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- Security Agreement  Nunc Pro Tunc Assignment  
Effective Date  
Month Day Year
- Merger
- Change of Name
- Other

#### Conveying Party

Mark if additional names of conveying parties attached

Name

Execution Date  
Month Day Year

Formerly

- Individual  General Partnership  Limited Partnership  Corporation  Association
- Other

Citizenship/State of Incorporation/Organization

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Name

DBA/AKA/TA

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Trademark Application Number(s)

Registration Number(s)

**Number of Properties**

Enter the total number of properties involved.

#

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

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:

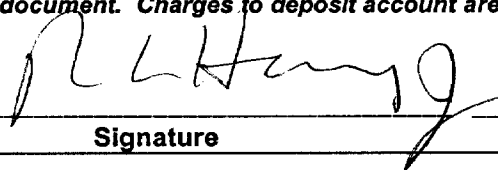
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To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Richard L. Haury, Jr., Esq.



Name of Person Signing

Signature

Date Signed

**STOCK PURCHASE AGREEMENT**

**BY AND AMONG**

**ALLEN J. WALTER,**

**SUSAN R. METZGER,**

**WILLIAM E. ECKERT,**

**TECHNOS CORPORATION,**

**INFOCURE CORPORATION**

**AND**

**INFOCURE SYSTEMS, INC.**

**DATED: MARCH 28, 2000**

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**EXHIBITS:**

Exhibit A	Wiring Instructions.
Exhibit B	Employment Agreement - William E. Eckert
Exhibit C-1	Non-Competition Agreement - William E. Eckert
Exhibit C-2	Non-Competition Agreement - Susan R. Metzger
Exhibit C-3	Non-Competition Agreement - Allen J. Walter
Exhibit D	Escrow Agreement
Exhibit E	Legal Opinion of McLane, Graf, Raulerson & Middleton, P.A.
Exhibit F	Legal Opinion of Morris, Manning & Martin, L.L.P.

## STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT ("Agreement"), is entered into as of the 28th day of March, 2000, by and among **Allen J. Walter**, an individual resident of the State of New Hampshire ("Walter"), **Susan R. Metzger**, an individual resident of the State of New Hampshire ("Metzger"), **William E. Eckert**, an individual resident of the State of New Hampshire ("Eckert", who along with Metzger and Walter are sometimes collectively referred to herein as "Shareholders" or "Sellers" and individually as a "Seller"), **Technos Corporation**, a New Hampshire corporation (the "Company"), **InfoCure Corporation**, a Delaware corporation ("InfoCure") and **InfoCure Systems, Inc.**, a Georgia corporation which is a wholly-owned subsidiary of InfoCure ("Buyer").

### RECITALS:

Sellers desire to sell, and Buyer desires to purchase, all of the issued and outstanding shares (the "Shares") of the One and No/100 Dollar (\$1.00) par value capital stock of the Company, for the consideration and on the terms set forth in this Agreement.

### AGREEMENT:

#### 1. DEFINITIONS.

For purposes of this Agreement, the following terms shall have the following meanings:

1.1. "**Affiliate**" is used in this Agreement to indicate a relationship with one (1) or more persons and when used shall mean any corporation or organization of which such person is an executive officer, director or partner or is directly or indirectly the beneficial owner of ten percent (10%) or more of any class of equity securities or financial interest therein; any trust or other estate in which such person has a beneficial interest or as to which such person serves as trustee or in any similar fiduciary capacity; any relative or spouse of such person, or any relative of such spouse (such relative being related to the person in question within the second degree); or any person that directly, or indirectly through one (1) or more intermediaries, controls or is controlled by, or is under common control with, the person specified.

1.2. "**Best Efforts**" means 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 of this Agreement and the Contemplated Transactions to such Person.

1.3. "**Breach**" means a "breach" of a representation, warranty, covenant, obligation, or other provision of this Agreement or any instrument delivered pursuant to this Agreement and

will be deemed to have occurred if there is or has been any inaccuracy in or any failure to perform or comply with, such representation, warranty, covenant, obligation or other provision.

1.4. “**Closing**” is defined in this Agreement in Section 2.4.

1.5. “**Closing Date**” is referred to herein as the date on which the Closing occurs.

1.6. “**Code**” means the Internal Revenue Code of 1986 or any successor law, including regulations or other authoritative notices or rulings issued by the Internal Revenue Service thereunder.

1.7. “**Company Material Adverse Effect**” means a material adverse effect on the financial condition, results of operation, business or properties of the Company.

1.8. “**Consent**” means any approval, consent, ratification, waiver or other authorization (including any Governmental Authorization).

1.9. “**Contemplated Transactions**” means 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, InfoCure, and Sellers of their respective covenants and obligations under this Agreement; and

D. Buyer’s acquisition of the Shares.

1.10. “**Contract**” means any agreement, contract, subcontract, lease, binding understanding, instrument, note, option, warranty, purchase order, license, sublicense, insurance policy, benefit plan, commitment, obligation, promise or undertaking (whether written or oral and whether express or implied) that is legally binding.

1.11. “**Damages**” means any loss, liability, claim, damages (including, without limitation, incidental and consequential damages), expense (including, without limitation, costs of investigation and defense and reasonable attorneys’ fees) or diminution of value, whether or not involving a third party.

1.12. “**Disclosure Schedule**” means the disclosure schedule delivered by the Company and the Sellers to Buyer and InfoCure concurrently with the execution and delivery of this Agreement.



1.13. “**Encumbrance**” means any security interest, mortgage, lien, charge, adverse claim or restriction of any kind, including, but not limited to, any restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership.

1.14. “**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.

1.15. “**ERISA**” means the Employee Retirement Income Security Act of 1974 or any successor law, and regulations and rules issued pursuant to that Act or any successor law.

1.16. “**ERISA Affiliate**” means any person which would be required to be aggregated with the Company under I.R.C. § 414(b), (c), (m) and/or (o) at any time on or prior to the Closing Date.

1.17. “**Facilities**” means any real property, leaseholds, or other interests currently or formerly owned or operated by the Company and any buildings, plants, structures, or equipment (including motor vehicles, tank cars and rolling stock) currently or formerly owned or operated by the Company.

1.18. “**GAAP**” means generally accepted United States accounting principles, applied on a basis consistent with the basis on which the financial statements referred to in Section 3.4. were prepared.

1.19. “**Governmental Authorization**” means 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.

1.20. “**Governmental Body**” means any domestic or foreign national, state or municipal or other local government or multinational, state or municipal or other local government or multinational body, any subdivision, agency, commission or authority thereof, or any quasi-governmental or private body exercising any regulatory or taxing authority thereunder.

1.21. “**IRS**” means the United States Internal Revenue Service or any successor agency, and, to the extent relevant, the United States Department of the Treasury.

1.22. “**Knowledge**” means an individual will be deemed to have “Knowledge” of a particular fact or other matter if such individual is actually aware of such fact or other matter, or a prudent individual given his position with the Company would reasonably be expected 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 has at any time served, within the last five (5) years, as a director,

officer, partner, executor or trustee of such Person (or in any similar capacity) has, or at any time had, Knowledge of such fact or other matter.

1.23. “**Legal Requirement**” means any federal, state, local, municipal, foreign, international, multinational, or other administrative order, constitution, law, ordinance, principle of common law, regulation, statute or treaty.

1.24. “**Order**” means 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.

1.25. “**Ordinary Course of Business**” means 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 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.

1.26. “**Organizational Documents**” means (i) the Articles 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.

1.27. “**Percentage Ownership**” means the percentage of Company Common Stock owned by each Shareholder immediately prior to the sale, as shown on Schedule 3.3 hereof.

1.28. “**Person**” means 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.

1.29. “**Plan**” as defined in Section 3.13.A. of this Agreement.

1.30. “**Proceeding**” means any action, arbitration, audit, hearing, investigation, litigation or suit (whether civil, criminal, administrative, investigative or informal) commenced, brought, conducted, or heard by or before, or otherwise involving, any Governmental Body or arbitrator.

1.31. “**Related Person**” means with respect to a particular individual:

A. Each other member of such individual’s Family;

B. Any Person that is directly or indirectly controlled by such individual or one (1) or more members of such individual’s Family;

C. Any Person in which such individual or members of such individual's Family hold (individually or in the aggregate) a Material Interest; and

D. Any Person with respect to which such individual or one (1) or more members of such individual's Family serves as a director, officer, partner, executor or trustee (or in a similar capacity).

With respect to a specified Person other than an individual:

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;

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

F. Any Related Person of any individual described in clause B. or C.

For purposes of this definition, (i) the "Family" of an individual includes (1) the individual's spouse and former spouses; (2) any other natural person who is related to the individual or the individual's spouse within the second degree and (3) any other natural person who resides with such individual and (ii) "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 five percent (5%) of the outstanding voting power of a Person or equity securities or other equity interests representing at least five percent (5%) of the outstanding equity securities or equity interests in a Person.

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

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

1.34. "**Tax Returns**" means any return, report, information return or other document (including any related or supporting information) filed or required to be filed with any Governmental Body in connection with the determination, assessment or collection of any Taxes or the administration of any laws, regulations or administrative requirements relating to any Taxes.

1.35. “**Taxes**” means all taxes, charges, fees, levies, interest, penalties, additions to tax or other assessments, including, but not limited to, income, excise, property, sales, use, value added and franchise taxes and customs duties, imposed by any Governmental Body and any payments with respect thereto required under any tax-sharing agreement.

1.36. “**Threatened**” means a claim, Proceeding, dispute, action, or other matter will be deemed to have been “Threatened” if any demand or statement has been made (orally or in writing) or any notice has been given (orally or in writing), or any other event has occurred or any other circumstances exist, 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.

## 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 (the “Purchase Price”) shall equal the amount of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00), subject to the net worth adjustment as set forth below.

A. For purposes hereof, “Closing Date Net Worth” shall be equal to (i) the total assets of the Company as reflected on a balance sheet of the Company as of the Closing (the “Closing Date Balance Sheet”) less (ii) the total liabilities of the Company as reflected on the Closing Date Balance Sheet.

B. The Closing Date Balance Sheet will be prepared on a basis consistent with the preparation of the balance sheet dated February 15 (“February 15 Balance Sheet”) which has been attached as Schedule 3.4 of this Agreement.

C. The Purchase Price will be reduced if the Closing Date Net Worth reflected on the Closing Date Balance Sheet is less than the net worth as calculated from the February 15 Balance Sheet. The actual amount of the reduction shall be the amount of such deficiency.

D. The Purchase Price will be increased if the Closing Date Net Worth reflected on the Closing Date Balance Sheet is greater than the net worth as calculated from the February 15 Balance Sheet. The actual amount of the increase shall be the amount of such excess.

E. The Purchase Price, as adjusted (less the amounts to be placed in escrow as set forth in Section 2.3 below) shall be paid by wire transfer on the Closing Date, or as soon thereafter as possible, to the Sellers and in accordance with the wire transfer instructions attached hereto as Exhibit A.

2.3. Deposit Into Escrow. Ten percent (10%) of the Purchase Price, after adjustment, shall be allocated for Escrow ("Escrow Amount") and paid to Suntrust Bank as escrow agent under the terms of the Escrow Agreement. The Escrow Agreement sets forth the conditions under which the escrow account will be held and distributed.

2.4. Closing. Subject to termination of this Agreement as provided in Section 8., the purchase and sale provided for herein (the "Closing") shall take place at the offices of Morris, Manning & Martin, L.L.P., 1600 Atlanta Financial Center, 3343 Peachtree Road, N.E., Atlanta, Georgia 30326 on March 28, 2000 or such other date as the parties shall agree.

2.5. Closing Obligations. At the Closing:

A. Sellers 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) Opinion of Counsel. Buyer shall have received an opinion dated the Closing Date from McLane, Graf, Raulerson & Middleton Professional Association, counsel for Sellers, substantially in the form of Exhibit E attached hereto;

(iii) Employment Agreement. Eckert, individually, shall have executed an Employment Agreement in the form attached hereto as Exhibit B;

(iv) Restrictive Covenant Agreements. Eckert, Walter and Metzger, each individually, shall have executed a Non-Competition Agreement in the forms attached hereto as Exhibits C-1, C-2 and C-3;

(v) Escrow Agreement. The Sellers shall have executed the Escrow Agreement, in the form attached hereto as Exhibit D;

(vi) Termination of Mascoma Security Interest. Evidence that Mascoma Savings Bank will promptly terminate its security interest in the assets of the Company upon confirmation of the payoff of the Company obligation thereto; and

(vii) Directors and Shareholder Resolutions; Good Standing Certificate. Sellers shall have delivered to Buyer a certificate evidencing the good standing of Company as of a recent practicable date and a certificate of the Shareholders authorizing Sellers Closing Documents and the Contemplated Transactions.

B. Buyer will deliver to Sellers:

(i) The Purchase Price, as adjusted, less the Escrow Amount, to Sellers by wire transfer to the accounts listed therein;

(ii) The amount of ten percent (10%) of the Purchase Price, as adjusted, to the Escrow Agent by wire transfer and delivery of InfoCure Common Stock in accordance with the Escrow Agreement; and

(iii) An executed Employment Agreement, in the form attached hereto as Exhibit B.

(iv) A legal opinion, dated the Closing Date, of Morris, Manning & Martin, L.L.P., counsel to ISI and InfoCure, substantially in the form attached hereto as Exhibit F.

(v) An executed Escrow Agreement in the form attached hereto as Exhibit D.

### 3. REPRESENTATIONS AND WARRANTIES OF THE COMPANY AND THE SELLERS.

Company, Eckert, Walter and Metzger, jointly and severally (except as to the representations and warranties in Section 3.28 and the representations and warranties regarding the Restrictive Covenant Agreements which are made by each Seller severally and not jointly), represent and warrant to Buyer and InfoCure as follows:

#### 3.1. Organization, Good Standing, Corporate Power and Subsidiaries.

A. Schedule 3.1 of the Disclosure Schedule contains a complete and accurate list of the 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).

The Company is a corporation duly organized, validly existing, and in good standing under the laws of New Hampshire, 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 its Contracts.

The Company is duly qualified or licensed 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 or licensed would not result in a Company Material Adverse Effect.

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

C. The Company does not own, directly or indirectly, any capital stock or other ownership interest in any corporation, partnership, joint venture or other entity.

3.2. Authority; No Conflict.

A. This Agreement constitutes the legal, valid, and binding obligation of the Sellers, enforceable against the Sellers in accordance with its terms. Upon the execution and delivery by the Sellers 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 the Sellers, enforceable against the Sellers in accordance with their respective terms, except as to the effect, if any, of (i) applicable bankruptcy and other similar laws affecting the rights of creditors generally and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies; provided, however, that the Sellers' Closing Documents will not be effective until the date set forth therein.

The Sellers have the absolute and unrestricted right, 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 and the Sellers Closing Documents 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 the Company or (2) any resolution adopted by the Board of Directors or the stockholders of the Company;

(ii) Contravene, conflict with, or result in a violation of, or give any Governmental Body or other Person the right to challenge any of the Contemplated Transactions or to exercise any remedy or obtain any relief under, any Legal Requirement or any Order to which the Company, or any of the assets owned or used by the Company, may be 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 Company;

(iv) Cause the Company to become subject to, or to become liable for the payment of, any Tax; except for any tax levied by a state of Georgia affiliated Governmental Body;

(v) Cause any of the assets owned by the Company to be reassessed or revalued by any taxing authority or other Governmental Body;

(vi) 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 Contract; or

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

C. Except as set forth in **Schedule 3.2** of the Disclosure Schedule, the Company is not or will not be required to give any notice to or obtain any Consent from any Person in connection with the execution and delivery of this Agreement and the Sellers Closing Documents or the consummation or performance of any of the Contemplated Transactions.

3.3. **Capitalization.** The total authorized capital stock of the Company consists of fifteen thousand (15,000) shares of common stock, One and No/100 Dollar (\$1.00) par value per share, of which one hundred twenty-five (125) shares are issued and outstanding as of the Closing Date, and all of which issued and outstanding shares are held of record and owned by the Persons set forth on **Schedule 3.3**.

All of the outstanding equity securities of the Company have been duly authorized and validly issued and are fully paid and non-assessable. Other than as set forth on **Schedule 3.3**, there are no Contracts relating to the issuance, sale, or transfer of any equity securities or other securities of the Company.

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

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

Except as disclosed on **Schedule 3.3**, there are no stock appreciation rights, options, warrants, conversion privileges or pre-emptive or other rights or agreements outstanding to purchase or otherwise acquire any of the Company's capital stock; there are no options, warrants, conversion privileges or pre-emptive or other rights or agreements to which the Company is a party involving the purchase or other acquisition of any share of the Company's capital stock; there is no liability for dividends accrued, but unpaid; and there are no voting agreements, rights of first refusal or other restrictions (other than normal restrictions on transfer under applicable federal and state securities laws) applicable to any of the Company's outstanding securities.

3.4. **Financial Statements.** The Company has delivered to Buyer and InfoCure, as set forth on **Schedule 3.4**, the unaudited balance sheets of the Company for the years ended December 31, 1998 and December 31, 1999, and for the period ended February 15, 2000, and the related statements of income thereto for the fiscal year or period, as applicable, then ended (collectively, the "Financial Statements").

The Financial Statements and notes, if any, except for the financial statements for the period ended February 15, 2000 which is on an accrual basis, have been prepared on a cash basis,



and each fairly presents the financial condition and the results of operations of the Company as of the respective dates of and for the periods referred to in such financial statements.

No financial statements of any Person, other than the Company, are required by GAAP to be included in the Financial Statements of the Company.

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

The minute books of the Company contain accurate and complete records of all meetings held of, and corporate action taken by, the stockholders, the Board of Directors, and committees of the Board of Directors of Company, 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. At the Closing, all of those books and records will be in the possession of the Company.

3.6. Real Property Interests. The Company owns no real property. Schedule 3.6 of the Disclosure Schedule contains a complete and accurate list of all leaseholds or other interests in real property of the Company. The Company has delivered or made available to Buyer and InfoCure copies of the lease agreements and other instruments by which the Company acquired such leasehold and other real property interests.

3.7. Condition and Sufficiency of Assets. Except as set forth on Schedule 3.7 of the Disclosure Schedule, to the Company's Knowledge, the buildings, plants, structures and equipment of the Company are structurally sound, are in good operating condition and repair and are adequate for the uses to which they are being put.

3.8. Accounts Receivable. All accounts receivable of the Company that are reflected on the Financial Statements or on the accounting records of the Company as of the Closing Date (collectively, the "Accounts Receivable") represent or will represent 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 current and collectible net of the respective reserves shown on the Financial Statements or on the accounting records of the Company as of the Closing Date (which reserves are adequate and calculated consistent with past practice).

Subject to such reserves, each of the Accounts Receivable either has been or will be collected in full, without any set-off, within one hundred fifty (150) days on which it first becomes due and payable. To the Knowledge of the Company, 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 February 15, 2000, which list sets forth the aging of such Accounts Receivable.

3.9. Inventory. All inventory of the Company, whether or not reflected in the Financial Statements, consists of a quality and quantity usable and salable in the Ordinary Course of Business, except for obsolete items and items of below-standard quality, all of which have been written off or written down to net realizable value in the Financial Statements or on the accounting records of the Company 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 the Company.

3.10. No Undisclosed Liabilities. Except as set forth in Schedule 3.10 of the Disclosure Schedule, the Company has no liabilities or obligations 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 Financial Statements and current liabilities incurred in the Ordinary Course of Business since December 31, 1999.

3.11. Taxes.

A. Except as set forth on Schedule 3.11 to the Disclosure Schedule, the Company has timely filed all Tax Returns that it was required to file. All such Tax Returns were correct and complete in all material respects. The Company has paid in full or made adequate provision by the establishment of reserves for all Taxes which have become due or which are attributable to the conduct of the Company's business prior to the date hereof. The Company will continue to make adequate provision for all such Taxes for all periods through the Closing Date. The Company is not the beneficiary of any extension of time within which to file any Tax Return.

Except as set forth on Schedule 3.11, the Company has no Knowledge of any Tax deficiency proposed or Threatened against the Company. There are no Tax liens upon any property or assets of the Company to secure the payment of any delinquent Taxes.

Except as set forth on Schedule 3.11, the Company has made all payments of estimated Taxes when due in amounts sufficient to avoid the imposition of any penalty.

B. Except as set forth on Schedule 3.11, all Taxes and other assessments and levies which the Company was required by law to withhold or to collect have been duly withheld and collected, and have been paid over to the proper Governmental Body.

C. Except as set forth in Schedule 3.11, the Tax Returns of the Company have never been audited by the IRS or other Governmental Body, nor are any such audits in process. Except as set forth in Schedule 3.11, there are no outstanding agreements or waivers extending the statute of limitations applicable to any Tax Returns of the Company for any period.

D. For federal income tax purposes, the Company has a taxable year ending on December 31 in each year.

E. The Company has not filed a consent under Code § 341(f) concerning collapsible corporations. The Company has not made any material payments, is not obligated to make any material payments, and is not a party to any agreement that under any circumstances could obligate it to make any material payments that will not be deductible under Code § 280G. The Company has not been a United States real property holding corporation within the meaning of Code § 897(c)(2) during the applicable period specified in Code § 897(c)(1)(A)(ii). The Company is not a party to any Tax allocation or sharing agreement. The Company (i) has not been a member of an affiliated group filing a consolidated federal income Tax Return and (ii) has no liability for the Taxes of any Person under Reg. § 1.1502-6 (or any similar provision of state, local or foreign law), as a transferee or successor, by contract, or otherwise.

3.12. No Material Adverse Change. Since January 1, 2000, there has not been any material adverse change in the business, operations, properties, assets, or financial condition of the Company, and no event has occurred and no circumstance exists that may result in such a material adverse change other than with respect to general domestic or international economic conditions.

3.13. Employee Benefits Matters.

A. Schedule 3.13.1 lists all plans, programs, and similar agreements, commitments or arrangements (including, but not limited to, any bonus, profit sharing, pension, deferred compensation, stock option, stock purchase, fringe benefit, severance, post-retirement, scholarship, tuition reimbursement, disability, sick leave, vacation, commission, retention or other arrangements), whether oral or written, 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 ERISA Affiliate or any or any other individual who provides services to the Company and/or any ERISA Affiliate (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 ("Plan" or "Plans"). Except as disclosed on Schedule 3.13.1, there are no other benefits to which any current or former employees of Company and/or any ERISA Affiliate or any or any other individual who provides services to the Company and/or any ERISA Affiliate (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 is entitled or for which the Company and/or any ERISA Affiliate has any obligation. Except as set forth on Schedule 3.13.1, only current employees of Company participate in the Plans, except as required by I.R.C. § 4980B and/or ERISA §§ 601-609. 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 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 such Plan, and all insurance contracts, administrative services agreements or contracts, have been delivered to Buyer, and all of the same are true, correct and complete.

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

(i) No litigation or administrative or other proceeding or investigation, claim, lawsuit, arbitration or other action is pending or threatened involving such Plan or any administrator, fiduciary, employee, contributing employer, contractor or agent of such Plan, other than routine claims for benefits in the ordinary course for such Plan.

(ii) 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 Code, and the regulations issued under ERISA and the Code.

(iii) Company and ERISA Affiliates 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 if applicable.

(iv) Such Plan is fully funded in an amount sufficient to pay all liabilities (whether or not vested) accrued (including liabilities and obligations for health care, life insurance and other benefits after termination of employment) and claims incurred to the date hereof.

(v) On the Closing Date such Plan will be fully funded in an amount sufficient to pay all liabilities (whether or not vested) accrued as of the Closing Date (including liabilities and obligations for health care, life insurance and other benefits after termination of employment) and claims incurred as of the Closing Date, or adequate reserves will be set up on Company's books and records, or paid-up insurance will be provided, therefor.

(vi) Such Plan has been administrated 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 as a result of changes in the workforce.

(vii) Such Plan is not a multiemployer 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)), and is not a plan maintained by more than one employer (within the meaning of Code § 413(c)).

(viii) 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 or any ERISA Affiliate, or any Person whom the Company has an obligation to indemnify, to any liability.

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

(x) All communications with respect to such Plan by any Person on or prior to the Closing Date have reflected accurately the documents and operations of such Plan, and no Person has, as of the Closing Date, any liability under any applicable law by reason of any communication or failure to communicate with respect to or in connection with such Plan.

(xi) Such Plan does not provide benefits to any former employee, or any other Person who is not performing services for the Company, except as required by Code § 4980B and/or ERISA §§ 601-609.

(xii) No liability to the Pension Benefit Guaranty Corporation ("PBGC") has been incurred or will be incurred as of the Closing Date by Company or any ERISA Affiliate, except for PBGC insurance premiums (if any), and all such insurance premiums incurred or accrued up to and including the Closing Date have been timely paid, or will be timely paid prior to the Closing Date.

(xiii) Neither the Company nor any ERISA Affiliate has ceased operations at any facility or withdrawn from such Plan in a manner which could subject Company 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 to the PBGC under Title IV of ERISA or which could reasonably be anticipated to result in any claims being made against Company by the PBGC.

(xiv) 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 the Company) from 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.

(xv) An ERISA fiduciary insurance policy issued by a licensed insurance company is in place covering each and every fiduciary of such Plan.

(xvi) If such Plan purports to provide benefits which qualify for tax-favored treatment under Code § 79, 105, 106, 117, 120, 125, 127 129 or 132, the Plan satisfies the requirements of said Code sections.

C. The participants and beneficiary records with respect to each Plan providing benefits to employees or other Persons performing services for the Company and their spouses, dependents, etc., are in the custody of the Company (or an agent of the Company who must, upon demand, provide such records to the 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.

D. Except as otherwise set forth on Schedule 3.13.2, the Company is not liable for and neither the Company nor Buyer nor InfoCure will be liable for, any contribution, Tax, lien, penalty, cost, interest, claim, loss, action, suit, damage, cost assessment or other similar type of liability or expense of any ERISA Affiliate (including predecessors thereof) with regard to any Plan maintained, sponsored or contributed to by an ERISA Affiliate, including, without limitation, withdrawal liability arising under Title IV of ERISA, liabilities to the PBGC, or liabilities under Code § 412 or ERISA § 302.

### 3.14. Compliance With Legal Requirements; Governmental Authorizations.

A. Except as set forth in Schedule 3.14 of the Disclosure Schedule:

(i) The Company is, and at all times since December 31, 1999 has been, in full compliance with each Legal Requirement that is or was applicable to it or to the conduct or operation of its business or the ownership or use of any of its assets except where the failure to comply with a Legal Requirement would not have a Company Material Adverse Effect;

(ii) No event has occurred or circumstance exists that (with or without notice or lapse of time) (1) may constitute or result in a violation by the Company of, or a failure on the part of the Company to comply with, any Legal Requirement or (2) may give rise to any obligation on the part of the Company to undertake, or to bear all or any portion of the cost of, any remedial action of any nature except for events or circumstances which in the aggregate would not have a Company Material Adverse Effect; and

(iii) The Company has not received, at any time since December 31, 1999, any notice or other communication (whether oral or written) from any Governmental Body or any other Person regarding (1) any actual, alleged, possible, or potential violation of, or failure to comply with, any Legal Requirement or (2) any actual, alleged, possible, or potential obligation on the part of the Company to undertake, or to bear all or any portion of the cost of, any remedial action of any nature.

B. Schedule 3.14 of the Disclosure Schedule contains a complete and accurate list of each Governmental Authorization that is held by the Company or that otherwise relates to the business of, or to any of the assets owned or used by the Company and that, in each

case, is material to the conduct of the Company's business. Each Governmental Authorization listed or required to be listed in Schedule 3.14 of the Disclosure Schedule is valid and in full force and effect. Except as set forth in Schedule 3.14 of the Disclosure Schedule:

(i) The Company is, and at all times since December 31, 1999 has been, in full compliance with all of the terms and requirements of each Governmental Authorization identified or required to be identified in Schedule 3.14 of the Disclosure Schedule;

(ii) No event has occurred or circumstance exists that may (with or without notice or lapse of time) (1) constitute or result directly or indirectly in a violation of or a failure to comply with any term or requirement of any Governmental Authorization listed or required to be listed in Schedule 3.14 of the Disclosure Schedule or (2) result directly or indirectly in the revocation, withdrawal, suspension, cancellation, or termination of, or any modification to, any Governmental Authorization listed or required to be listed in Schedule 3.14 of the Disclosure Schedule;

(iii) The Company has not received, at any time since December 31, 1999, any notice or other communication (whether oral or written) from any Governmental Body or any other Person regarding (1) any actual or alleged violation of or failure to comply with any term or requirement of any Governmental Authorization or (2) any actual or potential revocation, withdrawal, suspension, cancellation, termination of, or modification to any Governmental Authorization; and

(iv) All applications required to have been filed for the renewal of the Governmental Authorizations listed or required to be listed in Schedule 3.14 of the Disclosure Schedule have been duly filed on a timely basis with the appropriate Governmental Bodies, and all other filings required to have been made with respect to such Governmental Authorizations have been duly made on a timely basis with the appropriate Governmental Bodies.

The Governmental Authorizations listed in Schedule 3.14 of the Disclosure Schedule collectively constitute all of the Governmental Authorizations that are material to the conduct of the Company's business in the manner it is currently conducted and to operate such business and to permit the Company to own and use its assets in the manner in which it currently owns and uses such assets.

### 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 the Company or, to the Knowledge of the Company, that otherwise relates to or may affect the business of, or any of the assets owned or used by the Company; or

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

To the Knowledge of the Company, (i) no such Proceeding has been Threatened and (ii) no event has occurred or circumstance exists that may give rise to or serve as a basis for the commencement of any such Proceeding. The Company has delivered to Buyer and InfoCure copies of all pleadings, correspondence, and other 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 have a Company Material Adverse Effect.

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

(i) There is no Order to which the Company, or any of the assets owned or used by the Company, is subject; and

(ii) No officer, director, agent, or employee of the Company 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 the Company.

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

(i) The Company is, and at all times since December 31, 1999 has been, in full compliance with all of the terms and requirements of each Order to which it, or any of the assets owned or used by it, is or has been subject, except where the failure to comply would not have a Company Material Adverse Effect;

(ii) To the Knowledge of the Company, no event has occurred or circumstance exists that may 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 the Company, or any of the assets owned or used by the Company, is subject; and

(iii) The Company has not received, at any time since December 31, 1999, any written notice from any Governmental Body or any other Person regarding any actual or alleged violation of, or failure to comply with, any term or requirement of any Order to which the Company, or any of the assets owned or used by the Company, 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, 1999, the Company has conducted its business only in the Ordinary Course of Business and there has not been any:

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

C. Payment or increase by the Company of any bonuses, salaries, or other compensation to any stockholder, director, officer, or (except in the Ordinary Course of Business) employee or entry into any employment, severance, or similar Contract with any director, officer, or employee;

D. Adoption of, or substantial 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 the Company;

E. Damage to or destruction or loss of any asset or property of the Company, whether or not covered by insurance that had a Company Material Adverse Effect;

F. Entry into, termination of, or receipt of notice of termination of any Contract or transaction involving a total remaining commitment by or to the Company of at least Five Thousand and No/100 Dollars (\$5,000.00);

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

H. Cancellation or waiver of any claims or rights with a value to the Company in excess of Five Thousand and No/100 Dollars (\$5,000.00);

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

J. Agreement, whether oral or written, by the Company 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 the Company has delivered to Buyer and InfoCure true and complete copies, of:

(i) Each Contract that involves performance of services or delivery of goods or materials by the Company of an amount or value in excess of Five Thousand and No/100 Dollars (\$5,000.00);

(ii) Each Contract that involves performance of services or delivery of goods or materials to the Company of an amount or value in excess of Five Thousand and No/100 Dollars (\$5,000.00);

(iii) Each Contract that was not entered into in the Ordinary Course of Business and that involves expenditures or receipts of the Company in excess of Five Thousand and No/100 Dollars (\$5,000.00);

(iv) Each lease, rental or occupancy agreement, license, installment and conditional sale agreement, and other 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 of less than Five Thousand and No/100 Dollars (\$5,000.00) and with terms of less than one (1) year);

(v) Each licensing agreement or other 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 Software and Intangibles;

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

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

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

(ix) Each Contract providing for payments to or by any Person based on sales, purchases, or profits, other than direct payments for goods;

(x) Each power of attorney relating to the Company that is currently effective and outstanding;

(xi) Each Contract entered into other than in the Ordinary Course of Business that contains or provides for an express undertaking by the Company to be responsible for consequential damages;

(xii) Each Contract for capital expenditures in excess of Five Thousand and No/100 Dollars (\$5,000.00);

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

(xiv) Each 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, to the Knowledge of the Company, no officer, director, agent, employee, consultant, or contractor of the Company is bound by any Contract that purports to limit the ability of such officer, director, agent, employee, consultant, or contractor to (i) engage in or continue any conduct, activity, or practice relating to the business of the Company or (ii) assign to the Company or to any other Person any rights to any invention, improvement, or discovery.

C. 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.

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

(i) The Company is, and at all times since December 31, 1999 has been, in full compliance with all material terms and requirements of each Contract under which such Company has or had any obligation or liability or by which such Company or any of the assets owned or used by such Company is or was bound;

(ii) Each other Person that has or had any obligation or liability under any Contract under which the Company has or had any rights is, and at all times since December 31, 1999 has been, in full compliance with all material terms and requirements of such Contract;

(iii) No event has occurred or circumstance exists that (with or without notice or lapse of time) may contravene, conflict with, or result in a violation or breach of, or give the Company 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 material Contract; and

(iv) The Company has not given to or received from any other Person, at any time since December 31, 1999, any notice or other communication (whether oral or written) regarding any actual, alleged, possible, or potential violation or breach of, or default under, any Contract.

E. There are no renegotiations of, attempts to renegotiate, or outstanding rights to renegotiate any material amounts paid or payable to the Company under current or completed Contracts with any Person and no such Person has made written demand for such renegotiation.

F. The Contracts relating to the sale, design, manufacture, or provision of products or services by the Company 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 Legal Requirement.

3.18. Insurance.

A. Set forth on Schedule 3.18(a) are:

(i) True and complete copies of all current policies of insurance to which the Company is a party; and

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

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

(i) All current policies to which the Company is a party or that provide coverage to the Company, or any director of the Company:

(1) Are in full force and effect, except as to matters or defaults which in the aggregate, would not have a Company Material Adverse Effect;

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

(3) Are sufficient for compliance with all Legal Requirements and Contracts to which the Company is a party or by which it is bound;

(4) 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 the Company.

(ii) The Company has not received any notice of cancellation or 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) The Company has paid all premiums due and has otherwise performed all of its obligations under each policy to which the Company is a party or that provides coverage to the Company or any director thereof.

(iv) The Company has given notice to the insurer of all existing claims that may be insured thereby.

3.19. Environmental Matters. Except as set forth in Schedule 3.19 of the Disclosure Schedule, the Company has obtained and is in compliance with all permits, licenses and other authorizations (collectively, "Permits") required to do business by Environmental Requirements. To the Company's Knowledge, there are no conditions, circumstances, activities, practices, incidents, or actions (collectively, "Conditions") resulting from the conduct of its business which Conditions may reasonably form the basis of any claim or suit against the Company based on or related to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling by the Company, or the emission, discharge, release or Threatened release by the Company into the environment, of any pollutant, contaminant, or hazardous or toxic materials, substances or wastes.

3.20. Employees.

A. Schedule 3.20.1 contains a complete and accurate list of the following information for each employee or director of the Company, including each employee on leave of absence or layoff status: employer; name; job title and "essential functions" (as defined in 29 C.F.R. Section 1630.2(n)); current compensation and any change in compensation during the past two (2) years; vacation accrued; and service credited for purposes of vesting and eligibility to participate under the Company's Plans to the extent applicable under such Plans.

B. No employee or director of the Company is a party to, or is otherwise bound by, any agreement or arrangement, including any confidentiality, noncompetition, or proprietary rights agreement, between such employee or director and any other Person ("Proprietary Rights Agreement") that in any way adversely affects or will affect (i) the performance of his duties as an employee or director of the Company or (ii) the ability of the Company to conduct its business, including any Proprietary Rights Agreement with the Company by any such employee or director. To the Knowledge of the Company, no director, officer or other key employee of the Company intends to terminate his employment with the Company.

C. Schedule 3.20.2 contains a complete and accurate list of the following information for each retired employee or director of the Company, or their dependents, receiving benefits or scheduled to receive benefits in the future: name, pension benefit, pension option election, retiree medical insurance coverage, retiree life insurance coverage and other benefits.

D. Schedule 3.20.3 contains a complete listing of all Persons who have experienced a qualifying event (within the meaning of ERISA § 603 and/or Code § 4980B(f)(3)) with respect to a Plan, and who are eligible for continuation coverage (within the meaning of ERISA § 602 and/or Code § 4980B(f)(2)) and/or whose period for continuation coverage has not expired. Included in this listing is the current address for each such individual, the date on which they would have (absent continuation coverage) lost coverage, whether the individual has elected continuation coverage, and for Persons who have not yet elected continuation coverage, the date on which the Person was notified of their right to continuation coverage.

E. Schedule 3.20.4 contains a complete listing of all Persons who are on a leave of absence from the Company (indicating also whether or not such leave is pursuant to the Family and Medical Leave Act of 1993, as amended), and denoting whether such Person is receiving or entitled to receive health coverage under a Plan during such period of leave.

3.21. Government Contracts. The Company has no business contracts with any independent or executive agency, division, subdivision, audit group or procuring office of the federal government or of a state government, including any prime contractor of the federal government and any higher level subcontractor of a prime contractor of the federal government, and including any employees or agents thereof, in each case acting in such capacity.

3.22. Intellectual Property Rights of the Company.

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

(i) “Software” means any computer program, operating system, applications system, microcode, firmware or software of any nature, whether operational, under development or inactive, including all object code, source code, technical manuals, compilation procedures, execution procedures, flow charts, programmers notes, 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.

(ii) “Owned Software” means all Software owned by the Company, whether purchased from a third party, developed by or on behalf of the Company, currently under development or otherwise.

(iii) “Customer Software” means all Software, other than the Owned Software, that is either (1) offered or provided by Company, directly or through Distributors, to customers of the Company or (2) used by the Company to provide information or services to customers of Company for a fee.

(iv) “Company Software” means the Owned Software and the Customer Software.

(v) “Other Software” means all Software, other than the Company Software, that is licensed by the Company from third parties or otherwise used by the Company for any purpose whatsoever.

(vi) “Distributor” means the Company and any other person or entity that has been authorized by the Company to sell, license or offer to sell or license any Company Software, other than an employee of Company. Distributors may include, without limitation, value added resellers, original equipment manufacturers, dealers, sales agents, and distributors.

(vii) “Distributor Agreement” means a reseller agreement, sales agency agreement, VAR agreement, OEM agreement, distribution agreement, or other written or oral agreement or permission between the Company and a Distributor.

(viii) “Customer License Agreement” means a license agreement or other written or oral agreement or permission, other than a Distributor Agreement, by which the Company has granted to any third party any rights regarding the Company Software or any Intangibles thereof.

(ix) “Supplier License Agreement” means a license agreement or other written or oral agreement or permission by which a third party has granted to the Company any rights regarding any Software or any Intangibles thereof.

(x) “Registration” means any governmental filing, whether federal, state, local, foreign or otherwise, related to Owned Software or any Intangible, including, without limitation, all registrations of patents, copyrights, trademarks, service marks, trade names, and maskworks, and all re-issues, divisions, continuations, renewals, extensions and continuations-in-part thereof.

(xi) “Intangible” means:

(1) Patents, patent applications, patent disclosures, all re-issues, divisions, continuations, renewals, extensions and continuation-in-parts thereof and improvements thereto;

(2) Trademarks, service marks, trade dress, logos, trade names, and corporate names and registrations and applications for Registration thereof and all goodwill associated therewith;

(3) Copyrights, Registrations thereof and applications for Registration thereof;

(4) Maskworks, Registrations thereof and applications for Registration thereof;

(5) Trade secrets and confidential business information (including ideas, formulas, compositions, inventions, whether patentable or unpatentable and whether or not reduced to practice, know-how, manufacturing and production processes and techniques, research and development information, drawings, flow charts, processes, ideas, specifications, designs, plans, proposals, technical data, copyrightable works, financial, marketing, and business data, pricing and cost information, business and marketing plans, and customer and supplier lists and information);

(6) All rights necessary to prevent claims of invasion of privacy, right of publicity, defamation, or any other causes of action arising out of the use,

adaptation, modification, reproduction, distribution, sale, or exhibition of the applicable Software;

(7) All income, royalties, Damages and payments due at Closing or thereafter with respect to the Owned Software, Customer Software, Other Software, or other Intangibles and all other rights thereunder including, without limitation, Damages and payments for past, present or future infringements or misappropriations thereof, the right to sue and recover for past, present or future infringements or misappropriations thereof;

(8) All rights to use all of the foregoing forever; and

(9) All other rights in, to, and under the foregoing in all countries.

B. Identification.

(i) Schedule 3.22(b)(i) of the Disclosure Schedule contains 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 the following:

(1) All Owned Software;

(2) All Customer Software; and

(3) All Other Software.

(ii) Schedule 3.22(b)(ii) to the Disclosure Schedule:

(1) Contains a complete list of each Registration of the Company;

(2) Identifies each pending Registration of the Company;

(3) Identifies each application for or Registration by the Company regarding the Intangibles and Software of the Company which have been withdrawn, abandoned, or have lapsed or been denied; and

(4) Specifies any written advice to the Company with respect to each such Registration or protectability of the Intangibles and Software. Schedule 3.22(b)(ii) indicates the Company's basis for its claim of ownership of such items or the source of the Company's right to use such items.

(iii) Schedule 3.22(b)(iii) to the Disclosure Schedule identifies each Customer License Agreement, together with the term thereof, and each source code escrow agreement entered into by the Company and relating to any Intangibles and Software identified in such Customer License Agreement.



(iv) Schedule 3.22(b)(iv) to the Disclosure Schedule identifies each Distributor Agreement, together with the term thereof, and each source code escrow agreement entered into by the Company and relating to any Intangibles and Software identified in such Distributor Agreement.

(v) Schedule 3.22(b)(v) to the Disclosure Schedule identifies each Supplier License Agreement, together with the term thereof, all royalties or other amounts due thereon, and each source code escrow agreement entered into by the provider or licensor thereof running to the benefit of the Company and relating to any Intangibles and Software identified in such Supplier License Agreement.

C. Ownership and Right to License.

(i) Except as set forth in Schedule 3.22(c) of the Disclosure Schedule, the Company owns the Owned Software and Intangibles attributable to the Owned Software, as used or required to operate the Company's businesses as currently conducted and as contemplated in the future in accordance with the Company's written business plans, 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 the Company's business as currently conducted and as contemplated in the future in accordance with the Company's written business plans.

(ii) Except as set forth in Schedule 3.22(c) of the Disclosure Schedule, the Company has received written license agreements granting the full right to use all of the Customer Software and Other Software, and Intangibles attributable thereto, as used or required to operate the Company's businesses as currently conducted and as contemplated in the future in accordance with the Company's written business plans, free and clear of any liens, claims charges or encumbrances which would materially and adversely affect the use of such Software in connection with the operation of the Company's business as currently conducted and as contemplated in the future in accordance with the Company's written business plans. Neither the Company nor the Sellers have any Knowledge that such written license agreements are from a source other than a Person who is authorized to grant the rights granted to Company therein.

(iii) No rights of any third party not previously obtained are necessary to market, license, sell, modify, update, and/or create derivative works for any Software as to which the Company takes any such action in its business as currently conducted and as contemplated in the future in accordance with the Company's written business plans.

(iv) Except as set forth in Schedule 3.22(c) of the Disclosure Schedule, to the Knowledge of the Company and the Sellers, none of the Software or Intangibles listed in Schedule 3.22(b)(i), or their respective past or current uses by or through the Company have violated or infringed upon, or is violating or infringing upon, any Software, patent, copyright, trade secret or other Intangible of any Person. The Company has adequately maintained all trade secrets and copyrights with respect to the Owned Software.

The Company has substantially performed all obligations imposed upon the Company with regard to the Customer Software and Other Software which are required to be performed by the Company on or prior to the date hereof, and neither the Company nor, to the Knowledge of the Company and the Sellers, any other party, is in breach of or default thereunder in any material respect, nor to Knowledge of the Company and the Sellers, is there any event which with notice or lapse of time or both would constitute a default thereunder.

(v) Except as set forth in Schedule 3.22(c) of the Disclosure Schedule, to the Knowledge of the Company and the Sellers, no Person is violating or infringing upon, or has violated or infringed upon at any time, any of the Company's rights to any of the Software or Intangibles listed in Schedule 3.22(b)(i).

(vi) None of the Software or Intangibles listed in Schedule 3.22(b)(i) are owned by or registered in the name of any current or former owner, shareholder, partner, director, executive, officer, employee, salesman, agent, customer, or contractor of the Company, nor does any such Person have any interest therein or right thereto, including, but not limited to, the right to royalty payments. Except as set forth in Schedule 3.22(c), the Company has not granted any third party any exclusive rights related to any Owned Software.

(vii) No litigation is pending and no claim has been made against the Company or, to the Knowledge of the Company and the Sellers, is Threatened, which contests the right of the Company to sell or license to any Person or entity or use any of the Owned Software, Customer Software or Other Software. No former employer of any employee or consultant of the Company has made a claim against the Company or, to the Knowledge of the Company and the Sellers against any other Person, that the Company or such employee or consultant is misappropriating or violating the Intangibles of such former employer.

(viii) The Company is not a party to nor bound by and, upon the consummation of the Contemplated Transactions, Buyer will not be a party to or bound by (as a result of any acts or agreements of the Company) any license or other agreement requiring the payment by the Company or their assigns of any royalty or license payment, excluding such agreements relating to the Customer Software or Other Software to the extent such royalty or license payment is expressly set forth in Schedule 3.22(c).

(ix) Except as set forth in Schedule 3.22(c), the Owned Software, Customer Software, and Other Software and the information used by the Company, and the Intangibles thereunder, are fully transferable to Buyer in any manner contemplated by the Contemplated Transactions.

(x) No Software other than the Owned Software, Customer Software and Other Software is required to operate the business of the Company as currently conducted.

(xi) The Company has supplied Buyer with correct and complete copies of representative Customer License Agreements and Distributor Agreements. Except as set forth in Schedule 3.22(c), all Customer License Agreements, Distributor Agreements and

Supplier License Agreements may be assigned to Buyer free of cost or expense without obtaining the consent or approval of any other Person in any manner contemplated by the Contemplated Transactions. Other than the term of the license grant and the consideration paid for such license grant, the terms and conditions of all Customer License Agreements entered into between the Company and any customer of Company are not materially different from the terms and conditions of the copies of representative Customer License Agreements provided to Buyer.

(xii) Schedule 3.22(c) identifies all individuals who have materially contributed to the development of the Owned Software.

D. Performance.

(i) Except as set forth in Schedule 3.22(d)(i) of the Disclosure Schedule, the Company Software substantially:

(1) Performs in accordance with all Company published specifications for the Company Software;

(2) Complies with all Company published documentation, descriptions and literature with respect to the Company Software; and

(3) Complies with all representations, warranties and other requirements specified in all Customer License Agreements and Distributor Agreements.

Except as set forth in Schedule 3.22(d)(i), no claim has been made or, to the Knowledge of the Company, is Threatened, that the Company Software substantially fails to perform as set forth in the immediately preceding sentence.

(ii) Except as set forth in Schedule 3.22(d)(ii), the Company has substantially complied with all Customer License Agreements, Distributor Agreements and Supplier License Agreements, and to the Knowledge of the Company and the Sellers, except as set forth in Schedule 3.22(d)(ii), all other parties to such agreements have substantially complied with all provisions thereof and no default or event of default exists under any of the Customer License Agreements, Distributor Agreements and Supplier License Agreements.

(iii) Except as set forth in Schedule 3.22(d)(iii), with respect to the Company Software:

(1) The Company maintains machine-readable master-reproducible copies, reasonably complete technical documentation and/or user manuals for the most current releases or versions thereof and for all earlier releases or versions thereof currently being supported by the Company.

(2) In each case, the machine-readable copy substantially conforms to the corresponding source code listing.

(3) Such Company Software for which the Company possesses source code is written in the language set forth in Schedule 3.22(b)(i), for use on the hardware set forth in Schedule 3.22(b)(i) with standard operating systems.

E. Such Company Software for which the Company possesses source code can be maintained and modified by reasonably competent programmers familiar with such language, hardware and operating systems.

F. Millennium Compliance. Except as set forth in Schedule 3.22(e), the Owned Software and to the Knowledge of the Company and the Sellers, the Customer Software and Other Software, are "Millennium Compliant." For the purposes of this Agreement "Millennium Compliant" means:

(i) The functions, calculations, and other computing processes of the Owned Software, Customer Software and Other Software (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 Software, Customer Software, and Other Software, whether before, on, or after January 1, 2000, and whether or not the dates are affected by leap years;

(ii) The Owned Software, Customer Software, and Other Software 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 Software, Customer Software, and Other Software 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 Software, Customer Software, and Other Software, whether before, on, or after January 1, 2000;

(iv) The Owned Software, Customer Software, and Other Software 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 Software, Customer Software, and Other Software 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 Software, Customer Software, and Other Software have been tested by the Company to determine whether the Owned Software, Customer Software, and Other Software are Millennium Compliant. The Company shall deliver the test plans and results of such tests upon written request from Buyer. The Company shall notify Buyer immediately of the results of any tests or any claim or other information that indicates the Owned Software, Customer Software, and Other Software are not Millennium Compliant.

G. Trade Secrets and Confidential Information. Without limiting any of the foregoing representations and warranties contained in the preceding subparagraphs of this Section 3.22., to the Knowledge of the Company and the Sellers, no current or former owner, shareholder, partner, director, executive, officer, employee, salesman, agent, customer, or contractor of the Company has disclosed to (without proper obligation of confidentiality) or otherwise used or utilized on behalf of any Person other than the Company, any trade secrets or proprietary information, including, without limitation, the source codes for Company Software.

All Customer License Agreements, Distributor Agreements, software development agreements, and any other written agreement between the Company and any third party in which trade secrets or confidential information of the Company, the Company's customers, agents, or suppliers are disclosed binds the recipient thereof to take reasonable steps to protect the proprietary rights of the Company and their customers, agents, and suppliers in such trade secrets and confidential information.

3.23. Certain Payments. Neither the Company nor to the Sellers' Knowledge, any director, officer, agent, or employee of the Company, nor any other Person associated with or acting for or on behalf of the Company, has directly or indirectly:

A. Made any 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 in violation of any Legal Requirement.

B. Established or maintained any fund or asset on behalf of the Company that has not been recorded in the books and records of the Company.

3.24. Relationships With Related Persons. Except as set forth in Schedule 3.24 of the Disclosure Schedule, no Related Person of the Company has, or since December 31, 1998, has had, any interest in any property (whether real, personal, or mixed and whether tangible or intangible), used in or pertaining to the Company's businesses.

No Related Person of the Company owns, or since December 31, 1998, has owned (of record or as a beneficial owner) an equity interest or any other financial or profit interest in, a Person that has:

A. A material financial interest in any transaction with the Company; or

B. Engaged in competition with the Company with respect to any line of the products or services of the Company (a "Competing Business") in any market presently served by the Company except for ownership of less than five percent (5%) of the outstanding capital stock of any Competing Business that is publicly traded on any recognized exchange or in the over-the-counter market.

No Related Person of the Company is a party to any Contract or commitment with the Company.

3.25. Brokers or Finders. Except as set forth on Schedule 3.25, neither the Sellers, the Company nor their respective 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.

3.26. Labor Relations; Compliance. The Company has not been nor is it a party to any collective bargaining or other labor Contract. There has not been, there is not presently pending or existing, and there is not Threatened:

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

B. Any Proceeding against or affecting Company 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 any of Company or their premises; or

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

No event has occurred or circumstance exists that could provide the basis for any work stoppage or other labor dispute. There is no lockout of any employees by Company, and no such action is contemplated by Company. Company has complied in all 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. The Company has only employed Persons authorized to work in the United States.

Company is not 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.

3.27. Disclosure. No representation or warranty made by the Company or the Sellers in this Agreement or in the Disclosure Schedule, nor any document, written information, statement, financial statement, certificate or exhibit prepared and furnished or to be prepared and furnished by the Company or the Sellers or their respective representatives pursuant hereto or in connection with the transactions contemplated hereby, when taken together, contains or contained (as of the date made) any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements or facts contained herein or therein not misleading in light of the circumstances under which they were made.

### 3.28. Shares Ownership.

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.

B. 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, including, without limitation, any pre-emptive or nondilution right, option, warrant, put, call, right of first refusal or conversion right.

## 4. **REPRESENTATIONS, WARRANTIES AND DISCLAIMERS OF BUYER AND INFOCURE.**

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

4.1. Organization. Each of Buyer and InfoCure is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, and Buyer and InfoCure each has all requisite corporate power and authority to own, lease and operate its assets and to carry on its business as now being conducted. Each of Buyer and InfoCure is duly qualified to transact business, and is in good standing, as a foreign corporation in each jurisdiction where the character of its activities requires such qualification, except where the failure to so qualify would not have a material adverse effect on the assets, liabilities, results of operations, financial condition, business or prospects of Buyer, InfoCure or their respective subsidiaries taken as a whole.

4.2. Authorization. Each of Buyer and InfoCure has full corporate power and authority to execute and deliver this Agreement and to perform its respective obligations under this Agreement and to consummate the other transactions contemplated hereby (the "InfoCure/Buyer Ancillary Agreements"). The execution and delivery of this Agreement by Buyer and InfoCure and the performance by Buyer and InfoCure of their respective obligations hereunder and the consummation of this transaction, the InfoCure/Buyer Ancillary Agreements and the other transactions provided for herein have been duly and validly authorized by all necessary corporate action on the part of each of Buyer and InfoCure. This Agreement and the InfoCure/Buyer Ancillary Agreements have been duly executed and delivered by each of Buyer and InfoCure and each constitutes the legal, valid and binding agreement of Buyer and InfoCure, enforceable against each of Buyer and InfoCure in accordance with its terms, subject to applicable bankruptcy, insolvency and other similar laws affecting the enforceability of creditors' rights generally, general equitable principles and the discretion of courts in granting equitable remedies. Each other agreement to be executed by Buyer and InfoCure in connection with this Agreement will be duly executed and delivered by Buyer and InfoCure in accordance with its terms, subject to applicable bankruptcy, insolvency and other similar laws affecting the

enforceability of creditors' rights generally, general equitable principles and the discretion of courts in granting equitable remedies.

4.3. Absence of Restrictions and Conflicts. The execution, delivery and performance of this Agreement, the consummation of the other transactions contemplated by this Agreement, and the fulfillment of and compliance with the terms and conditions of this Agreement do not and will not, with the passing of time or the giving of notice or both, violate or conflict with, constitute a breach of or default under, result in the loss of any material benefit under, or permit the acceleration of any obligation under, (i) any term or provision of the Organizational Documents of Buyer or InfoCure; (ii) any Contract material to the business and operations of Buyer or InfoCure; (iii) any judgment, decree, injunction or order of any court or governmental authority or agency to which Buyer or InfoCure is a party or by which Buyer or InfoCure or any of their respective properties is bound or (iv) any statute, law, regulation or rule applicable to Buyer or InfoCure, so as to have, in the case of subsections (ii) through (iv) above, a material adverse effect on the assets, liabilities, results of operations, financial condition, business or prospects of Buyer or InfoCure and their respective subsidiaries taken as a whole. No Consent, approval, order or authorization of, or registration, declaration or filing with, any government agency or public or regulatory unit, agency, body or authority with respect to Buyer or InfoCure is required in connection with the execution, delivery or performance of this Agreement by Buyer or InfoCure or the consummation of the Contemplated Transactions contemplated by this Agreement by Buyer or InfoCure, the failure to obtain which would nullify or invalidate the Contemplated Transactions or otherwise have a material adverse effect upon the assets, liabilities, results of operations, financial condition, business or prospects of Buyer or InfoCure and its subsidiaries taken as a whole.

4.4. Capitalization of InfoCure. The authorized capital stock of InfoCure consists of two hundred million (200,000,000) shares of common stock, \$.001 par value per share of which thirty million three hundred fifty-two thousand seven hundred sixty-five (30,352,765) shares were issued and outstanding as of December 10, 1999 and two million (2,000,000) shares of preferred stock, \$.001 par value per share, of which zero (0) shares were issued and outstanding as of December 10, 1999. All shares of InfoCure Common Stock outstanding as of the date hereof are duly authorized, validly issued, fully paid, nonassessable and free of preemptive rights. None of the outstanding shares of InfoCure Common Stock or other securities of InfoCure was issued in violation of the Securities Act or applicable state securities laws. The shares of InfoCure Common Stock to be issued pursuant to this Agreement have been duly authorized and, when issued, will be validly issued, fully paid, nonassessable, free of preemptive rights and in compliance with the Securities Act and applicable state securities laws.

4.5. InfoCure SEC Reports. InfoCure has heretofore made available to the Sellers, upon written request, its Annual Report on Form 10-K for the period ended December 31, 1998, its Quarterly Report on Form 10-Q for the quarter ended September 30, 1999 and the Prospectus filed with the SEC as of April 22, 1999 (the "InfoCure SEC Reports"). As of their respective dates, the InfoCure SEC Reports did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements



therein, in light of the circumstances under which they were made, not misleading. Since December 31, 1999, there has been no material adverse change in the assets, liabilities, results of operations, financial condition, business or prospects of InfoCure and its subsidiaries taken as a whole, and there are no existing facts or circumstances known to the senior management of InfoCure reasonably likely to cause such a material adverse change, other than with respect to general domestic or international economic conditions. Since December 31, 1999, InfoCure has filed all forms, reports and documents with the Securities and Exchange Commission required to be filed by it pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the Securities Act, and the rules and regulations promulgated thereunder, each of which complied as to form, at the time such form, document or report was filed, in all material respects with the applicable requirements of the Securities Act and the Exchange Act and the applicable rules and regulations promulgated thereunder.

4.6. Litigation. Except as may be disclosed in the InfoCure SEC Reports, there are no suits, arbitrations, actions, claims, complaints, grievances, investigations or proceedings pending or, to the Knowledge of InfoCure or Buyer, Threatened against InfoCure or Buyer that, if resolved against InfoCure or Buyer could be reasonably expected to have a material adverse effect on InfoCure or Buyer on their ability to consummate the transactions contemplated hereby.

4.7. Disclosure. No representation, warranty or covenant made by InfoCure or Buyer in this Agreement or any Exhibit hereto contains any untrue statement of a material fact or omits to state a material fact required to be stated herein or therein or necessary to make the statements contained herein or therein not misleading.

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

4.9. Brokers or Finders. Except for Marc Kloner, neither Buyer or InfoCure nor any of their respective officers or 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.

4.10. Specific Disclaimer. Notwithstanding anything to the contrary herein, neither Buyer or InfoCure shall be deemed to have made to Company or to the Sellers any representation or warranty other than as expressly made by Buyer or InfoCure in this Article 4. Without limiting the generality of the foregoing and notwithstanding any otherwise express representations and warranties made by Buyer or InfoCure in this Article 4. or otherwise in this Agreement, Buyer or InfoCure do not make and hereby expressly disclaim any representation or warranty to Company or to the Sellers with respect to:

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

B. Pro forma financial statements or draft registration statements made available to the Company or the Sellers or its or their respective attorneys, advisors or accountants with respect to Buyer or InfoCure.

4.11. Termination of S Election. Consummation of the Contemplated Transactions will cause termination of the Company's S Corporation election under the Code, and no revenue or gain recognized by the Company under its normal method of accounting following the Closing will be attributed to the Sellers for the period preceding the Closing. The Sellers agree to execute and file any required consents under Section 1362 of the Code to reflect the foregoing provisions of this Section 4.11.

## 5. COVENANTS OF THE PARTIES.

The parties hereto hereby agree as follows with respect to the period from and after the date of this Agreement.

### 5.1. Mutual Covenants.

A. General. Each of the parties shall use its reasonable efforts to take all action and to do all things necessary, proper or advisable to consummate the transactions contemplated by this Agreement (including, without limitation, using its reasonable efforts to cause the conditions set forth in this Section 5. for which they are responsible to be satisfied as soon as reasonably practicable and to prepare, execute and deliver such further instruments and take or cause to be taken such other and further action as any other party hereto shall reasonably request).

B. Governmental Matters. Each of the parties shall use its reasonable efforts to take any action that may be necessary, proper or advisable in connection with any other notices to, filings with, and authorizations, consents and approvals of any Governmental Body or other third party that it may be required to give, make or obtain in connection with this transaction.

C. Expenses. Except as expressly otherwise provided herein, Buyer and InfoCure on the one hand, and the Company and the Sellers on the other hand, shall bear its respective expenses incurred in connection with the preparation, execution and performance of this Agreement and the transactions contemplated hereby, including all fees and expenses of agents, representatives, counsel and accountants. After the Closing, the Sellers shall be solely responsible for such fees and expenses relating to themselves. In the case of termination of this Agreement, the obligation of each party to pay its own expenses shall be subject to any rights of such party arising from a breach of this Agreement by the other party.

D. Public Announcements. The parties hereto shall consult and cooperate with each other and agree upon the terms and substance of all press releases, announcements and public statements with respect to this Agreement; provided, however, that such consultation and cooperation shall not interfere with any obligation of either party hereto to disclose any

information as and when required by applicable law. Any press release or other announcement by the InfoCure, Buyer or the Company will be subject to the prior consent and approval of the other party, which consent or approval will not be unreasonably withheld.

E. Access. From and after the date of this Agreement until termination of this Agreement, the Company, on the one hand, and Buyer and InfoCure, on the other hand, shall permit Representatives of the other to have appropriate access at all reasonable times to the other's premises, properties, books, records, contracts, tax records, documents, customers and suppliers, and any information obtained by any party pursuant to this Section 5.1.E. shall be subject to the provisions of the confidentiality provisions of that certain Letter of Intent between the parties dated February 16, 2000, which agreement remains in full force and effect.

## 5.2. Covenants of the Company.

A. Conduct of the Company's Operations. During the period from the date of this Agreement to the date of termination of this Agreement, the Company shall use its reasonable efforts to maintain and preserve its business organization and to retain the services of its officers and key employees and maintain relationships with customers, suppliers and other third parties to the end that their goodwill and ongoing business shall not be impaired in any material respect. Without limiting the generality of the foregoing, the Company shall not, except as otherwise expressly contemplated by this Agreement and the transactions contemplated hereby, without the prior written consent of Buyer:

(i) Sell, transfer, lease, pledge, mortgage, encumber or otherwise dispose of any of its personal property or assets other than sales or leases of inventory or licensing of Intellectual Property made in the Ordinary Course of Business.

(ii) Make or propose any changes in its Articles of Incorporation or Bylaws.

(iii) Merge or consolidate with any other person or acquire a material amount of assets or capital stock of any other person or enter into any confidentiality agreement with any person other than in the Ordinary Course of Business.

(iv) Other than for normal borrowings in the Ordinary Course of Business under the Company's existing working capital credit facility, incur, create, assume or otherwise become liable for indebtedness for borrowed money or assume, guarantee, endorse or otherwise as an accommodation become responsible or liable for obligations of any other individual, corporation or other entity or enter into any arrangement having the economic effect of any of the foregoing, except in the Ordinary Course of Business.

(v) Create any subsidiaries.

(vi) Enter into or modify any employment, severance, termination or similar agreements or arrangements with, or grant any bonuses, salary increases, severance or

termination pay to, any officer, director, consultant or employee other than salary increases granted in the Ordinary Course of Business.

(vii) Change its method of doing business or change any material method or principle of accounting in a manner that is inconsistent with past practice.

(viii) Settle any Proceeding, whether now pending or hereafter made or brought involving an amount in excess of Five Thousand and No/100 Dollars (\$5,000.00).

(ix) Modify, amend or terminate, or waive, release or assign any material rights or claims with respect to, any material Contract to which the Company is a party or any confidentiality agreement to which the Company is a party.

(x) Incur or commit to any capital expenditures, obligations or liabilities in respect thereof which in the aggregate exceed or would exceed Five Thousand and No/100 Dollars (\$5,000.00) on a cumulative basis.

(xi) Issue, sell or grant options, warrants or rights to purchase or subscribe to, or enter into any arrangement or contract with respect to the issuance or sale of any securities of the Company, or rights or obligations convertible into or exchangeable for any securities of the Company, or alter the terms of any presently outstanding options or make any changes, by split-up, combination, reorganization or otherwise in the capital structure of the Company.

(xii) Declare, set aside or pay any dividend or make any other distribution or payment with respect to any shares of its capital stock.

(xiii) Grant any severance or termination pay to any officer or employee except pursuant to written agreements outstanding, or policies existing, on the date hereof and as previously disclosed in writing or made available to Buyer, or adopt any new severance plan.

(xiv) Declare, set aside or pay any dividends on or make any other distributions (whether in cash, stock, equity securities or property) in respect of any capital stock or split, combine or reclassify any capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for any capital stock.

(xv) Purchase, redeem or otherwise acquire, directly or indirectly, any shares of capital stock of Company or its subsidiaries, except repurchases of unvested shares at cost in connection with the termination of the employment relationship with any employee pursuant to stock option or purchase agreements in effect on the date hereof.

(xvi) Engage in any action with the intent to directly or indirectly adversely impact any of the transactions contemplated by this Agreement.

(xvii) Make any tax election that, individually or in the aggregate, is reasonably likely to adversely affect in any material respect the tax liability or tax attributes of Company or any of its subsidiaries or settle or compromise any material income tax liability.

(xviii) Agree in writing or otherwise to take any of the foregoing actions.

B. Notification of Certain Matters. The Sellers shall give prompt notice to Buyer and InfoCure of the occurrence or non-occurrence of any event the occurrence or nonoccurrence of which would cause (i) the Seller's representations or warranties contained in this Agreement to be untrue or inaccurate at or prior to the Closing or (ii) any failure of any of the Sellers to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder; provided, however, that the delivery of any notice pursuant to this Section 5.2.B. shall not limit or otherwise affect the remedies available hereunder to Buyer and InfoCure.

C. Intellectual Property Matters. The Company shall use its reasonable efforts to preserve its ownership rights to all of the intellectual property ("Intellectual Property") described in Section 3.22. free and clear of any Encumbrances and shall use its reasonable efforts to assert, contest and prosecute any infringement of any issued foreign or domestic patent, trademark, service mark, trade name or copyright that forms a part of the Intellectual Property or any misappropriation or disclosure of any trade secret, confidential information or know-how that forms a part of the Intellectual Property.

D. No Solicitation. The Company agrees that during the term of this Agreement or until the consummation of the sale, it shall not, and shall not authorize or permit any of its directors, officers, employees, agents or representatives, directly or indirectly, to solicit, initiate, encourage or facilitate, or furnish or disclose non-public information in furtherance of, any inquiries or the making of any proposal with respect to any recapitalization, merger, consolidation or other business combination involving the Company, or acquisition or sale of any capital stock (other than upon exercise of outstanding options of the Company) or any material portion of the assets (except for acquisition of assets in the Ordinary Course of Business consistent with past practice) of the Company, or any combination of the foregoing (a "Company Competing Transaction"), or negotiate, explore or otherwise engage in discussions with any person other than Buyer and InfoCure or its directors, officers, employees, agents and representatives, with respect to any Company Competing Transaction or enter into any agreement, arrangement or understanding requiring it to abandon, terminate or fail to consummate the transactions contemplated by this Agreement.

## 6. CONDITIONS.

6.1. Mutual Conditions. The obligations of the parties hereto shall be subject to fulfillment of the following conditions:

A. No temporary restraining order, preliminary or permanent injunction or other order or decree which prevents the sale of the Shares shall have been issued and remain in

effect, and no statute, rule or regulation shall have been enacted by any Governmental Body which prevents such sale.

B. No Proceeding shall be instituted by any Governmental Body which seeks to prevent the sale of Shares or seeking material damages in connection with the transactions contemplated hereby which continues to be outstanding.

6.2. Conditions to Obligations of Buyer and InfoCure. The obligations of Buyer and InfoCure to consummate the transactions contemplated hereby shall be subject to the fulfillment of the following conditions unless waived by Buyer and InfoCure:

A. Neither any investigation of the Company by Buyer or InfoCure, nor the Disclosure Schedule or any supplement thereto nor any other document delivered to Buyer and InfoCure as contemplated by this Agreement, shall have revealed any facts or circumstances which, in the sole and exclusive judgment of Buyer and InfoCure, reflect in a material adverse way on the financial condition, assets, liabilities (absolute, accrued, contingent or otherwise), reserves, business, operations or prospects of the Company.

B. The representations and warranties of the Sellers set forth in Section 3. shall be true and correct in all material respects on the date hereof (except for representations and warranties made as of a specified date, which need be true and correct only as of the specified date).

C. The Company and the Sellers shall have performed in all material respects each obligation and agreement and shall have complied in all material respects with each covenant to be performed and complied with by such parties hereunder prior to the Closing.

D. The Sellers and Company shall have furnished Buyer and InfoCure with a certificate dated the Closing Date signed on their behalf individually and of the Company by its President to the effect that the conditions set forth in Sections 6.2.B. and C. have been satisfied.

E. Sellers and Company, 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 Company's representations and warranties; (ii) evidencing the performance by any Seller or Company of, or the compliance by any Seller or Company with, any covenant or obligation required to be performed or complied with by such Seller or Company, as the case may be; (iii) evidencing the satisfaction of any condition referred to in this Section 6. or (iv) otherwise facilitating the consummation or performance of any of the Contemplated Transactions.

F. 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.

G. 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 Company or (ii) is entitled to all or any portion of the Purchase Price payable for the Shares.

H. The Company and the Sellers shall have obtained all material consents, waivers, approvals, authorizations or orders and made all filings in connection with the authorization, execution and delivery of this Agreement by the Company and the Sellers and the consummation by each of the transactions contemplated hereby.

I. Company shall have delivered to Buyer and InfoCure a certificate evidencing the good standing of Company as of a recent practicable date, and a certified copy of the resolutions of the Directors of Company (and Company's shareholders if required by Company's organizational documents) approving the execution, delivery and performance by Company of this Agreement and all the other transactions to be taken by Company contemplated herein.

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

6.3. Conditions to Obligations of the Sellers. The obligations of the Sellers to consummate the transactions contemplated hereby shall be subject to the fulfillment of the following conditions unless waived by the Sellers:

A. The representations and warranties of Buyer and InfoCure set forth in Section 4. shall be true and correct in all material respects on the date hereof (except for representations and warranties made as of a specified date, which need be true and correct only as of the specified date).

B. Each of Buyer and InfoCure shall have performed in all material respects each obligation and agreement and shall have complied in all material respects with each covenant to be performed and complied with by it hereunder at or prior to the Closing.

C. Each of Buyer and InfoCure shall have furnished the Company with a certificate dated the Closing Date signed on its behalf by its Chairman, President or any Vice President to the effect that the conditions set forth in Sections 6.3.A. and B. have been satisfied.

D. The Sellers shall have received the legal opinion, dated the Closing Date, of Morris, Manning & Martin, L.L.P., counsel to Buyer and InfoCure, substantially in the form attached hereto as Exhibit F.

E. Buyer and InfoCure shall have obtained all material consents, waivers, approvals, authorizations or orders and made all filings in connection with the authorization,

execution and delivery of this Agreement by Buyer and InfoCure and the consummation by them of the transactions contemplated hereby.

## **7. INDEMNIFICATION; REMEDIES.**

7.1. Agreement by the Sellers to Indemnify. Subject to the limitations set forth in Section 7.1.1 and in Section 7.1.2, the Sellers, severally and not jointly, in proportion to each Shareholder's relative Percentage Ownership, 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 and InfoCure resulting from:

- A. Any inaccurate representation or warranty made by the Company or the Sellers in or pursuant to this Agreement; or
- B. Any breach of or default in the performance of any of the covenants or agreements made by the Company or the Sellers in this Agreement.

The foregoing obligation of the Sellers to indemnify InfoCure and Buyer shall be subject to each of the following principles or qualifications:

7.1.1 All representations, warranties and covenants of the Company, the Sellers, Buyer and InfoCure contained in this Agreement will remain operative and in full force and effect for a period ending on the earlier of (i) one (1) year after the Closing and (ii) publication of audited combined financial statements of InfoCure and the Company. Notwithstanding the immediately foregoing, any representations, warranties, and covenants of the Company relating to Tax matters shall survive until the expiration of any applicable statute or period of limitations, and any extensions thereof.

7.1.2 In seeking indemnification for any Indemnifiable Damages otherwise payable to Buyer or InfoCure under this Agreement following the Closing, Buyer and InfoCure, as the case may be, shall exercise its remedies only with respect to those funds deposited in escrow pursuant to the Escrow Agreement; provided, however, nothing in this Section 7.1.2 shall preclude InfoCure or Buyer from seeking damages that arise from fraud. Notwithstanding the foregoing, the Sellers shall be responsible for Indemnifiable Damages only to the extent that the aggregate amount of such Indemnifiable Damages exceeds Fifteen Thousand and No/100 Dollars (\$15,000.00) and then only for the amount of such excess up to the amount deposited in escrow pursuant to the Escrow Agreement.

### **7.2. Procedures for Indemnification.**

A. A claim for indemnification (the "Indemnification Claim") shall be made by InfoCure or Buyer by delivery of a written notice to the Sellers requesting indemnification



and specifying the basis on which the indemnification is sought and the amount of the Indemnifiable Damages and, in the case of a Third Party Claim (as defined in Section 7.3.), containing such other information as InfoCure or Buyer shall have concerning such Third Party Claim.

B. If the Indemnification Claim involves a Third Party Claim, the procedures set forth in Section 7.3. below shall be observed by the parties hereto.

C. If the Indemnification Claim involves a matter other than a Third Party Claim, the Sellers shall have ten (10) days to object to such Indemnification Claim by delivery of a written notice of such objection to InfoCure and Buyer specifying in reasonable detail the basis of such objection. Failure to so timely object will constitute acceptance of the Indemnification Claim by the Sellers and the Indemnification Claim will be paid in accordance with Section 7.2.D. If any objection is timely filed by the Sellers and the dispute is not resolved within fifteen (15) days from the date InfoCure and Buyer received such objection such dispute shall be resolved in accordance with the procedures set forth in the Escrow Agreement.

D. Upon determination of the amount of the Indemnification Claim, whether (i) by agreement between InfoCure and Buyer, on the one hand, and the Sellers; (ii) by an arbitration award or (iii) otherwise, the amount of such Indemnification Claim shall be paid through the escrow arrangement set forth in the Escrow Agreement.

7.3. Matters Involving Third Parties. If any third party shall notify Buyer or InfoCure (the "Indemnified Party") with respect to any matter which may give rise to a claim by Buyer or InfoCure for indemnification against the Sellers (collectively the "Indemnifying Party") under this Section 7. (a "Third Party Claim") then the Indemnified Party shall notify the Indemnifying Party 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 the 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 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 concludes that the counsel the Indemnifying Party has selected has a conflict of interest);

C. The Indemnifying 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 Indemnified Party (not to be withheld or delayed unreasonably); 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 withheld or delayed unreasonably).

If (i) the Indemnifying Party fails to notify 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 or (ii) the 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 not 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.

## 8. TERMINATION.

8.1. Termination Events. This Agreement may, by written notice given at or prior to the Closing Date in the manner hereinafter provided, be terminated:

A. By either Buyer and InfoCure, on the one hand, or the Company and the Sellers, on the other hand, if a material Breach shall be made by the other parties hereto with respect to the due and timely performance of any of its covenants and agreements contained herein, or with respect to the material compliance with any of its representations, warranties or covenants, and such breach cannot be cured prior to the Closing Date and has not been waived;

B. (i) By Buyer and InfoCure, if all of the conditions set forth in Sections 6.1. and 6.2. shall not have been satisfied on or before the Closing Date, other than through failure of Buyer or InfoCure to fully materially comply with its obligations hereunder, and such conditions shall not have been waived by the Buyer and InfoCure on or before such date; or

(ii) By the Company and the Sellers if all of the conditions set forth in Sections 6.1. and 6.3. shall not have been satisfied on or before the Closing Date, other than through failure of the Company or the Sellers to fully materially comply with its obligations hereunder, and such conditions shall not have been waived by the Company on or before such date.

C. By mutual consent of the Company, Sellers, Buyer and InfoCure; or

D. By either the Company and the Sellers or Buyer and InfoCure if the Closing shall not have occurred, other than through failure of any such party to materially fulfill its obligations hereunder, on or before March 31, 2000, or such later date as may be agreed upon by the parties.

Each party's right of termination hereunder is in addition to any other rights it may have hereunder or otherwise and the exercise of a right of termination shall not be an election of remedies.

## 9. MISCELLANEOUS.

9.1. Notices. Except as otherwise set forth herein, all notices given in connection with this Agreement shall be in writing and shall be delivered either by personal delivery, by telecopy or similar facsimile means, by certified or registered mail, return receipt requested, or by express courier or delivery service, addressed to the parties hereto at the following addresses:

- A. Walter: Allen J. Walter  
32 Atherton Road  
Enfield, New Hampshire 03748
- With a copy to: McLane, Graf, Raulerson & Middleton, P.A.  
900 Elm Street  
Ninth Floor  
Manchester, New Hampshire 03101  
Attention: Richard A. Samuels, Esq.  
Telecopy No.: (603) 625-5650
- B. Metzger: Susan R. Metzger  
32 Atherton Road  
Enfield, New Hampshire 03748
- With a copy to: McLane, Graf, Raulerson & Middleton, P.A.  
900 Elm Street  
Ninth Floor  
Manchester, New Hampshire 03101  
Attention: Richard A. Samuels, Esq.  
Telecopy No.: (603) 625-5650
- C. Eckert: William E. Eckert  
21 Westgate Road  
Plainfield, New Hampshire 03781
- With a copy to: McLane, Graf, Raulerson & Middleton, P.A.  
900 Elm Street  
Ninth Floor  
Manchester, New Hampshire 03101  
Attention: Richard A. Samuels, Esq.  
Telecopy No.: (603) 625-5650

D. Company: Technos Corporation  
106 North Main Street  
West Lebanon, New Hampshire 03784  
Attention: William E. Eckert  
Telecopy No.: (603) 298-5524

With a copy to: McLane, Graf, Raulerson & Middleton, P.A.  
900 Elm Street  
Ninth Floor  
Manchester, New Hampshire 03101  
Attention: Richard A. Samuels, Esq.  
Telecopy No.: (603) 625-5650

E. Buyer and InfoCure: InfoCure Corporation  
1765 The Exchange  
Suite 450  
Atlanta, Georgia 30339  
Attention: Richard E. Perlman  
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  
Attention: Richard L. Haury, Jr., Esq.  
Telecopy No.: (404) 365-9532

or at such other address and number as either party shall have previously designated by written notice given to the other party in the manner hereinabove set forth. Notices shall be deemed given (i) when received, if sent by telecopy or similar facsimile means (confirmation of such receipt by confirmed facsimile transmission being deemed receipt of communications sent by telecopy or other facsimile means) and (ii) when delivered and receipted for (or upon the date of attempted delivery where delivery is refused), if hand-delivered, sent by express courier or delivery service, or sent by certified or registered mail, return receipt requested.

9.2. Further Assurances. The parties hereto agree to furnish upon request to each other such further information, to execute and deliver to each other such other documents, and to do such other acts and things, all as the other party hereto may at any time reasonably request for the purpose of carrying out the intent of this Agreement and the documents referred to herein.

9.3. Waiver. The rights and remedies of the parties to this Agreement are cumulative and not alternative. Neither the failure nor any delay on the part of any party in exercising any right, power or privilege under this Agreement or the documents referred to herein shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege

preclude any other or further exercise thereof or the exercise of any other right, power or privilege. To the maximum extent permitted by applicable law, no claim or right arising out of this Agreement or the documents referred to herein can be discharged by one party hereto, in whole or in part, by a waiver or renunciation of the claim or right unless in writing signed by the other party hereto; no waiver which may be given by a party hereto shall be applicable except in the specific instance for which it is given; and no notice to or demand on one party hereto shall 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 herein.

9.4. Entire Agreement and Modification. This Agreement, including all exhibits and schedules hereto, are intended by the parties to this Agreement as a final expression of their agreement with respect to the subject matter hereof, and are intended as a complete and exclusive statement of the terms and conditions of that agreement. This Agreement may not be modified, rescinded or terminated orally, and no modification, rescission, termination or attempted waiver of any of the provisions hereof (including this Section) shall be valid unless in writing and signed by the party against whom the same is sought to be enforced.

9.5. Assignments, Successors and No Third-Party Rights. This Agreement shall apply to and be binding in all respect upon, and shall inure to the benefit of, the successors and assigns of the parties hereto. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person or entity 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 hereof, it being the intention of the parties hereto that this Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the parties to this Agreement, their successors and assigns, and for the benefit of no other person or entity; provided, however, that the parties hereto consent to the assignment of interests in this Agreement, including all exhibits and schedules hereto, as collateral security for the obligations of InfoCure and Buyer following the Closing to Finova Capital Corporation.

9.6. Section Headings, Construction. The headings of articles and sections contained in this Agreement are provided for convenience only. They form no part of this Agreement and shall not affect its construction or interpretation. All references to articles and sections in this Agreement refer to the corresponding articles and sections of this Agreement. All words used herein shall be construed to be of such gender or number as the circumstances require. Unless otherwise specifically noted, the words "herein," "hereof," "hereby," "hereinabove," "hereinbelow," "hereunder," and words of similar import, refer to this Agreement as a whole and not to any particular section, subsection, paragraph, clause or other subdivision hereof.

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

9.8. Governing Law. **THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED UNDER, THE LAWS OF THE STATE OF GEORGIA WITHOUT REGARD TO CONFLICTS OF LAWS, ALL RIGHTS AND REMEDIES BEING GOVERNED BY SUCH LAWS.**

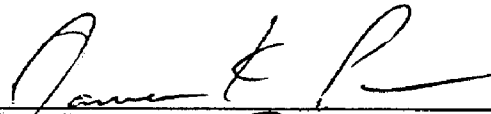
9.9. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original copy of this Agreement, and all of which, when taken together, shall be deemed to constitute but one and the same agreement.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Company, Buyer and InfoCure, by their duly authorized officers and the Sellers, individually, have each caused this Agreement to be executed as of the date first written above.


**INFOCURE:**

InfoCure Corporation

By:   
Name: James K. Price  
Title: Executive Vice President + Secretary

**BUYER:**

InfoCure Systems, Inc.

By:   
Name: James K. Price  
Title: Executive Vice President + Secretary

**COMPANY:**

Technos Corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**SELLERS:**

\_\_\_\_\_  
Allen J. Walter

IN WITNESS WHEREOF, the Company, Buyer and InfoCure, by their duly authorized officers and the Sellers, individually, have each caused this Agreement to be executed as of the date first written above.

**INFOCURE:**

InfoCure Corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

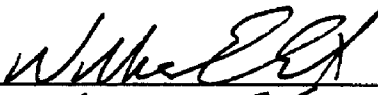
**BUYER:**

InfoCure Systems, Inc.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**COMPANY:**

Technos Corporation

By:   
Name: WILLIAM E. ECKERT  
Title: PRESIDENT

**SELLERS:**

  
Allen J. Walter



*Susan R. Metzger*  
Susan R. Metzger

*William E. Eckert*  
William E. Eckert

**Schedule 3.22(b)(ii)**

Registered Trademark: "INTELLIDENT". Reg. No. 2,240,346. Registered April 20, 1999, with the U.S. Patent and Trademark Office. See Certificate of Registration attached. An earlier Registered Trademark was also obtained (registered 10/9/1990 – Reg. No. 1616575) but that mark was allowed to expire.

Domain Name: "Intellident.com". Registered with InterNIC. See attached.

Copyright: "INTELLIDENT". Reg. No. TX 2 970 603. Effective date of registration – December 5, 1990. See Certificate of Registration attached.

See, attached, copies of written correspondence by and to the Company and related materials with respect to Registrations and protectability of Intangibles and Software.