

07-25-2002

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)

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U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Deluxe Corporation

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State Minnesota, Other

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment, Merger, Security Agreement, Change of Name, Other

Execution Date: September 30, 1996

2. Name and address of receiving party(ies)

Name: MEDSOFT, Inc.

Internal

Address:

Street Address: 3000 North Lake Boulevard

City: Tahoe City State: CA Zip: 96145

- Individual(s) citizenship, Association, General Partnership, Limited Partnership, Corporation-State California, Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,996,079

Additional number(s) attached Yes No

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

Name: Heather A. Dunn

Internal Address: Gray Cary Ware & Freidenrich LLP

Street Address: 400 Hamilton Avenue

City: Palo Alto State: CA Zip: 94301

6. Total number of applications and registrations involved:

1

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

- Enclosed, Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

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

Heather A. Dunn

Name of Person Signing

Signature

July 15, 2002

Date

Total number of pages including cover sheet, attachments, and document:

5

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

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Margie Lara

(916) 526-4020

**AGREEMENT OF PURCHASE & SALE OF ASSETS**

MEDSOFT, INC., a California corporation with its principal offices at 3000 North Lake Boulevard, Tahoe City, CA 96145 ("Medsoft") agrees to purchase from DELUXE CORPORATION, a Minnesota corporation with its principal offices at 3680 Victoria Street North, Shoreview, MN 55126 ("Deluxe") and Deluxe agrees to sell to Medsoft, certain assets commonly referred to as the Medsoft Business Unit of Deluxe Corporation (the "Business") under the following terms and conditions:

**I. ASSETS INCLUDED IN SALE.**

Assets to be sold and transferred to Medsoft hereunder ("Assets") shall be all of the Assets of any kind of the Business which are in the possession or under the control of Deluxe, including without limitation, all software and source codes, customer lists, reseller lists, collateral supplies and marketing materials, trade names, registered trademarks, logos, copyrights, inventory of goods for resale, accounts receivable, work in process, furniture, office equipment, computers, records and cash funds in the amount of not less than One Hundred Twenty-Five Thousand (\$125,000.00). The Assets shall include, without limitation, those listed on Exhibit A to this Agreement or as otherwise reflected on Deluxe's books and records as Assets of the Business, and such other supplies and incidentals presently used by the Business.

**II. CONSIDERATION.**

As consideration for the Assets, Medsoft agrees to assume, pay, perform in accordance with their terms or otherwise satisfy, as of and after the closing date, those obligations of Deluxe with respect to the Business listed on Exhibit B attached to this Agreement. It is expressly understood and agreed that Medsoft shall not be liable for any obligation or liability of Deluxe of any kind in any way related to the Business, or otherwise, other than those specifically assumed by Medsoft under this paragraph. Also, specifically excluded from the liabilities to be assumed by Medsoft are any arising from any contract or alleged contract, or any other relationship, between Deluxe or the Business on the one hand, and Mark Spohr, M.D., Pacific Medsoft, Inc., Medical Informatics, Inc., a Nevada corporation (together "Spohr"), any other entity owned or controlled by Spohr, or other person related to Spohr, on the other hand.

**III. TAXES.**

Deluxe shall pay any sales, use or other taxes arising out of the transfer of the assets to Medsoft under the terms of this Agreement. Deluxe shall also pay all employee withholdings, personal property taxes and any other expenses arising from ownership or operation of the Assets prior to the transfer to Medsoft hereunder.

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Margie Lara

(916) 526-4020

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#### IV. DELUXE REPRESENTATIONS AND WARRANTIES

Deluxe represents and warrants as follows:

A. Deluxe is a corporation duly organized, validly existing and in good standing under the laws of the State of Minnesota; is qualified to do business in the State of California; has all necessary corporate powers to enter into and perform its obligations under the terms of this Agreement; and the person signing this Agreement on behalf of Deluxe is authorized by all necessary corporate action to enter into this Agreement on its behalf.

B. Deluxe has no knowledge of any infringement or alleged infringement by others of any of the trade names, trademarks, service marks, copyrights or other intangible assets to be transferred to Medsoft under this Agreement, and that the Business has not infringed, and is not now infringing, on any trade name, trademark, service mark or copyright belonging to any other person or entity.

C. Deluxe has not published or released to any third party any information regarding the customer list, reseller list or any other trade secrets of the Business not part of public knowledge or literature and will not do so after the closing.

D. Deluxe has good and marketable title to all of the Assets and all of these Assets are free and clear of any mortgage, lien, pledge, charge, or claim of any person, except the lien of current taxes not yet due and payable.

E. Sale of the Assets to Medsoft under this Agreement will not cause any default, with notice or lapse of time or both, by Deluxe under the terms of any Agreement to which Deluxe or the Business is bound, nor would it, to the best knowledge of Deluxe, be an event that would permit any party to terminate any agreement or to accelerate the maturity of any indebtedness or obligation of the Business, or create any lien, charge or encumbrance on any of the Assets.

F. None of the warrants and representations made by Deluxe herein or any document furnished by it to Medsoft in connection with this transaction contain or will contain any untrue statement of material fact.

G. As of the date of closing, Deluxe will not owe any sum of tax payment to the California Franchise Tax Board; will have paid, or will pay as soon as possible after the closing, all sums due to the California Employment Development Department related to the Business; and will have paid, or will pay as soon as possible after the closing, all sums due to the California Board of Equalization for sales or use tax arising from the Business. Should Medsoft be required by any state or federal taxing authority or other governmental entity to make payment of any amount of any tax, contribution or fee (including any interest or penalty) payable as a result of the operation of the Business by Deluxe prior to the date of closing, Deluxe agrees to reimburse Medsoft for any such amount within 10 days after receipt of a statement therefore.

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including attorneys' fees, incurred in that action or proceeding, to be paid by the non-prevailing party, in addition to any other relief awarded.

K. This Agreement shall be construed in accordance with, and governed by, the laws of the State of California as applied to contracts that are executed and performed entirely in California.

L. If any provision of this Agreement is held invalid or unenforceable by any court of final jurisdiction, the parties intend that all of the other provisions of this Agreement shall be construed to remain fully valid, enforceable and binding on the parties.

IN WITNESS WHEREOF, the parties to this Agreement have duly executed it on the date set forth next to their signatures below.

**DELUXE CORPORATION, a Minnesota corporation**

Dated: 9.30.96

By: Stephen C. Peterson  
Title: Vice President

**MEDSOFT, INC., a California corporation**

Dated: 9/25/96

By: Scott Conn  
**Scott Conn**  
**President**