazier

Michael S. Traynor

MI 503539.02

EXPRESS MAIL NO. EL237233321US

Stock Purchase Agreement from ***Disc Computer Systems, Inc. to InfoCure Systems, Inc.***
For Registration No. 2,161,991
MMM Ref: 7341-23533

Assistant Commissioner For
Trademarks
2900 Crystal Drive
Arlington, Virginia 22202-3513

Sir:

Enclosed please find the following documents:

1. Recordation Form Cover Sheet;
2. Stock Purchase Agreement; and
3. A check in the amount of $40.00 for recordation fee.

Respectfully submitted,

MORRIS, MANNING & MARTIN, L.L.P.

By _____
H. Le Giap
Intellectual property Paralegal

Date: 8/20/95

1600 Atlanta Financial Center
3343 Peachtree Road NE
Atlanta, Georgia 30326
(404)233-7000

NON-DISCLOSURE AGREEMENT

THIS **NON-DISCLOSURE AGREEMENT** (the "Agreement") is made and entered into this 21 th day of June, 1999 (the "Effective Date"), by and among **InfoCure Systems, Inc.**, a Georgia corporation (the "Buyer"), **InfoCure Corporation**, a Delaware corporation and the undersigned **shareholders of StrategiCare, Inc.**, a Minnesota corporation ("StrategiCare") (each shareholder, individually a "Seller" and collectively "Sellers").

WITNESSETH:

WHEREAS, StrategiCare owns one hundred percent (100%) of the outstanding capital stock of DISC Computer Systems, Inc., a Minnesota corporation ("DISC");

WHEREAS, each Seller owns the number of shares of the outstanding capital stock of StrategiCare set forth on the signature page hereto;

WHEREAS, pursuant to that certain Stock Purchase Agreement, dated June 21, 1999, but effective May 31, 1999 (the "Acquisition Agreement"), by and among Buyer, InfoCure, Sellers, Allina Health System, a Minnesota not-for-profit company ("Allina") and certain other shareholders of StrategiCare, Buyer is acquiring one hundred percent (100%) of the outstanding capital stock of StrategiCare (the "Transaction") and will therefore become the sole owner of one hundred percent (100%) of the outstanding capital stock of DISC;

WHEREAS, InfoCure and Buyer each have a legitimate business interest in protecting the value of the assets and business of StrategiCare and DISC, including, without limitation, StrategiCare's and DISC's goodwill; and

WHEREAS, it is a condition precedent to the Closing of the Transaction that each Seller enters into this Agreement, and each Seller has agreed to furnish such protection to InfoCure and Buyer as set forth herein.

NOW, THEREFORE, for and in consideration of Ten and No/100 Dollars ($10.00) in hand paid, and for the mutual premises, representations, warranties and covenants set forth herein and in the Acquisition Agreement, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged conclusively, the parties hereto, intending to be legally bound, agree as follows:

1. Defined Terms. Unless otherwise set forth herein, capitalized terms used herein shall have the meanings set forth on **Exhibit A** hereto, which is incorporated herein by reference.

2. Restriction on Disclosure and Use of Confidential Information and Trade Secrets. Sellers each understand and agree that the Confidential Information and Trade Secrets constitute a valuable asset of StrategiCare and DISC, as the case may be, (and of Buyer and InfoCure following the Closing of the Transaction) and may not be converted or misappropriated to any

Seller's own use following the Closing of the Transaction. Accordingly, each Seller hereby agrees that, during the Restricted Period, except as otherwise required by law, he/she shall not, directly or indirectly, on his/her own behalf or as a Principal or Representative of any Person, reveal, divulge or disclose to any Person, not expressly authorized by Buyer, any Confidential Information or Trade Secrets, and each Seller shall not, directly or indirectly, during the Restricted Period, make use of any Confidential Information or Trade Secrets in connection with any business activity other than with the express, prior written permission of Buyer.

3. Non-Solicitation of Protected Customers. Sellers each understand and agree that the relationship between StrategiCare and DISC and each of their respective Protected Customers constitutes a valuable asset of StrategiCare and DISC, as the case may be, (and of Buyer and InfoCure following the Closing of the Transaction) and may not be converted or misappropriated to any Seller's own use following the Closing of the Transaction. Accordingly, each Seller hereby agrees that, during the Restricted Period he/she shall not, directly or indirectly, on his/her own behalf or as a Principal or Representative of any Person, solicit a Protected Customer for the purpose of providing services which compete with those of StrategiCare and DISC (other than services in the course of such Seller's employment with StrategiCare or DISC).

4. Representations. The parties hereto agree that: (i) the periods of restriction contained in this Agreement are reasonably necessary for the protection of Buyer's and InfoCure's legitimate business interests; (ii) by having access to information concerning Protected Customers, each Seller has a competitive advantage as to such parties; (iii) the covenants and agreements of each Seller contained in this Agreement are reasonably necessary to protect Buyer's and InfoCure's legitimate business interests, in whose favor said covenants and agreements are imposed; (iv) the restrictions imposed by this Agreement are not greater than are necessary for the protection of Buyer and InfoCure, in light of the substantial harm that Buyer and InfoCure will suffer should any Seller breach any of the provisions of said covenants or agreements and (v) the covenants and agreements of each Seller contained in this Agreement form material consideration for this Agreement and the Acquisition Agreement.

5. Injunction; Remedies; Costs. Each Seller acknowledges that a breach by him or her of any part of this Agreement will result in irreparable and continuing damage to Buyer and InfoCure, and any breach of the covenants provided in this Agreement may be subject to specific performance by temporary as well as permanent injunction, or any other equitable remedies of any court of competent jurisdiction. In the event a court of competent jurisdiction determines that any said Seller has breached any of the foregoing covenants in this Agreement, said Seller shall pay all costs of enforcement of these provisions, including, but not limited to, court costs and reasonable attorneys' fees. Alternatively, if such court determines said Seller has not breached such covenants, InfoCure shall pay all costs of defending such action, including, but not limited to, court costs and reasonable attorneys' fees. If a court shall finally determine that any of the restraints provided for in Sections 2. or 3. are too broad to be enforceable because of time, geographic area or activity, then the time, geographic area or activity, or all of them shall be modified to whatever extent such court deems reasonable, and such restraints shall be enforced against Sellers as so modified.

6. Severability. The covenants and agreements on the part of Sellers contained in this Agreement shall be construed as agreements independent of any other agreement between Buyer and/or InfoCure, on the one hand, and Sellers on the other hand. The existence of any claim or cause of action of any Seller against Buyer and/or InfoCure, whether predicated on the Agreement or otherwise, shall not constitute a defense to the enforcement by Buyer and/or InfoCure of each of such covenants and agreements, or otherwise affect the remedies to which Buyer and/or InfoCure are entitled hereunder.

7. Choice of Law. This Agreement, and the rights and obligations of the parties hereto, shall be governed by and construed in accordance with the laws of the State of Georgia, without regard to its applicable principles of conflicts of law.

8. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

9. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, heirs and legal representatives. This Agreement may not be assigned by InfoCure or Buyer unless to another corporation controlled by or under common control with InfoCure. This Agreement may not be assigned by any Seller.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto each have duly executed this Agreement, seal, as of the day and year first set forth above.

INFOCURE:

InfoCure Corporation

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

BUYER:

InfoCure Systems, Inc.

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

SELLERS:

_____
Carlyn S. Brunes
No. of Shares of StrategiCare: 38.975

_____
Ronald L. Cleven
No. of Shares of StrategiCare: 14.000

IN WITNESS WHEREOF, the parties hereto each have duly executed this Agreement, under seal, as of the day and year first set forth above.

INFOCURE:

InfoCure Corporation

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

BUYER:

InfoCure Systems, Inc.

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

SELLERS:

Carlyn S. Barnes
No. of Shares of StrategiCare: 38,975

Ronald L. Cleven
No. of Shares of StrategiCare: 14,000

0510263 02

James L. Ekstrom
No. of Shares of StrategiCare: 107,747

Stephen M. Frazier
No. of Shares of StrategiCare: 11,173

Paul Frenz
No. of Shares of StrategiCare: 12,131

Timothy B. Hasty
No. of Shares of StrategiCare: 10,000

James C. Lundberg
No. of Shares of StrategiCare: 104,969

Phillip R. Marudas
No. of Shares of StrategiCare: 104,303

Gina A. Quinn
No. of Shares of StrategiCare: 11,076

Gary L. Storm
No. of Shares of StrategiCare: 24,836

Michael S. Traynor
No. of Shares of StrategiCare: 108,722

EXHIBIT A

Definitions Of Terms

"**Closing**" shall mean June 21, 1999.

"**Confidential Information**" shall mean any confidential or proprietary information possessed by Buyer or InfoCure or relating to the business of Buyer or InfoCure, including, without limitation, any confidential "know-how," trade secrets, customer lists, details of client or consultant contracts, current and anticipated customer requirements, pricing policies, price lists, market studies, business plans, operational methods, marketing plans or strategies, product development techniques or plans, computer software programs (including object code and source code), data and documentation, data base technologies, systems, structures and architectures, inventions and ideas, past, current and planned research and development, compilations, devices, methods, techniques, processes, financial information and data, business acquisition plans and new personnel acquisition plans, future business plans, licensing strategies, advertising campaigns, information regarding customers, employees and independent contractors, the terms and conditions of this Agreement, and any other information treated as confidential or proprietary by Buyer or InfoCure, including, without limitation, all such information of StrategiCare and DISC acquired by Buyer as a result of the Transaction; provided, however, that Sellers and Allina shall not be restricted from disclosing or using Confidential Information that any said Seller establishes: (i) is or becomes generally available to the public other than as a result of an unauthorized disclosure; (ii) becomes available to said Seller in a manner that is not in contravention of applicable law from a source that is not bound by a confidential relationship with either InfoCure or Buyer or by a confidentiality or other similar agreement or (iii) is required to be disclosed by law, court order or other legal process; provided further, however, that in the event disclosure is required by law, said Seller shall provide Buyer and InfoCure with prompt notice of such requirement so that Buyer and InfoCure may seek an appropriate protective order prior to any such required disclosure by said Seller.

"**Person**" shall mean any individual or any corporation, limited liability company, partnership, business trust, joint venture, association or other entity or enterprise other than Buyer or InfoCure.

"**Principal or Representative**" shall mean a principal, owner, partner, shareholder, joint venturer, investor, trustee, director, officer, manager, employee, agent, representative or consultant.

"**Protected Customers**" shall mean Buyer's customers who, at any time during the one (1) year period prior to the Closing of the Transaction, were customers of StrategiCare or DISC.

"**Restricted Period**" shall mean the two (2) year period following the date of this Agreement; provided, however, that, as applied to Trade Secrets, the Restricted Period shall continue for so long as such information remains a trade secret under applicable law.

"**Trade Secrets**" shall mean information of Buyer and of InfoCure that constitutes a trade secret within the meaning of Section 10-1-761(4) of the Georgia Trade Secrets Act of 1990, including all amendments hereafter adopted.

EXHIBIT C

FAEGRE & BENSON LLP

2200 NORWEST CENTER, 90 SOUTH SEVENTH STREET
MINNEAPOLIS, MINNESOTA 55402-3901
TELEPHONE 612-336-3000
FACSIMILE 612-336-3026

June 21, 1999

InfoCure Corporation
1765 The Exchange
Suite 450
Atlanta, Georgia 30339
Attn: Frederick L. Fine, CEO

Ladies and Gentlemen:

We have acted as counsel for Allina Health System, a Minnesota nonprofit corporation ("Allina"), and HealthSpan/LSI, Inc., a Minnesota nonprofit corporation ("HealthSpan"), and as special counsel for StrategiCare, Inc., a Minnesota corporation (the "Company"), and Disc Computer Systems, Inc., a Minnesota corporation ("DISC"), in connection with the sale of all of the issued and outstanding stock of the Company pursuant to that certain Stock Purchase Agreement dated the date hereof but effective as of May 31, 1999 among InfoCure Corporation, a Delaware corporation ("Parent"), InfoCure Systems, Inc., a Georgia corporation ("Subsidiary"), HealthSpan, other shareholders of the Company and Allina (the "Purchase Agreement"), and the exhibits and schedules attached thereto (such exhibits, schedules and the Purchase Agreement collectively referred to as the "Acquisition Documents"). This opinion is being delivered to you pursuant to Section 2.5.A.(iii) of the Purchase Agreement. Capitalized terms used herein and not otherwise defined shall have the respective meaning ascribed to those terms in the Purchase Agreement.

In the capacity described above, we have considered such matters of law and of fact, including the examination of originals or copies, certified or otherwise identified to our satisfaction, of such records and documents of Allina, HealthSpan, the Company and DISC, certificates of certain officers and directors of such companies, certificates of public officials and such other documents as we have deemed appropriate as a basis for the opinions hereinafter set forth.

For purposes of this opinion, we have assumed that the representations and warranties made by Parent and Subsidiary in the Purchase Agreement and pursuant thereto are true and correct. In addition, we are assuming that there are no extrinsic agreements or understandings among the parties to the Acquisition Documents that would modify or interpret the terms of the Acquisition Documents or the obligations of the parties thereunder.

The opinions set forth herein are limited to the laws of the State of Minnesota and applicable federal laws of the United States of America (the "Opining Jurisdictions"). We express no opinion as to the laws of any other jurisdiction.

Based upon and subject to the foregoing and the qualifications set forth in Annex 1 attached hereto, we are of the opinion that:

1. Allina is a corporation, existing and in good standing under the laws of the State of Minnesota.

2. HealthSpan is a corporation, existing and in good standing under the laws of the State of Minnesota.

3. The Company is a corporation, existing and in good standing under the laws of the State of Minnesota.

4. DISC is a corporation, existing and in good standing under the laws of the Sate of Minnesota.

5. Each of Allina and HealthSpan has the corporate power to execute and deliver the Acquisition Documents and to perform their respective obligations thereunder.

6. Each of Allina and HealthSpan has duly authorized the execution and delivery of the respective Acquisition Documents to which it is a party and the performance of its obligations thereunder. Each of Allina and HealthSpan has duly executed and delivered the Acquisition Documents to which it is a party.

7. The execution and delivery by each of Allina and HealthSpan of, and the performance by each of them of their respective agreements in, the Acquisition Documents, do not:

(i) violate the respective Articles of Incorporation or By-Laws of Allina, HealthSpan, the Company or DISC;

(ii) to the Actual Knowledge of our Primary Lawyers, violate any court or administrative orders, writs, judgments or decrees that name Allina, HealthSpan, the Company or DISC and are specifically directed to either Allina, HealthSpan, the Company or DISC or their respective properties;

(iii) to the Actual Knowledge of our Primary Lawyers, violate any applicable provisions of statutory law or regulations of the Opining Jurisdictions; or

(iv) to the Actual Knowledge of our Primary Lawyers, cause a material breach of or default by Allina or HealthSpan under any loan agreements, indentures or other documents involving the borrowing of money or the issuance of debt securities.

8. The Purchase Agreement constitutes a valid and binding obligation of each of Allina and HealthSpan, and the Escrow Agreement constitutes a valid and binding obligation of HealthSpan, in each case enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent transfer and conveyance, and other similar laws affecting the rights and remedies of creditors generally, and by general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity).

9. To the Actual Knowledge of our Primary Lawyers, no consent, approval or authorization of any federal or Minnesota state governmental authority is required to be obtained in connection with the execution, delivery and performance by Allina and HealthSpan of the Acquisition Documents.

This opinion may not be used or relied upon by or published or communicated to any person or entity other than the addressee hereof, or used or relied upon for any purpose whatsoever other than the consummation of the transaction contemplated by the Purchase Agreement, without our prior written consent in each instance.

Very truly yours,

Faegre & Benson

FAEGRE & BENSON LLP by JLC

M1:508661.02

ANNEX 1

In rendering the accompanying opinion letter dated June 21, 1999, we wish to advise you of the following additional qualifications to which such opinion is subject:

(a) We have relied solely upon certificates of public officials as to the opinions set forth in paragraphs 1-4 and, as to certain relevant facts, upon representations made by Allina and HealthSpan in the Agreement, the assumptions set forth in paragraph (c) below as to the matters referred therein, and upon certificates of officers of Allina or HealthSpan, reasonably believed by us to be appropriate sources of information, in each case without independent verification thereof or other investigation; provided our Primary Lawyers have no Actual Knowledge concerning the factual matters upon which reliance is placed which would render such reliance unreasonable. For the purposes hereof and the accompanying opinion letter, the term "Primary Lawyers" means lawyers in this firm who have given substantive legal attention to representation of Allina and HealthSpan in connection with this matter, and the term "Actual Knowledge" means the conscious awareness by such Primary Lawyers of facts or other information without any other investigation.

(b) We express no opinion as to whether, or the extent to which, the laws of any particular jurisdiction apply to the subject matter hereof, including without limitation the enforceability of the governing law provision contained in the Agreement. Because the governing law provisions of the Acquisition Documents relates to the law of a jurisdiction as to which we express no opinion, the opinion set forth in paragraph 8 is given as if the law of Minnesota governs the Purchase Agreement and Escrow Agreement.

(c) We have relied, without investigation, upon the following assumptions: (i) natural persons who are involved on behalf of Allina and HealthSpan have sufficient legal capacity to enter into and perform the transaction or to carry out their role in it; (ii) each of Allina and HealthSpan holds the requisite title and rights to any property involved in the transaction; (iii) each party to the Acquisition Documents (other than Allina and HealthSpan) has satisfied those legal requirements that are applicable to it to the extent necessary to make the Agreement enforceable against it; (iv) each party to the Acquisition Documents (other than Allina and HealthSpan) has complied with all legal requirements pertaining to its status as such status relates to its rights to enforce the Acquisition Documents against Allina and HealthSpan, respectively; (v) each document submitted to us for review is accurate and complete, each such document that is an original is authentic, each such document that is a copy conforms to an authentic original, and all signatures on each such document are genuine; (vi) there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence; (vii) the conduct of the parties to the Acquisition Documents has complied with any requirement of good faith, fair dealing and conscionability; (viii) you and any agent acting for you in connection with the Acquisition Documents have acted in good faith and without notice of any defense against the enforcement of any rights created by or adverse claim to any property transferred as part of the Acquisition Documents; (ix) all statutes, judicial and administrative decisions, and rules and regulations of governmental agencies, constituting the law of the Opining Jurisdictions,

are generally available (*i.e.*, in terms of access and distribution following publication or other release) to lawyers practicing in the Opining Jurisdiction, and are in a format that makes legal research reasonably feasible; (x) the constitutionality or validity of a relevant statute, rule, regulation or agency action is not in issue unless a reported decision in the Opining Jurisdictions has specifically addressed but not resolved, or has established, its unconstitutionality or invalidity; (xi) documents reviewed by us (other than the Purchase Agreement and the Escrow Agreement) would be enforced as written; (xii) Allina and HealthSpan will not in the future take any discretionary action (including a decision not to act) permitted under the Acquisition Documents that would result in a violation of law or constitute a breach or default under any other agreement or court order; (xiii) Allina and HealthSpan will obtain all permits and governmental approvals required in the future, and take all actions similarly required, relevant to subsequent consummation of the transaction or performance of the Acquisition Documents; (xiv) all parties to the transaction will act in accordance with, and will refrain from taking any action that is forbidden by, the terms and conditions of the Acquisition Documents.

(d) The opinions herein expressed are limited to the specific issues addressed and to laws existing on the date hereof. By rendering our opinion, we do not undertake to advise you with respect to any other matter or of any change in such laws or in the interpretation hereof which may occur after the date hereof.

(e) Without limiting any other qualifications set forth herein, the opinion expressed in paragraph 8 is subject to the effect of generally applicable laws that (i) provide for the enforcement of oral waivers or modifications where a material change of position in reliance thereon has occurred or provide that a course of performance may operate as a waiver, (ii) limit the enforcement of provisions of a contract that purport to require waiver of the obligations of good faith, fair dealing, diligence and reasonableness, (iii) provide that forum selection clauses in contracts are not necessarily binding on courts, (iv) limit the availability of a remedy under certain circumstances where another remedy has been elected, (v) limit the enforceability of provisions releasing, exculpating or exempting a party from, or requiring indemnification of a party for, liability for its own action or inaction, to the extent the action or inaction involves gross negligence, recklessness, willful misconduct or unlawful conduct, (vi) may, where less than all of a contract may be unenforceable, limit the enforceability of the balance of the contract to circumstances in which the unenforceable portion is not an essential part of the agreed exchange, (vii) govern and afford judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (viii) may permit a party who has materially failed to render or offer performance required by a contract to cure that failure unless either permitting a cure would unreasonably hinder the aggrieved party from making substitute arrangements for performance or it is important under the circumstances to the aggrieved party that performance occur by the date stated in the contract, (ix) may limit the enforceability of provisions restricting competition, the solicitation of customers or employees, the use or disclosure of information or other activities in restraint of trade, or (x) may require mitigation of damages.

(f) In rendering the opinion in Paragraphs 7(iii), 8 and 9, we have only considered the applicability of statutes, rules and regulations that a lawyer in Minnesota exercising customary professional diligence would reasonably recognize as being directly applicable to Allina or HealthSpan, or both.

(g) The opinions expressed do not address any of the following legal issues: (1) Federal securities laws and regulations administered by the Securities and Exchange Commission, and state "Blue Sky" laws and regulations; (2) pension and employee benefit laws and regulations (*e.g.*, ERISA); (3) Federal and state antitrust and unfair competition laws and regulations; (4) Federal and state laws and regulations concerning filing and notice requirements (*e.g.*, Exon-Florio); (5) compliance with fiduciary duty requirements; (6) the statutes and ordinances, administrative decisions and the rules and regulations of counties, towns, municipalities and special political subdivisions (whether created or enabled through legislative action at the Federal, state or regional level) and judicial decisions to the extent that they deal with the foregoing; (7) fraudulent transfer and fraudulent conveyance laws; (8) Federal and state environmental laws and regulations; (9) Federal and state land use and subdivision laws and regulations; (10) Federal and state tax laws and regulations; (11) Federal patent, copyright and trademark, state trademark, and other Federal and state intellectual property laws and regulations; (12) Federal and state racketeering laws and regulations (*e.g.*, RICO); (13) Federal and state health and safety laws and regulations (*e.g.*, OSHA); (14) Federal and state labor laws and regulations; (15) Federal and state laws, regulations and policies concerning (i) national and local emergency, (ii) possible judicial deference to acts of sovereign states, and (iii) criminal and civil forfeiture laws; and (16) other Federal and state statutes of general application to the extent they provide for criminal prosecution (*e.g.*, mail fraud and wire fraud statutes).

NON-COMPETITION AGREEMENT

THIS **NON-COMPETITION AGREEMENT** (the "Agreement") is made and entered into this 21st day of June, 1999 (the "Effective Date"), by and among **InfoCure Systems, Inc.**, a Georgia corporation (the "Buyer"), **InfoCure Corporation**, a Delaware corporation and Buyer's parent ("InfoCure"), **Allina Health System**, a Minnesota not-for-profit corporation ("Allina") and **HealthSpan/LSI, Inc.**, a Minnesota corporation ("HealthSpan").

W I T N E S S E T H :

WHEREAS, Allina is an indirect shareholder of HealthSpan;

WHEREAS, HealthSpan owns three million ninety-eight thousand eight hundred seventy-eight (3,098,878) shares of the outstanding capital stock of StrategiCare, Inc., a Minnesota corporation ("StrategiCare");

WHEREAS, StrategiCare owns one hundred percent (100%) of the outstanding capital stock of DISC Computer Services, Inc., a Minnesota corporation ("DISC");

WHEREAS, pursuant to that certain Stock Purchase Agreement, dated June 21, 1999, but effective May 31, 1999 (the "Acquisition Agreement"), by and among Buyer, InfoCure, Allina, HealthSpan and certain other shareholders of StrategiCare, Buyer is acquiring one hundred percent (100%) of the outstanding capital stock of StrategiCare (the "Transaction") and will therefore become the sole owner of one hundred percent (100%) of the outstanding capital stock of DISC;

WHEREAS, InfoCure and Buyer each have a legitimate business interest in protecting the value of the assets and business of StrategiCare and DISC, including, without limitation, StrategiCare's and DISC's goodwill; and

WHEREAS, it is a condition precedent to the Closing of the Transaction that HealthSpan and Allina, as the indirect shareholder of HealthSpan, enter into this Agreement, and HealthSpan and Allina have each agreed to furnish such protection to InfoCure and Buyer as set forth herein.

NOW, THEREFORE, for and in consideration of Ten and No/100 Dollars ($10.00) in hand paid, and for the mutual premises, representations, warranties and covenants set forth herein and in the Acquisition Agreement, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged conclusively, the parties hereto, intending to be legally bound, agree as follows:

1. Defined Terms/Acknowledgement. Unless otherwise set forth herein, capitalized terms used herein shall have the meanings set forth on **Exhibit A** hereto, which is incorporated herein by reference. The parties hereto acknowledge and agree that notwithstanding anything contained in Section 7.5 or set forth in Section 11.1.b of the Master Allina Agreement, by and

between Allina and DISC, dated January 1, 1999 (the "Allina Agreement"), Allina may not assign any license or sublicense DISC Software (as defined in **Exhibit A**) to any party if said party offers Competitive Services.

2. Restriction on Disclosure and Use of Confidential Information and Trade Secrets. HealthSpan and Allina each understands and agrees that the Confidential Information and Trade Secrets constitute a valuable asset of StrategiCare and DISC, as the case may be, (and of Buyer and InfoCure following the Closing of the Transaction) and may not be converted or misappropriated to HealthSpan's or Allina's own use following the Closing of the Transaction. Accordingly, HealthSpan and Allina each hereby agrees that, during the Restricted Period, except as otherwise required by law, it shall not, directly or indirectly, on its own behalf or on behalf of any of their respective affiliates or as a Principal or Representative of any Person, reveal, divulge or disclose to any Person, not expressly authorized by Buyer, any Confidential Information or Trade Secrets, and HealthSpan and Allina each shall not, directly or indirectly, during the Restricted Period, make use of any Confidential Information or Trade Secrets in connection with any business activity other than with the express, prior written permission of Buyer.

3. Non-Solicitation of Protected Employees. HealthSpan and Allina each understands and agrees that the relationship between StrategiCare and DISC and each of their respective Protected Employees constitutes a valuable asset of StrategiCare and DISC, as the case may be, (and of Buyer and InfoCure following the Closing of the Transaction) and may not be converted or misappropriated to HealthSpan's or Allina's own use following the Closing of the Transaction. Accordingly, HealthSpan and Allina each hereby agrees that, during the Restricted Period, it shall not, directly or indirectly, on its own behalf or on behalf of any of their respective affiliates or as a Principal or Representative of any Person, solicit or induce any Protected Employee to terminate his or her employment relationship with Buyer or InfoCure or to enter into employment with any other Person engaged in providing Competitive Services.

4. Non-Solicitation of Protected Customers. HealthSpan and Allina each understands and agrees that the relationship between StrategiCare and DISC and each of their respective Protected Customers constitutes a valuable asset of StrategiCare and DISC, as the case may be, (and of Buyer and InfoCure following the Closing of the Transaction) and may not be converted or misappropriated to HealthSpan's or Allina's own use following the Closing of the Transaction. Accordingly, HealthSpan and Allina each hereby agrees that, during the Restricted Period it shall not, directly or indirectly, on its own behalf or on behalf of any of their respective affiliates or as a Principal or Representative of any Person, solicit a Protected Customer for the purpose of providing Competitive Services.

5. Non-Competition. During the Restricted Period, HealthSpan and Allina, unless acting in accordance with Buyer's express, prior written consent, each hereby agrees that it shall not, directly or indirectly, on its own behalf, or on behalf of any of their respective affiliates or as a Principal or Representative of any Person, engage in providing Competitive Services in the states or jurisdictions listed on **Exhibit B** hereto (the "Territory").

6. Representations. The parties hereto agree that: (i) the periods of restriction and territory of restriction contained in this Agreement are reasonably necessary for the protection of Buyer's and InfoCure's legitimate business interests and that the Territory is the area in which StrategiCare and/or DISC performed Competitive Services; (ii) by having access to information concerning Protected Employees and Protected Customers, HealthSpan and Allina have a competitive advantage as to such parties; (iii) the covenants and agreements of HealthSpan and Allina contained in this Agreement are reasonably necessary to protect Buyer's and InfoCure's legitimate business interests, in whose favor said covenants and agreements are imposed; (iv) the restrictions imposed by this Agreement are not greater than are necessary for the protection of Buyer and InfoCure, in light of the substantial harm that Buyer and InfoCure will suffer should HealthSpan or Allina breach any of the provisions of said covenants or agreements and (v) the covenants and agreements of HealthSpan and Allina contained in this Agreement form material consideration for this Agreement and the Acquisition Agreement.

7. Injunction; Remedies; Costs. HealthSpan and Allina each acknowledges that a breach by it of any part of this Agreement will result in irreparable and continuing damage to Buyer and InfoCure, and any breach or threatened breach of the covenants provided in this Agreement may be subject to specific performance by temporary as well as permanent injunction, or any other equitable remedies of any court of competent jurisdiction. In the event a court of competent jurisdiction determines that HealthSpan or Allina has breached any of the foregoing covenants in this Agreement, Allina shall pay all costs of enforcement of these provisions, including, but not limited to, court costs and reasonable attorneys' fees. Alternatively, if such court determines HealthSpan or Allina, as the case may be, has not breached such covenants, InfoCure shall pay all costs of defending such action, including, but not limited to, court costs and reasonable attorneys' fees. If a court shall finally determine that any of the restraints provided for in Sections 2., 3., 4. or 5. are too broad to be enforceable because of time, geographic area or activity, then the time, geographic area or activity, or all of them shall be modified to whatever extent such court deems reasonable, and such restraints shall be enforced against HealthSpan or Allina as so modified.

8. Severability. The covenants and agreements on the part of HealthSpan and Allina contained in this Agreement shall be construed as agreements independent of any other agreement between Buyer and/or InfoCure, on the one hand, and HealthSpan and/or Allina, on the other hand. The existence of any claim or cause of action of HealthSpan or Allina against Buyer and/or InfoCure, whether predicated on the Agreement or otherwise, shall not constitute a defense to the enforcement by Buyer and/or InfoCure of each of such covenants and agreements, or otherwise affect the remedies to which Buyer and/or InfoCure are entitled hereunder.

9. Choice of Law. This Agreement, and the rights and obligations of the parties hereto, shall be governed by and construed in accordance with the laws of the State of Georgia, without regard to its applicable principles of conflicts of law.

10. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

11. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, heirs and legal representatives. This Agreement may not be assigned by InfoCure or Buyer unless to another corporation controlled by or under common control with InfoCure. This Agreement may not be assigned by HealthSpan or Allina.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto each have duly executed this Agreement. nder seal, as of the day and year first set forth above.

INFOCURE:

InfoCure Corporation

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

BUYER:

InfoCure Systems, Inc.

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ALLINA:

Allina Health System

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto each have duly executed this Agreement, under seal, as of the day and year first set forth above.

INFOCURE:

InfoCure Corporation

By: _____
Name: Richard Perlman
Title: Chairman

[CORPORATE SEAL]

BUYER:

InfoCure Systems, Inc.

By: _____
Name: Richard Perlman
Title: CFO

[CORPORATE SEAL]

ALLINA:

Allina Health System

By: _____
Name: Jeff Chey
Title: System Vice President

HEALTHSPAN:

HealthSpan/LSI, Inc.

By: _____

Name: Jeff Shell

Title: President

[CORPORATE SEAL]

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EXHIBIT A

Definitions Of Terms

"**Closing**" shall mean June 21, 1999.

"**Competitive Services**" shall mean all of the following: (i) developing, marketing, selling, installing and licensing physician practice management computer software applications and modules with functionality similar to one (1) or more of the applications and modules identified on **Exhibit C** attached hereto (the "DISC Software") other than to hospitals and clinics which are at least fifty percent (50%) owned by Allina directly or by one of Allina's majority owned subsidiaries and (ii) providing the following electronic data interchange services to any healthcare providers other than to hospitals and clinics which are at least fifty percent (50%) owned by Allina directly or by one (1) of Allina's majority owned subsidiaries: (1) patient statements; (2) insurance claims and (3) remittance and advices and except for purposes of electronic data interchanges with Medica Health Plans.

"**Confidential Information**" shall mean any confidential or proprietary information possessed by Buyer or InfoCure or relating to the business of Buyer or InfoCure, including, without limitation, any confidential "know-how," trade secrets, customer lists, details of client or consultant contracts, current and anticipated customer requirements, pricing policies, price lists, market studies, business plans, operational methods, marketing plans or strategies, product development techniques or plans, computer software programs (including object code and source code), data and documentation, data base technologies, systems, structures and architectures, inventions and ideas, past, current and planned research and development, compilations, devices, methods, techniques, processes, financial information and data, business acquisition plans and new personnel acquisition plans, future business plans, licensing strategies, advertising campaigns, information regarding customers, employees and independent contractors, the terms and conditions of this Agreement, and any other information treated as confidential or proprietary by Buyer or InfoCure, including, without limitation, all such information of StrategiCare and DISC acquired by Buyer as a result of the Transaction; provided, however, that HealthSpan and Allina shall not be restricted from disclosing or using Confidential Information that HealthSpan or Allina establishes: (i) is or becomes generally available to the public other than as a result of an unauthorized disclosure; (ii) becomes available to HealthSpan or Allina in a manner that is not in contravention of applicable law from a source that is not bound by a confidential relationship with either InfoCure or Buyer or by a confidentiality or other similar agreement or (iii) is required to be disclosed by law, court order or other legal process; provided further, however, that in the event disclosure is required by law, HealthSpan or Allina shall provide Buyer and InfoCure with prompt notice of such requirement so that Buyer and InfoCure may seek an appropriate protective order prior to any such required disclosure by HealthSpan or Allina.

"**Person**" shall mean any individual or any corporation, limited liability company, partnership, business trust, joint venture, association or other entity or enterprise other than Buyer or InfoCure.

"**Principal or Representative**" shall mean a principal, owner, partner, shareholder, joint venturer, investor, trustee, director, officer, manager, employee, agent, representative or consultant.

"**Protected Customers**" shall mean Buyer's customers who, at any time during the one (1) year period prior to the Closing of the Transaction, were customers of StrategiCare or DISC; provided, however, that "Protected Customers" shall not include hospitals and clinics which are at least fifty percent (50%) owned by Allina directly or by one (1) of Allina's majority owned subsidiaries.

"**Protected Employees**" shall mean Buyer's employees who, during the one (1) year period prior to the Closing of the Transaction, were employees of StrategiCare or DISC; provided, however, that "Protected Employees" shall not include any employee of StrategiCare or DISC (i) whose employment is terminated by Buyer within thirty (30) days of Closing of the Transaction or (ii) who has voluntarily terminated employment with StrategiCare or DISC and has not been employed by StrategiCare or DISC for at least three (3) months prior to entering into employment with any other Person engaged in providing Competitive Services.

"**Restricted Period**" shall mean the five (5) year period following the date of this Agreement; provided, however, that, as applied to Trade Secrets, the Restricted Period shall continue for so long as such information remains a trade secret under applicable law.

"**Trade Secrets**" shall mean information of Buyer and of InfoCure that constitutes a trade secret within the meaning of Section 10-1-761(4) of the Georgia Trade Secrets Act of 1990, including all amendments hereafter adopted.

EXHIBIT B

Territory

Minnesota

Wisconsin

North Dakota

Iowa

EXHIBIT C

List Of Disc Applications

Disc Provider Network Software (Formerly Known As Disc Physician Billing System)

- Appointment Scheduling
- Medical Recall Generator
- Report Generator
- Message Tracking
- Code Search
- Enhanced Collection Management
- Patient Tracking

ESCROW AGREEMENT

THIS **ESCROW AGREEMENT** ("Agreement"), made and entered into this ____ day of June, 1999, by and among **InfoCure Corporation**, a Delaware corporation ("InfoCure"), **InfoCure Systems, Inc.**, a Georgia corporation ("Buyer"), **HealthSpan/LSI, Inc.**, a Minnesota corporation ("Seller") and **SunTrust Bank, Atlanta**, a Georgia banking corporation, as escrow agent ("Escrow Agent").

BACKGROUND

A. Seller, Buyer, InfoCure and Allina Health System, a Minnesota not-for-profit corporation ("Allina") and certain other shareholders of StrategiCare, Inc., a Minnesota corporation, entered into that certain Stock Purchase Agreement, dated June ___, 1999, effective as of May 31, 1999 (the "Acquisition Agreement"). Capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings given such terms in the Acquisition Agreement. Escrow Agent acknowledges receipt of the Acquisition Agreement.

B. Pursuant to Section 2.5. of the Acquisition Agreement, Seller has agreed to establish an escrow fund (the "Escrow Fund") in an amount equal to One Million One Hundred Seventy-Five Thousand Three Hundred Forty-Three and 70/100 Dollars ($1,175,343.70) in cash (the "Escrow Cash"). The Escrow Fund shall be available to satisfy any qualifying indemnification claims of InfoCure or Buyer as set forth in Article 10. of the Acquisition Agreement.

C. Escrow Agent is willing to hold the Escrow Fund, together with all interest or other income earned thereon, in escrow in accordance with the provisions of this Agreement and to act as escrow agent hereunder.

NOW, THEREFORE, for and in consideration of the mutual covenants set forth herein, the parties hereto, intending to be and being legally bound, do hereby agree as follows:

1. Escrow. The parties hereto hereby appoint Escrow Agent to serve as escrow agent subject to and in accordance with the terms of this Agreement. Escrow Agent hereby accepts such appointment as Escrow Agent and agrees to hold the Escrow Fund, and to disburse the Escrow Fund, which Escrow Fund shall include any interest income or other amounts received thereon (the "Escrow Earnings") in accordance with the terms of this Agreement.

2. Escrow Investments and Earnings. Except as InfoCure, Buyer and Seller may, from time to time, jointly instruct Escrow Agent in writing, the Escrow Cash and the Escrow Earnings shall be invested, from time to time, to the extent possible, in United States Treasury bills having a remaining maturity of ninety (90) days or less, with any remainder being deposited and maintained in Escrow Agent's Federated Treasury Obligations Money Market Fund, until disbursement of the entire Escrow Fund. Escrow Agent is authorized to liquidate in accordance with its customary procedures any portion of the Escrow Fund consisting of investments to provide for payments required to be made under this Agreement. Unless otherwise payable pursuant to the terms hereof, all Escrow Earnings shall belong to Seller and shall be taxable to

Seller. Escrow Agent shall give prompt notice of all earnings with respect to the Escrow Fund to Seller.

3. Disbursement of the Escrow Fund.

A. From time to time, on or before the twelve (12) month anniversary of the date hereof, InfoCure and/or Buyer may give written notice (a "Notice") to Seller and Escrow Agent specifying in reasonable detail the nature and dollar amount of any claim (a "Claim") it may have pursuant to Article 10. of the Acquisition Agreement. InfoCure and/or Buyer may make more than one (1) claim with respect to any underlying state of facts. If Seller provides written notice to InfoCure, Buyer and Escrow Agent disputing any Claim (a "Counter Notice") within thirty (30) days following receipt by Seller of the Notice regarding such Claim, such Claim shall be resolved as provided in subsection 3.B. below. If no Counter Notice is received by Escrow Agent within such thirty (30) day period, then the dollar amount of damages claimed by InfoCure and/or Buyer as set forth in its Notice shall be deemed established for purposes of this Escrow Agreement and the Acquisition Agreement and, at the end of such thirty (30) day period, Escrow Agent shall pay to Buyer and/or Infocure the dollar amount claimed in the Notice. Escrow Agent shall not inquire into or consider whether a Claim complies with the requirements of the Acquisition Agreement.

B. If a Counter Notice is given with respect to a Claim, Escrow Agent shall make payment with respect thereto only in accordance with (i) joint written instructions signed by InfoCure, Buyer and Seller or (ii) a final order of the arbitrator acting in accordance with Section 8. below. In the case of a Claim for which a Counter Notice has been given, InfoCure, Buyer and Seller shall use good faith efforts to resolve such dispute amicably over a fifteen (15) day period following receipt of the Counter Notice. If the dispute cannot be amicably resolved during such fifteen (15) day period, then either party may initiate arbitration of such dispute, which arbitration shall be handled in accordance with Section 8. below.

C. Escrow Agent is also directed to make disbursements to InfoCure and/or Buyer upon receipt of any court order, accompanied by a written legal opinion by counsel for InfoCure and Buyer to the effect that the order is final and non-appealable and determining that an amount is owed to InfoCure and/or Buyer pursuant to Article 11. of the Acquisition Agreement and this Agreement. InfoCure shall provide Seller a copy of such court order and legal opinion. Escrow Agent shall act on such court order and legal opinion without further inquiry.

D. Within thirty (30) days following the end of the twelve (12) month anniversary of the date hereof, Escrow Agent shall pay to Seller the remaining balance of the Escrow Fund (if any) less the amount of any Claim (a "Pending Claim") which has not been paid or resolved in accordance with subsections 3.A. and 3.B. above.

E. After such twelve (12) month anniversary, within ten (10) days following the resolution of any Pending Claim, Escrow Agent shall pay to Seller the amount being held by Escrow Agent relating to such Pending Claim (to the extent that it is not awarded to Buyer) or, if

such Pending Claim is the final Pending Claim, the remaining balance of the Escrow Fund plus any Escrow Earnings.

F. Notwithstanding anything contained in this Agreement or which is or shall be interpreted to the contrary, the Escrow Fund represents the security of InfoCure and Buyer for the performance by Seller of its obligations of indemnification and other obligations under the Acquisition Agreement and shall not be construed as a limitation on any rights or remedies of InfoCure and or Buyer arising out of a breach of the Acquisition Agreement by Seller.

4. Duties and Powers of Escrow Agent.

A. Escrow Agent shall not be under any duty to give the Escrow Fund held by it hereunder any greater degree of care than it gives its own similar property and shall not be required to invest any funds held hereunder except as directed in this Agreement. Uninvested funds held hereunder shall not earn or accrue interest.

B. Escrow Agent shall be entitled to rely upon any order, judgment, certificate, demand, notice, instrument or other writing delivered to it hereunder without being required to determine the authenticity or the correctness of any fact stated therein or the propriety or validity of the service thereof. Escrow Agent may act in reliance upon any instrument or signature reasonably believed by it to be genuine and may assume, if reasonable, that the person purporting to give receipt or advice or make any statement or execute any document in connection with the provisions hereof has been duly authorized to do so. Escrow Agent may conclusively presume that the undersigned representative of any party hereto which is an entity other than a natural person has full power and authority to instruct Escrow Agent on behalf of that party unless written notice to the contrary is delivered to Escrow Agent.

C. Escrow Agent may act pursuant to the advice of counsel (provided such counsel does not represent Buyer, InfoCure or Seller) with respect to any matter relating to this Agreement and shall not be liable for any action taken or omitted by it in good faith in accordance with such advice.

D. Escrow Agent does not have any interest in the Escrow Fund deposited hereunder, but is serving as escrow holder only and having only possession thereof. Any payments of income from this Escrow Fund shall be subject to withholding regulations then in force with respect to United States taxes. The parties hereto will provide Escrow Agent (on or before the closing of the transaction contemplated herein) with appropriate Internal Revenue Service Forms W-9 for tax identification number certification, or non-resident alien certifications.

E. The other parties hereto authorize Escrow Agent, for any securities held hereunder, to use the services of any United States central securities depository including, without limitation, The Depository Trust Company and the Federal Reserve Book Entry System.

F. In the event of any disagreement between the other parties hereto resulting in adverse claims or demands being made in connection with the Escrow Fund or in the event

that Escrow Agent is in doubt as to what action it should take hereunder, Escrow Agent shall be entitled to retain the Escrow Fund until Escrow Agent shall have received (i) a final order of the arbitrator acting in accordance with Section 8. hereof directing delivery of the Escrow Fund; (ii) a final non-appealable order of a court of competent jurisdiction directing delivery of the Escrow Fund or (iii) a written agreement executed by all of the other parties hereto directing delivery of the Escrow Fund, in which event Escrow Agent shall disburse the Escrow Fund in accordance with such orders or agreement. Any arbitrator or court order shall be accompanied by a written legal opinion by counsel for the presenting party to the effect that the order is final and non-appealable. Escrow Agent shall act on such arbitrator or court order and legal opinion without further inquiry.

5. Limited Liability. In performing any of its duties hereunder, Escrow Agent shall not incur any liability to anyone for any damages, losses, or expenses, except for any willful misconduct or gross negligence by Escrow Agent hereunder, and, accordingly, Escrow Agent shall not incur any such liability with respect to (i) any action taken or omitted in good faith upon advice of its legal counsel given with respect to any questions relating to the duties and responsibilities of Escrow Agent under this Agreement or (ii) any action taken or omitted in reliance on any instrument, including any written notice or instruction provided for in this Agreement, not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and accuracy of any information contained therein, which Escrow Agent shall in good faith believe to be genuine, to have been signed or presented by a person or persons having authority to sign or present such instrument, and to conform with the provisions of this Agreement.

6. Indemnity. InfoCure, Buyer and Seller hereby, jointly and severally, agree to indemnify Escrow Agent against, and agree to hold Escrow Agent harmless from, any and all claims, actions, demands, losses, damages, expenses (including, without limitation, court costs, attorneys' fees and expenses, and accountants' fees), and liabilities that may be imposed upon Escrow Agent in the performance of its duties hereunder as Escrow Agent, including, without limitation, any litigation arising from this Agreement or involving the subject matter hereof, but excluding any such claims, actions, demands, losses, damages, expenses, and liabilities resulting from or arising out of any willful misconduct or gross negligence by Escrow Agent hereunder.

7. Resignation and Removal of Escrow Agent. Escrow Agent (and any successor escrow agent) may at any time resign or be removed by the mutual consent of InfoCure, Buyer and Seller upon written notice to the Escrow Agent given at least thirty (30) days prior to the effective date of such resignation or removal. The resignation or removal of Escrow Agent shall not be effective until delivery of the Escrow Fund to any successor escrow agent jointly designated by InfoCure, Buyer and Seller in writing, or to any court of competent jurisdiction, whereupon Escrow Agent shall be discharged of and from any and all further obligations arising in connection with this Agreement, except under Sections 5. and 6. hereof. If Escrow Agent has not received a designation of a successor escrow agent within thirty (30) days of the notice of resignation or removal, Escrow Agent's sole responsibility after that time shall be: (i) to retain and safeguard the Escrow Fund until receipt of a designation of successor escrow agent or a joint written disposition instruction by InfoCure, Buyer and Seller or a final non-appealable order of a

court of competent jurisdiction or (ii) to interplead and deposit the Escrow Fund with the arbitrator or the sponsoring arbitration association as provided for in Section 8. below. Whereupon, Escrow Agent shall be discharged of and from any and all further obligations arising in connection with this Agreement except under Sections 5. and 6. hereof. Escrow Agent shall be entitled to its compensation earned prior to any such resignation, removal or tender.

8. Binding Arbitration/Attorney Fees.

A. Submission to Binding Arbitration. Except as specifically provided herein, the parties shall submit to binding arbitration all claims, disputes and controversies between or among them, whether in tort, contract or otherwise (and their respective employees, officers, directors, attorneys and other agents) arising out of or relating in any way to this Agreement.

B. Procedures. Any arbitration proceeding will be before a single arbitrator in Atlanta, Georgia, selected by agreement of Buyer and Seller (who need not be from Georgia). The arbitrator will be a neutral attorney who has practiced in the area of commercial law for a minimum of ten (10) years, or a former judge. The decision of the arbitrator shall be final and binding as to matters submitted to the arbitrator under this Agreement. The arbitrator will determine whether or not an issue is arbitrable and will give effect to applicable statutes of limitation in determining any claim. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction and shall be enforceable pursuant to the provisions of the Federal Arbitration Act. Unless the Buyer and Seller otherwise agree, the arbitrator shall follow the law of the State of Georgia.

C. Motion Practice. In any arbitration proceeding the arbitrator will decide (by documents only or with a hearing at the arbitrator's discretion) any pre-hearing motions that are similar to motions to dismiss for failure to state a claim or motions for summary adjudication or summary judgment.

D. Discovery. In any arbitration proceeding discovery will be permitted and will be governed by the Federal Rules of Civil Procedure. All discovery must be completed no later than twenty (20) days before the hearing date and within one hundred eighty (180) days of the commencement of arbitration proceedings. Any request for an extension of the discovery period, or any discovery disputes, will be subject to final determination by the arbitrator upon a showing that the request for discovery is essential for the party's presentation and that no alternative means for obtaining information is available.

E. Payment of Arbitration Costs and Fees. Each party shall pay its own arbitration expenses, costs and attorneys' fees. The fees of the arbitrator shall be borne by the party against whom the arbitration is decided (as determined by the arbitrator).

9. [**Intentionally Left Blank**].

10. Notices. All notices, consents, waivers and other communications under this Agreement must be in writing and will be deemed to have been duly given when (i) delivered by

hand (with written confirmation of receipt); (ii) sent by telecopier (with written confirmation of receipt) provided that a copy is mailed by registered mail, return receipt requested; (iii) five (5) business days after posting if transmitted by postage prepaid registered or certified mail, return receipt requested or (iv) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses or telecopier numbers set forth below (or to such other addresses and telecopier numbers as a party may designate by notice to the other parties):

If to InfoCure or Buyer:

InfoCure Corporation
1765 The Exchange
Suite 450
Atlanta, Georgia 30339
Attention: Mr. Frederick L. Fine, President
Telephone: (770) 221-9990
Telecopy: (770) 857-1300
Tax ID Number: 58-2271614

With a Copy to:

Richard L. Haury, Jr., Esq.
Morris, Manning & Martin, L.L.P.
1600 Atlanta Financial Center
3343 Peachtree Road, N.E.
Atlanta, Georgia 30326
Telephone: (404) 223-7000
Telecopy: (404) 364-6932

If to Seller:

HealthSpan/LSI, Inc.
Route 80215
5601 Smetana Drive
Minnetonka, Minnesota 55343
Attention: Michael Boo
Telephone: (612) 992-3811
Telecopy: (612) 992-3819

With a Copy to:

Faegre & Benson, LLP
2200 Norwest Center
90 South Seventh Street
Minneapolis, Minnesota 55402-3901
Attention: Laura S. Carlson, Esq.
Telephone: (612) 336-3351
Telecopy: (612) 336-3026

If to Escrow Agent:

SunTrust Bank, Atlanta
Corporate Trust Division
25 Park Place
24th Floor
Atlanta, Georgia 30303-2900
Attention: Rebecca Fischer
Telephone: (404) 588-7262
Telecopy: (404) 588-7335

11. Assignment. No assignment by InfoCure or Buyer of their respective rights and obligations under this Agreement shall be effective unless such assignment is made (i) pursuant to the prior written consent of Seller or (ii) to an affiliate or a successor of all or substantially all of the business of InfoCure and Buyer. No assignment by Seller of its rights and obligations under this Agreement shall be effective unless such assignment is made pursuant to the prior written consent of InfoCure and Buyer, which consent will not be unreasonably withheld.

12. Waiver. The rights and remedies of the parties to this Agreement are cumulative and not alternative. Neither the failure nor any delay by any party in exercising any right, power, or privilege under this Agreement or the documents referred to in this Agreement will operate as a waiver of such right, power, or privilege, and no single or partial exercise of any such right, power, or privilege will preclude any other or further exercise of any such right, power, or privilege or the exercise of any other right, power, or privilege. To the maximum extent permitted by applicable law, (i) no claim or right arising out of this Agreement can be discharged by one (1) party, in whole or in part, by a waiver or renunciation of the claim or right unless in writing signed by the party against which such claim or right is being asserted; (ii) no waiver that may be given by a party will be applicable except in the specific instance for which it is given and (iii) no notice to or demand on one (1) party will be deemed to be a waiver of any obligation of such party or of the right of the party giving such notice or demand to take further action without notice or demand as provided in this Agreement.

13. Escrow Agent's Fee. The Escrow Agent's fee for performing its duties under this Agreement shall be Two Thousand and No/100 Dollars ($2,000.00). The Escrow Agent's fees shall be paid by InfoCure.

14. Governing Law. This Agreement and the rights arising from it shall be governed by and construed and interpreted in accordance with the laws of the State of Georgia, without regard to conflicts of law principles.

15. Jurisdiction; Service of Process. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement may be brought against any of the parties hereto in the courts of the State of Georgia, County of Fulton, or, if it has or can acquire jurisdiction, in the United States District Court for the Northern District of Georgia, and each of the parties hereto consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any

party anywhere in the world: provided, however, that process is served on the appropriate agent or corporate officer for service of process.

16. Cooperation. Subject to the terms and conditions of this Agreement, each of the parties hereto shall undertake in good faith to use commercially reasonable efforts to take, or cause to be taken, such action, to execute and deliver, or cause to be executed and delivered, such additional documents and instruments and to do, or cause to be done, all things necessary, proper or advisable under the provisions of this Agreement and under applicable law to consummate and make effective the transaction contemplated by this Agreement and shall use good faith in carrying out the intent of this Agreement.

17. Miscellaneous.

A. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted heirs, executors, administrators, personal representatives, successors, and permitted assigns. Any and all rights granted to any of the parties hereto may be exercised by their duly authorized agents or personal representatives.

B. Time is of the essence of this Agreement.

C. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same instrument.

D. In the event that any court of competent jurisdiction shall determine that any provision of this Agreement is invalid, such determination shall not effect the validity of any other provision of this Agreement which shall remain in full force and effect and which shall be construed to be valid under applicable law.

E. This Agreement constitutes the sole and entire agreement of the parties hereto with respect to the subject matter hereof and no promises, agreements or understandings, whether oral or written, shall be of any force or effect unless set forth herein. This Agreement may not be amended except by a written agreement executed by the parties hereto.

F. The headings of sections in this Agreement are provided for convenience only and will not affect its construction or interpretation.

G. The Escrow Agent is not a party to, nor is it bound by, nor need it give consideration to the terms or provisions of, any agreement or undertaking among the undersigned or any of them, or between the undersigned or any of them and other persons including, but not limited to, the Acquisition Agreement, or any agreement or undertaking which may be evidenced by or disclosed by the Escrow Fund, it being the intention of the parties hereto that the Escrow Agent assent to and be obligated to give consideration only to the terms and provisions hereof.

IN WITNESS WHEREOF, the parties hereto have signed this Escrow Agreement as of the day and year first above written.

INFOCURE:

InfoCure Corporation

By:_____

ESCROW AGENT:

SunTrust Bank, Atlanta

By:_____
Rebecca Fischer, Trust Officer

BUYER:

InfoCure Systems, Inc.

By:_____

SELLER:

HealthSpan/LSI, Inc.

By:_____

IN WITNESS WHEREOF, the parties hereto have signed this Escrow Agreement as of the day and year first above written.

INFOCURE:

InfoCure Corporation

By: _____

ESCROW AGENT:

SunTrust Bank, Atlanta

By: _____
Rebecca Fischer, Trust Officer

BUYER:

InfoCure Systems, Inc.

By: _____

SELLER:

HealthSpan/LSI, Inc.

By: _____

IN WITNESS WHEREOF, the parties hereto have signed this Escrow Agreement as of the day and year first above written.

INFOCURE:

InfoCure Corporation

By:_____

ESCROW AGENT:

SunTrust Bank, Atlanta

By: Rebecca Fischer
Rebecca Fischer, Trust Officer

BUYER:

InfoCure Systems, Inc.

By:_____

SELLER:

HealthSpan/LSI, Inc.

By:_____

0505906.04

STOCKHOLDERS AND AMOUNTS

Name	Amount	Wire Transfer Instructions
HealthSpan/LSI, Inc.	$8,506,411.30	Account No. 6355005000 Norwest Bank Minnesota, National Association Sixth and Marquette Minneapolis, MN 55402 ABA No. 091000019 Contact: Beth Nahlovsky – 612-992-3847
Carlyn S. Brunes	$111,913.00	Account No. 170225182345 US Bank, National Association 601 Second Avenue South Minneapolis, MN 55402 ABA No. 091000022 Contact: Mark Markovitz – 612-973-0222 Linda Horner – 612-973-0235
Ronald L. Cleven	$40,200.00	Account No. 5303680 Richfield Bank & Trust Co. 6625 Lyndale Avenue South Richfield, MN 55423 ABA No. 09106498 Contact: Nancy Arvilla – 612-798-3171
David C. Cordes	$138,904.00	Account No. 383661 Signal Bank 1270 Yankee Doodle Road Eagan, MN 55121 ABA No. 096016794 Contact: Lynn Connolly – 651-457-1776
James L. Ekstrom	$309,385.00	Account No. 173103114547 for credit to: Account No. 105262685220 (Account of Piper Jaffray) James Leland Ekstrom Revocable Trust US Bank, National Association 601 Second Avenue South Minneapolis, MN 55402 ABA No. 091000022 Contact: Charlie Major – 612-973-2907

Name	Amount	Wire Transfer Instructions
Stephen M. Frazier	$32,082.00	Account No. 0002570269 Norwest Bank Minnesota, National Association 12120 Aberdeen Street N.E. Blaine, MN 55449 ABA No. 091000019 Contact: Jackie Hyavolti – 612-316-3982
Paul Frenz	$34,833.00	Account No. 3970776992 Norwest Bank Minnesota, National Association Lyndale South Office 5320 Lyndale Avenue South Minneapolis, MN 55419 ABA No. 091000019
Timothy B. Hasty	$28,714.00	Account No. 186723394406 US Bank, National Association 601 Second Avenue South Minneapolis, MN 55402 ABA No. 091000022 Contact: Customer Service – 800-872-2657
James C. Lundberg	$301,408.00	Account No. 205181149126 US Bank, National Association 601 Second Avenue South Minneapolis, MN 55402 ABA No. 091000022
Phillip P. Marudas	$299,496.00	Account No. 6992616488 Norwest Bank Minnesota, National Association 250 Second Avenue N.E. Cambridge, MN 55008 ABA No. 091000019 Contact: Jean M. – 667-5898
David Nickolay	$359,445.00	Account No. 173102600975 US Bank, National Association 601 Second Avenue South Minneapolis, MN 55402 ABA No. 091000022

Name	Amount	Wire Transfer Instructions
Gina A. Quinn	$31,804.00	Account No. 180130608771 US Bank, National Association West St. Paul Office 1685 South Robert Street West St. Paul, MN 55118 ABA No. 091000022 Contact: Customer Service: Hoda
Gary L. Storm	$71,314.00	Account No. 4082496 The County Bank 1650 South Lake Street P.O. Box 638 Forest Lake, MN 55025 ABA No. 091906838 Contact: Joel Vorhes – 651-257-1096 Cheryne Komro – 651-257-1096
Michael S. Traynor	$312,184.00	Account No. 10346658 Norwest Bank Minnesota, N.A. Sixth and Marquette Minneapolis, MN 55402 ABA No. 091000019 Contact: Steve Warner – 612-667-0729

M1:507360.01

MORRIS, MANNING & MARTIN

A LIMITED LIABILITY PARTNERSHIP

ATTORNEYS AT LAW
1600 ATLANTA FINANCIAL CENTER
3343 PEACHTREE ROAD, N.E.

ATLANTA, GEORGIA 30326-1044
TELEPHONE 404 233-7000
FACSIMILE 404 365-9532
E-MAIL RLH@MMMLAW.COM

MEMBER,
COMMERCIAL LAW AFFILIATES
WITH INDEPENDENT FIRMS
IN PRINCIPAL CITIES WORLDWIDE

WASHINGTON, D.C. OFFICE
MORRIS, MANNING & MARTIN, LLP
THE COLORADO BUILDING
1341 G STREET, N.W.
SUITE 500
WASHINGTON, DC 20005
TELEPHONE 202 408-5153
FACSIMILE 202 408-5146

NORTHSIDE OFFICE
SUITE 150
5775-B PEACHTREE DUNWOODY ROAD
ATLANTA, GEORGIA 30342
TELEPHONE 404 255-6900
FACSIMILE 404 843-2317

RICHARD L. HAURY, JR.
DIRECT DIAL 404 504-7713

June 21, 1999

StrategiCare, Inc.
3055 Old Highway Eight
Minneapolis, Minnesota 55418
Attention: David R. Teckman, President

Ladies and Gentlemen:

We have acted as counsel to InfoCure Corporation, a Delaware corporation ("Parent") and its wholly owned subsidiary, InfoCure Systems, Inc., a Georgia corporation ("Subsidiary"), in connection with that certain Stock Purchase Agreement (the "Agreement") by and among Subsidiary, Parent, Allina Health System, a Minnesota not-for-profit corporation ("Allina") and the shareholders (each shareholder, individually a "Shareholder" and collectively "Shareholders") of StrategiCare, Inc., a Minnesota corporation ("Company"), dated June 21, 1999, but effective as of May 31, 1999, and the exhibits and ancillary documents attached thereto and referenced therein (such documents and the Agreement collectively referred to as the "Acquisition Documents"), and have participated in the closing today of the purchase by Subsidiary of one hundred percent (100%) of the outstanding stock of Company (the "Transaction"). This Opinion Letter is rendered pursuant to Section 2.5.B.(iii) of the Agreement. Capitalized terms not otherwise defined herein have the meanings set forth in the Agreement.

This Opinion Letter is governed by, and is to be interpreted in accordance with, the Legal Opinion Accord (the "Accord") of the ABA Section of Business Law (1991). As a consequence, it is subject to the assumptions, qualifications (including the General Qualifications), exceptions, definitions, limitations on coverage and other limitations, all as more particularly described in the Accord. This Opinion Letter should be read in conjunction therewith.

In the capacity described above, we have considered such matters of law and of fact, including the examination of originals or copies, certified or otherwise identified to our satisfaction, of such records and documents of Parent and Subsidiary, certificates of officers and

representatives of Parent and Subsidiary, certificates of public officials and such other documents as we have deemed appropriate as a basis for the opinions hereinafter set forth.

For purposes of this opinion, we are assuming that the representations and warranties made by the Shareholders in the Agreement and pursuant thereto are true and correct. In addition, we are assuming that there are no extrinsic agreements or understandings among the parties to the Acquisition Documents that would modify or interpret the terms of any of said agreements or the obligations of the parties thereunder.

Our opinions set forth below are subject to the following additional qualifications:

Our opinions herein are limited to the laws of the State of Georgia, the Delaware General Corporation Law and applicable federal laws of the United States of America. We express no opinion as to the laws of any other jurisdiction.

Based upon the foregoing, it is our opinion that:

1. Parent is a corporation, and is existing and in good standing, under the laws of the State of Delaware.

2. Subsidiary is a corporation, and is existing and in good standing under the laws of the State of Georgia.

3. Parent and Subsidiary each have the corporate power to execute and deliver the Acquisition Documents, to perform their respective obligations thereunder, to own and use their respective assets and to conduct their respective businesses.

4. Each of Parent and Subsidiary have duly authorized the execution and delivery of the Acquisition Documents to which it is a party and all performance by Parent and Subsidiary thereunder and each has duly executed and delivered the Acquisition Documents to which it is a party.

5. The execution and delivery by each of Parent and Subsidiary of the Acquisition Documents to which it is a party do not, and if Parent and Subsidiary were to perform their respective obligations under the Acquisition Documents such performance would not, result in any:

(i) Violation of Parent's Certificate of Incorporation or bylaws or Subsidiary's Articles of Incorporation or bylaws.

(ii) Violation of any existing federal or state constitution, statute, regulation, rule, order, or law to which Parent or Subsidiary or their respective assets are subject.

(iii) Violation of any judicial or administrative decree, writ, judgment or order to which, to our knowledge, Parent or Subsidiary or their respective assets are subject.

(iv) To our knowledge, breach of or default under any material written agreement.

6. Each of the Acquisition Documents to which Parent is a party constitutes the legal, valid and binding obligation of Parent, enforceable against Parent in accordance with its terms. Each of the Acquisition Documents to which Subsidiary is a party constitutes the legal, valid and binding obligation of Subsidiary, enforceable against Subsidiary in accordance with its terms.

7. No consent, approval or authorization of any federal, state or local governmental authority is required to be submitted, made or obtained in connection with the execution, delivery and performance of the Acquisition Documents.

Based upon the limitations and qualifications set forth above, we confirm to you that to our knowledge, no litigation or other proceeding against Parent or Subsidiary or any of Parent's or Subsidiary's assets is pending or overtly threatened by a written communication to Parent or Subsidiary which litigation or proceeding challenges or may have the effect of preventing, delaying, making illegal or otherwise interfering with the closing of the Transaction.

In addition to other limitations noted in the Accord, the enforceability of the Agreement may be limited by:

(i) The possible unenforceability of waivers or advance consents that have the effect of waiving statutes of limitation, marshaling of assets or similar requirements, or, as to the jurisdiction of courts, the venue of actions, the right to jury trial, or in certain cases, notices.

(ii) The possible unenforceability of provisions that waivers or consents by a party may not be given effect unless in writing or in compliance with particular requirements or that a person's course of dealing, course of performance, or the like or failure or delay in taking actions may not constitute a waiver of related rights or provisions or that one (1) or more waivers may not, under certain circumstances, constitute a waiver of other matters of the same kind.

(iii) The effect of course of dealing, course of performance, or the like that would modify the terms of an agreement or the respective rights or obligations of the parties under an agreement.

(iv) The possible unenforceability of provisions that enumerated remedies are non-exclusive or that a party has the right to pursue multiple remedies without regard to other remedies elected or that all remedies are cumulative.

(v) The effect of O.C.G.A. § 13-1-11 on provisions relating to attorneys' fees.

(vi) The possible unenforceability of provisions that determination by a party or a party's designee are conclusive.

(vii) The possible unenforceability of provisions permitting modifications of an agreement only in writing.

(viii) The possible unenforceability of provisions that the provisions of an agreement are severable in all circumstances.

(ix) The effect of laws requiring mitigation of damages.

(x) The possible unenforceability of provisions permitting the exercise, under certain circumstances, of rights without notice or without providing opportunity to cure failures to perform.

(xi) The effect of agreements as to rights of setoff otherwise than in accordance with applicable law.

(xii) The possible unenforceability of agreements imposing restrictions on competition, restrictions on solicitation of customers or employees or disclosure or use of confidential information.

This Opinion Letter is provided to you for use solely in connection with the Transaction, and may not be relied upon by any other person or for any other purpose without our prior written consent.

Very truly yours,

MORRIS, MANNING & MARTIN
a Limited Liability Partnership

By: _____
Richard L. Haury, Jr., A Partner

0508629.02

NON-COMPETITION AGREEMENT

THIS **NON-COMPETITION AGREEMENT** (the "Agreement") is made and entered into this 21th day of June, 1999 (the "Effective Date"), by and among **InfoCure Systems, Inc.**, a Georgia corporation (the "Buyer"), **InfoCure Corporation**, a Delaware corporation and Buyer's parent ("InfoCure") and **David C. Cordes**, a resident of Minnesota ("Seller").

WITNESSETH:

WHEREAS, StrategiCare, Inc., a Minnesota corporation ("StrategiCare") owns one hundred percent (100%) of the outstanding capital stock of DISC Computer Systems, Inc., a Minnesota corporation ("DISC");

WHEREAS, Seller owns forty-eight thousand three hundred seventy-five (48,375) shares of the outstanding capital stock of StrategiCare;

WHEREAS, pursuant to that certain Stock Purchase Agreement, dated June 21, 1999, but effective May 31, 1999 (the "Acquisition Agreement"), by and among Buyer, InfoCure, Seller, Allina Health System, a Minnesota not-for-profit company ("Allina") and the other shareholders of StrategiCare, Buyer is acquiring one hundred percent (100%) of the outstanding capital stock of StrategiCare (the "Transaction") and will therefore become the sole owner of one hundred percent (100%) of the outstanding capital stock of DISC;

WHEREAS, InfoCure and Buyer each have a legitimate business interest in protecting the value of the assets and business of StrategiCare and DISC, including, without limitation, StrategiCare's and DISC's goodwill;

WHEREAS, Seller currently conducts a medical management consulting business in which he utilizes software licensed from DISC for purposes of rendering consulting, billing and collection services to healthcare providers throughout the state of Minnesota ("Seller's Business"); and

WHEREAS, it is a condition precedent to the Closing of the Transaction that Seller enter into this Agreement, and Seller has agreed to furnish such protection to InfoCure and Buyer as set forth herein.

NOW, THEREFORE, for and in consideration of Ten and No/100 Dollars ($10.00) in hand paid, and for the mutual premises, representations, warranties and covenants set forth herein and in the Acquisition Agreement, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged conclusively, the parties hereto, intending to be legally bound, agree as follows:

1. Defined Terms. Unless otherwise set forth herein, capitalized terms shall have the meanings set forth on **Exhibit A**, which is incorporated herein by reference.

2. Acknowledgement Regarding Seller's Business. Notwithstanding anything herein to the contrary, Seller shall be entitled to continue to operate Seller's Business in the manner historically conducted by Seller prior to the date hereof.

3. Non-Solicitation of Protected Employees. Seller understands and agrees that the relationship between StrategiCare and DISC and each of their respective Protected Employees constitutes a valuable asset of StrategiCare and DISC, as the case may be, (and of Buyer and InfoCure following the Closing of the Transaction) and may not be converted or misappropriated to Seller's own use following the Closing of the Transaction. Accordingly, Seller hereby agrees that, during the Restricted Period, he shall not, directly or indirectly, on his own behalf or as a Principal or Representative of any Person, solicit or induce any Protected Employee to terminate his or her employment relationship with Buyer or InfoCure or to enter into employment with any other Person engaged in providing Competitive Services.

4. Non-Solicitation of Protected Customers. Seller understands and agrees that the relationship between StrategiCare and DISC and each of their respective Protected Customers constitutes a valuable asset of StrategiCare and DISC, as the case may be, (and of Buyer and InfoCure following the Closing of the Transaction) and may not be converted or misappropriated to Seller's own use following the Closing of the Transaction. Accordingly, Seller hereby agrees that, during the Restricted Period he shall not, directly or indirectly, on his own behalf or as a Principal or Representative of any Person, solicit a Protected Customer for the purpose of providing Competitive Services.

5. Non-Competition. During the Restricted Period, Seller, unless acting in accordance with Buyer's express, prior written consent, hereby agrees that he shall not, directly or indirectly, on his own behalf, or as a Principal or Representative of any Person, engage in providing Competitive Services in the states or jurisdictions listed on **Exhibit B** hereto (the "Territory").

6. Representations. The parties hereto agree that: (i) the periods of restriction and territory of restriction contained in this Agreement are reasonably necessary for the protection of Buyer's and InfoCure's legitimate business interests and that the Territory is the area in which StrategiCare and/or DISC performed Competitive Services; (ii) by having access to information concerning Protected Employees and Protected Customers, Seller has a competitive advantage as to such parties; (iii) the covenants and agreements of Seller contained in this Agreement are reasonably necessary to protect Buyer's and InfoCure's legitimate business interests, in whose favor said covenants and agreements are imposed; (iv) the restrictions imposed by this Agreement are not greater than are necessary for the protection of Buyer and InfoCure, in light of the substantial harm that Buyer and InfoCure will suffer should Seller breach any of the provisions of said covenants or agreements and (v) the covenants and agreements of Seller contained in this Agreement form material consideration for this Agreement and the Acquisition Agreement.

7. Injunction; Remedies; Costs. Seller acknowledges that a breach by him of any part of this Agreement will result in irreparable and continuing damage to Buyer and InfoCure, and any breach or threatened breach of the covenants provided in this Agreement may be subject to specific performance by temporary as well as permanent injunction, or any other equitable remedies of any court of competent jurisdiction. In the event a court of competent jurisdiction determines that Seller has breached any of the foregoing covenants in this Agreement, Seller shall pay all costs of

enforcement of these provisions, including, but not limited to, court costs and reasonable attorneys' fees. Alternatively, if such court determines Seller has not breached such covenants, InfoCure shall pay all costs of defending such action, including, but not limited to, court costs and reasonable attorneys' fees. If a court shall finally determine that any of the restraints provided for in Sections 3, 4, or 5, are too broad to be enforceable because of time, geographic area or activity, then the time, geographic area or activity, or all of them shall be modified to whatever extent such court deems reasonable, and such restraints shall be enforced against Seller as so modified.

8. Severability. The covenants and agreements on the part of Seller contained in this Agreement shall be construed as agreements independent of any other agreement between Buyer and/or InfoCure, on the one hand, and Seller, on the other hand. The existence of any claim or cause of action of Seller against Buyer and/or InfoCure, whether predicated on the Agreement or otherwise, shall not constitute a defense to the enforcement by Buyer and/or InfoCure of each of such covenants and agreements, or otherwise affect the remedies to which Buyer and/or InfoCure are entitled hereunder.

9. Choice of Law. This Agreement, and the rights and obligations of the parties hereto, shall be governed by and construed in accordance with the laws of the State of Georgia, without regard to its applicable principles of conflicts of law.

10. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

11. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, heirs and legal representatives. This Agreement may not be assigned by InfoCure or Buyer unless to another corporation controlled by or under common control with InfoCure. This Agreement may not be assigned by Seller.

IN WITNESS WHEREOF, the parties hereto each have duly executed this Agreement, under seal, as of the day and year first set forth above.

INFOCURE:

InfoCure Corporation

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

BUYER:

InfoCure Systems, Inc.

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

SELLER:

_____(SEAL)
David C. Cordes

BUYER:

InfoCure Systems, Inc.

By:_____
Name:_____
Title:_____

[CORPORATE SEAL]

SELLER:

_____ (SEAL)
David C. Cordes

EXHIBIT A

Definitions Of Terms

"**Closing**" shall mean June ___, 1999.

"**Competitive Services**" shall mean all of the following (i) developing, selling, installing and licensing physician practice management computer software applications and modules with functionality similar to one (1) or more of the applications and modules identified on **Exhibit C** attached hereto (the "DISC Applications") to healthcare providers and (ii) servicing and supporting the DISC Applications (other than in the manner in which Seller has historically conducted such support and services to Seller's customers in Seller's Business). Notwithstanding the foregoing, Seller's conduct of Seller's Business in the manner in which Seller historically conducted Seller's Business prior to the date hereof shall not be deemed "Competitive Services" or a violation of this Agreement.

"**Person**" shall mean any individual or any corporation, limited liability company, partnership, business trust, joint venture, association or other entity or enterprise other than Buyer or InfoCure.

"**Principal or Representative**" shall mean a principal, owner, partner, shareholder, joint venturer, investor, trustee, director, officer, manager, employee, agent, representative or consultant.

"**Protected Customers**" shall mean Buyer's customers who, at any time during the one (1) year period prior to the Closing of the Transaction, were customers of StrategiCare or DISC.

"**Protected Employees**" shall mean Buyer's employees who, during the one (1) year period prior to the Closing of the Transaction, were employees of StrategiCare or DISC; provided, however, that "Protected Employees" shall not include any employee of StrategiCare or DISC (i) whose employment is terminated by Buyer or within thirty (30) days of Closing of the Transaction or (ii) who has voluntarily terminated employment with StrategiCare or DISC and has not been employed by StrategiCare or DISC for at least three (3) months prior to entering into employment with any other Person engaged in providing Competitive Services.

"**Restricted Period**" shall mean the two (2) year period following the date of this Agreement.

EXHIBIT B

Territory

Minnesota

Wisconsin

North Dakota

Iowa

EXHIBIT C

List Of Disc Applications

Disc Provider Network Software (Formerly Known As Disc Physician Billing System)

- Appointment Scheduling
- Medical Recall Generator
- Report Generator
- Message Tracking
- Code Search
- Enhanced Collection Management
- Patient Tracking

Additional Applications

- Email
- Electronic Claims interfaces to the following providers:
  - Blue Cross/Blue Shield Direct
  - Medicare
  - Medical Assistance
  - ProviderLink/ActaMed
  - Blue Cross/Blue Shield Commercial
  - U-Care
  - Health Partners
- Electronic Claims Remittance Gateway interfaces:
  - ProviderLink/ActaMed (Medica)
  - Minnesota Medicare
  - Health Partners
- Master Patient Index (MPI)
- Cross Partition Reporting
- Referral Countdown
- Patient Refund Checks
- Appointment Scheduling Plus (includes Surgery Scheduling)
- RBRVS
- Microfiche Account History
- Starview
- Tickler
- Interfaces:
  - Smith-Kline Lab
  - Medipac Demographic Downloads
  - Medformation
  - Reliance Collection
  - Med Credit Collection
  - Mosaix

ClaimLynx
HCM Cost Accounting
D & B General Ledger
Lawson General Ledger
MedicalLogic
Abaton.com
ActaMed Interface

NON-COMPETITION AGREEMENT

THIS **NON-COMPETITION AGREEMENT** (the "Agreement") is made and entered into this 21th day of June, 1999 (the "Effective Date"), by and among **InfoCure Systems, Inc.**, a Georgia corporation (the "Buyer"), **InfoCure Corporation**, a Delaware corporation and Buyer's parent ("InfoCure") and **David F. Nickolay**, a resident of Minnesota ("Seller").

WITNESSETH:

WHEREAS, StrategiCare, Inc., a Minnesota corporation ("StrategiCare") owns one hundred percent (100%) of the outstanding capital stock of DISC Computer Systems, Inc., a Minnesota corporation ("DISC");

WHEREAS, Seller owns one hundred twenty-five thousand one hundred eighty-one (125,181) shares of the outstanding capital stock of StrategiCare;

WHEREAS, pursuant to that certain Stock Purchase Agreement, dated June 21, 1999, but effective May 31, 1999 (the "Acquisition Agreement"), by and among Buyer, InfoCure, Seller, Allina Health System, a Minnesota not-for-profit company ("Allina") and the other shareholders of StrategiCare, Buyer is acquiring one hundred percent (100%) of the outstanding capital stock of StrategiCare (the "Transaction") and will therefore become the sole owner of one hundred percent (100%) of the outstanding capital stock of DISC;

WHEREAS, InfoCure and Buyer each have a legitimate business interest in protecting the value of the assets and business of StrategiCare and DISC, including, without limitation, StrategiCare's and DISC's goodwill;

WHEREAS, Seller currently conducts a medical management consulting business throughout the state of Minnesota ("Seller's Business"); and

WHEREAS, it is a condition precedent to the Closing of the Transaction that Seller enter into this Agreement, and Seller has agreed to furnish such protection to InfoCure and Buyer as set forth herein.

NOW, THEREFORE, for and in consideration of Ten and No/100 Dollars ($10.00) in hand paid, and for the mutual premises, representations, warranties and covenants set forth herein and in the Acquisition Agreement, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged conclusively, the parties hereto, intending to be legally bound, agree as follows:

1. Defined Terms. Unless otherwise set forth herein, capitalized terms shall have the meanings set forth on **Exhibit A**, which is incorporated herein by reference.

2. Acknowledgement Regarding Seller's Business. Notwithstanding anything herein to the contrary, Seller shall be entitled to continue to operate Seller's Business in the manner historically conducted by Seller prior to the date hereof.

3. Non-Solicitation of Protected Employees. Seller understands and agrees that the relationship between StrategiCare and DISC and each of their respective Protected Employees constitutes a valuable asset of StrategiCare and DISC, as the case may be, (and of Buyer and InfoCure following the Closing of the Transaction) and may not be converted or misappropriated to Seller's own use following the Closing of the Transaction. Accordingly, Seller hereby agrees that, during the Restricted Period, he shall not, directly or indirectly, on his own behalf or as a Principal or Representative of any Person, solicit or induce any Protected Employee to terminate his or her employment relationship with Buyer or InfoCure or to enter into employment with any other Person engaged in providing Competitive Services.

4. Non-Solicitation of Protected Customers. Seller understands and agrees that the relationship between StrategiCare and DISC and each of their respective Protected Customers constitutes a valuable asset of StrategiCare and DISC, as the case may be, (and of Buyer and InfoCure following the Closing of the Transaction) and may not be converted or misappropriated to Seller's own use following the Closing of the Transaction. Accordingly, Seller hereby agrees that, during the Restricted Period he shall not, directly or indirectly, on his own behalf or as a Principal or Representative of any Person, solicit a Protected Customer for the purpose of providing Competitive Services.

5. Non-Competition. During the Restricted Period, Seller, unless acting in accordance with Buyer's express, prior written consent, hereby agrees that he shall not, directly or indirectly, on his own behalf, or as a Principal or Representative of any Person, engage in providing Competitive Services in the states or jurisdictions listed on **Exhibit B** hereto (the "Territory").

6. Representations. The parties hereto agree that: (i) the periods of restriction and territory of restriction contained in this Agreement are reasonably necessary for the protection of Buyer's and InfoCure's legitimate business interests and that the Territory is the area in which StrategiCare and/or DISC performed Competitive Services; (ii) by having access to information concerning Protected Employees and Protected Customers, Seller has a competitive advantage as to such parties; (iii) the covenants and agreements of Seller contained in this Agreement are reasonably necessary to protect Buyer's and InfoCure's legitimate business interests, in whose favor said covenants and agreements are imposed; (iv) the restrictions imposed by this Agreement are not greater than are necessary for the protection of Buyer and InfoCure, in light of the substantial harm that Buyer and InfoCure will suffer should Seller breach any of the provisions of said covenants or agreements and (v) the covenants and agreements of Seller contained in this Agreement form material consideration for this Agreement and the Acquisition Agreement.

7. Injunction; Remedies; Costs. Seller acknowledges that a breach by him of any part of this Agreement will result in irreparable and continuing damage to Buyer and InfoCure, and any breach or threatened breach of the covenants provided in this Agreement shall be subject to specific performance by temporary as well as permanent injunction, or any other equitable remedies of any court of competent jurisdiction. In the event a court of competent jurisdiction determines that Seller has breached any of the foregoing covenants in this Agreement, Seller shall pay all costs of

enforcement of these provisions, including, but not limited to, court costs and reasonable attorneys' fees. Alternatively, if such court determines Seller has not breached such covenants, InfoCure shall pay all costs of defending such action, including, but not limited to, court costs and reasonable attorneys' fees. If a court shall finally determine that any of the restraints provided for in Sections 3., 4. or 5. are too broad to be enforceable because of time, geographic area or activity, then the time, geographic area or activity, or all of them shall be modified to whatever extent such court deems reasonable, and such restraints shall be enforced against Seller as so modified.

8. Severability. The covenants and agreements on the part of Seller contained in this Agreement shall be construed as agreements independent of any other agreement between Buyer and/or InfoCure, on the one hand, and Seller, on the other hand. The existence of any claim or cause of action of Seller against Buyer and/or InfoCure, whether predicated on the Agreement or otherwise, shall not constitute a defense to the enforcement by Buyer and/or InfoCure of each of such covenants and agreements, or otherwise affect the remedies to which Buyer and/or InfoCure are entitled hereunder.

9. Choice of Law. This Agreement, and the rights and obligations of the parties hereto, shall be governed by and construed in accordance with the laws of the State of Georgia, without regard to its applicable principles of conflicts of law.

10. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

11. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, heirs and legal representatives. This Agreement may not be assigned by InfoCure or Buyer unless to another corporation controlled by or under common control with InfoCure. This Agreement may not be assigned by Seller.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto each have duly executed this Agreement, under seal, as of the day and year first set forth above.

INFOCURE:

InfoCure Corporation

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

BUYER:

InfoCure Systems, Inc.

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

SELLER:

_____(SEAL)
David F. Nickolay

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[CORPORATE SEAL]

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InfoCure Systems, Inc.

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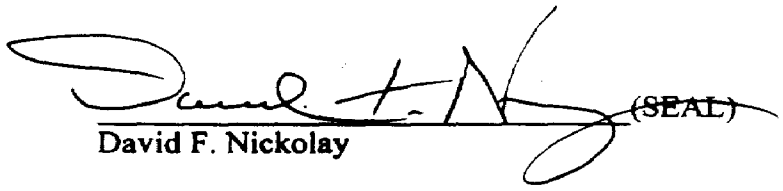
Name: _____
Title: _____

[CORPORATE SEAL]

SELLER:



(SEAL)

David F. Nickolay

EXHIBIT A

Definitions Of Terms

"**Closing**" shall mean June 21, 1999.

"**Competitive Services**" shall mean all of the following (i) developing, selling, installing and licensing physician practice management computer software applications and modules with functionality similar to one (1) or more of the applications and modules identified on **Exhibit C** attached hereto (the "DISC Applications") to healthcare providers and (ii) servicing and supporting the DISC Applications (other than in the manner in which Seller has historically conducted such support and services to Seller's customers in Seller's Business). Notwithstanding the foregoing, Seller's conduct of Seller's Business in the manner in which Seller historically conducted Seller's Business prior to the date hereof shall not be deemed "Competitive Services" or a violation of this Agreement.

"**Person**" shall mean any individual or any corporation, limited liability company, partnership, business trust, joint venture, association or other entity or enterprise other than Buyer or InfoCure.

"**Principal or Representative**" shall mean a principal, owner, partner, shareholder, joint venturer, investor, trustee, director, officer, manager, employee, agent, representative or consultant.

"**Protected Customers**" shall mean Buyer's customers who, at any time during the one (1) year period prior to the Closing of the Transaction, were customers of StrategiCare or DISC.

"**Protected Employees**" shall mean Buyer's employees who, during the one (1) year period prior to the Closing of the Transaction, were employees of StrategiCare or DISC; provided, however, that "Protected Employees" shall not include any employee of StrategiCare or DISC (i) whose employment is terminated by Buyer or within thirty (30) days of Closing of the Transaction or (ii) who has voluntarily terminated employment with StrategiCare or DISC and has not been employed by StrategiCare or DISC for at least three (3) months prior to entering into employment with any other Person engaged in providing Competitive Services.

"**Restricted Period**" shall mean the two (2) year period following the date of this Agreement.

EXHIBIT B

Territory

Minnesota

Wisconsin

North Dakota

Iowa

EXHIBIT C

List Of Disc Applications

Disc Provider Network Software (Formerly Known As Disc Physician Billing System)

- Appointment Scheduling
- Medical Recall Generator
- Report Generator
- Message Tracking
- Code Search
- Enhanced Collection Management
- Patient Tracking

Additional Applications

- Email
- Electronic Claims interfaces to the following providers:
  - Blue Cross/Blue Shield Direct
  - Medicare
  - Medical Assistance
  - ProviderLink/ActaMed
  - Blue Cross/Blue Shield Commercial
  - U-Care
  - Health Partners
- Electronic Claims Remittance Gateway interfaces:
  - ProviderLink/ActaMed (Medica)
  - Minnesota Medicare
  - Health Partners
- Master Patient Index (MPI)
- Cross Partition Reporting
- Referral Countdown
- Patient Refund Checks
- Appointment Scheduling Plus (includes Surgery Scheduling)
- RBRVS
- Microfiche Account History
- Starview
- Tickler
- Interfaces:
  - Smith-Kline Lab
  - Medipac Demographic Downloads
  - Medformation
  - Reliance Collection
  - Med Credit Collection
  - Mosaix

ClaimLynx
HCM Cost Accounting
D & B General Ledger
Lawson General Ledger
MedicalLogic
Abaton.com
ActaMed Interface