

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
QuadraMed Corporation		09/15/2005	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	i-Plexus Solutions II. Inc.		
Street Address:	925 Gunter Court		
City:	Alpharetta		
State/Country:	GEORGIA		
Postal Code:	30022		
Entity Type:	CORPORATION: GEORGIA		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	2780204	CHANCELLOR	
CORRESPONDENCE DATA			
Fax Number:	(619)393-0498		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	(619) 517-2272		
Email:	david@lizerbramlaw.com		
Correspondent Name:	David Lizerbram		
Address Line 1:	3852 3rd Avenue, Suite 1		
Address Line 4:	San Diego, CALIFORNIA 92103		
NAME OF SUBMITTER:	David Lizerbram		
Signature:	/David Lizerbram/		
Date:	06/04/2007		

OP \$40.00 2780204

Total Attachments: 39
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ASSET PURCHASE AGREEMENT

Dated as of September 15, 2005

By and Between

QUADRAMED CORPORATION

and

i-Plexus Solutions II, Inc.

TRADEMARK

REEL: 003553 FRAME: 0889

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement") is made as of this 15th day of September, 2005, by and between QUADRAMED CORPORATION, a corporation organized under the laws of the State of Delaware and having its principal office at 12110 Sunset Hills Road, Reston, Virginia 20190 ("QuadraMed"), and I-PLEXUS SOLUTIONS II, INC., a corporation organized under the laws of Georgia and having its principal office at 925 Gunter Court, Alpharetta, Georgia 30022 ("Buyer").

WITNESSETH

WHEREAS, QuadraMed, through the QuadraMed EDI Division (the "Division"), provides transaction-based electronic data interchange services to hospital customers, primarily through its "Chancellor EDI" software product, an on-site, PC-based professional and institutional claims submission and tracking application; and

WHEREAS, Buyer desires to purchase, and QuadraMed desires to sell, certain assets used in the operation of the Division upon the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties contained herein, the parties hereby agree as follows:

ARTICLE I DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

"Affiliate" shall mean any Person that directly or indirectly controls, is controlled by, or is under common control with the Person in question. For purposes of determining whether a Person is an Affiliate, the term "control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of securities, contract or otherwise.

"Business Day" shall mean a day other than a Saturday, Sunday or other day on which commercial banks in New York are authorized or required by law to close.

"Buyer" shall have the meaning set forth above.

"Closing" shall mean the consummation of the transactions contemplated in this Agreement.

"Closing Date" shall mean the date of this Agreement, which shall not be later than September 15, 2005.

“Contracts” shall mean QuadraMed’s rights in, to, and under the contracts identified on **Schedule 1.1**.

“Damages” shall mean all demands, claims, actions or causes of action, assessments, losses, damages, costs, expenses, liabilities, judgments, awards, fines, sanctions, penalties, interest, charges and amounts paid in settlement, including, without limitation, reasonable costs, fees and expenses of attorneys, experts, accountants, appraisers, consultants, witnesses, investigators and any other agents or representatives of such Person. Damages shall not include consequential, incidental, punitive, or special damages.

“Division” shall have the meaning set forth above.

“Encumbrance” shall mean any interest of any Person, including, without limitation, any right to acquire, option, right of preemption, or any mortgage, lease, charge, pledge, lien, encumbrance, assignment, hypothecation, security interest, title retention, claim, covenant, condition, easement or any other security agreement or arrangement or any restriction of any kind or character.

“Liabilities” shall mean and include any direct or indirect indebtedness, guarantee, endorsement, claim, loss, damage, deficiency, cost, expense, obligation or responsibility, fixed or unfixed, known or unknown, asserted or unasserted, liquidated or unliquidated, contingent or fixed, secured or unsecured.

“Intellectual Property” shall mean all of the patents, registered trademarks, registered service marks, registered copyrights, application for any of the foregoing, all material unregistered trademarks, service marks, copyrights, and trade names used in the operation of the Business and identified on **Schedule 1.2**.

“Material Adverse Effect” shall mean any change or effect that is materially adverse to the operation of the Division, the Transferred Assets, or the Assumed Liabilities in the aggregate amount of \$50,000 or more.

“Person” shall mean any individual, corporation, unincorporated association, business trust, estate, partnership, trust, nation, political subdivision or agency thereof or any other entity.

“Personal Property” shall mean the personal property identified on **Schedule 1.3**.

“Software” means the computer programs, including all source code and object code and all Intellectual Property contained in the Software, identified on **Schedule 1.4**.

“To the knowledge,” “known by” or “known” (and any similar phrase) means the actual knowledge of such party.

“Transferred Assets” shall mean the Personal Property, Software, Intellectual Property and the Contracts.

ARTICLE II
PURCHASE AND SALE

Section 2.1. Sale. On the terms and subject to the conditions set forth in this Agreement, QuadraMed hereby sells, transfers, assigns and delivers the Transferred Assets to Buyer, and Buyer hereby purchases from QuadraMed such Transferred Assets.

Section 2.2. Purchase Price. In consideration of the sale, transfer, assignment, and delivery of the Transferred Assets, Buyer shall pay QuadraMed cash in an aggregate amount of Five Hundred Thousand Dollars (\$500,000) (the "Purchase Price").

Section 2.3. Assumed Liabilities. Subject to the terms and conditions of this Agreement, on the Closing Date Buyer shall agree to pay, perform and discharge when due the following, and only the following, Liabilities of QuadraMed relating to the Division (collectively, the "Assumed Liabilities"):

- (a) All Liabilities arising on and after the Closing Date under and pursuant to all of the Contracts to the extent the same are unpaid, undelivered, or unperformed on the Closing Date;
- (b) All Liabilities that arise from and after the Closing Date on account of Buyer's conduct or operation of the Division, use of the Transferred Assets and/or the sale of any products or services of the Division sold or provided by Buyer from and after the Closing Date; and
- (c) All Liabilities listed on **Schedule 2.3**.

Section 2.4. Excluded Assets. The Seller shall not sell, transfer, assign, convey or deliver to Buyer, and Buyer will not purchase or accept, any assets of QuadraMed that are not Transferred Assets.

Section 2.5. Allocation of Purchase Price. The aggregate Purchase Price (including the assumption by Buyer of the Assumed Liabilities) shall be allocated among the Transferred Assets for tax purposes as set forth on **Schedule 2.5**. QuadraMed and Buyer will follow and use such allocation in all tax returns, filings or other related reports made by them to any governmental agencies and neither shall contend or represent that such allocation is incorrect.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF QUADRAMED

QuadraMed represents and warrants to Buyer as follows:

Section 3.1. Organization, Good Standing. QuadraMed is a corporation duly organized, validly existing and in good standing under the laws of Delaware.

Section 3.1. Organization, Good Standing. QuadraMed is a corporation duly organized, validly existing and in good standing under the laws of Delaware.

Section 3.2. Execution and Effect of Agreement. QuadraMed has the corporate power and authority to enter into this Agreement and the other agreements contemplated hereby, and the execution and delivery of this Agreement and such other agreements and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by QuadraMed and constitutes a legal, valid and binding obligation of QuadraMed, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, and other laws affecting the rights of creditors generally and to the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or of equity).

Section 3.3. Restrictions. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (a) violate any of the provisions of the charter or bylaws of QuadraMed or (b) conflict with or result in a breach of, or give rise to a right of termination of, or accelerate the performance required by the terms of any judgment, court order or consent decree, or any agreement, indenture, mortgage or instrument to which QuadraMed is a party or to which they or their property is subject, or constitute a default thereunder, except where such conflict, breach, right of termination or default would not have a Material Adverse Effect.

Section 3.4. Litigation. Except as set forth in **Schedule 3.4**, there is no action, at law or in equity, arbitration proceeding or governmental investigation pending or, to the knowledge of QuadraMed, threatened by or before any court, any governmental or administrative agency or commission, or arbitrator, against QuadraMed, (a) that could reasonably be expected to prevent the consummation of any of the transactions contemplated hereby or (b) that would cause a Material Adverse Effect.

Section 3.5. Intellectual Property.

(a) QuadraMed has good and exclusive title to, and a valid and enforceable power and unqualified right to sell, license, lease, transfer, use or otherwise exploit, all versions and releases of the Software and all Intellectual Property therein, free and clear of all Encumbrances. QuadraMed is in actual possession of the source code and object code for each computer program included in the Software. No Person other than QuadraMed has any right or interest of any kind or nature in or with respect to the Software or any portion thereof or any rights to sell, license, lease, transfer, use or otherwise exploit the Software or any portion thereof.

(b) Except as specified in **Schedule 3.5(b)**, no agreement, license or other arrangement pertaining to any of the Software (including without limitation any development, distribution, marketing, use, or maintenance agreement, license or arrangement) to which QuadraMed is a party will terminate or become terminable by any party thereto as a result of the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated hereby.

(c) The Intellectual Property includes all of the intellectual property rights owned or licensed by QuadraMed that are used or reasonably necessary to operate the Division as it is now operated and includes all of the intellectual property rights owned or licensed by QuadraMed that are used in the development, marketing, licensing or support of the Software. Except as specified in **Schedule 3.5(c)**, (i) QuadraMed has good and exclusive title to, and a valid and enforceable power and unqualified right to use, the Intellectual Property owned by QuadraMed free and clear of all Encumbrances; (ii) QuadraMed has the valid and enforceable power and right to use the Intellectual Property licensed by QuadraMed as currently used by QuadraMed; and (iii) to the knowledge of QuadraMed, no person other than QuadraMed has any right or interest of any kind or nature in or with respect to the Intellectual Property owned by QuadraMed or any portion thereof or any rights to use, market or exploit the Intellectual Property or any portion thereof.

(d) To the knowledge of QuadraMed, neither the existence nor the sale, license, lease, transfer, use, reproduction, distribution, modification or other exploitation by QuadraMed of any Software or other Intellectual Property as such Software or Intellectual Property, as the case may be, is or was sold, licensed, leased, transferred, used or otherwise exploited by QuadraMed does or did (i) infringe, whether directly by inducement, contributory, vicariously or otherwise, any patent, trademark, copyright or other intellectual property right of any other Person; (ii) constitute a misuse or misappropriation of any trade secret, know how, process, proprietary information or other right of any other Person; or (iii) entitle any other Person to any interest therein or right to compensation from QuadraMed or any of its successors or assigns by reason thereof. QuadraMed has not received any written complaint, assertion, threat or allegation or otherwise has written notice of any claim involving either matters of the type contemplated by the immediately preceding sentence or otherwise challenging the ownership, use, validity or enforceability of any of the Software or any Intellectual Property.

(e) To the knowledge of QuadraMed, there has been no infringement, misappropriation or other violation of any Software or other Intellectual Property, and no claim has been brought by QuadraMed against any third-party alleging infringement, misappropriation, or other violation of any Software or other Intellectual Property.

Section 3.6 Contracts. QuadraMed is not in default under any of the Contracts, nor, to the knowledge of QuadraMed, has any event or omission occurred that, through the passage of time or the giving of notice, or both, would constitute a default thereunder or cause the acceleration of any of QuadraMed's obligations or result in a creation of any Encumbrance on any of the Transferred Assets. To the knowledge of QuadraMed, no third-party is in default under any of the Contracts, nor has any event or omission occurred that, through the passage of time or the giving of notice, or both, would constitute a default thereunder.

Section 3.7. [*Intentionally Omitted.*]

Section 3.8. Title. QuadraMed has and will convey to Buyer good and marketable title to the Personal Property free and clear of all Encumbrances. No other Person has any right to the use or possession of any of the Personal Property, and QuadraMed has not entered into any other agreement with any other Person, whether written or oral, to sell any of the Transferred Assets.

Section 3.9. Consents. Except as set forth on **Schedule 3.9**, no consent of any governmental or judicial authority or of any other Person is required for the execution or delivery by QuadraMed of this Agreement and the other instruments and documents required or contemplated herein or the consummation of the transactions contemplated by this Agreement.

Section 3.10. Compliance With Law. In connection with the operation of the Division, QuadraMed has complied in all material respects with all laws, ordinances, rules, regulations, and judicial or administrative orders applicable to the operation of the Division, and QuadraMed has not received any written notice asserting non-compliance with any of the foregoing.

Section 3.11. **NO ADDITIONAL REPRESENTATIONS OR WARRANTIES. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS ARTICLE OR ANY OTHER PROVISION OF THIS AGREEMENT, IT IS THE EXPLICIT INTENT OF EACH PARTY HERETO THAT QUADRAMED IS MAKING NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, BEYOND THOSE EXPRESSLY GIVEN IN THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OR REPRESENTATION AS TO CONDITION, MERCHANTABILITY OR SUITABILITY AS TO ANY OF THE TRANSFERRED ASSETS. EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THIS AGREEMENT, THE TRANSFERRED ASSETS ARE BEING SOLD ON AN "AS IS, WHERE IS" BASIS.**

Section 3.12. Certain Contract Information. To QuadraMed's knowledge, **Schedule 3.12** sets forth a materially true and accurate list of 2005 July year-to-date revenue, billings and collections with respect to the customers identified thereon, based on QuadraMed's accounting records.

ARTICLE IV **REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to QuadraMed as follows:

Section 4.1. Organization and Good Standing. Buyer is a corporation duly organized, validly existing and in good standing under the laws of Georgia, and has full corporate power and authority to carry on its businesses as now being conducted.

Section 4.2. Execution and Effect of Agreement. Buyer has the corporate power and authority to enter into this Agreement and the other agreements contemplated hereby, and the execution and delivery of this Agreement and such other agreements and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by Buyer and constitutes a legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, and other laws affecting the rights of

creditors generally and to the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or of equity).

Section 4.3. Restrictions. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (a) violate any of the provisions of the charter or by-laws of Buyer, or (b) conflict with or result in a breach of, or give rise to a right of termination of, or accelerate the performance required by the terms of any judgment, court order or consent decree, or any agreement, indenture, mortgage or instrument to which Buyer is a party or to which it or its property is subject, or constitute a default thereunder, except where such conflict, breach, right of termination or default would not have a material adverse effect on Buyer.

Section 4.4. No Lawsuits; Consents. There is no lawsuit, proceeding or investigation pending or, to the knowledge of Buyer, threatened against Buyer that prevents the consummation of any of the transactions contemplated hereby. Except for filings, consents, approvals and authorizations the failure to obtain or make would not have a material adverse effect on the Buyer, no filing, consent, approval or authorization of any governmental authority or of any third party on the part of the Buyer is required in connection with the execution and delivery of this Agreement or any instrument contemplated hereby or the consummation of any of the transactions contemplated hereby.

Section 4.5. Brokerage Fees. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with this Agreement or the transactions contemplated hereby.

ARTICLE V

EMPLOYEES; JOINT MARKETING

Section 5.1. Employees. As of the Closing Date, Buyer shall offer employment to all employees of the Division identified on **Schedule 5.1** (the "Employees") at their existing wage levels with QuadraMed and shall provide the Employees with benefits broadly comparable when taken as a whole to the benefits provided to the Employees by QuadraMed. The Employees as of the Closing Date, are set forth on **Schedule 5.1**. Nothing in this Agreement shall prohibit Buyer from terminating the Employees, changing compensation levels or other terms and conditions of employment following the Closing Date; provided, should Buyer terminate any Employee following the Closing Date and such termination gives rise to any Damages against QuadraMed, Buyer shall defend, indemnify and hold the Seller harmless with respect to any such Damages.

Section 5.2. Joint Marketing Agreement. For a period of two years after the Closing Date (the "Marketing Period"), QuadraMed will provide to Buyer on a quarterly basis a list of QuadraMed's customers and their relevant contact information ("Customer Information"). Buyer shall preserve the confidentiality of the Customer Information and shall use such information solely for the purposes described in this Section 5.2. During the Marketing Period, Buyer will be allowed to use QuadraMed's logo and other trademarks on Buyer's marketing material; provided, however, that QuadraMed shall have the right to review the form, placement and content of each such use and that such logo and trademarks shall be used solely to market the products and services expressly

identified on **Schedule 5.2**. In exchange for the foregoing, Buyer shall pay to QuadraMed the corresponding percentage of all gross revenues (whether recurring or not) actually collected by Buyer attributable to transactions with QuadraMed's customers initiated during the Marketing Period:

- \$0 to \$1 million—5% of revenues
- \$1,000,001 to \$2 million—7% of revenues
- \$2,000,001 to \$3 million—10% of revenues
- Greater than \$3 million—15% of revenues.

ARTICLE VI **CLOSING**

Section 6.1. Closing. The Closing shall take place at the offices of Crowell & Moring LLP, 1001 Pennsylvania Avenue, NW, Washington, D.C. 20004, on the Closing Date (which shall not be later than September 15, 2005). The Closing shall be effective as of 5:00 p.m. on the Closing Date. All proceedings to be taken and all documents to be executed and delivered at the Closing shall be deemed to have been taken and executed simultaneously, and no proceedings shall be deemed taken nor any documents executed or delivered until all have been taken, executed or delivered.

Section 6.2. Deliveries by QuadraMed. At the Closing, QuadraMed hereby delivers to Buyer the following:

- (a) A bill of sale for the Transferred Assets in form and substance reasonably satisfactory to Buyer, duly executed by QuadraMed;
- (b) An assignment and assumption agreement in form and substance reasonably satisfactory to Buyer, duly executed by QuadraMed;
- (c) A certificate of the Secretary or an Assistant Secretary of QuadraMed dated the Closing Date, setting forth copies of the resolutions of QuadraMed's Board of Directors, authorizing the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, and certifying that such resolutions have not been amended or rescinded and are in full force and effect; and
- (d) Such other documents, instruments or agreements as may be reasonably requested by Buyer to effectuate the transactions contemplated by this Agreement.

Section 6.3. Deliveries by Buyer. At the Closing, Buyer shall deliver, or cause to be delivered, to QuadraMed the following:

- (a) A wire transfer of immediately available funds to the account or accounts designated by QuadraMed in an amount equal to Five Hundred Thousand Dollars (\$500,000);

(b) As assignment and assumption agreement in form and substance reasonably satisfactory to QuadraMed, duly executed by Buyer;

(c) A certificate of the Secretary or an Assistant Secretary of Buyer, dated the Closing Date, setting forth copies of the resolutions of the Board of Directors of Buyer, authorizing the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, and certifying that such resolutions have not been amended or rescinded and are in full force and effect; and

(d) Such other documents, instruments or agreements as may be reasonably requested by QuadraMed to effectuate the transactions contemplated by this Agreement

Section 6.4. Post-Closing Assistance. For a period of six months after the Closing Date, QuadraMed shall use commercially reasonable efforts to assist Buyer in obtaining the assignment of all Contracts that Buyer reasonably and in good faith determines to be critical to the successful transfer of the Transferred Assets as provided in this Agreement; provided, however, that under no circumstances shall QuadraMed be obligated to pay any amounts not expressly provided for under the express terms of the Contracts as in effect on the Closing Date.

Section 6.5. Noncompetition. For a period expiring on the second anniversary of the Closing Date, QuadraMed shall not provide transaction-based electronic data interchange clearinghouse services of the nature provided by QuadraMed on the date hereof through the Division to hospital customers in the United States in competition against Buyer; provided, however, that notwithstanding the foregoing, QuadraMed shall not be precluded from offering and providing electronic data interchange services as part of QuadraMed's Affinity product line.

ARTICLE VII

SURVIVAL OF REPRESENTATIONS; INDEMNIFICATION

Section 7.1. Survival. The representations and warranties contained in Article III shall survive the Closing for a period expiring on the first anniversary of the Closing Date. No claim for indemnification resulting from the breach of any representation, warranty, covenant or agreement set forth herein shall be made following the time the applicable representations, warranties, covenants or agreements may expire in accordance with the preceding first sentence of this **Section 7.1.**

Section 7.2. Indemnification of Buyer.

(a) Subject to the terms of this Article VII, effective as of and from and after the Closing Date, QuadraMed shall indemnify the Buyer and hold it harmless against and in respect of any and all Damages that arise or result from any breach or inaccuracy of any of QuadraMed's representations or warranties contained in this Agreement or the failure of QuadraMed to perform any of its covenants or agreements contained in this Agreement.

(b) Notwithstanding the foregoing or anything to the contrary in this Agreement:

(i) QuadraMed shall have no obligation to indemnify or hold harmless Buyer hereunder until the aggregate amount of Damages incurred by Buyer exceeds \$15,000 (the "Deductible Amount"). In the event the aggregate amount of all Damages incurred by Buyer exceeds the Deductible Amount, Buyer shall be entitled to indemnification only for the amount of Damages that exceed the Deductible Amount (subject to the other limitations contained in this Article VII); and

(ii) QuadraMed shall have no obligation to make indemnification payments hereunder that exceed, in the aggregate, \$250,000.

(c) In determining the Deductible Amount and in otherwise determining the amount of any Damages for which Buyer is entitled to assert a claim for indemnification, the amount of any such Damages shall be determined after deducting therefrom the amount of any insurance proceeds or other third party recoveries received by Buyer in respect of such Damages (which recoveries the Buyer agrees to use diligent efforts to obtain) and the amount of any tax benefit related thereto. If an indemnification payment is received by the Buyer, and the Buyer later receives insurance proceeds, other third party recoveries, or tax benefits in respect of the related Damages, the Buyer shall immediately pay to QuadraMed a sum equal to the lesser of (i) the actual amount of insurance proceeds, other third party recoveries, or tax benefit or (ii) the actual amount of the indemnification payment previously paid by QuadraMed with respect to such Damages. If QuadraMed makes any indemnification payment hereunder, QuadraMed shall be subrogated, to the extent of such payment, to all rights and remedies of the indemnified party to any insurance benefits or other claims or benefits of the indemnified party with respect to such claim.

Section 7.3 Indemnification of QuadraMed. In addition to Buyer's indemnification obligations in Section 5.2, Buyer shall indemnify QuadraMed and hold QuadraMed harmless against and in respect of any and all Damages that arise or result from or are related to any breach or inaccuracy of any of Buyer's representations and warranties or the failure of Buyer to perform any of its covenants or agreements contained in this Agreement.

Section 7.4. Procedure for Indemnification.

(a) Any party making a claim for indemnification hereunder shall notify the indemnifying party of the claim in writing, describing the claim, the amount thereof, and the basis therefor. The party from whom indemnification is sought shall respond to each such claim within twenty (20) Business Days of receipt of such notice. No action shall be taken pursuant to the provisions of this Agreement or otherwise by the party seeking indemnification until the later of (i) the expiration of the 20-Business Day response period (unless reasonably necessary to protect the rights of the party seeking indemnification), or (ii) thirty (30) days following the termination of the 20-Business Day response period if a response received within such 20-day period by the party seeking indemnification requested an opportunity to cure the matter giving rise to indemnification (and, in such event, the amount of such claim for indemnification shall be reduced to the extent so cured within such 30-day cure period). If such demand is based on a claim by a third party or a

governmental authority, the indemnifying party shall have the right to assume the entire control of the defense thereof, including at its own expense, employment of counsel reasonably satisfactory to the indemnified party, and, in connection therewith, the party claiming indemnification shall cooperate fully to make available to the defending party all pertinent information under its control. In such event, the indemnifying party shall have the right to settle or resolve any such claim by a third party, provided however, that any such settlement or resolution contemplated by QuadraMed, as the indemnifying party, that involves any action by the Buyer other than the payment of money (which is paid in full or in part by QuadraMed, subject to and up to the limits contained in Section 7.2 hereof) shall not be concluded without the prior written approval of the Buyer, which approval shall not be unreasonably withheld.

(b) Where the indemnifying party or the indemnified party is defending and controlling any claim, they shall select counsel, contractors, experts and consultants of recognized standing and competence to take all steps necessary in the investigation, defense or settlement thereof and shall at all times diligently and promptly pursue the resolution thereof. The party conducting the defense thereof shall at all times act as if all losses relating to any such claim are for its own account and shall act in good faith and with reasonable prudence to minimize losses therefrom.

Section 7.5. Remedies Exclusive. The remedies provided in this Article VII shall be the exclusive remedies of the parties hereto after the Closing in connection with any breach of a representation or warranty, non-performance, partial or total, of any covenant or agreement contained herein or any other matter relating to the transactions contemplated hereby.

ARTICLE VIII **MISCELLANEOUS**

Section 8.1. Expenses and Taxes. All legal, accounting and other costs and fees incurred by QuadraMed in connection with the transactions contemplated by this Agreement shall be borne and paid for by QuadraMed. All legal, accounting and other costs and fees incurred by Buyer in connection with the transactions contemplated by this Agreement shall be borne and paid for by Buyer. All taxes (other than value added taxes or taxes on, relating to or measured by income or gains), stamp duty, notarial, registration and recording fees and similar taxes resulting from or relating to the transfer of the Transferred Assets to Buyer shall be borne one-half by Buyer and one-half by QuadraMed.

Section 8.2. Entire Agreement. This Agreement, the Schedules hereto and the agreements contemplated by this Agreement constitute the entire agreement and understanding between the parties hereto in respect of the matters set forth herein, and all prior negotiations, writings and understandings relating to the subject matter of this Agreement are merged herein and are superseded and canceled by this Agreement. Other than as set forth in this Agreement and the Schedules hereto, no representations, warranties, covenants, agreements or conditions, express or implied, whether by statute or otherwise, have been made by the parties hereto.

Section 8.3. Construction of Certain Provisions. It is understood and agreed that any dollar amount specified in any of the representations, warranties and covenants herein or the inclusion of any specific items on the Schedules hereto is not intended to imply that higher or lower amounts, or that the items that have been so included, are or are not material and neither party shall use the fact of the setting of such amounts or the fact of the inclusion of any such items on the Schedules hereto in any dispute or controversy between the parties on whether any obligation, item or matter not described herein or included on a Schedule hereto is or is not material for purposes of this Agreement. The inclusion of any item on one Schedule shall be deemed for purposes of this Agreement to be an inclusion of such item on all other Schedules where such item may be required to be listed pursuant to this Agreement.

Section 8.4. Amendment and Waiver. This Agreement may be amended, modified, supplemented or changed in whole or in part only by an agreement in writing making specific reference to this Agreement and executed by each of the parties hereto. Any of the terms and conditions of this Agreement may be waived in whole or in part, but only by an agreement in writing making specific reference to this Agreement and executed by the party that is entitled to the benefit thereof.

Section 8.5. Binding Agreement and Successors. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns; provided, however, that this Agreement and the rights of the parties hereunder may not be assigned, and the obligations of the parties hereunder may not be delegated, in whole or in part, without the prior written consent of the other party hereto.

Section 8.6. No Third Party Beneficiaries. Nothing in this Agreement is intended to confer upon any Person other than the parties hereto any rights or remedies.

Section 8.7. Notices. Any notice, request, instruction or other document or communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to be given upon delivery in person or upon being deposited in the mail, postage prepaid, for mailing by certified or registered mail or upon being deposited with an overnight courier, charges prepaid, as follows:

If to QuadraMed, delivered or mailed to:

QuadraMed Corporation
12110 Sunset Hills Road
Reston, Virginia 20190
Attention: Chief Financial Officer

With a copy to:

Crowell & Moring LLP
1001 Pennsylvania Avenue, NW
Washington, D.C. 20004
Attention: Morris F. DeFeo, Jr., Esq.

If to Buyer, delivered or mailed to:
i-Plexus Solutions II, Inc
925 Gunter Court
Alpharetta, Georgia 30022
Attention: Chief Financial Officer

or to such other address or addresses as may be specified in writing at any time or from time to time by either party to the other party hereto.

Section 8.8. Further Assurances. The parties hereto each agree to execute, make, acknowledge, and deliver such instruments, agreements and other documents as may be reasonably required to effectuate the purposes of this Agreement and to consummate the transactions contemplated hereby.

Section 8.9. Article and Section Headings. The Article and Section headings contained in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning or interpretation of this Agreement or any of its terms and conditions. All references to Sections in this Agreement are to Sections of this Agreement.

Section 8.10. Governing Law. This Agreement shall be construed and enforced in accordance with and shall be governed by the laws of the Commonwealth of Virginia, without regard to the conflict of laws and principles thereof.

Section 8.11. Construction. As used in this Agreement, any reference to the masculine, feminine or neuter gender shall include all genders, the plural shall include the singular, and the singular shall include the plural. With regard to each and every term and condition of this Agreement and any and all agreements and instruments subject to the terms hereof, the parties hereto understand and agree that the same have or has been mutually negotiated, prepared and drafted, and that if at any time the parties hereto desire or are required to interpret or construe any such term or condition or any agreement or instrument subject hereto, no consideration shall be given to the issue of which party hereto actually prepared, drafted or requested any term or condition of this Agreement or any agreement or instrument subject hereto.

Section 8.12. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Section 8.13. Public Announcement. Except as required by applicable laws and regulations, including without limitation the disclosure requirements under applicable federal and state securities laws, and the requirements of any applicable stock exchange or other trading market, neither party shall make any press release or other public announcement of this Agreement or the transactions contemplated by this Agreement without the prior consultation and consent of the other party.

Section 8.14. Mediation. Prior to either party hereto filing suit, any controversy or claim arising out of or relating to this Agreement, or any actual or alleged breach hereof, shall be referred to mediation to be conducted by an independent mediator selected by the mutual agreement of the parties hereto or, if the parties are unable to mutually agree upon a mediator after negotiating in good faith for a period of 15 days, then by an independent mediator selected by the American Arbitration Association ("AAA") in Atlanta, Georgia. Mediation shall be conducted in accordance with AAA's Rules of Mediation. The costs of such mediation shall be borne equally by the parties; provided, however, that each party shall pay the fees and expenses of its own counsel and experts.

[Signature Page Follows]

IN WITNESS WHEREOF, QuadraMed and Buyer have executed this Agreement as of the day and year first above written.

SELLER:

QUADRAMED CORPORATION


By:  _____

Name:

Title:

BUYER:

i-PLEXUS SOLUTIONS II, INC.

By:  _____

Name: William Dagher

Title: President

DISCLOSURE SCHEDULES

to Asset Purchase Agreement

Dated September 15 2005

by and between QuadraMed Corporation and i-Plexus Solutions II, Inc.

These Disclosure Schedules (each, a "Schedule", and collectively, these "Schedules"), are made and given in connection with the Asset Purchase Agreement (the "Agreement"), dated as of September 15, 2005 by and between, QuadraMed Corporation, a Delaware corporation ("QuadraMed") and i-Plexus Solutions II, Inc., a Georgia corporation ("Buyer").

The Schedules set forth, among other things, items the disclosure of which is necessary or appropriate either in response to an express disclosure requirement contained in a provision of the Agreement or as an exception to a representation, warranty, or covenant of the Agreement; provided, however, that certain information set forth in the Schedules have been included and disclosed solely for informational purposes and may not be required to be disclosed pursuant to the terms and conditions of the Agreement. The disclosure of any such information shall not be deemed to constitute an acknowledgement or agreement that the information is required to be disclosed in connection with the representations and warranties made in the Agreement or that the information is material, nor shall any information so included and disclosed be deemed to establish a standard of materiality or otherwise be used to determine whether any other information is material.

Each of the items, events or circumstances described in the Schedules shall be deemed (i) to qualify the applicable provisions of the Agreement, (ii) to include all amendments, exhibits, supplements and attachments thereto; and (iii) to be known by or consented to by the all of the parties to the Agreement. These Schedules may include descriptions of certain agreements or instruments of the parties. Those descriptions are qualified in their entirety by reference to the terms of the respective agreements or instruments, each of which was previously made available to the other parties to this Agreement or their agents or counsel.

Capitalized terms used, but not defined in the Schedules, shall have the meanings ascribed to them in the Agreement. The Schedule numbers in these Schedules correspond to the section numbers in the Agreement. The headings contained in these Schedules are for reference purposes only and will not in any way affect the meaning or interpretation of these Schedules or the Agreement. Any information disclosed on any particular Schedule shall be deemed to be disclosed and incorporated into the other Schedules wherever such disclosure would be appropriate.

TRADEMARK

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Schedule 1.1

CONTRACTS

Cancellation Effective Date	STATE	City	Facility Name	Parent Company	ClaimsStar / Chiropractor	# of beds	Signed Contract Effective Date	Amendment Date / Auto Renewal Date	Expiration Date
	CA	ALAMEDA	ALAMEDA HOSPITAL		CS	123	1993/10/28	4/12/2000	2003/04/12
	DE	Wilmington	Alfred I Dupont Hospital	Parent	CEDI	152	2003/01/08		2006/01/08
	ND	Grand Forks	Altru Health Systems		CEDI		2003/02/28		2006/02/28
	MN	Baudette	Altru Health Systems Baudette	Altru Health Systems	CEDI		2003/02/28		2006/02/28
	ND	Cavalier	Altru Health Systems Cavalier	Altru Health Systems	CEDI		2003/02/28		2006/02/28
	MN	Crookston	Altru Health Systems Crookston (includes Erskine Clinic, MN, Fentile Clinic, MN, Red Lake Falls Clinic, MN)	Altru Health Systems	CEDI		2003/02/28		2006/02/28
	ND	Grand Forks	Altru Health Systems Main Clinic	Altru Health Systems	CEDI		2003/02/28		2006/02/28
	MN	Roseau	Altru Health Systems Roseau	Altru Health Systems	CEDI		2003/02/28		2006/02/28
	MN	Thief River Falls	Altru Health Systems Thief River Falls	Altru Health Systems	CEDI		2003/02/28		2006/02/28
	CA	Stockton	Ambulatory Surgery Center of Stockton	Altru Health Systems	CEDI	NA	2003/06/13		2005/06/13
2005/11/26	CO	La Junta	Arkansas Valley Regional Medical Center		CEDI	178	2002/12/26		2005/12/26
update	CA	ARROYO GRANDE	ARROYO GRANDE-FRENCH HOSP		CS	30	1994/03/04	1/23/1998	2000/02/20
update	CA	ARROYO GRANDE	Arroyo-French Hospital Medical Center		CS		1994/03/04	1/23/1998	2000/02/20
	IA	PRIMGHAR	BAUM-HARMON MEMORIAL HOSPITAL		CS	16	1995/07/07		1998/07/10
	NJ	MOORESTOWN	BAYADA NURSES		CS		1997/12/15		2000/12/15
	NJ	BAYONNE	BAYONNE MSO		CS		2003/02/17		2004/02/17
	IA	Belmond	Belmond Medical Center		CEDI	22	2003/02/24		2006/02/24
	NJ	PARAMUS	Bergen Regional Medical Center		CS	1039	1998/11/23		1999/11/23
2005/11/29	CA	GRIDLEY	BIGGS GRIDLEY MEM HOS		CS	55	1993/11/30		1994/11/30
	NJ	RED BANK	CCS Ocean Inc.		CS		1999/06/01		2004/06/01
2005/08/27	IA	Elkader	Central Community Hospital		CEDI	16	2002/08/27		2005/08/27
update 09/04	KS	Great Bend	CENTRAL KANSAS MEDICAL CENTER		CEDI	184	2002/02/13		2005/02/13
	NJ	JERSEY CITY	CHRIST HOSPITAL		CS	382	1998/08/31		1999/08/31
	IA	Osceola	Clarke County Hospital		CEDI	48	2003/05/23		2006/05/29
N/A	CO	N/A	Colorado Access		N/A	N/A	N/A	N/A	N/A
update	MT	Missoula	Community Medical Center (Missoula)		CEDI	117	2003/04/23	4/23/2003	2006/04/23
	CA	Corona	Corona Regional Medical Center		CEDI	210	2003/05/19		2004/05/19
	IA	Perry	Dallas County Hospital		CEDI	33	2003/02/26		2006/02/26
2005/12/10	IA	Bloomfield	Davis County Hospital		CEDI	67	2002/12/10		2005/12/10
	NJ	East Orange	East Orange General Hospital		CEDI	173	2002/01/22	7/15/2002	2003/07/15
	NJ	Mt. Laurel	Finacial Recoveries		CEDI	NA	2003/04/23		2004/04/23
	IA	EAST HAMPTON	Franklin General Hospital	Hospital	CEDI	77	2002/09/30		2005/09/30
	IA	EAST HAMPTON	FRANKLIN MEDICAL CENTER		CEDI		2002/09/30		2005/09/30
	MS	Vicksburg	Good Samaritan Physical Therapy Inc.		CEDI	NA	2002/06/11		2003/06/11
	NE	North Platte	Great Plains Regional Medical Center		CEDI	122	1996/12/19	6/30/2004	2005/06/25
	NE	North Platte	Great Plains Regional Medical Center		CERA	122	1998/12/19	7/23/2004	2005/06/25
	IA	Creston	Greater Community Hospital		CEDI	49	2003/07/23		2006/07/23
	IA	Guttenberg	Guttenberg Municipal Hospital		CEDI	25	2002/08/27		2005/08/27
	MO	Hannibal	Hannibal Regional Hospital		CEDI	105	2002/10/01	10/1/2002	2002/10/01
	AL	Birmingham	HealthSouth Corporation	Parent	N/A	N/A	2004/12/17		2005/12/17
4.4	LA	BATON ROUGE	HEALTHSOUTH BATON ROUGE ASC	HealthSouth	CS		1999/09/30		2002/09/30
	IA	DES MOINES	HEALTHSOUTH SURGERY CENTER OF DES MOINES EAST	HealthSouth	CS		1999/09/30		2002/09/30
	IA	DES MOINES	HEALTHSOUTH SURGERY CENTER OF DES MOINES WEST	HealthSouth	CS		1999/09/30		2002/09/30

IL	MARION	HEALTHSOUTH SURGERY CTR SOUTHERN ILLINOIS	HealthSouth	CS		1999/09/30	2002/09/30
MS	JACKSON	HEALTHSOUTH SURGICARE OF JACKSON-LAKELAND	HealthSouth	CS		1999/09/30	2002/09/30
IL	HOFFMAN ESTATES	HealthSouth-Poplar Creek Surgery Center	HS	CS		2001/07/11	2002/07/11
CO	BURLINGTON	KIT CARSON COUNTY MEMORIAL HOSP		CS	24	1997/09/30	2001/01/08
IA	Algon	Kossuth Regional Health Center / Clinic		CEDI	24	2002/12/30	2003/12/30
CO	Hugo	Lincoln Community Hospital & Nursing Home		CEDI	56	2002/06/04	2003/06/04
CT	MILFORD	Medplex of Milford		CS		1998/07/18	1999/07/18
IA	DUBUQUE	MERCY HEALTH CENTER - DUBUQUE		CS	385	1999/03/22	2002/07/23
IA	South City	Mercy Medical Center - Sioux City (MARIAN HEALTH CENTER)		CS	284	1994/05/25	1997/05/25
IA	CLINTON	Mercy Medical Center-Clinton		CS		1995/04/20	1998/04/14
TN	Nashville	Metropolitan Nashville General Hospital		CEDI	124	2002/06/03	2005/06/12
FL	DeFuntak Springs	Microspire, Inc		CEDI	NA	2002/12/26	2003/12/26
IA	Albia	Monroe County Hospital		CEDI	38	2003/04/25	2006/04/25
MT	Helena	Montana Medical Billing		CEDI	NA	2004/05/01	2005/06/30
IA	Red Oak	Montgomery County Memorial Hospital		CEDI	40	2002/12/26	2005/12/26
FL	Williston	Nature Coast Regional Hospital		CEDI	42	2002/05/20	2003/05/20
CA	Anaheim	North Anaheim Surgicoenter		CEDI	NA	2002/09/30	2003/09/30
NC	Raleigh	North Carolina Department of Health & Human Services (single system-13 facilities)		CEDI	NA	2002/12/27	2005/12/26
GA	ATLANTA	OMNI EYE SERVICES NORTH & SOUTH 51001		CS		2001/05/14	2002/05/14
LA	BATON ROUGE	Ophthalmic Outpatient Surgery Partners, LLC dba Outpatient Surgery Center for Sight (formerly Williamson Eye)		CS		2001/01/05	2002/01/23
IA	Emmetsburg	Palo Alto County Hospital		CEDI	54	2003/01/30	2006/01/30
CO	RANGLEY	RANGLEY DISTRICT HOSPITAL		CEDI	25	2005/04/01	2008/07/01
IA	Manchester	Regional Medical Center (formerly Delaware Co.)		CEDI	35	2002/12/26	2006/12/26
MN	Wilmar	Rice Memorial Hospital		CEDI	207	2003/06/26	2006/06/30
NJ	Somers Point	Shore Memorial Hospital		CEDI	179	2003/04/28	2006/04/28
WY	Kemmerer	South Lincoln Medical Center		CEDI	40	2003/08/12	2004/09/22
CO	Walsenburg	Spanish Peaks Regional Health Center (Huerfano Medical Center & CO State Veterans Nursing Home)	Parent	CEDI	24	2002/06/10	2005/06/10
NJ	OCEAN PORT	St. Barnabas Health Care System	St. Barnabas	N/A	N/A	2003/01/20	2006/01/20
NJ	Belleville	St. Barnabas-Clara Maass Medical Center	St. Barnabas	CEDI	644	2003/01/20	2006/01/20
NJ	Toms River	St. Barnabas-COMMUNITY MEDICAL CTR	St. Barnabas	CEDI	465	2003/01/20	2006/01/20
NJ	Irvington	St. Barnabas-Irvington General Hospital	St. Barnabas	CEDI	157	2003/01/20	2006/01/20
NJ	Lakewood	St. Barnabas-Kimbali MEDICAL CTR	St. Barnabas	CEDI	300	2003/01/20	2006/01/20
NJ	Long Beach	St. Barnabas-MONMOUTH MEDICAL CTR	St. Barnabas	CEDI	435	2003/01/20	2006/01/20
NJ	Newark	St. Barnabas-Newark Beth Israel Medical Center	St. Barnabas	CEDI	552	2003/01/20	2006/01/20
NJ	Toms River	St. Barnabas-Shoreline Behavioral	St. Barnabas	CEDI	NA	2003/01/20	2006/01/20
NJ	Livingston	St. Barnabas-ST. BARNABAS MED CTR	St. Barnabas	CEDI	581	2003/01/20	2006/01/20
NJ	Union	St. Barnabas-UNION HOSPITAL	St. Barnabas	CEDI	148	2003/01/20	2006/01/20
NJ	Keary	St. Barnabas-West Hudson Hospital	St. Barnabas	CEDI	217	2003/01/20	2006/01/20
CA	MAJUMEE	ST. LUKES HOSPITAL	St. Barnabas	CS	225	1994/09/18	2006/01/20
CA	Passaic	St. Mary's Hospital		CEDI	229	2002/09/30	2003/09/30
IN	JEFFERSONVILLE	Surgicare of Jeffersonville (dba John-Kenyon Center for Eye Surgery)		CS		2006/09/01	2007/09/26
MO	Kansas City	Surgicenter of Kansas City		CEDI	NA	2002/12/30	2003/12/30
FL	Palm Beach Gardens	The Laser and Surgery Center of Palm Beaches		CEDI		2002/01/21	2004/01/21
IA	Dubuque	United Clinical Labs		CEDI	NA	2002/11/08	2005/11/08
KS	Wichita	Via Christi ST FRANCIS Campus/Affiliated Medical Services		CEDI	942 (both facilities)	2003/07/25	2004/07/31
CA	Victorville	Victor Valley Community Hospital		CEDI	<199	2002/12/30	2004/12/30
CA	Victorville	Victor Valley Community Hospital		CERA	<199	2002/12/30	2004/12/30
CO	EADS	Weisbrod Memorial County Hospital		CS	42	1996/12/13	2004/06/04
NJ	Marlton	Weisman Children's Rehabilitation Hospital (formerly Voorhees Pediatric)		CEDI	NA	2002/11/11	2003/11/12

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Schedule 1.2

INTELLECTUAL PROPERTY

Trademarks:

Claimstar (unregistered)

Chancellor (U.S PTO Reg. No. 2780204)

Schedule 1.3

PERSONAL PROPERTY

All physical assets, including furniture and fixtures, used in the business of the Division located on the premises at Suite 200, 7505 NW Tiffany Springs Parkway, Kansas City, MO 64153 and owned by QuadraMed as of the Closing Date. The parties mutually agree to conduct a physical inventory of such personal property located at such premises at a mutually agreed upon time post Closing.

Schedule 1.4

SOFTWARE

QuadraMed EDI Software

ClaimStar:

Chancellor EDI is a DOS based application providing on-site, Professional and Institutional claims submission and tracking.

Chancellor EDI:

Chancellor EDI is an on-site, PC based Professional and Institutional claims submission and tracking solution encompassing all aspects of billing office related EDI transactions.

CSMapper:

Application used to create and maintain Payer Edit Tables, Payer Output formats, and Provider mapping.

Chancellor EDI ComServer/ Chancellor EDI Communicator:

Chancellor EDI ComServer (CNC) is an application that communicates with the end user application, Chancellor EDI Communicator. Communicator and ComServer can use a modem or TCP/IP to securely transmit and receive files. The applications use a proprietary security key file prior to authorizing a session to begin.

CNC Sweep:

The application locates each new file received since the previous "sweep" and logs file information into the DB prior to the file being prepared for submission to the payer.

CNC MCE:

Application processes the swept files and prepares them for submission to the payer.

Communication script files:

Communication script files are created based on the individual needs of the destination payer. Payers have many different transmission methodologies, applications and procedures. Script files are created based on these needs.

Report Parser :

The application reads any report received from the payer and splits (parses) the report into the mailbox for delivery to the appropriate provider user.

835 Parser:

This application take an 835 (ERA) file such as an ANSI 4010A1 835 and splits (parses) the report into the mailbox for delivery to the appropriate provider user.

Release Manager:

The release application scans files (edit tables, output formats, user bulletins, etc.) that has been approved for release to all Chancellor EDI users. The files can be released on an all user basis or on a destination level basis.

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QTIPS:

This application utilizes an access database to log all information relating to a payer for certification. This information includes contact information, testing information, production information, status, notes, etc.

QERI:

This application is used for tracking provider end user requests for edit modifications.

DupFile:

This is a reporting / maintenance utility to check all duplicate files that have been received in the CNC. It ensures files are exact duplicates of previously received files.

Provider Editor:

This application allows for new providers to be added to the security file of ComServer. ComServer has a built in utility that allows for updating a small number of records.

CS Provider Viewer:

An application that allows Customer Support to search/view Provider information such as all settings for a Provider's site, searching database by HIC or PCN for complete history or Provider # .

ANSI Utilities:

Creates a batch report from any 837 file, increments file Control ID's for file retransmit, and allows viewing of an ANSI file in a 'Segment Tree' format

Provider Editor:

Application maintains all Provider site settings, controls Payer transmissions by Provider site and each Provider site machine settings.

State Database Tools:

Tracks all State DB data, creates files IAW Database requirements, and logs all actions taken.

QCheck:

The application is a Balancing Tool for all returned Payer files that ensures Payer Reports balance with each file transmitted. Application displays missing files at a glance.

277 Parser:

The application splits (parses) 277 files received from the Payer, translates data to a consistent Output File format independent of the Payer's format that is ready to upload back to Chancellor EDI, and moves the file to a mailbox for delivery to the appropriate provider user.

Schedule 2.5

ALLOCATION OF PURCHASE PRICE

To be determined by QuadraMed and Buyer post-Closing.

Schedule 3.4

LITIGATION

None.

Schedule 3.5

(b) TERMINATED INTELLECTUAL PROPERTY

None.

(c) ENCUMBERED INTELLECTUAL PROPERTY

None.

Schedule 3.9

REQUIRED CONSENTS

As contemplated by Section 6.2 of the Agreement, individual Contracts may require notices to, or consents from, the other party or parties to such Contract for purposes of transferring the Contract pursuant to this Agreement.

Schedule 3.12

CERTAIN CONTRACT INFORMATION

Top Contracts by 2005 July YTD Revenue, Billings and Collections

	2005 YTD Revenue	Client IDs	2005 YTD Billings	2005 YTD Collections
St. Barnabas Healthcare System	(128,516)	SBA	114,889	(119,693)
Altru Health Systems Mercy Medical Center, Sioux City	(110,545)	ALTRU	104,178	(95,109)
Community Med Ctr- Missoula	(27,367)	MHC	27,367	(31,607)
Via Christi-Wichata NC Dept of Health & Human Svc	(21,870)	COMMMCM	19,587	(22,776)
Great Plains Regional Medical Ctr	(21,092)	VIACKS	0	(1,500)
Shore Memorial Hospital	(17,662)	82	23,069	(28,715)
Rice Memorial Hospital	(16,576)	GREATPLAINS_NE	19,027	(22,109)
United Clinical Laboratory	(14,839)	SHO	13,155	(13,883)
Hannibal Regional Hospital	(13,513)	890	11,408	(12,579)
Franklin Medical Center	(13,293)	UCL	12,782	(15,445)
Kossuth Regional Health Center	(13,045)	834	445	(445)
Health South Corporation / AL	(12,389)	FGH	11,645	(13,479)
Central Kansas Medical Center	(12,302)	KRHC	11,305	(14,124)
Metropolitan Nashville General Hosp.	(11,870)	HTHSTH	14,991	0
Regional Medical Center - Iowa	(11,792)	CEN	11,413	(10,587)
Victor Valley Community Hospital	(11,260)	METROPOLITAN_TN	10,764	(4,927)
Bayana Nurses St. Mary's Hospital (Passaic)	(10,783)	DELEW	9,818	(11,981)
Bergen Pines Hospital	(10,487)	181	8,859	0
McKesson Corporation East Orange General Hospital	(10,084)	BAN	10,582	(12,099)
Arroyo Grande Community Hosp.	(10,057)	SMP	0	(328)
Montgomery County Memorial	(9,843)	BER	9,843	(8,521)
Greater Community Hospital	(9,613)		Needs more research	
Spanish Peaks Regional Health Center	(9,015)	EAO	8,519	(7,568)
Financial Recoveries	(8,968)	ARR	9,618	0
Palo Alto County Hospital	(8,560)	MOT	8,065	(8,888)
Bayonne Hospital	(8,417)	GREA	6,634	(8,409)
Dallas County Hospital	(7,679)	HCM	7,268	(7,090)
	(7,640)	FINREC	6,683	(8,485)
	(7,468)	PALO	6,638	(5,505)
	(7,326)	BAY	7,326	0
	(7,315)	DAL		(7,488)

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			5,739	
Nature Coast Reg Hospital	(7,148)	NATURE	6,213	(9,028)
Belmond Medical Center	(6,992)	BEL	6,155	(7,087)
Mercy Medical Center - Clinton	(6,493)	SAM	6,493	(4,585)
Monroe County Hospital	(6,144)	MONR	0	(1,000)
Clarke County Hospital	(5,719)	CHPM	4,413	(7,214)
Guttenberg Municipal Hospital	(5,637)	GUT	5,141	(5,160)
Weisman Children's Rehab Hospital	(5,360)	VPRH	4,982	(5,717)
Mercy Medical Center - Dubuque	(5,310)	MMCD	5,310	(6,814)
South Lincoln Medical Center	(5,255)	SLMC	4,150	(7,950)
Subtotal Others (32 hospitals)	(101,996)			
Total	(747,243)			
Top 40 Customers	(645,247)		554,475	(547,895)

Schedule 5.1

EMPLOYEES

Listing of Employees that will be hired by i-Plexus:

ID	Location	DeptID	Employee's Name	Reg/Temp/PD	Title	Salary
0240	KNSAS	4000	Evans, Kimberly A.	Regular	VP - EDI Product (A)	\$ 133,915
0271	KNSAS	4000	Peterson, David Keith	Regular	Director (Tech) I	\$ 86,385
0290	KNSAS	4000	Brinkmeyer, Patti A	Regular	Payer Certification Analyst II	\$ 51,055
0379	KNSAS	4000	Barnard, Darren L.	Regular	IT Engineer III	\$ 69,585
0942	KNSAS	4000	Johnson, Tracy L	Regular	Payer Certification Analyst I	\$ 40,442
3414	KNSAS	4000	Patten, Charles E	Regular	Application Consultant I	\$ 38,157
3580	KNSAS	4000	Dold, Samantha	Regular	Computer Operator II	\$ 32,278
3780	KNSAS	4000	Hosterman, Heather	Regular	EDI Support Analyst I	\$ 35,868
4774	ALAMD	4006	Soldahl, Daniel	Regular	Principal Software Engineer	\$ 99,395

Schedule 5.2

PRODUCTS AND SERVICES FOR LOGO AND TRADEMARKS

Institutional Claim Solutions

I-plexus delivers institutional claim solutions through Chancellor EDI which is an on-site, PC based Professional and Institutional claims submission and tracking solution encompassing all aspects of billing office related EDI transactions.

With unparalleled customer support fast, secure reporting and improved flexibility, Chancellor EDI delivers the benefits you need. It provides HIPAA Implementation Guide, payer-specific and provider-specific edits to **decrease claim rejections, decrease A/R days, and improve cash flow**. This is what we offer:

1. **Greater accuracy:** Chancellor EDI features on-site editing in an all payer capacity creating a single source process for all claims, dramatically reducing the possibility of errors.
2. **Hospital Uploads:** A file of "clean" claim data can be produced for upload back to the hospital information system. Chancellor EDI exports claim notes data into a standard file format that can be used to upload data into the Patient Accounting system, providing critical claim processing information to your health information system.
3. **Claim history:** Based on the user's login, Chancellor EDI tracks and logs each change made to a claim, including old data, new data, date and use, which improves productivity and management efficiency. History can be viewed individually in each claim or exported as a group to a standard file.
4. **276/277 status inquiry processing:** Chancellor EDI provides the ability to flag claims for a status inquiry request, which improves claims tracking and accounts receivable management. Chancellor generates the 276. The request is processed and submitted to the payer. The payer returns a 277 status response that is input to Chancellor EDI and posted back to the original claim.
5. **Compliance Module:** Chancellor EDI provides compliance editing to monitor and manage coding and billing practices. It delivers a completely automated process for NCCI, CCI, Medical Necessity and LMRP rules to assist the user in monitoring appropriate and accurate coding for both inpatient and outpatient encounters.
6. **Greater compatibility:** Chancellor EDI is compatible with a wide range of operating systems and network platforms.
7. **Secure and HIPAA compliant:** Chancellor EDI meets HIPAA's strict compliance requirements. Additionally, it has been built from the ground up with rigid security in mind. Chancellor EDI's provider controlled passwords ensure security of all major functions including downloading, editing, batching and transmitting.
8. **Improved efficiency:** Chancellor EDI's efficient data transfer technology provides fast data downloads and edits. The system is user friendly and easy to learn. The screen layout is similar to UB92 and CMS 1500 claim forms which makes training easy, even for your newest billing personnel.

TRADEMARK

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9. **Decreased claims rejections:** Chancellor EDI provides HIPAA Implementation Guide and payer-specific edits, which minimize claim rejections while maximizing A/R collections and cash flow.
10. **Improved cash flow management:** Chancellor EDI's sophisticated, electronically viewed reporting tools facilitate efficient cash flow management.
11. **Unmatched customer support:** Each Chancellor EDI customer is assigned a specific support person ensuring that the customer always deals with a customer service representative who knows and understands their billing operations.
12. **Transmission status reports:** System updates, payer acknowledgment and rejection reports and informational bulletins are automatically delivered to Chancellor EDI during each transmission session.

Medical Claim Solutions: i-Plexus delivers the most advanced technology-enabled healthcare claims clearinghouse services in the industry. Our clients consistently tell us that we provide the most user-friendly claim submission and status services in the market. And because i-Plexus also operates a billing service, we understand the effort it takes to keep payments coming in from payers and patients. We use that experience to continuously improve on our clearinghouse services. Here are the highlights of what we offer:

1. **Real Time Claim Editing and Efficient presentation of your claims:** i-Plexus offers the ability to correct claims in real time with immediate resubmission to the payers once the claims have been corrected. The ability to sort your claims in descending or ascending order by payer name, patient name, number of rejections, and dollar amount is one of the many features that we deliver to our providers in an effort to further stream line typically cumbersome claim submission tasks.
2. **Flexible Interface Format:** i-Plexus will accept claim submissions in print image, ASCII delimited, Excel, XML, NSF and ANSI 837 formats and will transmit to receivers using ANSI 837, NSF, proprietary or paper formats as required. i-Plexus can receive claims through various communication means including secure FTP (internet transfers) and secure HTTP (website uploads). The recommended methods are secure FTP and HTTP.
3. **Maximized Electronic Submissions:** Typically 50-60% of provider claims are submitted electronically. Through both our payer network and our robust paper claims mining capabilities, i-Plexus has consistently driven up EDI submission rates to over 85% of the total claim volume. This means that the provider collects from payers faster.
4. **Adaptable Healthcare Rules Engine:** We pay attention to why claims are rejected on payer reports, why claims status is held up by payers and why claims are denied on EOBs. We develop complex edits for these payer denial reasons to catch all detectable errors before claims are submitted – allowing for immediate claim corrections. By shaping our edits based on payer rejections and denials, we have created a material differentiator in the billing and claims clearinghouse industry. Catching errors before they go to a payer to reject means less time spent tracking, correcting and reconciling claims for the provider.

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5. **Accommodating Default Engine:** We go a step further than other clearinghouses in fulfilling the gap between ever-changing data requirements and slow-to-adapt practice management systems. Software limitations quickly lead to costly customizations or upgrades. We offer both general and customized defaults at a price well below the going support and development rates of most software vendors. These defaults provide even greater savings by cutting down on data entry time and training, and they allow you to extend the life of your software investment. These default data enhancers are especially helpful in meeting all the new HIPAA requirements.
6. **Flexible Payer and Provider Matching:** Most clearinghouses are rigid about how payers and providers are identified in your claim files. They require that you submit their id numbers, an exact current address or a strict name match. i-Plexus offers several layers of matching free of strict adherence to an id, an address or a specific name match. We offer flexibility in how we read payer and provider names by setting up custom "alias" lists. The benefit to the provider is that we can work around billing software limitations, typing errors, multiple payer names and changing addresses. Switching to i-Plexus is easy.
7. **Easy Claim Tracking:** Typically, the providers' staff wades through volumes of reports with cryptic error messages to find claim rejections. Hours can be spent on the phone or on a payer website trying to get assistance. Some claims seem to just drop through the cracks. Lost claims lead to more phone time or worse, lost revenue that you've worked hard to earn. The i-Plexus system is engineered to sort through the complexities of claim tracking. Our reports are formatted for quick comprehension and at-a-glance reconciliation. Our staff is ready to assist you in reading and reacting to all levels of reporting. We work with payers to understand their requirements, edits and errors so we can help optimize your time. Our reports are simple. We offer rejection only reports or more comprehensive reports that summarize by payer class and claim count the claims you submitted. We make sure that payer reports look the same across all payers so that you have an easier time reading and working those reports.
8. **Accessible Provider Services:** Providers can log on to our Web-based portal to input files, confirm receipt, download reports that provide status updates on where their claims are in the revenue cycle, and edit claims. This capability eliminates the need to purchase submission software packages and all the technical issues associated with them. Our website also offers direct links to the information you need for successful claims processing.
9. **Extensive Payer Connectivity:** We connect to over 1200 payers nation wide.

BILL OF SALE

THIS BILL OF SALE, dated September 15, 2005, is executed by QuadraMed Corporation, a Delaware corporation ("Seller"), for the benefit of i-Plexus Solutions II, Inc., a Georgia corporation ("Buyer").

WITNESSETH:

WHEREAS, Buyer and Seller have entered into an Asset Purchase Agreement, dated as of September 15, 2005 (the "Agreement"; capitalized terms used herein and not otherwise defined herein have the meaning given to them in the Agreement) and an Assignment and Assumption Agreement, dated as of September 15, 2005.

WHEREAS, pursuant to Section 2.1 of the Agreement, Buyer has agreed to purchase the Transferred Assets, and Seller has agreed, for the consideration and on the terms and conditions described in the Agreement, to sell, transfer, assign and deliver the Transferred Assets to Buyer.

NOW, THEREFORE, pursuant to the Agreement, Seller, for valuable consideration paid to it pursuant to the Agreement, the receipt and sufficiency of which are hereby acknowledged, does hereby declare as follows:

1. Seller hereby sells, transfers, assigns and delivers to Buyer, its successors and assigns, and Buyer hereby purchases from Seller, all right, title and interest of Seller in and to the Transferred Assets as described in Section 2.1 of the Agreement.

2. Seller hereby constitutes and appoints Buyer the true and lawful attorney-in-fact of Seller, with full power of substitution for Seller, and in its name and stead or otherwise, by and on behalf of and for the benefit of Buyer:

(a) to demand and receive from time to time any and all of the Transferred Assets hereby sold, transferred, assigned and delivered;

(b) to give receipts and releases for and in respect of the same and any part thereof;

(c) to institute and prosecute from time to time in the name of such Seller or otherwise, but at the expense and for the benefit of Buyer, any and all proceedings at law, in equity or otherwise when Buyer may reasonably deem proper in order to collect, reduce to possession, assert or enforce any claim, right or title of any kind in and to the Transferred Assets hereby sold, transferred, assigned and delivered;

(d) to defend, prosecute or compromise any and all actions, suits or proceedings in respect of the Transferred Assets; and

(e) to do all such acts and things in relation thereto as Buyer shall reasonably deem desirable.

3. Seller at any time and from time to time after the execution and delivery hereof will, upon the request of Buyer, do or cause to be done all such further acts and shall execute, acknowledge and deliver, or shall cause to be executed, acknowledged and delivered, any and all such further assignments, transfers and conveyances, powers of attorney and assurances as Buyer may reasonably require (a) for better assuring, assigning, transferring, granting, contributing and conveying the Transferred Assets unto Buyer; (b) to aid and assist in the reduction to possession by Buyer of the Transferred Assets; (c) to protect the right, title and interest of Buyer in and to, and its enjoyment of, the Transferred Assets; and (d) as may be appropriate otherwise to carry out the transactions contemplated by this Bill of Sale and by the Agreement.

4. This Bill of Sale shall bind Seller and its successors and assigns, shall inure to the benefit of Buyer and its successors and assigns, and shall be deemed effective as of 11:59 p.m. on the Closing Date.

5. Nothing contained in this Bill of Sale shall be deemed to supersede any of the obligations, agreements, covenants or warranties of Seller and Buyer contained in the Agreement, which is incorporated herein by reference.

6. This Bill of Sale may be executed in any number of counterparts and each of such counterparts shall be deemed to be an original, and all such counterparts shall together constitute one and the same Bill of Sale.

7. This Bill of Sale shall be construed in accordance with and governed by the laws of the Commonwealth of Virginia, without giving effect to its conflicts of laws principles.

IN WITNESS WHEREOF, Seller and Buyer have executed or caused this Bill of Sale to be duly executed as of the date and year first written above.

SELLER:

QUADRAMED CORPORATION

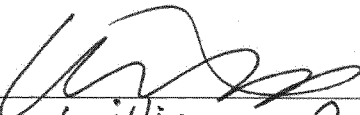
By: 

Name: David L. Piazza

Title: Chief Financial Officer, Executive Vice President

BUYER:

I-PLEXUS SOLUTIONS II, INC.

By: 

Name: William O'ashor
Title: President

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Assignment") is made and entered into as of the 15th day of September, 2005, by and between QuadraMed Corporation, a Delaware corporation ("Assignor"), and i-Plexus Solutions II, Inc., a Georgia corporation ("Assignee").

RECITALS

A. Assignor and Assignee are parties to that certain Asset Purchase Agreement dated as of September 15, 2005 (the "Asset Purchase Agreement"), pursuant to which Assignor has sold to Assignee, and Assignee has purchased from Assignor, all of the Transferred Assets (as defined in the Asset Purchase Agreement) (the "Assigned Assets").

B. The Asset Purchase Agreement provides that as a condition to the consummation of the transactions contemplated thereby, each of Assignor and Assignee shall execute and deliver this Assignment to the other party.

NOW, THEREFORE, in consideration of the transactions contemplated in the Asset Purchase Agreement and the covenants and promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENTS

1. Capitalized Terms. Unless otherwise defined herein, capitalized terms shall have the meanings set forth in the Asset Purchase Agreement.

2. Assignment and Assumption of Contracts. Effective as of September 30, 2005 (the "Effective Date"), Assignor hereby assigns, transfers and conveys to Assignee all of Assignor's right, title and interest in the Contracts; and Assignee hereby accepts the assignment and assumes and agrees to satisfy, perform and discharge, as the same become due, all of the Liabilities under the Contracts arising on or after the Effective Date, other than any Liability arising thereunder as a result of Assignor's breach, default or wrongful failure to perform any covenants or obligations required to be performed by Assignor prior to the Closing Date, unless expressly assumed by Assignee under the Asset Purchase Agreement.

3. Assignment and Assumption of Liabilities. Assignee hereby agrees to assume the obligations of Assignor to pay, satisfy, perform and discharge, as the same become due, the Assumed Liabilities as provided in the Asset Purchase Agreement.

4. Incorporation of Agreement. All of the Assigned Assets are hereby assigned and transferred to Assignee pursuant to the Asset Purchase Agreement, the terms and conditions of which are hereby incorporated in this Assignment by this reference. Nothing herein contained shall itself change, amend, extend or alter (nor shall it be deemed or construed as changing,

amending, extending or altering) the terms or conditions of the Asset Purchase Agreement in any manner whatsoever. This instrument does not create or establish Liabilities not otherwise created or existing under or pursuant to the Asset Purchase Agreement. In the event of any conflict or other difference between the Asset Purchase Agreement and this instrument, the provisions of the Asset Purchase Agreement shall control.

5. Binding Effect. This Assignment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

6. Governing Law. The performance and interpretation of this Assignment shall be controlled by the laws of the Commonwealth of Virginia without giving effect to its conflict of laws principles.

7. Further Assurances. The parties shall promptly execute and deliver such further instruments and do such further act and things as may be reasonably required to carry out the intent and purposes of this Assignment.

8. Amendment or Termination. None of the provisions of this Assignment shall be varied or terminated except by written agreement of the parties hereto.

9. Severability. If any provisions of this Assignment shall be held invalid or unenforceable by any court of competent jurisdiction, the remainder of this Assignment shall not be affected thereby and each other term, covenant, condition, and provision shall be valid and enforceable to the fullest extent permitted by law.

[SIGNATURE PAGE FOLLOWS ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed by their duly authorized representatives as of the date first above written and attached their respective seals hereto.

ASSIGNOR:

QUADRAMED CORPORATION

By: 

Name: David L. Piazza

Title: Chief Financial Officer, Executive Vice President

ASSIGNEE:

I-PLEXUS SOLUTIONS II, INC.

By: 

Name: William Dasher

Title: President.