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RECORDATION FORM COVER SHEET
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TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- [xxx] New
- [ ] Resubmission (Non-Recordation) Document ID #
- [ ] Correction of PTO Error Reel # Frame #
- [ ] Corrective Document Reel # Frame #

Conveyance Type

- [xxx] Assignment
- [ ] License
- [ ] Security Agreement
- [ ] Nunc Pro Tunc Assignment
- [ ] Merger
- Effective Date Month Day Year
- [ ] Change of Name
- [xxx] Other Asset Purchase Agreement

Conveying Party

[ ] Mark if additional names of conveying parties attached

Execution Date Month Day Year: 04/30/99

Name: Phynet Holdings Corp.

Formerly:

[ ] Individual [ ] General Partnership [ ] Limited Partnership [xxx] Corporation [ ] Association

[ ] Other

[xxx] Citizenship/State of Incorporation/Organization: Delaware

Receiving Party

[ ] Mark if additional names of receiving parties attached

Name: InfoCure Systems, Inc.

DBA/AKA/TA:

Composed of:

Address (line 1): Suite 450

Address (line 2): 1765 The Exchange

Address (line 3): Atlanta (City) Georgia (State/Country) 30339 (Zip Code)

[ ] Individual [ ] General Partnership [ ] Limited Partnership

[xxx] Corporation [ ] Association

[ ] Other

[ ] If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. *(Designation must be a separate document from Assignment.)*

[xxx] Citizenship/State of Incorporation/Organization: Georgia

07/14/2000 ASCOTT 00000089 2179170
01 FC:481 40.00 OP

FOR OFFICE USE ONLY

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments , Washington, D.C. 20231

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name: N/A

Address (line 1):

Address (line 2):

Address (line 3):

Address (line 4):

Correspondent Name and Address

Area Code and Telephone Number: 404/504-7713

Name: Richard L. Haury, Jr., Esq. c/o Morris Manning & Martin, LLP

Address (line 1): 1600 Atlanta Financial Center

Address (line 2): 3343 Peachtree Road, NE

Address (line 3): Atlanta, Georgia 30326

Address (line 4):

Pages

Enter the total number of pages of the attached conveyance document including any attachments. # 35

Trademark Application Number(s) or Registration Number(s)

☐ Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
2179170					

Number of Properties

Enter the total number of properties involved. # 1

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): $ 40.00

Method of Payment: Enclosed [xx] Deposit Account [ ]

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number: #

Authorization to charge additional fees: Yes [ ] No [ ]

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. Charges to deposit account are authorized, as indicated herein.

Richard L. Haury, Jr., Esq. — Name of Person Signing

Signature

Date Signed

ASSET PURCHASE AGREEMENT

DATED AS OF APRIL 30, 1999,

AMONG

PHYNET INFORMATION SYSTEMS, INC. ("SELLER"),

INFOCURE SYSTEMS, INC. ("BUYER"),

INFOCURE CORPORATION ("INFOCURE") AND

PHYNET HOLDINGS CORP. ("SHAREHOLDER")

ASSET PURCHASE AGREEMENT

THIS **ASSET PURCHASE AGREEMENT** (the "Agreement") is made and entered into this 30th day of April, 1999, by and among **PhyNet Information Systems, Inc.**, a Delaware corporation (the "Seller"), **InfoCure Systems, Inc.**, a Georgia corporation (the "Buyer"), **InfoCure Corporation**, a Delaware corporation ("InfoCure") and **PhyNet Holdings Corp.**, a Delaware corporation ("Shareholder"). Seller, Buyer, InfoCure and Shareholder are referred to collectively herein as the "Parties."

RECITALS:

A. Shareholder owns one hundred percent (100%) of the issued and outstanding capital stock of Seller consisting of one thousand (1,000) shares of common stock.

B. Seller is engaged in the business of providing electronic commerce and internet services to the healthcare industry including, without limitation, hosting an informational website providing links to other healthcare related websites and databases (the "Business").

C. On the terms and subject to the conditions set forth herein, the Parties desire to enter into this Agreement, pursuant to which Buyer will purchase from Seller and Seller will sell to Buyer, substantially all of Seller's assets and properties relating to the Business.

COVENANTS:

In consideration of the mutual representations, warranties and covenants and subject to the conditions herein contained, the parties hereto agree as follows:

1. Purchase and Sale of the Assets.

1.1. Purchased Assets. On the terms and subject to the conditions contained in this Agreement, on the Closing Date (as hereinafter defined), Buyer shall purchase from Seller, and Seller shall sell, assign and deliver to Buyer, the Purchased Assets (as hereinafter defined), free and clear of all liens, security interests, options, charges and other restrictions whatsoever (hereinafter referred to as "Encumbrances") except for the Permitted Encumbrances referenced in Section 4.7. below. The term "Purchased Assets" shall mean all the following assets, properties, rights, titles and interests, related to the Business of Seller on the date hereof including, without limitation, all of the following assets related to the Business (but excluding all "Excluded Assets" as defined in Section 1.2.):

1.1.1. All cash and cash equivalents on hand and in banks, certificates of deposit, commercial paper, stocks, bonds and other liquid investments of Seller;

1.1.2. Except as set forth on **Schedule 1.1.2.**, all prepayments and prepaid expenses (including, without limitation, any and all prepaid insurance, lease payments and deposits and customer deposits) (the "Prepayments");

1.1.3. All inventories, work in process and supplies;

1.1.4. All rights existing under those specific agreements set forth on **Schedule 1.1.4** attached hereto, which agreements Seller hereby covenants shall be assigned or transferred to Buyer at Closing;

1.1.5. All lists and records pertaining to customer accounts (whether past or current), suppliers, distributors, personnel and agents and all other books, ledgers, files, documents correspondence and business records;

1.1.6. All claims, deposits, warranties, guarantees, refunds, causes of action, rights of recovery, rights of set-off and rights of recoupment of every kind and nature, other than those relating exclusively to Excluded Assets or Excluded Liabilities (each as defined below);

1.1.7. All Owned Technology, all of Seller's right in Third Party Technology and all of Seller's Intellectual Property Rights (as defined in Section 4.9. hereof), together with all copies and tangible embodiments of the foregoing (in whatever form or medium and including, without limitation, all copies of all or any part thereof, in object code, source code or other format, and in all magnetic or optical media);

1.1.8. All, to the extent transferable, permits, licenses, franchises, orders, registrations, certificates, variances, approvals and similar rights obtained from governments and governmental agencies and all data and records pertaining thereto;

1.1.9. All insurance, warranty and condemnation proceeds received after the Effective Date with respect to damage, non-conformances of or loss to the Purchased Assets;

1.1.10. Reserved.

1.1.11. All fixed assets, furniture, equipment and other tangible personal property, whether owned, leased or otherwise (including, without limitation, items which, have been fully depreciated or expensed), including, without limitation, the assets which are set forth on **Schedule 1.1.11** attached hereto;

1.1.12. All books, records, ledgers, files, documents, correspondence, lists, studies and reports and other printed or written materials related to the marketing of the products and services of the Business;

1.1.13. All accounts, notes and other receivables (collectively, the "Receivables"); and

1.1.14. All goodwill as a going concern and associated with the items listed above (including, without limitation, the goodwill associated with (i) the items referred to in subsections 1.1.7. and 1.1.8. above; (ii) all telephone numbers, facsimile numbers and web pages owned and used by Seller in its Business) and (iii) the names "PhyNet" and "Medinet", and any

derivation thereof, and all of the right, title and interest of the Seller in the logos relating to such names.

1.2. Excluded Assets. Notwithstanding the foregoing, the following assets are expressly excluded from the purchase and sale contemplated hereby (the "Excluded Assets") and, as such, are not included in the Purchased Assets:

1.2.1. Seller's rights under or pursuant to this Agreement (including, without limitation, Seller's rights to the Purchase Price);

1.2.2. Seller's general ledger, accounting records and minute books; provided that Buyer shall be given copies upon request of the general ledger and accounting records for any calendar year beginning on or after January 1, 1996, as such documents exist as of the Closing Date;

1.2.3. Any right to receive mail and other communications addressed to Seller relating exclusively to the Excluded Assets or to all liabilities;

1.2.4. Those assets of Seller which are set forth on **Schedule 1.2.4**;

1.2.5. All agreements, leases and arrangements, whether written or oral, relating to the Business which are not listed on **Schedule 1.1.4**; and

1.2.6. The outstanding shares of stock.

2. Purchase Price; Assumption of Liabilities.

2.1. Amount of Purchase Price. In consideration for the purchase of the Purchased Assets, Buyer agrees to pay Seller the following "Purchase Price":

A. An amount equal to Twenty Five Thousand and No/100 Dollars (the "Stock Consideration") payable by delivery to Seller of one thousand (1,000) shares of InfoCure's $.001 par value voting common stock (the "Stock"); and

B. An amount equal to Four Thousand Seven Hundred Sixty-Nine and 72/100 Dollars ($4,769.72) payable in cash by wire transfer at Closing (the "Cash Consideration"); provided, however, Seller shall use the Cash Consideration to pay, in full, the obligations of Seller set forth on **Schedule 2.1** at Closing ("Seller's Closing Obligations"). Seller shall provide evidence at Closing of satisfaction in full of Seller's Closing Obligations or evidence of an arrangement to satisfy the Closing Obligations which shall be satisfactory to Buyer, in its sole and absolute discretion.

2.2. Reserved.

2.3. Excluded Liabilities. Buyer shall not assume, and shall have no liability for, any debts, liabilities, obligations, expenses, taxes, contracts or commitments of the Seller or the Business of any kind, character or description, whether accrued, absolute, contingent or

otherwise, arising out of any act or omission occurring or state of facts existing prior to or on the Closing Date (collectively the "Excluded Liabilities" and individually an "Excluded Liability"). The Seller shall remain fully liable for the Excluded Liabilities.

2.4. Allocation of the Purchase Price Among the Purchased Assets. The Purchase Price shall be allocated among each item or class of the Purchased Assets in accordance with **Schedule 2.4** hereto. Seller and Buyer agree that they will prepare and file their federal and any state or local income tax returns based on such allocation of the Purchase Price. Seller and Buyer agree that they will prepare and file any notices or other filings required pursuant to Section 1060 of the Internal Revenue Code of 1986, as amended, and that any such notices or filings will be prepared based on such allocation of the Purchase Price.

2.5. Escrow Agreement. As security for the indemnities provided herein by Seller and Shareholder, Shareholder shall cause to be deposited in escrow with the escrow agent named in the Escrow Agreement attached hereto as **Exhibit A** the sum of Sixty-Six Thousand Five Hundred and No/100 Dollars ($66,500.00) of Stock valued at Twenty-Five and No/100 Dollars ($25.00) per share (two thousand six hundred sixty (2,660) shares of Stock).

3. Closing.

3.1. Time and Place of the Closing. The closing of the purchase and sale of the Purchased Assets shall take place at Morris, Manning & Martin, L.L.P., Atlanta, Georgia, at 10:00 A.M., local time, on or before April 30, 1999. Throughout this Agreement, such event is referred to as the "Closing" and such date and time are referred to as the "Closing Date."

3.2. Procedure at the Closing. At the Closing, the parties agree to take the following steps in the order listed below (provided, however, that upon their completion all such steps shall be deemed to have occurred simultaneously):

3.2.1. Seller shall deliver to Buyer such deeds, bills of sale, endorsements, assignments, lease assignments and estoppel agreements (duly executed by the lessor under the leases) and other instruments, including a Bill of Sale in the form of **Exhibit D** hereto, as shall be sufficient to vest in Buyer good and marketable title to the Purchased Assets, free and clear of all Encumbrances other than Permitted Encumbrances.

3.2.2. Buyer shall pay to Seller the Cash Purchase Price by wire transfer in accordance with the Wire Transfer Instructions attached hereto as **Exhibit E** and shall deliver to Seller the Stock Consideration in accordance with the Distribution Instructions attached hereto as **Exhibit F**.

4. Representations and Warranties of Seller and Shareholder.

In order to induce Buyer to enter into this Agreement and to consummate the transactions contemplated hereunder, Seller and Shareholder, jointly and severally, make the following representations and warranties as of the date hereof and as of the Closing Date:

4.1. Organization, Power and Authority of Seller. Seller is a corporation duly organized and legally existing in good standing under the laws of Delaware and has full corporate power and authority to own or lease its properties and operate its Business, to enter into this Agreement and to carry out the transactions and agreements contemplated hereby.

The amount and character of Seller's Business does not require Seller to qualify to do business in any foreign jurisdiction other than Texas and Arizona, where it is duly qualified as of the Closing Date.

All of Seller's issued and outstanding capital stock is owned by Shareholder, and no other person has any right, claim or beneficial interest in such shares of capital stock or other interest in Seller which would adversely affect or interfere in any manner with this Agreement or the consummation of the transactions contemplated hereby or affect or interfere with the ownership and operation of the Purchased Assets and Business by Buyer after the Closing.

4.2. No Subsidiaries and Affiliates. Seller has within the two (2) year period ending on the Closing Date never owned or controlled, and does not own or control, directly or indirectly, any stock, partnership interest, joint venture interest or other security, equity participation or interest in any corporation, partnership, trust or other business organization.

4.3. Financial Statements of Seller. Seller has delivered to Buyer the following financial statements of Seller, copies of which are attached as **Schedule 4.3**:

4.3.1. Unaudited balance sheets at December 31 of each of the years 1997 and 1998.

4.3.2. Unaudited statements of income for the years ended December 31, 1997 and December 31, 1998.

4.3.3. Unaudited interim balance sheets as of March 31, 1999, and unaudited statements of income for the period January 1, 1999, through March 31, 1999 (the "Interim Financial Statements").

The financial statements are prepared in accordance with generally accepted accounting principles which have been consistently applied through the respective periods and present fairly the financial position of Seller at each of such balance sheet dates and the results of its operations for each of the periods covered.

4.4. Liabilities of Seller. Except as set forth in **Schedule 4.4 and Schedule 2.1**, Seller has no liabilities, debts, commitments or obligations (whether individually or in the aggregate), of any nature, accrued, absolute, contingent or otherwise, except normal liabilities incurred in the ordinary course of business, in amounts and for terms consistent, individually and in the aggregate, with Seller's past practices, since December 31, 1998.

4.5. Tax Matters.

4.5.1. Except as set forth on **Schedule 4.5**, Seller has timely filed all tax returns and reports required to be filed by it, including, without limitation, all federal, state and local tax returns, and has 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 Seller's Business or ownership of the Purchased Assets prior to Closing. Seller will continue to make adequate provision for all such taxes and other charges for all periods through the Closing Date.

Except as set forth on **Schedule 4.5**, Seller and Shareholder have no knowledge of any tax deficiency proposed or threatened against Seller. There are no tax liens upon any property or assets of Seller. Except as set forth on **Schedule 4.5**, Seller has made all payments of estimated taxes when due in amounts sufficient to avoid the imposition of any penalty.

4.5.2. Except as set forth on **Schedule 4.5**, all taxes and other assessments and levies which Seller was required by law to withhold or to collect have been duly withheld and collected, and have been paid over to the proper governmental entity.

4.5.3. Except as set forth in **Schedule 4.5**, the federal and state income tax returns and local returns, if any, of Seller have never been audited by the income tax authorities, nor are any such audits in process. Except as set forth in **Schedule 4.5**, there are no outstanding agreements or waivers extending the statute of limitations applicable to any federal or state income tax returns of Seller for any period.

4.6. Real Estate of Seller.

4.6.1. Seller neither owns nor leases any real property.

4.7. Good Title to and Condition of Seller's Assets.

4.7.1. Except as described in **Schedule 4.7.1**, Seller has good and marketable title to all of the Purchased Assets (other than its interest in its leasehold premises and leased personal property set forth on **Schedule 1.1.11**), free and clear of all Encumbrances, except for Encumbrances for current taxes, assessments or government changes or levies on property not yet due or delinquent (the "Permitted Encumbrances") which are set forth in **Schedule 4.7.1**.

4.7.2. Seller has less than One Thousand and No/100 Dollars ($1,000.00) of inventory and supplies.

4.8. Receivables of Seller. Seller does not have any accounts receivable, notes receivable or insurance proceeds receivable.

4.9. Intellectual Property Rights of Seller.

A. Definitions. As used in this Section 4.9. 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 right to exclude others existing, from time to time, in a specified jurisdiction under patent law, copyright law, moral rights law, trade-secret law, semiconductor chip protection law, 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, under development or inactive, 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, inventories, processes and procedures.

B. The representations and warranties in this Section 4.9. are limited to the Intellectual Property Rights and Technology used and/or licensed by Seller in connection with the Business on or prior to the Closing.

C. Set forth in **Schedule 4.9.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 Seller (collectively "Registrations"); (ii) a complete list of each pending Registration of Seller; (iii) a complete list of all of Seller's applications for or Registrations which have been withdrawn, abandoned, or have lapsed or been denied and (iv) a summary of any advice to Seller with respect to the Registration or protectability of the Intellectual Property Rights relating to the Registrations. With respect to the Registrations, to the extent applicable all affidavits of use or continuing use have been filed, all current maintenance fees have been paid, and all other governmental requirements have been satisfied.

D. **Schedule 4.9.D** sets forth an accurate and complete list and description of all Intellectual Property Rights owned by or licensed to the Seller that are not covered by the Registrations, which description indicates the nature of Seller's rights or title to such Intellectual Property Rights (collectively 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 4.9. as "Seller's Intellectual Property Rights."

E. Seller has not made and is not using any unauthorized copies of any Mass-Market Software and none of the employees, agents or representatives of the Seller have made or are using any such unauthorized copies.

F. Set forth in **Schedule 4.9.F** is an accurate and complete list and description (including a name, product description, the language in which it is written and the type of hardware platform(s) on which it runs) of all of the following:

(i) All Technology owned by Seller or under development by Seller ("Owned Technology").

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

Owned Technology and Third Party Technology is hereafter referred to collectively as "Seller's Technology."

G. No Technology other than Seller's Technology and no Intellectual Property Rights other than Seller's Intellectual Property Rights are required to operate the Business as presently conducted and as contemplated by Seller's existing product plans.

H. **Schedule 4.9.H** identifies each license agreement or other written or oral agreement or permission which Seller has granted any rights to Seller's Technology to any third party, including, but not limited to, distribution agreements and customer agreements (collectively, the "License Agreements"). All Seller's contracts with customers for Seller's Technology are evidenced by written agreements containing provisions reasonably equivalent to those terms contained in **Schedule 4.9.H**.

I. **Schedule 4.9.I** identifies each agreement or other written or oral agreement or permission with a third party authorizing Seller to use, sublicense and/or distribute the Third Party Technology (collectively, "Third Party License Agreements"), together with the term thereof, and all royalties or other amounts due thereon.

J. **Schedule 4.9.J** describes each source code escrow agreement entered into by Seller relating to Seller's Technology and lists each third party to whom any Seller's Technology in source code form has been provided.

K. Seller has supplied Buyer with correct and complete copies of all License Agreements and Third Party License Agreements. Except as set forth in **Schedule 4.9.K**, Seller's Technology and the information used by Seller, and the Intellectual Property Rights thereunder, are fully transferable to Buyer in the manner contemplated in this Agreement (in, object code, and if applicable, source code forms, including all related documentation, to the extent that such documentation has been created).

L. Seller has complied with all License Agreements and Third Party License Agreements, and to Seller's best knowledge all other parties to such agreements have complied with all provisions thereof; and no default or event of default exists under any of the License Agreements or Third Party License Agreements.

M. None of the past or current uses by or through Seller of the Owned Technology and, to Seller's best knowledge, 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 Seller's best knowledge, no third party is either violating or infringing upon, or has violated or infringed upon at any time, any of the Seller's Intellectual Property Rights.

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

P. Seller is not 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 be bound by (as a result of any acts or agreements of Seller), any license or other agreement requiring the payment by Seller or its 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 4.9.P**.

Q. Except as set forth on **Schedule 4.9.Q**, the Owned Technology and to Seller's Knowledge 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 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, and whether or not the dates are affected by leap years;

(ii) The Owned Technology and 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;

(iii) The Owned Technology and 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;

(iv) The Owned Technology and 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 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 and Third Party Technology have been tested by Seller to determine whether the Owned Technology and Third Party Technology are Millennium Compliant. Seller shall deliver the test plans and results of such tests upon receipt of Buyer's written request. Seller shall notify Buyer immediately of the results of any test or any claim or other information that indicates the Owned Technology and Third Party Technology are not Millennium Compliant.

R. Without limiting any of the foregoing, to Seller's best knowledge, none of Seller'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 Seller, any trade secrets or proprietary information, including, without limitation, the source code for Seller's Technology.

S. **Schedule 4.9.S** identifies (i) all individuals who have contributed to the development of Seller's Technology and (ii) such individuals as either an employee or independent contractor of Seller. Neither Charles W. Dial, Jr., John F. Herbster, Howard Duffy nor Randy Fuller contributed to or modified in any way the Owned Technology.

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

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

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

(iii) Complies with all representations, warranties and other requirements specified in all of Seller's License Agreements.

Except as set forth on **Schedule 4.9.T**, no License Agreement with a customer provides for (i) the assignment to the customer therein of any Intellectual Property Rights relating to Seller's Technology or (ii) the right to sublicense or otherwise transfer to a third party any of the Intellectual Property Rights relating to Seller's Technology.

U. Except as set forth on **Schedule 4.9.U**, each past or present customer of Seller and each past or present customer of Seller to whom Seller disclosed any of the Intellectual Property Rights relating to Seller's Technology is bound by a confidentiality provision which requires such past or present customer to take reasonable steps to protect the rights of Seller in the Intellectual Property Rights relating to Seller's Technology.

4.10. Adequacy of Seller's Assets. The Purchased Assets constitute, in the aggregate, all of the property necessary for the conduct of Seller's Business in the manner in which and to the extent to which it is currently being conducted.

4.11. Documents of and Information With Respect to Seller.

4.11.1. **Schedule 4.11.1** accurately and completely sets forth a true and complete list of all of the contracts of Seller which are material to the Purchased Assets or Seller's Business (the "Material Contracts"), including, without limitation, the following:

A. Each policy of insurance in force with respect to the assets and properties of Seller and each of the performance or other surety bonds maintained by Seller in the conduct of its Business;

B. Each promissory note, loan, credit agreement, guarantee, security agreement or similar document or instrument to which Seller is a party or by which it is bound;

C. Each lease of personal property to which Seller is a party or by which it is bound which involves rental payments which, if annualized, would exceed Five Thousand and No/100 Dollars ($5,000.00);

D. Any other agreement, contract or commitment to which Seller is a party or by which it is bound which involves a future commitment by Seller in excess of Five Thousand and No/100 Dollars ($5,000.00) and which cannot be terminated without liability on ninety (90) days or less notice; and

E. The name of each bank in which Seller has an account or safe-deposit box, the name in which the account or box is held and the names of all persons authorized to draw thereon or to have access thereto.

The contracts listed on **Schedule 4.11.1** together with the License Agreements and Third Party License Agreements listed on **Schedules 4.9.H and 4.9.I** are referred to herein as the "Material Contracts."

Seller has previously furnished Buyer with a true and complete copy of each such written agreement, contract or commitment listed in **Schedule 4.11.1**. There has not been any default in any obligation to be performed by Seller which is uncured and outstanding, nor to the best knowledge of Seller and Shareholder, any other party, under any such instrument. Except as set forth on **Schedules 4.9.H. and 4.9.I** and **Schedule 4.11.1**, Seller is not a party to or bound by any other Material Contracts.

4.11.2. Seller carries insurance, which is customary in scope and reasonable in character and amount, with reputable insurers, covering all of its Business assets, properties and Business, and it has provided all required performance or other surety bonds.

All premiums and other payments which become due under the policies of insurance listed in **Schedule 4.11.2** have been paid in full and, to the extent relating to periods prior to the Closing Date, will be paid in full on or prior to the Closing Date. All of such policies are now in full force and effect and Seller has received no notice from any insurer, agent or broker of the cancellation of, or any increase in premium with respect to, any of such policies or

bonds. No insurer has the right to make retrospective premium adjustments with respect to any of such policies.

4.11.3. **Schedule 4.11.3** sets forth a complete list of all of Seller's current Business customers (defined as having received products or services from Seller within the last three (3) years).

4.12. Litigation Involving Seller and Shareholder. Except as set forth on **Schedule 4.12**, there are no actions, suits, claims, governmental investigations or arbitration proceedings pending or, to the best knowledge of Seller and Shareholder, threatened against or affecting Seller, its Business or any of its assets or properties or Shareholder with respect to or relating to Seller and, to the best knowledge of Seller and Shareholder, there is no basis for any of the foregoing. There are no outstanding orders, decrees or stipulations issued by any federal, state, local or foreign judicial or administrative authority in any proceeding to which Seller is or was a party.

4.13. No Adverse Change. Since the date of the Interim Financial Statements, all changes in the Business or business properties of Seller, or in its consolidated financial condition, including changes occurring in the ordinary course of business, have not had or will not have an adverse effect on the business, properties, financial condition, business prospects or operating results of Seller. There is not, to the best knowledge of Seller and Shareholder, any threatened or prospective event or condition of any character whatsoever which could adversely affect the assets, properties, business, financial condition or results of operations of the Business of Seller.

4.14. Absence of Certain Acts or Events. Except as disclosed in **Schedule 4.14**, since the date of the Interim Financial Statements, with respect to the Business, Seller has not:

A. Sold or transferred any of its assets other than in the ordinary course of business;

B. Made or obligated itself to make capital expenditures aggregating more than Ten Thousand and No/100 Dollars ($10,000.00);

C. Incurred any material obligations or liabilities (including any indebtedness) or entered into any material transaction, except for this Agreement and the transactions contemplated hereby;

D. Suffered any theft, damage, destruction or casualty loss in excess of Five Thousand and No/100 Dollars ($5,000.00); or

E. Except as disclosed on **Schedule 4.14**, declared or paid any dividends or made any other distributions with respect to its shares or redeemed or purchased any of its shares.

4.15. Compliance With Laws by Seller.

4.15.1. Seller is in compliance with all laws, regulations and orders applicable to Seller, its assets, properties and Business. Seller has not received notification of any asserted past or present failure to comply with any laws, and to the best knowledge of Seller and Shareholder, no proceeding with respect to any such violation is contemplated.

4.15.2. Seller has not made any payment of funds prohibited by law in connection with the Business of Seller, and no funds have been set aside to be used in connection with the Business of Seller for any payment prohibited by law.

4.15.3. Seller has retained copies (whether in paper or electronic form) of all patient claims, information and data received from customers of Seller and of all patient claims, information and data forwarded by Seller to payors.

4.16. Employment and Labor Matters.

4.16.1. **Schedule 4.16.1** lists all employees and agents who on the date hereof perform services on a regular basis in the Business operations of or for Seller.

4.16.2. To the best knowledge of Seller and Shareholder, Seller has complied with all applicable federal, state and local laws, rules and regulations and ordinances respecting health, safety and working conditions of its employees, including, without limitation, the Occupational Safety and Health Act of 1970, Pub. L. 91-596, as amended, and all similar applicable federal, state and local laws, rules, regulations and ordinances, and has provided Buyer with copies of all reports filed and notices provided under any such laws, rules, regulations and ordinances during the last five (5) years.

4.17. Employee Benefits Matters.

4.17.1. **Schedule 4.17.1** lists all plans, programs, and similar agreements, commitments or arrangements, whether oral or written, maintained by or on behalf of Seller or any other party that provide benefits or compensation to, or for the benefit of, current or former employees of Seller ("Plan" or "Plans"). Except as set forth on **Schedule 4.17.1** only current and former employees of Seller participate in the Plans. Copies of all 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 5500s 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, have been delivered to Buyer, and all of the same are or will be true, correct and complete.

4.17.2. With respect to each Plan to the extent applicable:

A. No litigation or administrative or other proceeding is pending or threatened involving such Plan.

B. To the best knowledge of Seller and Shareholder, such Plan has been administered and operated in substantial compliance with, and has been amended to comply with all applicable laws, rules, and regulations, including, without limitation, the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), the Internal Revenue Code, and the regulations issued under ERISA and the Internal Revenue Code.

C. Seller and its predecessors, if any, have 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.

D. On the Closing Date such Plan will be fully funded in an amount sufficient to pay all liabilities accrued (including liabilities and obligations for health care, life insurance and other benefits after termination of employment) and claims incurred to the Closing Date, or paid-up insurance will be provided, therefor.

4.18. Due Authorization; Binding Obligation. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by necessary corporate action of Seller and Shareholder. This Agreement has been duly executed and delivered by Seller and Shareholder and is a valid and binding obligation of each of them, enforceable in accordance with its terms.

Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will:

A. Conflict with or violate any provision of the Articles of Incorporation or the bylaws of Seller, or the Articles of Incorporation or bylaws of Shareholder, or of any law, ordinance or regulation or any decree or order of any court or administrative or other governmental body which is either applicable to, binding upon or enforceable against Seller or Shareholder; or

B. Result in any breach of or default under any mortgage, contract, agreement, indenture, will, trust or other instrument which is either binding upon or enforceable against Seller or Shareholder or the assets and properties of Seller or Shareholder.

Without limiting the generality of the foregoing, neither Seller or Shareholder are a party to any continuing agreement or understanding, made by either of them or on either of their behalves, which limits in any way the ability of:

A. Seller and Shareholder to enter into this Agreement and perform their respective obligations hereunder;

B. Seller to sell the Purchased Assets to Buyer and Buyer to purchase the Purchased Assets, all on the terms and subject to the conditions set forth herein; or

C. The parties hereto to consummate the transactions contemplated hereby, nor has Seller or Shareholder breached any such agreement, or any prior agreement, which breach would entitle the other party thereto to any equitable or monetary remedies.

4.19. Consents and Approvals. Except as set forth in **Schedule 4.19**, no consent, authorization or approval of, or exemption by, or filing with, any governmental, public or self-regulatory body or authority (a "Governmental Agency") or any other third party, including, without limitation, the licensors of any Technology, is required in connection with the execution, delivery and performance by Seller or Shareholder of this Agreement or the consummation of the transactions contemplated hereby or thereby or for the continuation by Buyer of the Business of Seller after the Closing in the same manner as presently conducted or proposed to be conducted.

4.20. Related Party Transactions. Except as set forth in **Schedule 4.20**, Seller is not directly or indirectly a party to any contract, agreement, or lease with, or any other commitment to:

A. Shareholder or any other party owning, or formerly owning, beneficially or of record, directly or indirectly, any of the shares of capital stock of Seller;

B. Any person related by blood, adoption or marriage to any such party;

C. Any director or officer of Seller;

D. Any corporation or other entity in which any of the foregoing parties has, directly or indirectly, at least a five percent (5%) beneficial interest in the share capital or other type of equity interest in such entity; or

E. Any partnership in which any such party is a general partner (any or all of the foregoing being herein referred to as "Related Parties").

Without limiting the generality of the foregoing, except as disclosed in **Schedule 4.20**,

A. No Related Party, directly or indirectly, owns or controls any assets or properties which are or have been used in the Business of Seller; and

B. No Related Party, directly or indirectly, engages in or has any significant interest in or connection with any business (x) which is or which within the last three (3) years has been a competitor, customer or supplier of Seller or has done business with Seller or (y) which as of the date hereof sells or distributes products or services which are similar or related to Seller's products or services.

4.21. Customer Prepayments. Set forth on **Schedule 4.21** is a list of all existing contracts pursuant to which Seller is obligated to perform services relating to its Business, including the amount of prepayments received by Seller as of March 31, 1999, under such contracts, a description of the services yet to be performed for which payment has been received, and the number of employee hours Seller reasonably estimates must be expended by its

employees to complete such services. Such contracts are based on a good faith estimate basis rather than a fixed bid basis. Also set forth on **Schedule 4.21** is a list of all Business products and services prepaid and not yet delivered or provided.

4.22. Books and Records. The books of account and other financial records to be transferred to Buyer pursuant hereto are accurate, are maintained in accordance with all applicable laws, and are accurately reflected in the Financial Statements. Seller has provided to Buyer and its representatives true and complete copies of or access to all minute books, stock register and other corporate records of Seller existing on the date hereof.

4.23. Accuracy of Information Furnished by Seller and Shareholder. To the best knowledge of Seller and Shareholder, no representation, statement or information in writing made or furnished by Seller or Shareholder or by any of them to Buyer, including, without limitation, those contained in this Agreement and the various schedules attached hereto and the other information and statements previously furnished by Seller to Buyer in writing, contains or shall contain any untrue statement of a material fact or omits or shall omit any material fact necessary to make the information contained therein in light of circumstances in which they were made, not misleading.

5. Representations and Warranties of Buyer and InfoCure.

In order to induce Seller to enter into this Agreement and consummate the transactions contemplated hereunder, Buyer and InfoCure, jointly and severally, makes the following representations and warranties:

5.1. Organization, Power and Authority of Buyer. Buyer is a corporation duly organized and validly existing under the laws of the State of Georgia, with full corporate power and authority to enter into this Agreement and to carry out the transactions and agreements contemplated hereby.

5.2. Due Authorization; Binding Obligation. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate actions of Buyer. This Agreement has been duly executed and delivered by Buyer and is a valid and binding obligation of Buyer, enforceable in accordance with its terms.

Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will:

A. Conflict with or violate any provision of the articles of incorporation or bylaws of Buyer or of any decree or order of any court or administration or other governmental body which is either applicable to, binding upon or enforceable against Buyer; or

B. Result in any breach of or default under any mortgage, contract, agreement, indenture, will, trust or other instrument which is either binding upon or enforceable against Buyer.

5.3. Accuracy of Information Furnished by Buyer. No representation, statement or information made or furnished by Buyer to Seller and Shareholder in writing contains any untrue statement of a material fact or omits a material fact necessary to make the statements contained herein, in light of the circumstances in which they were made, not misleading.

5.4. Accuracy of Information Furnished by Buyer and InfoCure. No representation, statement or information in writing made or furnished by Buyer or InfoCure or by both of them to Seller and Shareholder, including, without limitation, those contained in this Agreement and the various schedules attached hereto and the other information and statements previously furnished by Buyer to Seller in writing, contains or shall contain any untrue statement of a material fact or omits or shall omit any material fact necessary to make the information contained therein in light of circumstances in which they were made, not misleading.

6. Additional Covenants of Seller and Shareholder.

6.1. Best Efforts. Seller and Shareholder will each use its respective reasonable, best efforts to cause to be satisfied as soon as practicable and prior to the Closing Date all of the conditions set forth in Section 9. to the obligation of Buyer to purchase the Purchased Assets.

6.2. Conduct of Business Pending the Closing. From and after the execution and delivery of this Agreement and until the Closing Date, except as otherwise provided by the prior written consent of Buyer:

6.2.1. Seller will: (i) conduct its Business and operations in the manner in which the same have heretofore been conducted; (ii) preserve its business organization intact; (iii) keep available the services of its officers, employees, agents and distributors and (iv) preserve its relationships with customers, suppliers and others having dealings with Seller;

6.2.2. Seller will maintain all of its properties in customary repair, order and condition, reasonable wear and use and damage by unavoidable casualty excepted, and to maintain insurance of such types and in such amounts upon all of its properties and with respect to the conduct of its Business as are in effect on the date of this Agreement;

6.2.3. Seller will: (i) not sell or transfer any of its assets other than in the ordinary course of business consistent with past practices or (ii) not incur any material obligations or liabilities or enter into any material transaction, contract, arrangement or agreement without the prior written consent of Buyer; and

6.2.4. Seller will not increase the compensation payable or to become payable to any director, officer, employee or agent of Seller, make any profit-share payment or other arrangement (whether current or deferred) to or with any director, officer, employee or agent, hire any employee, officer or director, consultant, or agent without the prior written approval of Buyer.

6.3. Access to Seller's Plants, Properties and Records. From and after the execution and delivery of this Agreement, Seller will afford to the representatives of Buyer access, during

normal business hours and upon reasonable notice, to Seller's premises sufficient to enable Buyer to inspect the assets and properties of Seller, and Seller will furnish to such representatives during such period all such information relating to the foregoing investigation as Buyer may reasonably request; provided, however, that any furnishing of such information to Buyer and any investigation by Buyer shall not affect the right of Buyer to rely on the representations and warranties made by Shareholder or Seller in or pursuant to this Agreement, and, provided further that Buyer will hold in confidence all documents and information concerning Seller so furnished.

6.4. Employee Benefit Plans and Termination of Employment of Certain of Seller's Employees. Seller, Buyer, and Shareholder hereby covenant and agree as follows with regard to all Plans (as defined in Section 4.17.1. hereof) maintained by Seller and with respect to the termination of employment of Seller employees by Buyer following the Closing:

A. Benefit Plans. Shareholder and Seller covenant and agree to hold Buyer harmless from and indemnify Buyer against all liabilities for any benefits payable under any Plan as of the Closing Date.

B. Health Insurance. Seller and Shareholder hereby covenant and agree that Seller will promptly pay all obligations that are payable under any health insurance plan maintained by Seller or Seller as of the Closing Date.

C. Disability Insurance. Seller will promptly pay all obligations that are payable under any disability plan maintained by Seller as of the Closing Date with respect to any Seller employee.

D. Bonuses. Seller and Shareholder hereby covenant and agree that Seller will pay all bonuses earned by employees or former employees of Seller as of the Closing Date. Buyer shall have no liability for bonuses earned or expected as of the Closing Date.

E. COBRA, Mandatory Group Coverage and HIPAA. Seller hereby covenants and agrees that it will promptly deliver to all employees of Seller, and such employees' dependents, appropriate notices and documentation under applicable provisions of the Consolidated Budget Reconciliation Act of 1985 (if any), the Eligibility for Mandatory Group Conversion and Continuation Privilege (Title 28, Texas Dept. of Ins., Chapter 3, Subchapter S, § 3.504) and the Health Insurance Portability and Accountability Act of 1996.

6.5. Obligation to Forward Mail Following Closing. Seller shall promptly provide Buyer with copies of all mail and other communications addressed to Seller which relate to the Purchased Assets.

7. Other Covenants of Shareholder.

In order to induce Buyer to enter into this Agreement and to consummate the transactions contemplated hereunder, Shareholder agrees with Buyer as follows:

7.1. Best Efforts. Shareholder will use its best efforts to cause to be satisfied as soon as practicable and prior to the Closing Date all of the conditions set forth in Section 9. to the obligation of Buyer to purchase the Purchased Assets.

8. Additional Covenants of Buyer and InfoCure.

8.1. Best Efforts. Each of Buyer and InfoCure will use its reasonable, best efforts to cause to be satisfied as soon as practicable and prior to the Closing Date all of the conditions set forth in Section 10. to the obligation of Seller to sell the Purchased Assets pursuant to this Agreement.

8.2. Securities and Exchange Commission Compliance. InfoCure has filed all forms, reports and documents required to be filed with the Securities and Exchange Commission (the "SEC") as of the Closing Date.

8.3. Current Public Information. For a period of two (2) years from the Closing Date, InfoCure shall file all reports required to be filed by it under the Securities Act and the Securities Exchange Act of 1934, as amended, to enable Shareholder to sell the InfoCure Stock pursuant to Rule 144 adopted by the SEC under the Securities Act (as such rule may be amended, from time to time). Within a reasonable period of time following receipt of a written request, InfoCure shall deliver to Shareholder a written statement as to whether it has complied with such requirements.

9. Conditions to the Obligation of Buyer and InfoCure.

The obligation of Buyer to purchase the Purchased Assets shall be subject to the fulfillment at or prior to the Closing Date of each of the following conditions, each of which is for the benefit of Buyer and InfoCure and any one (1) or more of which may be waived by either Buyer or InfoCure:

9.1. Accuracy of Representations and Warranties and Compliance With Obligations.

The representations and warranties of Shareholder and Seller contained in this Agreement shall have been true and correct at and as of the date hereof, and they shall be true and correct at and as of the Closing Date with the same force and effect as though made at and as of that time.

Shareholder and Seller shall have performed and complied with all of their obligations required by this Agreement to be performed or complied with at or prior to the Closing Date.

Seller and Shareholder shall deliver to Buyer a Certificate in the form of **Exhibit B** hereto, certifying that each of the conditions to the obligation of Buyer to purchase the Purchased Assets from Seller which is set forth in Sections 9.1. through 9.9. and 9.11. of this Agreement has been satisfied.

9.2. Opinion of Counsel. Buyer shall have received an opinion dated the Closing Date from DiCecco, Fant & Burman, L.L.P., counsel for Seller and Shareholder, substantially in form and substance as set forth on **Exhibit H** attached hereto.

9.3. Receipt of Necessary Consents. All necessary consents or approvals of third parties to any of the transactions contemplated hereby, the absence of which would affect Buyer's rights hereunder, shall have been obtained and shown by written evidence reasonably satisfactory to Buyer.

9.4. No Adverse Litigation. There shall not be pending or threatened any action or proceeding by or before any court or other governmental body which shall seek to restrain, prohibit or invalidate the sale of the Purchased Assets to Buyer or any other transaction contemplated hereby, or which might affect the right of Buyer to own the Purchased Assets or to operate the business formerly operated by Seller and which, in the judgment of Buyer, makes it inadvisable to proceed with the purchase of the Purchased Assets.

9.5. Restrictive Covenant Agreements. Seller shall have entered into a restrictive covenant agreement (the "Restrictive Covenant Agreement") with Buyer, substantially in the form of **Exhibit I** hereto.

9.6. Reserved.

9.7. Reserved.

9.8. Directors and Shareholder Resolutions; Good Standing. Seller shall have delivered to Buyer a certificate evidencing the good standing of Seller as of a recent practicable date, and a certified copy of the resolutions of the directors and shareholder of Seller and the directors and shareholders of the Shareholder of Seller approving the execution, delivery and performance by Seller of this Agreement and all the other transactions to be taken by Seller contemplated herein.

9.9. Assignment of Intellectual Property. At or prior to Closing, Shareholder shall assign to Buyer any rights they may have in or to Seller's Technology and Seller's Intellectual Property Rights.

9.10. Buyer's Lender's Approval. On or before Closing, Buyer shall have obtained the approval of Buyer's lender, Finova Capital Corporation ("Finova"), to the transaction contemplated herein.

9.11. Subscription Agreement. Seller, Shareholder and each of Shareholder's shareholders shall have each entered into a Subscription Agreement with InfoCure in the form of **Exhibit L** and each of Shareholder's shareholders shall have completed the Investor Questionnaire in the form of **Exhibit M**.

9.12 Source Code. Seller shall deliver its source code to Buyer within seven (7) days of the Closing Date.

10. Conditions to Obligation of Seller.

The obligation of Seller to sell the Purchased Assets shall be subject to the fulfillment at or prior to the Closing Date of each of the following conditions, each of which is for the benefit of Seller and the Shareholder and any one (1) or more of which may be waived by them:

10.1. Accuracy of Representations and Warranties and Compliance With Obligations.

The representations and warranties of Buyer and InfoCure contained in this Agreement shall have been true and correct at and as of the date hereof, and they shall be true and correct at and as of the Closing Date with the same force and effect as though made at and as of that time.

Buyer and InfoCure shall have performed and complied with all of their respective obligations required by this Agreement to be performed or complied with at or prior to the Closing Date.

Buyer and InfoCure shall each deliver to Seller a Certificate in the form of **Exhibit C** hereto, certifying that each of the conditions to the obligations of Seller to sell the Purchased Assets to Buyer which is set forth in Section 10. in this Agreement has been satisfied.

10.2. Opinion of Counsel. Seller shall have received an opinion, dated the Closing Date, from Morris, Manning & Martin L.L.P., counsel to Buyer and InfoCure, substantially in form and substance as set forth in **Exhibit N** attached hereto.

10.3. No Adverse Litigation. There shall not be pending or threatened any action or proceeding by or before any court or other governmental body which shall seek to restrain, prohibit or invalidate the sale of the Purchased Assets by Seller or any other transaction contemplated hereby or which, in the judgment of Seller, makes it inadvisable to proceed with the sale of the Purchased Assets.

11. Additional Agreements.

11.1. Execution of Further Documents. From and after the Closing, upon the reasonable request of Buyer, Seller and Shareholder shall, and Shareholder shall cause Seller to, execute, acknowledge and deliver all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be required to convey and transfer to and vest in Buyer and protect its rights, title and interest in the Purchased Assets and as may be appropriate otherwise to carry out the transactions contemplated by this Agreement.

11.2. Use of Name. After the Closing, Seller shall not conduct any business under the name "PhyNet", "Medinet" or "PhyNet Information Systems" or under any name deceptively or confusingly similar thereto and shall change its corporate name within thirty (30) days from the Closing Date.

11.3. Reserved.

11.4. Enforcement of Confidentiality Agreements. From and after the Closing Date, Seller and Shareholder shall enforce, on behalf of Buyer, any confidentiality agreements which cannot be assigned to Buyer pursuant to this Agreement.

11.5. Announcements. Seller and Buyer shall work together after the Closing to coordinate the preparation and mailing by each of any announcements each of them desires to make to customers relating to this transaction.

12. Indemnification.

12.1. Agreement by Seller and Shareholder to Indemnify. Seller and Shareholder, jointly and severally (Seller and Shareholder, the "Seller Indemnifying Parties"), agree that they will indemnify and hold harmless Buyer and InfoCure and each of their respective officers, directors, shareholders, agents, successors and assigns (collectively, the "Buyer Indemnified Parties") in respect of the aggregate of all Indemnifiable Damages caused to the Business or any of the Buyer Indemnified Parties.

For this purpose, "Indemnifiable Damages" caused to the Business or any of the Buyer Indemnified Parties means the aggregate of all expenses, losses, penalties, costs, deficiencies, liabilities and damages (including related counsel fees and expenses) incurred or suffered by the Business or such Buyer Indemnified Party resulting from:

A. Any inaccurate representation or warranty made by Seller or Shareholder in or pursuant to this Agreement;

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

C. The failure of any of Seller or Shareholder to pay, discharge or perform any liability or obligation of Seller or Shareholder which is not an Assumed Liability;

D. Any actions, claims, proceedings, demands, grievances or disputes brought or initiated by third parties against the Business or any of the Buyer Indemnified Parties in connection with an Excluded Liability; or

E. The conduct of the Business by Seller through and including the Closing Date.

Without limiting the generality of the foregoing, with respect to the measurement of "Indemnifiable Damages", the Buyer 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 Seller and Shareholder been true and correct and had each of the covenants of Seller and Shareholder been performed in full.

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

12.1.1. Each of the representations and warranties made by Seller and Shareholder in this Agreement or pursuant hereto, shall survive for a period of one (1) year after the Closing Date, notwithstanding any investigation at any time made by or on behalf of Buyer or InfoCure, and thereafter all such representations and warranties shall be extinguished; provided, however, that the representations and warranties made by Seller and Shareholder to the extent they relate to Seller's title to the Purchased Assets shall survive forever and that the representations and warranties made by Seller and Shareholder in Section 4.5. hereof ("Tax Matters") shall in each case survive until the first (1st) anniversary of the later of:

A. The date on which applicable period of limitation on assessment or refund of tax has expired; or

B. The date on which the applicable taxable year (or portion thereof) has been closed.

No claim for the recovery of Indemnifiable Damages may be asserted by a Buyer Indemnified Party 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, the Buyer Indemnifying Parties shall have no liability with respect to Indemnifiable Damages until the total of all such damages exceeds Ten Thousand and No/100 Dollars ($10,000.00) in which event the Seller Indemnifying Parties shall be obligated to indemnify the Buyer Indemnified Parties as provided herein for all such damages. Notwithstanding the foregoing, in no event shall the sum of: (i) the aggregate liability of the Seller Indemnifying Parties under this Section 12. and (ii) the aggregate liability of the Seller Indemnifying Parties under Section 12. of that certain Asset Purchase Agreement, dated April 30, 1999, by and among PhyNet EDI Solutions, L.L.C., Buyer, InfoCure and Shareholder exceed Six Hundred Sixty-Five Thousand and No/100 Dollars ($665,000.00).

12.2. Agreements by Buyer and InfoCure to Indemnify. Buyer and InfoCure (the "Buyer Indemnifying Parties"), jointly and severally, agree to indemnify and hold Seller and Shareholder and each of their respective officers, directors, shareholders, agents, successors and assigns (collectively the "Seller Indemnified Parties") harmless in respect of the aggregate of all Indemnifiable Damages of any of the Seller Indemnified Parties.

For this purpose, "Indemnifiable Damages" of any of the Seller Indemnified Parties means the aggregate of all expenses, losses, costs, deficiencies, liabilities and damages (including related counsel fees and expenses) incurred or suffered by any of the Seller Indemnified Parties resulting from:

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

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

C. The conduct of the Business acquired hereunder by Buyer following the Closing Date.

Without limiting the generality of the foregoing, with respect to the measurement of "Indemnifiable Damages", each of the 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 the Buyer Indemnifying Parties been true and correct and had each of the covenants of the Buyer Indemnifying Parties been performed in full.

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

12.2.1. Each of the representations and warranties made by Buyer and InfoCure in Article V. of this Agreement shall survive for a period of one (1) year after the Closing Date, and thereafter all such representations and warranties shall be extinguished.

No claim for the recovery of Indemnifiable Damages may be asserted by the 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.

In addition, the Buyer Indemnifying Parties shall have no liability with respect to Indemnifiable Damages until the total of all such damages exceeds Ten Thousand and No/100 Dollars ($10,000.00) in which event the Buyer Indemnifying Parties shall be obligated to indemnify the Seller Indemnified Parties as provided herein for all such damages.

12.3. Matters Involving Third Parties. If any third party shall notify Buyer or 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 12. 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 its choice satisfactory to the Indemnified Party.

B. The Indemnified Party may retain separate co-counsel at its sole cost and expense.

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 withheld or delayed unreasonably).

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 withheld or delayed unreasonably).

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 deem appropriate.

12.4. Other Agreements. Any indemnity obligations which the Seller Indemnifying Parties may have to the Buyer Indemnified Parties shall be first discharged by the Escrow Agent from the Stock held in escrow pursuant to Section 2.1.2. above; provided however, the Escrow Fund (as defined in the Escrow Agreement) shall not be the exclusive source of payment of Indemnifiable Damages hereunder.

13. Miscellaneous.

13.1. Brokers' Commission. Buyer will indemnify and hold harmless Seller and Shareholder from the commission, fee or claim of any person, firm or corporation employed or retained or claiming to be employed or retained by Buyer to bring about, or to represent it in, the transactions contemplated hereby. Seller and Shareholder will indemnify and hold harmless Buyer from the commission, fee or claim of any person, firm or corporation employed or retained or claiming to be employed or retained by Seller or Shareholder to bring about, or to represent them in the transactions contemplated hereby.

13.2. Amendment and Modification. The parties hereto may amend, modify and supplement this Agreement in such manner as may be agreed upon by them in writing.

13.3. Termination.

13.3.1. Anything to the contrary herein notwithstanding, this Agreement may be terminated and the transactions contemplated hereby may be abandoned:

13.3.1.1. By the mutual written consent of all of the Parties hereto at any time prior to the Closing Date;

13.3.1.2. Unless terminated pursuant to Section 13.3.1.1. by any Party in the event of the material breach by any other Party of any provision of this Agreement, which breach is not remedied by the breaching Party within ten (10) days after receipt or notice thereof from the terminating party; or

13.3.1.3. Unless terminated pursuant to Section 13.3.1.1., by any Party hereto if the Closing has not taken place within forty-eight (48) hours of receiving approval of the shareholders of Shareholder, but not later than May 15, 1999.

If this Agreement is terminated pursuant to clause 13.3.1.1. of this Section 13.3.1., no Party shall have any liability for any costs, expenses, loss of anticipated profit or any further obligation for breach of warranty or otherwise to any other Party to this Agreement. Any termination of this Agreement pursuant to clauses 13.3.1.2. or 13.3.1.3. of this Section 13.3.1. shall be without prejudice to any other rights or remedies of the respective parties.

13.3.2. The risk of any loss to the properties to be sold by Seller hereunder and all liability with respect to injury and damage occurring in connection therewith shall be the sole responsibility of Seller until the completion of the Closing. If, in the opinion of Buyer, any material part of said properties shall be damaged by fire or other casualty prior to the completion of the Closing hereunder, then Buyer shall have the right and option:

13.3.2.1. To terminate this Agreement, without liability to any party thereto; or

13.3.2.2. To proceed with the Closing hereunder, in which event such casualty shall not constitute a breach by Seller of any representation, warranty or covenant in this Agreement, and Buyer shall be entitled to receive and retain the insurance proceeds arising from such casualty.

13.4. 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 Buyer and InfoCure, jointly and severally, except to another corporation controlled by or under common control with Buyer. In any such event, Buyer and InfoCure, jointly and severally, shall remain directly liable for all undertakings and obligations hereunder. This Agreement, including any rights to receive payments hereunder, may not be assigned by Seller except for the distribution of Stock to Shareholder pursuant to the Distribution Instructions attached hereto as **Exhibit F**.

13.5. Entire Agreement. This Agreement and the exhibits and schedules attached hereto contain the entire agreement of the parties hereto with respect to the purchase of the Purchased Assets and the other transactions contemplated herein, and supersede all prior understandings and agreements of the parties with respect to the subject matter hereof. Any reference herein to this Agreement shall be deemed to include the schedules and exhibits attached hereto.

13.6. Headings. The descriptive headings in this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

13.7. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together will constitute one and the same instrument.

13.8. Notices. All notices, consents, waivers and other communications under this Agreement must be in writing and will be deemed to have been duly given (i) upon delivery by hand (with written confirmation of receipt); (ii) upon transmission 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) upon receipt by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), 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):

If to Seller, addressed to:

PhyNet Information Systems, Inc.
c/o Omni Ventures, LLC
5005 Woodway Drive
Suite 350
Houston, Texas 77056
Attention: David L. Kerr
Telephone: (713) 626-8777
Telecopy: (713) 626-8333

With a copy to:

DiCecco, Fant & Burman, L.L.P.
1900 West Loop South
Suite 1100
Houston, Texas 77027
Attention: Darryl M. Burman, Esq.
Telephone: (713) 961-3366
Telecopy: (713) 961-3938

If to Shareholder, addressed to:

PhyNet Holdings Corp.
c/o Omni Ventures, LLC
5005 Woodway Drive
Suite 350
Houston, Texas 77056
Attention: David L. Kerr
Telephone: (713) 626-8777
Telecopy: (713) 626-8333

With a copy to:

DiCecco, Fant & Burman, L.L.P.
1900 West Loop South
Suite 1100
Houston, Texas 77027
Attention: Darryl M. Burman, Esq.
Telephone: (713) 961-3366
Telecopy: (713) 961-3938

If to Buyer or InfoCure, addressed to:

InfoCure Systems, Inc.
1765 The Exchange
Suite 450
Atlanta, Georgia 30339
Attention: James K. Price
Telephone: (770) 221-9990
Telecopy: (770) 857-1300

With copy to:

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

Any party may change the address to which notices hereunder are to be sent to it by giving written notice of such change of address in the manner herein provided for giving notice.

13.9. Schedules. To the extent any disclosure in a schedule puts Buyer on actual notice of the facts reflected therein, such disclosure shall be deemed to be a disclosure in all other schedules under this Agreement as to such facts.

13.10. Governing Law/Arbitration/Consent to Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia applicable to contracts made and to be performed herein. With respect to any dispute, controversy or claim arising out of, relating to or in connection with, this Agreement, or the breach, termination or validity hereof, the Parties shall first attempt to resolve the matter in good faith for a period of fourteen (14) days, thereafter, any such dispute, controversy or claim shall be finally settled by arbitration conducted in accordance with this Section. The arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association (the

"AAA") in effect at the time of the arbitration, except as they may be modified herein or by mutual agreement of the parties. The seat of the arbitration shall be Atlanta, Georgia, and each party hereto irrevocably submits to the jurisdiction of the arbitration panel in Atlanta, Georgia. The arbitration shall be conducted by three (3) arbitrators, at least two (2) of which are attorneys having more than seven (7) years experience in the general mergers and acquisitions field. The party initiating arbitration (the "Claimant") shall identify its arbitrator within twenty (20) days of receipt of a request for arbitration (the "Request") and shall notify the Claimant of such appointment in writing. If the Respondent fails to identify an arbitrator within such twenty (20) day period, the arbitrator named in the Request shall decide the controversy or claim as the sole arbitrator. Otherwise, the two (2) arbitrators appointed by the parties shall appoint a third (3rd) arbitrator within twenty (20) days after the Respondent has notified Claimant of the appointment of the Respondent's arbitrator. When the third (3rd) arbitrator has accepted the appointment, the two (2) party-appointed arbitrators shall promptly notify the parties of the appointment. If the two (2) arbitrators appointed by the parties fail or are unable to so appoint a third (3rd) arbitrator, then the appointment of the third (3rd) arbitrator shall be made by the AAA, which shall promptly notify the parties of the appointment. The third (3rd) arbitrator shall act as chair of the panel. The arbitration award shall be in writing and shall be final and binding on the parties. The award may include an award of costs, including reasonable attorneys' fees and disbursements. Judgment upon the award may be entered by any court having jurisdiction thereof or having jurisdiction over the parties or their assets. Notwithstanding the foregoing, the parties may apply to any court of competent jurisdiction for a temporary restraining order, preliminary injunction, or other interim or conservatory relief, as necessary, without breach of this Section and without any abridgment of the powers of the arbitrators. The parties agree to be subject to the jurisdiction of the Superior Court of Cobb County or United States District Court for the Northern District of Georgia (provided said court has subject matter jurisdiction), which shall be the exclusive venue and jurisdiction for such adjudication, and the parties hereby agree to subject themselves to the jurisdiction and venue of such court for all such purposes and agree to waive any objections thereto.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]

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

BUYER:

InfoCure Systems, Inc.

By: _____
James K. Price, Secretary

(CORPORATE SEAL)

INFOCURE:

InfoCure Corporation

By: _____
James K. Price, Executive Vice President

(CORPORATE SEAL)

SELLER:

PhyNet Information Systems, Inc.

By: _____
David L. Kerr, Chairman

(CORPORATE SEAL)

SHAREHOLDER:

PhyNet Holdings Corp.

By: _____
David L. Kerr, Manager

(CORPORATE SEAL)

SERVICE MARK ASSIGNMENT

WHEREAS, PhyNet Holdings Corp. ("PhyNet"), a Delaware corporation, has been using and is the owner of all rights in and to the following service mark, the registration thereof and the goodwill of the business symbolized by said service mark:

Service Mark	Registration Number	Registration Date
United States Service Marks		
PHYNET	2,179,170	08/04/98

WHEREAS, PhyNet and its wholly owned subsidiaries, PhyNet EDI Solutions, L.L.C., a Texas limited liability company, and PhyNet Information Systems, Inc., a Delaware corporation are each transferring substantially all of the assets and the business to which the above service mark relates to InfoCure Systems, Inc. ("ISI"), a Georgia corporation, having its principal place of business at 1765 The Exchange, Suite 450, Atlanta, Georgia 30339; and

WHEREAS, as a condition precedent to said transfer of assets, PhyNet has agreed to transfer to ISI, the above-mentioned service mark, the registration and the goodwill of the business symbolized by this mark.

NOW, THEREFORE, in consideration of Ten and No/100 Dollars ($10.00) in hand paid, and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, PhyNet does hereby assign unto ISI, all of its right, title and interest in and to the above-mentioned service mark, the above-mentioned registration, the goodwill of the business symbolized by said mark and the right to sue, either at law or in equity, and to recover for any past or future infringement thereof.

IN WITNESS WHEREOF, PhyNet has caused this document to be executed on its behalf as of the 30th day of April, 1999.

PhyNet Holdings Corp.

By: _____

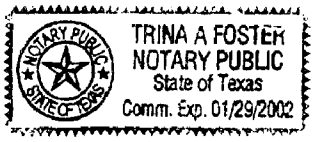
Its: _____

(Corporate Seal)

0490585.02

STATE OF TEXAS
COUNTY OF Harris, SS.

Signed before me at Houston, Texas, by David L. Kerr, Chairman of PhyNet Holdings Corp. on this 30th day of April, 1999.



Trina A. Foster
Notary Public

My Commission Expires: 1/29/2002

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