

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM338549

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	NUNC PRO TUNC ASSIGNMENT
EFFECTIVE DATE:	04/06/2015

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Fertility and Gynecology Center, P.A.		04/06/2015	CORPORATION: NEW JERSEY

RECEIVING PARTY DATA

Name:	RMA of New Jersey, LLC
Street Address:	140 Allen Road
City:	Basking Ridge
State/Country:	NEW JERSEY
Postal Code:	07920
Entity Type:	LIMITED LIABILITY COMPANY: NEW JERSEY

PROPERTY NUMBERS Total: 1

Property Type	Number	Word Mark
Registration Number:	3435082	IVF NEW JERSEY FERTILITY CENTER "MAKING

CORRESPONDENCE DATA

Fax Number: 7327266525

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.

Phone: 732-855-6452

Email: jkrisza@wilentz.com

Correspondent Name: Jason J. Krisza Esq.

Address Line 1: 90 Woodbridge Center Drive

Address Line 2: Suite 900 Box 10

Address Line 4: Woodbridge, NEW JERSEY 07095-0958

NAME OF SUBMITTER:	Jason Krisza
SIGNATURE:	/JK/
DATE SIGNED:	04/17/2015

Total Attachments: 67

source=asset purchase agmt pdf #page1.tif
source=asset purchase agmt pdf #page2.tif
source=asset purchase agmt pdf #page3.tif

OP \$40.00 3435082

source=asset purchase agmt pdf #page4.tif
source=asset purchase agmt pdf #page5.tif
source=asset purchase agmt pdf #page6.tif
source=asset purchase agmt pdf #page7.tif
source=asset purchase agmt pdf #page8.tif
source=asset purchase agmt pdf #page9.tif
source=asset purchase agmt pdf #page10.tif
source=asset purchase agmt pdf #page11.tif
source=asset purchase agmt pdf #page12.tif
source=asset purchase agmt pdf #page13.tif
source=asset purchase agmt pdf #page14.tif
source=asset purchase agmt pdf #page15.tif
source=asset purchase agmt pdf #page16.tif
source=asset purchase agmt pdf #page17.tif
source=asset purchase agmt pdf #page18.tif
source=asset purchase agmt pdf #page19.tif
source=asset purchase agmt pdf #page20.tif
source=asset purchase agmt pdf #page21.tif
source=asset purchase agmt pdf #page22.tif
source=asset purchase agmt pdf #page23.tif
source=asset purchase agmt pdf #page24.tif
source=asset purchase agmt pdf #page25.tif
source=asset purchase agmt pdf #page26.tif
source=asset purchase agmt pdf #page27.tif
source=asset purchase agmt pdf #page28.tif
source=asset purchase agmt pdf #page29.tif
source=asset purchase agmt pdf #page30.tif
source=asset purchase agmt pdf #page31.tif
source=asset purchase agmt pdf #page32.tif
source=asset purchase agmt pdf #page33.tif
source=asset purchase agmt pdf #page34.tif
source=asset purchase agmt pdf #page35.tif
source=asset purchase agmt pdf #page36.tif
source=asset purchase agmt pdf #page37.tif
source=asset purchase agmt pdf #page38.tif
source=asset purchase agmt pdf #page39.tif
source=asset purchase agmt pdf #page40.tif
source=asset purchase agmt pdf #page41.tif
source=asset purchase agmt pdf #page42.tif
source=asset purchase agmt pdf #page43.tif
source=asset purchase agmt pdf #page44.tif
source=asset purchase agmt pdf #page45.tif
source=asset purchase agmt pdf #page46.tif
source=asset purchase agmt pdf #page47.tif
source=asset purchase agmt pdf #page48.tif
source=asset purchase agmt pdf #page49.tif
source=asset purchase agmt pdf #page50.tif
source=asset purchase agmt pdf #page51.tif

source=asset purchase agmt pdf #page52.tif
source=asset purchase agmt pdf #page53.tif
source=asset purchase agmt pdf #page54.tif
source=asset purchase agmt pdf #page55.tif
source=asset purchase agmt pdf #page56.tif
source=asset purchase agmt pdf #page57.tif
source=asset purchase agmt pdf #page58.tif
source=asset purchase agmt pdf #page59.tif
source=asset purchase agmt pdf #page60.tif
source=asset purchase agmt pdf #page61.tif
source=asset purchase agmt pdf #page62.tif
source=asset purchase agmt pdf #page63.tif
source=asset purchase agmt pdf #page64.tif
source=asset purchase agmt pdf #page65.tif
source=asset purchase agmt pdf #page66.tif
source=asset purchase agmt pdf #page67.tif

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is entered into on January 30, 2015 (the "Execution Date") by and among Purchaser, the Company, and the Physicians.

PRELIMINARY STATEMENTS

1. The Company desires to convey the assets set forth in this Agreement to Purchaser in exchange for the Company's receipt from Purchaser of the Purchase Price. The Physicians own in the aggregate One Hundred Percent (100%) of the equity and ownership interests of the Company, and the Contemplated Transaction will inure to the direct benefit of the Physicians.

2. The Physicians are engaged by the Company to render medical services.

3. Purchaser's willingness to enter into this Agreement is, among other things, subject to the covenants and agreements of the Physicians and the Company contained in this Agreement and in the other Transaction Documents.

In consideration of the respective representations, warranties, agreements and covenants contained in this Agreement and the other Transaction Documents, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, and subject to the conditions contained in this Agreement, the parties, intending to be legally bound, agree as follows:

AGREEMENT

Definitions: Capitalized terms used in this Agreement which are not otherwise defined elsewhere within this Agreement or in the other Transaction Documents have the following meanings:

Acquisition Date means the effective date of Closing of the purchase of the Purchased Assets pursuant to the terms of this Agreement.

Action means any action, claim, suit, arbitration, proceeding or investigation by or before any Governmental Authority or arbitration tribunal.

Affiliate means, with respect to any specified Person, a Person that, directly or indirectly, through one or more intermediaries, Controls, or is Controlled by, or is under common Control with that specified Person.

Agreement means this Asset Purchase Agreement, as the same may be amended, modified or restated.

Asset Purchase means the purchase by Purchaser of those Purchased Assets of the Company as set forth in this Agreement.

Base Financial Statement means the Company Financial Statement for the time period ending October 31, 2014.

Claim means a claim for indemnity under the provisions of this Agreement, including receipt of notice of any demand, assertion, claim, action or proceeding, judicial or otherwise.

Closing means the consummation of this Agreement, the Transaction Documents and the Conveyance Instruments.

Closing Escrow Amount means the sum of Seven Hundred and Fifty Thousand Dollars (\$750,000.00).

Code means the Internal Revenue Code of 1986, as amended.

Company means Fertility & Gynecology Center, P.A. (T/A IVF New Jersey).

Company Financial Statements means (a) the unaudited balance sheet of the Company as of December 31, 2013 and December 31, 2012 and the related statements of operations, for the fiscal year then ended, which statements have been prepared on a cash or federal income tax basis, on a consistent basis, are complete and correct in all material respects and fairly present the financial position of the Company on the dates of those statements and the results of operations for the periods covered thereby and (b) an estimated balance sheet of the Company as of September 30, 2014 and the related statements of operations, for the nine months then ended which statements have been prepared on a cash or federal income tax basis, on a consistent basis, are complete and correct in all material respects and fairly present the financial position of the Company on the dates of those statements and the results of operations for the periods covered thereby.

Competing Business means a Person which provides any reproductive endocrinology services in or for a medical practice which is in competition with the Company.

Contemplated Transaction means the transaction contemplated by this Agreement and any other Transaction Documents.

Contract means any written or oral contract, agreement, arrangement, instrument or other commitment legally binding and enforceable on the parties thereto under applicable Law.

Control or Controlled means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

Covenant Period means the time period commencing on the Acquisition Date and ending on the later of the date which is five (5) years from the Acquisition Date or one (1) year from the last day of employment of a Physician, unless Purchaser terminates such Physician's employment without cause (as defined in the PEA for such Physician) or such Physician terminates his or her employment for Good Reason (as defined in the PEA for such Physician), in which case such restrictions shall be the later of the date which is three (3) years from the Acquisition Date or one (1) year from the last day of employment of the Physician, and in any case longer if the Covenant Period is tolled in accordance with Section 5.04(b).

Disclosure Schedule is the disclosure schedule attached to and made a part of this Agreement and delivered at the Execution Date by the Company and the Physicians.

Employee Program means: (i) an Employee Pension Benefit Plan as defined in ERISA Section 3 (2); (ii) an Employee Welfare Benefit Plan as defined in ERISA Section 3 (1); (iii) all employee benefit plans within the meaning of ERISA Section 3(3), including, but not limited to, multiple employer welfare arrangements (within the meaning of ERISA Section 3(40)), plans to which more than one unaffiliated employer contributes and employee benefit plans (such as foreign or excess benefit plans) which are not subject to ERISA; and, (iv) all stock option plans, bonus or incentive award plans, severance pay policies or agreements, deferred compensation agreements, supplemental income arrangements, vacation plans, and all other employee benefit plans, agreements, and arrangements not described in (i)-(iii) above. In the

case of an Employee Program funded through an organization described in Code Section 501(c)(9), each reference to that Employee Program shall include a reference to such organization.

Environmental Law or Environmental Laws means all Laws which govern or relate to pollution, the protection, conservation, management, or use of the environment, natural resources or wildlife, public health and safety, air emissions, the use or protection of water, water discharges, hazardous or toxic substances, solid or hazardous waste, or occupational health and safety, as any of these terms are or may be defined by such Laws, including, but not limited to: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §9601, et seq. ("CERCLA"); the Solid Waste Disposal Act, including the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. §6901, et seq. ("RCRA"); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. §1801, et seq.; the Clean Water Act, as amended, 33 U.S.C. §1311, et seq.; the Clean Air Act, as amended (42 U.S.C. §7401, et seq.); the Toxic Substances Control Act, as amended, 15 U.S.C. §2601, et seq.; the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, 7 U.S.C. §136, et seq. ("FIFRA"); the Emergency Planning and Community Right-to-Know Act of 1986 as amended, 42 U.S.C. §11001, et seq. (Title III of SARA) ("EPCRA"); the Safe Drinking Water Act, as amended, 21 U.S.C. §349 and 42 U.S.C. §§201 and 300f, et seq.; the National Environmental Policy Act, as amended, 42 U.S.C. §4321, et seq.; the Endangered Species Act, 16 U.S.C. §1531, et seq., the Lead-Based Paint Exposure Reduction Act, 15 U.S.C. §2681, et seq., and the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §651, et seq. ("OSHA"); all state, county and local Laws of a similar nature, and the rules and regulations promulgated thereunder, each as amended.

ERISA means the Employee Retirement Income Security Act of 1974, as amended.

Escrow Agent means an escrow agent as mutually agreed to by Physician Representative and Purchaser prior to the Acquisition Date, in its capacity as an escrow agent in accordance with this Agreement.

Governmental Authority means any and all federal, state or local governments, governmental institutions, public authorities and other governmental entities of any nature whatsoever, and any subdivisions or instrumentalities thereof, including, but not limited to, departments, boards, bureaus, commissions, agencies, courts, administrations and panels, and any divisions or instrumentalities thereof, whether permanent or ad hoc and whether now or hereafter constituted and/or existing.

Hazardous Substances means any toxic or hazardous substance, material, or waste, and any other contaminant, pollutant or constituent thereof, whether liquid, solid, semi-solid, sludge and/or gaseous, including chemicals, compounds, by-products, pesticides, asbestos or asbestos containing materials, petroleum or petroleum products, flammable explosives, radon, radioactive materials, chlorofluorocarbons, and polychlorinated biphenyls, the presence of which requires investigation or remediation under any Environmental Laws or which are or become regulated, listed or controlled by, under or pursuant to any Environmental Laws, including carbon dioxide and other substances deemed by any Governmental Authority to contribute to global warming.

Health Care Programs or Health Care Laws means any Laws relating to the provision, administration or payment for healthcare or healthcare-related products or services, including: (a) rules and regulations governing the operation and administration of Medicare, Medicaid, Maternal and Child Health Service Block Grant, Social Services Block Grant, TRICARE, CHAMPVA or other federal and state health care programs; (b) 42 U.S.C. § 1320a-7(b), commonly referred to as the "Federal Anti-Kickback Statute;" (c) 42 U.S.C. § 1395nn, commonly referred to as the "Stark Law;" (d) 31 U.S.C. §§ 3279 et seq., commonly referred to as the "False Claims Act"; (e) 31 U.S.C. § 3801 et seq., commonly

referred to as the Program Fraud Civil Penalties Act; (f) HIPAA; (g) HITECH; and (h) all state Laws related to referrals and kickbacks, the corporate practice of medicine, and physician fee splitting.

Health Care Provider means any physician, nurse, technician or allied health care provider providing medical services on behalf of the Company as of the Acquisition Date on a full or part-time basis or as an independent contractor or consultant.

HIPAA means the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the rules and regulations promulgated thereunder, including without limitation, the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E (the "Privacy Rule"), 45 C.F.R. 164, Subpart C (the "Security Rule") and 45 C.F.R. Subpart D, (the "Breach Notification Rule"), as HIPAA and the rules and regulations may each be amended from time to time, including as amended under HITECH.

HITECH means the Health Information Technology for Economic and Clinical Health Act provisions of the American Recovery and Reinvestment Act of 2009, Pub. Law No. 111-5 and its implementing regulations including, 42 C.F.R. §§ 412, 413, 422 and 495 and 45 C.F.R. Part 160 and Part 164.

Knowledge means a particular fact or other matter that an individual is actually aware of without independent investigation. A Person (other than an individual) will be deemed to have Knowledge of a particular fact or other matter if any individual who is an owner of the Person or who is serving as a director, officer, partner, manager, executor or trustee of that Person (or in any similar capacity) has, or at any time had, Knowledge of that fact or other matter (as set forth in this definition of Knowledge).

Law(s) means any law, statute, ordinance, rule, regulation, order, writ, judgment, injunction or decree of any Governmental Authority.

Lien(s) means any liens, security interests, pledges, encumbrances, assessments, charges, restrictions, defects and claims of any kind.

Loss or Losses means losses, liabilities, obligations, damages, deficiencies, Actions, suits, proceedings, demands, assessments, orders, judgments, fines, penalties, costs and expenses (including the reasonable fees, disbursements and expenses of attorneys, accountants and consultants) of any kind or nature whatsoever (whether or not arising out of third-party claims or a Claim and includes all amounts paid in investigation, defense or settlement of the foregoing) sustained, suffered or incurred by or made against any Indemnified Party.

Material Adverse Effect means any change or effect or situation that is or is reasonably likely to be materially adverse to the properties, assets, business, condition (financial or otherwise), results of operation or business prospects of the Company; *provided, however*, that "Material Adverse Effect" shall not include any circumstance, effect, event, fact, condition or change (A) which is attributable to the general political, economic or financial market conditions, (B) in industry conditions in which the Company operates, (C) resulting from the announcement of the Contemplated Transaction, (D) resulting from any action required or permitted by this Agreement or any other Transaction Documents, (v) resulting from a change in generally accepted accounting principles, (E) resulting from or attributable to acts of terrorism or war, (F) resulting from or attributable to changes in the Law, or (G) resulting from or attributable to acts of God.

PEA or PEAs means the Physician Employment Agreements entered into by and between a Physician or an IVFNJ Associate, on the one hand and Purchaser, on the other hand, in the form attached as Exhibit A.

Permits means franchises, authorizations, approvals, orders, consents, licenses, certificates, permits, registrations, qualifications or other rights and privileges.

Person means any domestic or foreign individual, partnership, company, association, limited liability company, trust, joint venture, estate, corporation, custodian, trustee, executor, administrator, nominee or any other entity.

Physician or Physicians means each of, or collectively, as the case may be, Michael Darder, M.D., Marcus Jurema, M.D., Susan Treiser, M.D., and Melissa Yih, M.D.

Purchaser means RMA of New Jersey, LLC, a New Jersey limited liability company, and its successors and assigns.

Real Estate Interest means all real property and interests in real property.

Restricted Area means the following area: (a) twenty (20) mile radius from Purchaser's office that was the applicable Physician's primary office at the time his or her employment terminated; (b) ten (10) mile radius of any other Purchaser office which existed on the date employment terminated; (c) at the hospitals at which such Physician had privileges at the time his or her employment terminated which existed at the time employment terminated; and (d) any laboratory providing in vitro fertilization ("IVF") services within a fifteen (15) mile radius of any laboratory owned and operated by Purchaser at the time his or her employment is terminated in which in-vitro fertilization services are provided.

State Law means the laws of the State of New Jersey, interpreted without regard to its conflicts of laws principles.

Tax or Taxes means any federal, state, provincial, territorial, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Section 59A of the Code), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, goods and services use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto that arises under applicable Law.

Tax Authority means any Governmental Authority or any quasi-governmental or private body having jurisdiction over the assessment, determination, collection or imposition of any Tax.

Tax Return means any return, report, certificate, form or similar statement or document (including any related or supporting information or schedule attached thereto and any information return, amended Tax return, claim for refund or declaration of estimated Tax) required or permitted to be supplied to, or filed with, a Tax Authority in connection with the determination, assessment or collection of any Tax or the administration of any Laws, relating to any Tax.

Transaction Documents means the PEAs, the New Lease(s), any applicable side letters and this Agreement together with all schedules and exhibits to each of them, and all documents, instruments or writings, executed in connection with any of these agreements, including but not limited to the Conveyance Instruments (as defined in Section 1.1(b)).

ARTICLE I
Purchase and Sale of Assets

Section 1.1 Purchase and Sale of Assets.

(a) Upon the terms and subject to the conditions of this Agreement, and effective as of the Acquisition Date, the Company shall sell, assign, transfer and convey to Purchaser and Purchaser shall purchase from the Company, all of the Company's right, title and interest in and to all assets of the Company (subject to Section 1.2) (collectively, the "Purchased Assets"), free and clear of any and all Liens. The Purchased Assets shall include, and shall not be limited to, the following:

i. Such personal property, plant, furniture, fixtures, equipment, tools and other tangible assets relating to the Company's business to the extent elected to be acquired by Purchaser ("FFE"), it being understood that Purchaser may decline to acquire any FFE at its election. Purchaser shall provide the Company with written notification no less than fifteen (15) days prior to the Acquisition Date of its election to purchase FFE together with the valuation of same. The Company shall have ten (10) days to dispute in writing the valuation of the FFE, and failing the timely tender of same, the valuation selected by the Purchaser shall be binding and the Purchase Price adjusted on account of the valuation for the FFE selected by Purchaser. If Purchaser and the Company are not able to resolve the dispute in valuation, same shall be resolved by utilizing procedures substantially similar to Section 9.08 hereof;

ii. All trademarks, tradenames, copyrights, patent and other trade secrets, know-how and other intellectual property rights used in the conduct of the business, including, without limitation, the tradenames "IVF of New Jersey" and "IVFNJ", and the trademark "Making Little Miracles Come True" (US Registration 3435082);

iii. All patient records (both electronic and hard copies) subject to the rights of patients to request delivery of their files to other professionals;

iv. All embryos, sperm and other specimens upon receipt of the written consent thereof from the applicable patient, and in any event, subject to the rights of patients to request delivery of their specimens to other facilities;

v. All rights in and under all contracts, leases and agreements related to the operation of the business which Purchaser elects to assume (collectively, the "Acquired Contracts"), provided that Purchaser delivers a notice of election as to the Acquired Contracts no less than fifteen (15) days prior to the Acquisition Date;

vi. All transferable licenses and other regulatory approvals necessary for or incident to the operation of business;

vii. The Surgical Practice Registration (Registration #R24612) issued by the New Jersey Department of Health, Division of Health Facilities Evaluation and Licensing (the "Surgical Practice Registration"). It is acknowledged that the consent of the applicable Governmental Authority is required to assign the Surgical Practice Registration to the Purchaser and (A) the Company and the Physicians shall cooperate with the Purchaser in all reasonable respects, before and after Closing, with respect to the necessary applications and steps relating to such consent and assignment and (B) the Closing is not contingent upon the receipt of such consent;

viii. All marketing and promotional materials;

- ix. All administrative policy and procedure manuals;
- x. All prepaid expenses;
- xi. The telephone number(s), facsimile machine number(s), e-mail address(es) and website(s) for the business;
- xii. All of the goodwill of the Company;
- xiii. The books and records relating to the Purchased Assets and the Company's business. In connection with the foregoing, (A) Purchaser shall maintain such books and records until the expiration of applicable statutes of limitations for claims against the Company and (B) the Company shall have access to such books and records after Closing in connection with any claims, investigations or other reasonable reasons; and
- xiv. All other assets of the Company, except as set forth in Section 1.2.

(b) In order to effectuate the sale, assignment, transfer and conveyance of the Purchased Assets contemplated by Section 1.1(a), as of the Acquisition Date, the Company shall execute and deliver all deeds, powers of attorney, affidavits, bills of sale, assignments, and other documents or instruments of assignment, sale, transfer or conveyance (collectively, the "Conveyance Instruments") as Purchaser reasonably deems necessary or appropriate to vest in or confirm to Purchaser good, valid and marketable title to all of the Purchased Assets, free and clear of all Liens. Notwithstanding anything contained in this Agreement to the contrary, to the extent that any of the Purchased Assets including any Permit, Contract, or other item (a "Restricted Asset") requires the consent, approval or waiver of another Person (other than the Company or Physicians) to the transfer of such Restricted Asset to Purchaser and such consent, approval or waiver has not been obtained prior to the Closing with respect to that Restricted Asset, then: (i) only the claims, rights, benefits and obligations arising under that Restricted Asset for which such consents have been obtained and are otherwise assigned to and assumed by Purchaser shall be assigned and assumed as of the Acquisition Date; (ii) upon Purchaser's request, the Company and the Physicians shall use their respective best efforts to obtain those consents, approvals and waivers for those Restricted Assets Purchaser desires to receive the benefit of, provided that the Company and the Physicians shall not be required to pay any fee to obtain any such consent, approval or waiver; and (iii) upon the receipt of all necessary consents, approvals and waivers with respect to the Restricted Asset, such Restricted Asset shall automatically be deemed assigned to and assumed by Purchaser as if it had been assigned and assumed as of the Acquisition Date, unless Purchaser only gets the benefit of the use of such Restricted Asset as of a later date.

Section 1.2 Excluded Assets. Notwithstanding Section 1.1(a), Purchaser is not acquiring the following assets (collectively, the "Excluded Assets") of the Company, all of which are excluded from the sale of the Purchased Assets to Purchaser:

- (a) the Company's certificate of incorporation, bylaws, and other organizational documents, corporate seal, minute book, stock book and other corporate records having to do exclusively with the corporate organization and capitalization of Company;
- (b) the capital stock of the Company;

(c) all cash and cash equivalents and investments, whether short-term or long-term, relating to the Company's business, including bank accounts, certificates of deposit, treasury bills and securities;

(d) the original accounting and financial records of the Company and the original personnel files of the Company's employees and contractors;

(e) the Company's Employee Programs and all other plans and arrangements regarding employee benefits;

(f) the Company's accounts and notes receivable outstanding as of the Acquisition Date;

(g) such items of FFE which the Purchaser elects to exclude from the Purchased Assets; and

(h) All embryos, sperm and other specimens with respect to which the applicable patient has not authorized, in writing, the transfer thereof to Purchaser.

ARTICLE II

Purchase Price; Assumed and Excluded Obligations; Closing

Section 2.1 The Purchase Price.

(a) The parties agree that the aggregate purchase price (the "Purchase Price") for the Purchased Assets shall be \$11,700,000, *plus* the value of the FFE which Purchaser elects to acquire (at the then fair market value thereof which considers the value of the equipment in place and in service and not liquidation value).

(b) The Purchase Price shall be remitted on the Acquisition Date by Purchaser by wire transfer of immediately available same-day funds as follows:

(i) first, the Closing Escrow Amount shall be deposited in escrow with the Escrow Agent, and shall be held and distributed by the Escrow Agent in accordance with the terms and conditions as provided in Section 9.08; and

(ii) second, Clawback Escrow Amount shall be deposited in escrow with the Escrow Agent, and shall be held and distributed by the Escrow Agent in accordance with the terms and conditions as provided in Section 2.2(f); and

(iii) third, the balance shall be paid to the Company.

(c) Purchaser and the Physicians agree that they shall each adopt (and the Physicians shall cause the Company to adopt) and utilize the allocations of the Purchase Price to specific classes of Purchased Assets as set forth on Section 2.1 of the Disclosure Schedule for purposes of all federal and state Tax reporting with respect to this transaction and will not voluntarily take any position inconsistent therewith (including, without limitation, in any audits or examinations by any Tax Authority or any other proceeding.

Section 2.2 Clawback. Each Physician acknowledges and agrees to be employed by Purchaser pursuant to his or her PEA for at least the three (3) year period following the Acquisition Date.

In the event a Physician voluntarily terminates his or her employment without Good Reason (as defined in the PEA) prior to such three (3) year anniversary, then the Company and Physicians shall immediately repay a portion of the Purchase Price (the "Clawback") in an amount equal to the Purchase Price Clawback Amount *multiplied by* the Year Percentage, and then *multiplied by* the Productivity Percentage.

(a) The "Purchase Price Clawback Amount" equals forty percent (40%) of the Purchase Price in the event one Physician has terminated his or her employment without Good Reason and equals sixty percent (60%) of the Purchase Price in the event two or more Physicians have terminated their employment without Good Reason.

(b) The "Year Percentage" equals the following percentage, depending on the Employment Year during which the effective date of termination of the applicable Physician has occurred. An "Employment Year" is each successive twelve (12) month period, the first of which commences as of the Acquisition Date.

<u>Employment Year</u>	<u>Year Percentage</u>
1st	100%
2nd	50%
3rd	25%

(c) The "Productivity Percentage" equals a percentage reflecting the collections of the departed Physician for the twelve (12) month period prior to Acquisition Date which bears to the collections of all Physicians for such twelve (12) month period. The parties shall memorialize such percentages by completing Schedule 2.2 of the Disclosure Schedules no later than the Closing.

(d) For the avoidance of doubt, the Clawback shall not apply in the event Physician's employment is terminated due to his or her death, disability, or by a Physician for Good Reason.

(e) The Clawback shall be paid within ten (10) days of the applicable Physician's last day of employment with Purchaser.

(f) To secure the Clawback, at the Closing the Purchaser shall deposit the sum of FOUR MILLION SIX HUNDRED EIGHTY THOUSAND DOLLARS (\$4,680,000) (the "Clawback Escrow Amount") with the Escrow Agent. At the first anniversary of the Acquisition Date, the Escrow Agent shall release to the Company one half of the Clawback Escrow Amount then being held. At the second anniversary of the Acquisition Date, the Escrow Agent shall release to the Company one half of the Clawback Escrow Amount then being held. At the third anniversary of the Acquisition Date the Escrow Agent shall release the balance of the Clawback Escrow Amount to the Company. During the term of the Clawback Escrow, the Purchaser shall be entitled to claim against the amount then held to recover the Clawback calculated in accordance with the provisions of this Section upon the occurrence of an event which creates a liability to pay the Clawback. The Clawback Escrow Amount shall be held and maintained in accordance with the terms of an escrow agreement between the parties and the Escrow Agent. No part of the Clawback Escrow Amount may be used to satisfy any liability other than that of the payment of the Clawback.

Section 2.3 Assumed Obligations. Effective as of the Acquisition Date, Purchaser assumes and agrees to pay, discharge and perform, when lawfully due, those liabilities and obligations of the Company relating to the Assumed Contracts which Purchaser has elected to assume, but solely to the extent of the obligations arising after the Acquisition Date (all of which are collectively referred to as the "Assumed Obligations"). Purchaser's assumption of the Assumed Obligations shall in no way expand the rights or remedies of third parties against Purchaser.

Section 2.4 Excluded Obligations. Notwithstanding anything to the contrary set forth in this Agreement, the parties hereto expressly agree that Purchaser shall not assume or otherwise become liable for any obligation or liability of the Company or relating to the Company's business or its properties or any of the Purchased Assets, absolute or contingent, known or unknown, other than the Assumed Obligations (such obligations or liabilities other than the Assumed Obligations are hereinafter referred to as the "Excluded Obligations"). Without limiting the foregoing, the Excluded Obligations shall be deemed to include any liability or obligation of the Company or the Physicians and any of their employees, agents or contractors (i) arising under this Agreement; (ii) relating to any default under any Assumed Obligations relating to events occurring or facts or circumstances arising or existing prior to the Closing; (iii) incurred in connection with any breach of contract, breach of warranty, tort, violation of Law, Action, or other legal or administrative proceedings or governmental investigation arising as a result of events occurring or facts or circumstances arising or existing prior to the Closing; (iv) for Taxes, including (a) any Taxes arising as a result of the Company's operation of the business, ownership of the Purchased Assets or use or occupancy of any Real Estate Interest prior to the Closing, (b) any Taxes that will arise as a result of the sale of the business and Purchased Assets pursuant to this Agreement, and (c) any deferred Taxes of any nature accruing prior to Closing; (v) under any Contract, lease or other written or verbal commitment that is not expressly an Assumed Obligation; (vi) relating to or arising out of, or in connection with the employment by the Company of any employee or contractor at any time, including, without limitation, any payroll or salary, any Employee Program, or any other plans or arrangements for the benefit of any employees and contractors of the Company including but not limited to unfunded pension liabilities, and accrued obligations owed to employees or contractors; (vii) any indebtedness; (viii) any environmental claim or violation of Environmental Law relating to periods prior to Closing (whether or not arising in the ordinary course of business, whether or not qualified by the Company's or Physicians' Knowledge and whether or not set forth on a Disclosure Schedule hereto); (ix) all payables of the Company; (x) medical services and procedures performed prior to the Acquisition Date; and (xi) all obligations involving or related to the Excluded Assets. The parties agree and acknowledge that all of the Excluded Obligations shall remain the sole responsibility of the Company or the Physicians (but only to the extent that one or more of the Physicians had a responsibility to pay same) and shall be discharged by the Company or the Physicians, as the case may be and not by Purchaser.

Section 2.5 Time and Place of the Closing. The Closing of the Contemplated Transaction will be held at the offices of Purchaser (or at such other location or through such other means as reasonably agreed by the parties), and shall be deemed effective as of 12:01 a.m., E.S.T., on the Acquisition Date, which is expected to be ninety (90) days after the Execution Date, unless otherwise extended upon mutual agreement, subject to Article VII hereof.

Section 2.6 Procedure at the Closing. At the Closing, the parties shall take the following steps:

(a) the Company and Physicians, as applicable, shall duly execute and deliver the Conveyance Instruments, if any, to Purchaser so that the Purchased Assets are delivered to Purchaser free and clear of all Liens;

(b) the Company shall execute and deliver resolutions adopted by the board of directors of the Company and Physicians approving the Contemplated Transaction, certified by the secretary or other authorized representative of the Company;

(c) Purchaser shall deliver resolutions adopted by the board of managers of Purchaser approving the Contemplated Transaction, certified by the secretary or other authorized representative of Purchaser;

(d) Purchaser shall deliver the Purchase Price to the Company, and deposit such sums with the Escrow Agent, all as set forth above in, and subject to, this Article II;

(e) the Company shall deliver to Purchaser the consent of any third party to the assignment of each Restricted Asset required for Purchaser to be entitled to the benefit thereof as of the Acquisition Date;

(f) the Company shall deliver to Purchaser a Certificate of Good Standing issued by the State of New Jersey dated not more than thirty (30) days prior to the Acquisition Date;

(g) the applicable entity shall deliver the New Lease(s) to one another;

(h) the parties shall memorialize each Physician's Productivity Percentage;

(i) Purchaser, on the one hand, and each Physician and IVFNJ Associate, on the other hand, shall deliver the PEA to one another; and

(j) The Company, Physicians and Purchaser shall enter into the escrow agreement relating to the Clawback Escrow referenced in Section 2.2(f).

ARTICLE III

Representations and Warranties of the Company and the Physicians

As a material inducement to Purchaser to enter into this Agreement and the Contemplated Transaction, each of the Physicians and the Company jointly and severally make to Purchaser the representations and warranties contained in this Article III as of the Execution Date and as of the Acquisition Date.

Section 3.01. Authority. Each Physician has full authority, power and capacity to enter into this Agreement and each of the Transaction Documents, and to carry out the Contemplated Transaction. This Agreement and each of the Transaction Documents constitute, or when executed and delivered by each Physician will constitute, valid and binding obligations of that Physician, enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws now or hereafter in effect relating to creditors' rights and by general principles of equity. The Company has all requisite corporate power and authority to execute and deliver this Agreement and the Transaction Documents and to carry out the Contemplated Transaction. The execution and delivery by the Company of this Agreement, the Transaction Documents and the consummation of the Contemplated Transaction have been duly authorized by all requisite corporate actions of the Company. This Agreement and each of the Transaction Documents has been duly and validly executed and delivered by the Company and constitutes valid and binding obligations of the Company, enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws now or hereafter in effect relating to creditors' rights and by general principles of equity.

Section 3.02. Violation. The execution, delivery and performance by each Physician and the Company of this Agreement and the Transaction Documents: (a) do not and will not violate any Laws applicable to any Physician or the Company, or require any Physician or the Company to obtain any approval, consent or waiver of, or to make any filing with, any Person that has not been obtained or made; (b) do not and will not result in a breach of, constitute a default under, accelerate any obligation under or give rise to a right of termination of any indenture or loan or credit agreement or any other Contract, Permit, mortgage, Lien, lease, Law or determination or arbitration award to which any Physician or the

Company is a party or by which the property of that Physician or the Company is bound or affected, or result in the creation or imposition of any mortgage, pledge, lien, security interest or other charge or encumbrance on any of the Purchased Assets of that Physician or the Company, except as described in Section 3.02 of the Disclosure Schedule; and (c) do not result in violation of any term of any Contract or Law applicable to any of them to which any of them are a party. Except as provided in Section 3.02 of the Disclosure Schedule, no approval, consent, waiver or authorization of or filing or registration with any Governmental Authority or other Person, is required by the Company or Physicians for the execution and delivery of this Agreement or any other Transaction Document or consummation of the Contemplated Transaction.

Section 3.03 Organization, Existence and Authority; Corporate Records.

(a) The Company is, and as of the Acquisition Date shall be, a New Jersey professional corporation duly organized, validly existing and in good standing under New Jersey Law, duly qualified or registered as a foreign corporation in each jurisdiction in which the Company is required to be licensed or qualified to conduct its business or own its property.

(b) The Company has, and as of the Acquisition Date shall have, all requisite power and authority, and all necessary Permits to conduct its business as presently conducted and to hold under lease the property it purports to own or hold under lease. A true and complete copy of the Certificate of Incorporation and By-laws of the Company are attached to this Agreement as Exhibits 3.03-1 and 3.03-2, respectively.

(c) The Company is not in violation of any term of its Certificate of Incorporation and By-laws.

Section 3.04. Ownership of the Company. Physicians are the sole record and beneficial owners of all outstanding capital stock of the Company, and Physicians have good and marketable title to all of the Company's capital stock free and clear of all Liens, proxies, voting trusts, shareholders agreements, or other agreements or encumbrances whatsoever.

Section 3.05. Control. The Company does not own or have any direct or indirect interest in or Control over any Person or other entity of any kind.

Section 3.06. Prior Transactions. The Company is not a party to, nor is otherwise obligated in any manner under, any Contract or understanding regarding acquisitions, mergers, consolidations, asset sales, joint ventures or similar transactions.

Section 3.07. Financial Statements. Attached as Schedule 3.07 of the Disclosure Schedule are true and complete copies of the Company Financial Statements. Except as otherwise indicated in the Company Financial Statements, the balance sheets and statements of operations, stockholders' equity and cash flows included in the Company Financial Statements have been prepared in accordance with accounting principles consistently applied on a cash or income tax basis are consistent with the books and records of the Company (which books and records are correct and complete) and fairly present the financial position and the results of operations of the Company for the period presented therein subject, in the case of unaudited statements, to normal year-end adjustments none of which are material.

Section 3.08. Absence of Undisclosed Liabilities. As of the date of the Base Financial Statement, the Company had no liability of any nature, whether accrued, absolute, contingent or otherwise asserted or unasserted, known or unknown and whether due or to become due (including without limitation, liabilities as guarantor or otherwise with respect to obligations of others, or liabilities for Taxes

due or then accrued or to become due or contingent or potential liabilities relating to activities of the Company or the conduct of its business prior to the date of the Base Financial Statement regardless of whether claims in respect thereof had been asserted as of that date), except liabilities stated or adequately reserved against on the Base Financial Statement, or reflected in Section 3.08 of the Disclosure Schedule. As of the Acquisition Date, the Company does not have and will not have any liabilities of any nature, whether accrued, absolute, contingent or otherwise, asserted or unasserted, known or unknown and whether due or to become due (including without limitation, liabilities as guarantor or otherwise with respect to obligations of others, or liabilities for Taxes due or then accrued or to become due or contingent or potential liabilities relating to activities of the Company or the conduct of its business prior to the Acquisition Date as the case may be, regardless of whether claims in respect thereof had been asserted as of that date), except liabilities (i) stated or adequately reserved against on the Base Financial Statement or the notes thereto, or (ii) reflected in Section 3.08 of the Disclosure Schedule.

Section 3.09. Title to Assets. The Company has good and marketable title to all of the Purchased Assets which it owns. The Company has a valid leasehold interest in all Purchased Assets which are subject to lease. All of the Purchased Assets shall be conveyed to Purchaser free and clear of any restrictions on transfer or assignment, and free and clear of any Liens or other restrictions.

Section 3.10. Restrictive Covenants. Neither the Company nor Physicians is a party to any Contract which could, following the Closing, restrain or restrict Purchaser, or any subsidiary or Affiliate of Purchaser, from utilizing any material portion of the Purchased Assets. The Company is not a party to, or bound by, any Contract which prohibits it from competing in any business or otherwise restricting it in any manner.

Section 3.11. Transactions with Affiliates. Except as set forth in Section 3.11 of the Disclosure Schedule, there are no loans, leases or other continuing transactions between the Company and any present or former stockholder, director, or officer of the Company, or any member of that officer's, director's or stockholder's immediate family, or any Person controlled by that officer, director or stockholder or his or her immediate family. Except as set forth in Section 3.11 of the Disclosure Schedule, no stockholder, director or officer of the Company or any of their respective spouses or family members, owns directly or indirectly on an individual or joint basis any material interest in, or serves as an officer or director or in another similar capacity of, any competitor or supplier of the Company, or any organization which has a contract or arrangement with the Company. Each Contract required to be listed on Section 3.11 of the Disclosure Schedule was entered into upon fair and reasonable terms no less favorable to the Company than it would obtain in a comparable arm's length transaction with a Person who was not an affiliate of the Company or a Physician, director or officer or any Person Controlled by any of them.

Section 3.12. Real And Personal Property. Except as set forth in Section 3.12 of the Disclosure Schedule, the Company has good and marketable title to all of its properties and assets reflected on the Base Financial Statement or acquired thereafter, free and clear of all Liens. All equipment included in those properties which is necessary to the business of the Company is, to the Knowledge of the Company, in good condition and repair, ordinary wear and tear excepted. All leases of real or personal property to which the Company is a party are fully effective and afford the Company peaceful and undisturbed possession of the subject matter of those leases. The Company is not in violation of any zoning, building or safety Law or requirement or other Laws applicable to the operation of its owned or leased properties, nor has it received any notice of a violation. The Company does not own any real property or, except as set forth in Section 3.12 of the Disclosure Schedule, have any interests in real property. There are no subleases, licenses, concessions or other Contracts granting to any party the right of use or occupancy of any portion of any real property owned or leased by the Company. There are no parties in possession of any real property of the Company, except the Company. Section 3.12 of the Disclosure Schedule sets

forth the Real Estate Interests leased by the Company, as lessee, sub-lessee, licensee or otherwise used or enjoyed by the Company. The Company has, and after the consummation of the Contemplated Transaction, the Company will have a valid and enforceable leasehold interest under each Real Estate Interest. The Company is not in breach of and, to the Knowledge of the Company, no event of default has occurred under any Real Estate interest. The Company: (a) owns, leases or licenses from third parties all tangible personal property listed on Section 3.12 of the Disclosure Schedule required to conduct its business in the ordinary and usual course of business, (b) has good and valid title to all tangible personal property owned by it, free and clear of all liens, claims or encumbrances whatsoever, and (c) upon consummation of the Contemplated Transaction, will be entitled to continue to use all tangible personal property which is currently employed by it in the conduct of its business as it is presently conducted.

Section 3.13. Tax Matters.

(a) The Company has filed or caused to be filed all Tax Returns required to be filed by it (taking into account timely filed extensions) and has paid all Taxes required to be paid by it. All of these Tax Returns are true, complete and correct. Section 3.13 of the Disclosure Schedule lists each jurisdiction and taxing authority where the Company files any Tax Return.

(b) Except as set forth on Section 3.13 of the Disclosure Schedule, no Tax Return of the Company is under audit or examination by any taxing authority, and no notice of such an audit or examination has been received by the Company. All Taxes incurred by the Company for pre-Acquisition Date Tax periods that are due and payable (whether or not shown on the Company's Tax Returns) have been, or prior to the Acquisition Date, shall be paid, or where payment is not yet due, adequate provision has been made on the latest balance sheet included in the Company Financial Statements. Except as set forth on Section 3.13 of the Disclosure Schedule, the Company has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency or for filing any Tax Return.

(c) The Company has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid, owing to, or allocated to any Person.

(d) No claim has been made by a Governmental Authority in a jurisdiction where the Company does not file Tax Returns that the Company is or may be subject to taxation by such jurisdiction. There are no security interests existing upon the assets or properties of the Company for the failure to pay Taxes, except for liens for Taxes not yet due and payable or which are being contested in good faith in a diligent manner. The Company is not a party to a Tax sharing agreement providing for the allocation or sharing of Taxes. Except as set forth on Section 3.13 of the Disclosure Schedule, the Company does not have any liability for Taxes of any Person under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local or foreign Laws).

(e) No deficiency or proposed adjustment which has not been settled or otherwise resolved for any amount of Taxes has been asserted or assessed by any Governmental Authority against the Company.

(f) There is no proceeding, or audit or claim for refund in progress, pending or, to the Knowledge of the Company, threatened against or with respect to the Company regarding Taxes.

Section 3.14. Contracts and Commitments.

(a) All Contracts to which the Company is a party, or by which the Company is obligated, which are not terminable by the Company on less than ninety (90) days notice, are set forth in Section 3.14 of the Disclosure Schedule.

(b) All Contracts to which the Company is a party, or by which the Company is obligated, are valid and are in full force and effect and constitute legal, valid and binding obligations of the Company or, as the case may be, of the other parties thereto, enforceable in accordance with their respective terms. Neither the Company nor any Physician knows of any notice or threat of or basis for the termination, expiration or modification of those Contracts within one (1) year from the Acquisition Date, which termination, expiration or modification may have a Material Adverse Effect. Neither the Company nor, to the Knowledge of the Company and the Physicians, any other party to any Contract of the Company, is in default in complying with any provisions thereof, and no condition or event or fact exists which, with notice, lapse of time or both would constitute a default thereunder on the part of the Company or, to the Knowledge of the Company and each Physician, any other party thereto, except for any default, condition, event or fact that, individually or in the aggregate, would not have a Material Adverse Effect.

(c) The Company is not a party to any Contract or understanding which under circumstances now foreseeable is likely to have a Material Adverse Effect.

(d) Except as set forth in Section 3.14(d) of the Disclosure Schedule, neither the Company, nor any Physician, nor any Health Care Provider: (i) has any direct or indirect liability for renegotiation of government Contracts or sub-Contracts; (ii) has been suspended or debarred from bidding on Contracts or sub-Contracts with any federal, state or local agency or Governmental Authority; (iii) to the Knowledge of the Company and the Physicians, has been audited or investigated by any such agency or authority with respect to Contracts entered into or goods and services provided by the Company or any Health Care Provider; or, (iv) has had a Contract terminated by any such agency or authority for default or failure to perform in accordance with applicable standards.

Section 3.15. Intellectual Property Rights; Employee Restrictions. The Company owns the copyrights, patents, trademarks or trade secrets (collectively, "Intellectual Property") that is material to the conduct of the business as set forth on Section 3.15 of the Disclosure Schedule. Except as set forth in Section 3.15 of the Disclosure Schedule, the Company possesses a valid right to use any Intellectual Property which it currently uses (such as Intellectual Property embodied in software and medical or other technological equipment). No claim is pending or, to the Knowledge of the Company or the Physicians threatened against the Company claiming that the Company is infringing upon the rights of any other Person in any such other Person's Intellectual Property, nor, to their Knowledge is there a basis for any such claims. The Company is in material compliance with all policies and procedures adopted by the Company which are designed to protect the disclosure of confidential information.

Section 3.16. Litigation. Except as set forth in Section 3.16 of the Disclosure Schedule, there is no Action pending or, to the Knowledge of the Company or Physicians, threatened: (i) against the Company or affecting any of the assets of the Company, (ii) against any officer, manager or owner of the Company, or (iii) which would reasonably be expected to prevent or hinder the consummation of the Contemplated Transaction. No claim has been asserted against the Company for renegotiation or price redetermination of any material business transaction, and to the Physicians' and the Company's Knowledge, there are no facts upon which any claim could be based. All the Actions described in Section 3.16 to the Disclosure Schedule are being diligently defended and are adequately covered by insurance or adequate reserves have been set aside therefore on the Company Financial Statements. The Company is not in default under any order of any court, arbitrator or governmental body; and the Company is not subject to or party to any settlement, order of any court or governmental body arising out of any Action under any Laws respecting antitrust, monopoly, restraint of trade, unfair competition or similar matters.

There are no outstanding writs, judgments, decrees, settlements, injunctions or similar orders of any Governmental Authority whatsoever by which the Company, the Physicians or any of their respective assets or properties, are bound.

Section 3.17. Permits; Compliance with Laws. The Company has all Permits necessary to allow it to own its property and to conduct its business as it is presently conducted and all those Permits are valid and in full force and affect. Set forth in Section 3.17 of the Disclosure Schedule are true and correct copies of all such Permits. No Permit is subject to termination as a result of the execution of this Agreement, the Transaction Documents or consummation of the Contemplated Transaction. The Company is now and has been in compliance in all material respects with all applicable Laws (including all applicable Laws relating to drugs and controlled substances) promulgated by any Governmental Authority which apply to the conduct of its business. The Company has never entered into nor been subject to any judgment, consent decree, compliance order or administrative order with respect to any Environmental or health and safety Laws nor received any written request for information, notice, demand letter, administrative inquiry or formal or informal complaint or claim with respect to any environmental or health and safety matter or the enforcement of any Laws. No representation is made as to the transferability of any such Permits.

Section 3.18. Licenses; Credentials. Section 3.18 of the Disclosure Schedule contains a complete and accurate list of all licenses held by the Physicians and all of the Health Care Providers. Prior to the Execution Date, the Company has delivered copies of all licenses and all credentialing documents and correspondence relating to or about the Company, the Physicians and all of the Health Care Providers. Each Health Care Provider is duly licensed under State Law or the Laws of the states disclosed in Section 3.18 of the Disclosure Schedule and has complied in all material respects with all Laws relating to the rendering of services in their respective specialty areas. Except as disclosed on Section 3.18 of the Disclosure Schedule, no Physician or Health Care Provider has while employed or engaged by the Company: (i) had his or her professional license, Drug Enforcement Agency number, Medicare provider status or staff privileges at any hospital or medical facility suspended, relinquished, terminated or revoked; (ii) been reprimanded, sanctioned or disciplined by any licensing board or any federal, state or local society or agency, Governmental Authority, hospital, third party payer or specialty board; or, (iii) had a final judgment or settlement without judgment entered against him or her in connection with a malpractice or similar action.

Section 3.19. Labor Laws. The Company employs such persons set forth in Section 3.19 of the Disclosure Schedule and generally enjoys a good employer-employee relationship with those employees. The Company is not delinquent in payment to any of its employees for any wages, salaries, commissions, bonuses or other direct compensation for any services performed for it prior to the Acquisition Date or amounts required to be reimbursed to its employees. The Company has made all payments and contributions required to be made on behalf of its employees, including workers' compensation and unemployment insurance. There are no charges of employment discrimination or unfair labor practices or strikes, slowdowns, stoppages of work, or any other concerted interference with normal operations existing, pending or, to each of the Physician's Knowledge, threatened against or involving the Company. No question concerning labor representation exists respecting any group of employees of the Company. The Company is in compliance in all material respects with all applicable Laws, including, without limitation, (i) Laws respecting: (a) labor; (b) employment; (c) fair employment practices; (d) terms and conditions of employment; and (e) wages and hours; (ii) OSHA; (iii) ERISA; (iv) Americans with Disabilities Act; (v) the Fair Labor Standards Act; (vi) the Immigration Reform and Control Act; and (vii) any State laws against discrimination. No executive, employee, or group of employees has given the Company written or oral notice that he or she intends to terminate employment with the Company. There is no unresolved labor grievance and no arbitration proceeding is pending or, to the Knowledge of the Company and the Physicians, threatened and no claim therefor has been asserted. There is no unfair labor

practice charge or complaint pending, or to the Knowledge of Company and the Physicians, threatened, relating to the business of Company. The Company is not a party to nor otherwise bound by any collective bargaining agreement, Contract or understanding with a labor union or labor organization. Except as set forth on Section 3.19 of the Disclosure Schedule, within the past twelve (12) months there have been no Health Care Providers who have left the employ of the Company, nor has there been any Health Care Providers whose staff privileges at any hospital have been denied, revoked or suspended.

Section 3.20. Information Supplied by the Company. Neither this Agreement or any Transaction Document nor any document referenced in this Agreement or Transaction Document, nor any certificate or statement furnished pursuant to this Agreement or Transaction Document by or on behalf of the Company or any Physician, when taken together, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained therein not misleading. There is no material fact directly relating to the business, operations or condition of the Company (other than facts which relate to general economic trends or conditions or general trends and conditions in the health care industry as a whole) that has a Material Adverse Effect or, to the Knowledge of any Physician, in the future may (so far as any Physician may now reasonably foresee based upon material facts of which it is now aware) have a Material Adverse Effect that has not been set forth in this Agreement or in the Disclosure Schedule.

Section 3.21. Investment Banking; Brokerage Fees. Neither the Company nor the Physicians have employed any investment banker, broker or finder or incurred or become liable for any investment banker's, broker's or finder's fees, commissions or similar compensation relating to the Contemplated Transaction.

Section 3.22. Employee Benefit Programs. Section 3.22 of the Disclosure Schedule sets forth all of the Employee Programs and each deferred compensation, stock option, stock purchase, bonus, medical, welfare, disability, severance or termination pay, insurance or incentive plan, and each other employee benefit plan, program, Contract or arrangement, (whether funded or unfunded, written or oral, qualified or nonqualified), sponsored, maintained or contributed to or required to be contributed to by the Company or by any of its ERISA Affiliates, for the benefit of any current or former: employee, leased employee, director, officer, shareholder, member, partner or independent contractor of the Company or any of their ERISA Affiliates (collectively the "Employee Programs" or the "Employee Benefit Plans"). The Company has no liability with respect to any plan, arrangement or practice of the type described in this Section 3.22 other than the Employee Benefit Plans set forth on Section 3.22 of the Disclosure Schedule. With respect to each Employee Benefit Plan:

(a) each Employee Benefit Plan complies in form and in operation with the applicable material requirements of ERISA, the Code and other applicable Laws, and has been operated in accordance with its terms;

(b) no Employee Benefit Plan is or at any time was a "defined benefit plan" as defined in Section 3(35) of ERISA or a pension plan subject to the funding standards of Section 302 of ERISA or Section 412 of the Code. Neither the Company nor its ERISA Affiliates currently sponsor nor have in the past sponsored any Employee Pension Benefit Plan that is subject to the minimum funding requirements of Section 412 of the Code, or that is subject to Title IV of ERISA;

(c) each of the Employee Benefit Plans and all related trusts, insurance contracts and funds have been maintained, funded and administered in material compliance with their terms and in compliance with the applicable provisions of ERISA, the Code, and all other applicable Laws. With respect to each Employee Benefit Plan, all required material payments, premiums, contributions,

distributions, and reimbursements for all periods ending prior to or as of the Acquisition Date have been made or properly accrued;

(d) the Company and its ERISA Affiliates and each Employee Benefit Plan which is an Employee Welfare Benefit Plan, is in compliance with: the notice and continuation of coverage requirements of Section 4980B of the Code, and the regulations there under ("COBRA"); Part 6 of Title I of ERISA; HIPAA with respect to any group health plan within the meaning of Code Section 5000(b)(1); and any applicable state statutes mandating health insurance continuation coverage for small employers. Neither the Company nor its ERISA Affiliates have any liability to provide post-termination or post-employment medical or life insurance or other welfare-type benefits to any Person other than in accordance with COBRA; and

(e) The Company does not currently participate nor has it ever participated in, and is not required currently and has never been required to contribute to or otherwise participate in, any Multiemployer Plan or any "multiple employer plan" within the meaning of Section 210(a) of ERISA or Section 413(c) of the Code.

Section 3.23. Environmental Matters.

(a) The Company is and has at all times been in compliance with all Environmental Laws with respect to their operations, properties and assets, including: (i) all requirements relating to the Discharge (as defined below) and Handling (as defined below) of Hazardous Substances or Waste (as defined below); (ii) all requirements relating to notice, record keeping and reporting; (iii) all requirements relating to obtaining and maintaining Environmental Licenses (as defined below); and (iv) all applicable writs, Orders, judgments, injunctions, decrees, or demands issued pursuant to, or arising under, any Environmental Laws.

(b) There are no pending or, to the Knowledge of the Company or that of each of the Physician's, threatened (and to the Knowledge of the Company and that of each of the Physicians there is no basis for any): non-compliance Orders, warning letters, notices of violation (collectively "Notices"), claims, suits, actions, judgments, penalties, fines, liabilities, or Actions, involving the Company or the properties or assets of the Company issued by any Governmental Authority or other Person with respect to any Environmental Laws or Environmental Licenses.

(c) The Company has not Handled or Discharged, and, to the Knowledge of the Company and the Physicians, no other Person acting on behalf of the Company has Handled or Discharged, Hazardous Substances to, at or upon: (i) any location other than a site lawfully permitted to receive such Hazardous Substances; (ii) any real property currently or previously owned or leased by the Company (other than in compliance with applicable Environmental Laws); or (iii) any site which, pursuant to any Environmental Laws, (x) has been placed on the National Priorities List or its state equivalent, or (y) the Environmental Protection Agency or the applicable state agency or other Governmental Authority has notified the Company that such Governmental Authority has proposed or is proposing to place on the National Priorities List or its state equivalent.

(d) For purposes of this Section, the following terms shall have the meanings ascribed to them below:

"Discharge" means any manner of spilling, leaking, dumping, discharging, releasing or emitting, as any of these terms may further be defined in any Environmental Laws, into any medium including, ground water, surface water, soil or air.

"Environmental Licenses" means all Permits, and restrictions under or in compliance with applicable Environmental Laws"

"Handle" means any manner of generating, accumulating, storing, treating, disposing of, transporting, transferring, labeling, handling, manufacturing or using, as any of these terms may further be defined in any Environmental Laws, of any Hazardous Substances or Waste.

"Waste" shall be construed broadly to include agricultural wastes, biomedical wastes, biological wastes, bulky wastes, construction and demolition debris, garbage, household wastes, industrial solid wastes, liquid wastes, recyclable materials, sludge, solid wastes, special wastes, used oils, white goods, and yard trash as those are defined under any other applicable Laws.

Section 3.24. Insurance. Section 3.24 of the Disclosure Schedule sets forth a list of all of the Company's insurance policies. The physical properties, assets, business, operations, employees, officers and directors of the Company are insured to the extent disclosed in Section 3.24 of the Disclosure Schedule. Section 3.24 of the Disclosure Schedule sets forth a true and complete description of: (i) all current and open or known claims relating to the Company and its employees and agents under those policies and (ii) all written claims made against the Company with respect to its business or any Health Care Providers employed by or under contract with the Company and each of the Physicians (whether or not they provided services for or were employed or contracted by the Company) during the preceding ten (10) years. Each of these insurance policies is in full force and effect and, to the Knowledge of the Physicians, the Company and any other party to the policy is not in material breach or default (including with respect to the payment of premiums or the giving of notices), and, to the Knowledge of the Physicians, no event has occurred which, with notice or the lapse of time, would constitute a breach or default, or permit termination, modification, or acceleration, under any of these policies. To the Knowledge of Company and the Physicians, there is no threatened termination of any of these policies or arrangements. During the preceding ten (10) years, no Physician nor the Company has settled any Action for an amount in excess of insured limits.

Section 3.25. Health Care Facilities. Each of the Physicians and Health Care Providers maintains in good standing staff memberships or similar affiliations with the health care facilities as set forth on Section 3.25 of the Disclosure Schedule.

Section 3.26. Good Health. Other than as disclosed on Section 3.26 of the Disclosure Schedule, the Physicians and, to the Physicians' Knowledge, all of the Company's Health Care Providers are in good physical and mental health and do not suffer from any illnesses or disabilities which could prevent any of them from fulfilling their responsibilities under the respective Contracts or understandings with the Company or prevent them from fulfilling their responsibilities with the Company as they currently exist. Other than as disclosed on Section 3.26 of the Disclosure Schedule, none of the Physicians, and to the Physicians' Knowledge, none of the Health Care Providers use or abuse drugs or any controlled substances, or have used or abused any controlled substances at any time (other than those medications lawfully prescribed by a medical doctor in a reasonable diagnosis and which do not interfere with that person's capacity to perform his or her obligations to the Company), or are under the influence of alcohol or are affected by the use of alcohol during the time period required to perform their duties and obligations under any Contracts or understandings with the Company.

Section 3.27. Employees; Independent Contractors. Section 3.27 of the Disclosure Schedule sets forth the names and annual salary rates and other incentive, bonus or other compensation, if applicable, for all Health Care Providers and all other present full-time and part-time employees of the Company, and each such Person's hire date, title and duties.

Section 3.28. Anti-Referral and Other Laws Applicable to Health Care Providers.

(a) Neither the Company nor any Person acting with authorization on its behalf, has committed to any action, entered into any Contract or undertaking, or taken or omitted to take any other action of any nature whatsoever that was or is a material violation or prohibited act under any state or federal Health Care Program or Health Care Laws.

(b) All billing practices of the Company and of any agent acting with authorization on behalf of the Company, have been in compliance with all applicable Laws of all state or federal Health Care Programs and all policies and procedures of all third-party payers with which the Company or any of its employees or agents have a Contract. Neither the Company nor any agent or employee has billed or received any payment or reimbursement in excess of amounts allowed by Laws, including the Stark Law.

(c) Neither the Company nor any Person acting with authorization on behalf of the Company has directly or indirectly: (i) offered or paid any remuneration, in cash or in kind, to, or made any financial arrangements with, any past, present or potential patient, supplier, medical staff member, contractor or third-party payer of the Company in order to illegally obtain business or payments from such Person; (ii) given or agreed to give, or is aware that there has been made or that there is any illegal agreement to make, any gift or gratuitous payment of any kind, nature or description (whether in money, property or services) to any past, present or potential patient, supplier, contractor, third-party payer or any other Person; (iii) made or agreed to make, or is aware that there has been made or that there is any agreement to make, any contribution, payment or gift of funds or property to, or for the private use of, any governmental official, employee or agent where either the contribution, payment or gift or the purpose of such contribution, payment or gift is or was illegal under the Laws of any Governmental Authority having jurisdiction over such payment, contribution or gift; (iv) established or maintained any unrecorded fund or asset for any purpose or made any misleading, false or artificial entries on any of its books or records for any reason; or (v) made, or agreed to make, or is aware that there has been made or that there is any agreement to make, any payment to any Person with the intention or understanding that any part of such payment would be used or was given for any purpose other than that described in the documents supporting such payment.

(d) Neither the Company nor any Person acting with authorization on behalf of the Company is a party to any Contract, lease agreement or other arrangement (including any joint venture or consulting agreement) with any physician, health care facility, hospital, nursing facility, home health agency or other Person who is in a position to make or influence referrals to or otherwise generate business to provide services, lease space, lease equipment or engage in any other venture or activity, other than Contracts which are in compliance with all applicable Health Care Laws.

(e) No employee or independent contractor (whether an individual or entity) of the Company or any Physician has been excluded from participating in any State or Federal Health Care Program. None of the officers, directors, agents or managing employees (as such term is defined in 42 U.S.C. §1320a-5(b)) of the Company has been excluded from any State or Federal Health Care Program or been subject to sanction or been convicted of a crime in connection with any State or Federal Health Care Program or under any Health Care Laws.

(f) The Company, including without limitation, Physicians and all Health Care Providers are in compliance with all Health Care Laws.

ARTICLE IV
Representations and Warranties of Purchaser

As a material inducement to the Physicians and the Company to enter into this Agreement and consummate the Contemplated Transaction, Purchaser makes to the Physicians the representations and warranties contained in this Article IV as of the Execution Date and as of the Acquisition Date.

Section 4.01. Authority. Purchaser has full authority, power and capacity to enter into this Agreement and each of the Transaction Documents, and to carry out the Contemplated Transaction. Purchaser has duly executed and delivered this Agreement and at Closing shall have duly executed and delivered each Transaction Document to which he is a party and will constitute, valid and binding obligations of Purchaser enforceable in accordance with their respective terms. The execution, delivery and performance of this Agreement and each of the Transaction Documents to be executed and delivered by Purchaser pursuant to this Agreement have been duly authorized by all necessary action of Purchaser, and no other action on the part of Purchaser is required in connection therewith. This Agreement and each such contract constitutes, or when executed and delivered by Purchaser will constitute, valid and binding obligations of Purchaser enforceable in accordance with their respective terms. The execution, delivery and performance by Purchaser of this Agreement and each such Contract:

(a) does not and will not result in any violation by Purchaser of any Laws, or require Purchaser to obtain any approval, consent or waiver of, or to make any filing with, any Person (Governmental Authority or otherwise) that has not been obtained or made; and

(b) does not and will not result in a breach of, constitute a default under, accelerate any obligation under or give rise to a right of termination of any indenture or loan or credit agreement or any other Contract, mortgage, lien, order, writ, judgment, injunction, decree, determination or arbitration award to which Purchaser is a party or by which the property of Purchaser is bound or affected.

Section 4.02. Investment Banking; Brokerage Fees. Purchaser has not employed any investment banker, broker or finder or incurred or become liable for any investment banker's, broker's or finder's fees, commissions or similar compensation relating to the Contemplated Transaction.

Section 4.03. Information Supplied by Purchaser. Neither this Agreement nor any document referenced in this Agreement, nor any certificate or statement furnished pursuant to the Agreement by or on behalf of Purchaser, when taken together, to the Knowledge of Purchaser, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained therein not misleading.

Section 4.04. Litigation. Except as set forth in Section 4.04 of the Disclosure Schedule, there is no Action pending or, to the Knowledge of Purchaser, threatened: (i) against Purchaser or affecting any of the assets of Purchaser, (ii) against any officer, manager or owner of Purchaser, or (iii) which would reasonably be expected to prevent or hinder the consummation of the Contemplated Transaction. No claim has been asserted against Purchaser for renegotiation or price redetermination of any material business transaction, and to the Knowledge of Purchaser, there are no facts upon which any claim could be based. All the Actions described in Section 4.04 to the Disclosure Schedule are being diligently defended and are adequately covered by insurance or adequate reserves have been set aside. Purchaser is not in default under any order of any court, arbitrator or governmental body; and Purchaser is not subject to or party to any settlement, order of any court or governmental body arising out of any Action under any Laws respecting antitrust, monopoly, restraint of trade, unfair competition or similar matters. There are no outstanding writs, judgments, decrees, settlements, injunctions or similar orders of any Governmental Authority whatsoever by which Purchaser or any of its assets or properties, are bound.

Section 4.05. Anti-Referral and Other Laws Applicable to Health Care Providers.

(a) To Purchaser's knowledge, neither Purchaser nor any Person acting with authorization on its behalf, has committed to any action, entered into any Contract or undertaking, or taken or omitted to take any other action of any nature whatsoever that was or is a material violation or prohibited act under any state or federal Health Care Program or Health Care Laws.

(b) To Purchaser's knowledge, all billing practices of Purchaser and of any agent acting with authorization on behalf of Purchaser, have been in compliance in all material respects with all applicable Laws of all state or federal Health Care Programs and all policies and procedures of all third-party payers with which Purchaser or any of its employees or agents have a Contract. To Purchaser's knowledge, neither Purchaser nor any agent or employee has billed or received any payment or reimbursement in excess of amounts allowed by Laws, including the Stark Law.

(c) To Purchaser's knowledge, neither Purchaser nor any Person acting with authorization on behalf of Purchaser has directly or indirectly: (i) offered or paid any remuneration, in cash or in kind, to, or made any financial arrangements with, any past, present or potential patient, supplier, medical staff member, contractor or third-party payer of Purchaser in order to illegally obtain business or payments from such Person; (ii) given or agreed to give, or is aware that there has been made or that there is any illegal agreement to make, any gift or gratuitous payment of any kind, nature or description (whether in money, property or services) to any past, present or potential patient, supplier, contractor, third-party payer or any other Person; (iii) made or agreed to make, or is aware that there has been made or that there is any agreement to make, any contribution, payment or gift of funds or property to, or for the private use of, any governmental official, employee or agent where either the contribution, payment or gift or the purpose of such contribution, payment or gift is or was illegal under the Laws of any Governmental Authority having jurisdiction over such payment, contribution or gift; (iv) established or maintained any unrecorded fund or asset for any purpose or made any misleading, false or artificial entries on any of its books or records for any reason; or (v) made, or agreed to make, or is aware that there has been made or that there is any agreement to make, any payment to any Person with the intention or understanding that any part of such payment would be used or was given for any purpose other than that described in the documents supporting such payment.

(d) To Purchaser's knowledge, Purchaser is in compliance with all Health Care Laws.

Section 4.06. Tax Matters. Purchaser has filed or caused to be filed all Tax Returns required to be filed by it (taking into account timely filed extensions) and has paid all Taxes required to be paid by it. All of these Tax Returns are true, complete and correct.

Section 4.07. Insurance. Section 4.07 of the Disclosure Schedule sets forth a list of all of Purchaser's insurance policies. Section 4.07 of the Disclosure Schedule sets forth a true and complete description of: (i) all current and open or known claims relating to Purchaser and its employees and agents under those policies and (ii) all written claims made against Purchaser with respect to its business or any employee of Purchaser during the preceding six (6) years. Each of these insurance policies is in full force and effect and, to the Knowledge of Purchaser, and any other party to the policy is not in material breach or default (including with respect to the payment of premiums or the giving of notices), and, to the Knowledge of Purchaser, no event has occurred which, with notice or the lapse of time, would constitute a breach or default, or permit termination, modification, or acceleration, under any of these policies. To the Knowledge of Purchaser, there is no threatened termination of any of these policies or arrangements. During the preceding six (6) years, Purchaser has not settled any Action for an amount in excess of insured limits.

Section 4.08. Organization, Existence and Authority; Corporate Records.

(a) Purchaser is, and as of the Acquisition Date shall be, a New Jersey limited liability company duly formed, validly existing and in good standing under New Jersey Law, duly qualified or registered as a foreign corporation in each jurisdiction in which Purchaser is required to be licensed or qualified to conduct its business or own its property. Purchaser has provided a copy of a certificate of good standing issued by the State of New Jersey and the appropriate authority in every other jurisdiction in which it conducts business, dated no earlier than the date which is thirty (30) days prior to the Acquisition Date.

(b) Purchaser has, and as of the Acquisition Date shall have, all requisite power and authority, and all necessary Permits to conduct its business as presently conducted and to hold under lease the property it purports to own or hold under lease.

(c) Purchaser is not in violation of any term of its Certificate of Formation and Operating Agreement.

Section 4.09. Employee Benefit Programs.

(a) Each of Purchaser's Employee Benefit Plans and all related trusts, insurance contracts and funds have been maintained, funded and administered in material compliance with their terms and in compliance with the applicable provisions of ERISA, the Code, and all other applicable Laws. With respect to each such Employee Benefit Plan, all required material payments, premiums, contributions, distributions, and reimbursements for all periods ending prior to or as of the Acquisition Date have been made or properly accrued.

(b) Purchaser and its ERISA Affiliates and each Employee Benefit Plan which is an Employee Welfare Benefit Plan is in compliance with the notice and continuation of coverage requirements of Section 4980B of the Code, and the regulations there under ("COBRA"); Part 6 of Title I of ERISA; HIPAA with respect to any group health plan within the meaning of Code Section 5000(b)(1); and any applicable state statutes mandating health insurance continuation coverage for small employers.

ARTICLE V

Covenants of the Company and of each Physician

The Company and the Physicians jointly and severally, except as set forth in Section 9.03 hereof, make the covenants and agreements set forth in this Article V and the Physicians agree to cause the Company to comply with these agreements and covenants from the date hereof through the Acquisition Date:

Section 5.01. Consents and Approvals. The Company shall, and each Physician shall and shall cause the Company to use their best efforts to cause all conditions and obligations of the parties under this Agreement to be satisfied and to obtain or cause to be obtained prior to the Acquisition Date all necessary consents and approvals to the performance of the obligations of the Company and each Physician under this Agreement and the consummation of the Contemplated Transaction, including, without limitation, the consents and approvals described in Section 3.02 of the Disclosure Schedule. The Company and each Physician shall cooperate with all reasonable requests of Purchaser and Purchaser's counsel with a view toward obtaining timely satisfaction of the conditions to the Closing and consummating the Contemplated Transaction.

Section 5.02. Prompt Notification of Breach of Representations and Warranties. Promptly upon either the Company or any Physician becoming aware of any breach, or the impending or threatened occurrence of any event which would cause or constitute a breach, or would have caused or constituted a breach had such event occurred or been known prior to the Acquisition Date, of any of the representations and warranties of the Company or any Physician contained in or referred to in this Agreement, the Company or any such Physician shall give detailed written notice thereof to Purchaser and shall use its best efforts to prevent or promptly remedy the same.

Section 5.03. Confidentiality of Information Furnished by Purchaser. All information furnished by Purchaser to the Physicians, to the Company or their representatives, as applicable, in connection with this Agreement and the Contemplated Transaction shall be treated as the sole property of Purchaser or its Affiliates, as applicable, and if the Closing shall not occur, the Company, the Physicians and their representatives shall return to Purchaser or its Affiliates all that written information and all documents, notes, summaries or other materials containing, reflecting or referring to, or derived from, that information. The Company and the Physicians shall, and shall cause their representatives to, keep confidential all such information, and shall not directly or indirectly use such information for any competitive or other commercial purpose. The obligation to keep such information confidential shall continue for a period of two (2) years from the date of this Agreement if the Closing does not take place for any reason, but shall not apply to: (i) any information which was then generally known to the public other than by reason of a breach of this Section; (ii) was disclosed to the Company by a third party not bound by an obligation of confidentiality; or, (iii) is disclosed in accordance with an order of a court of competent jurisdiction or pursuant to applicable Law.

Section 5.04. Non-Competition Agreement.

(a) Subject in all events to the consummation of the Closing (provided that this Section 5.04 shall be in addition to any non-competition restrictions set forth in the PEA or other agreement to which a Physician is a party) and except (1) upon the express written consent of Purchaser or (2) in his or her capacity as an employee of the Company, the Company and each Physician agrees that during the Covenant Period neither the Company nor such Physician will, directly or indirectly, on its, his or her own behalf or as a principal, owner, part-owner, shareholder, partner, investor (other than as a holder solely as an investment of less than 1% of the outstanding stock of a publicly traded corporation), director, officer, trustee, employee, agent, independent contractor or consultant, or in any other capacity of any person, partnership, entity, firm or corporation or otherwise: (i) provide reproductive endocrinology services within the Restricted Area; (ii) own, manage, operate or control a Competing Business, or receive any compensation in any capacity from any Competing Business, which is located in or provides services in the Restricted Area; (iii) induce or solicit the healthcare facilities, hospitals, clinics, managed care companies or networks, ambulatory centers, third party payers, or any parties or facilities who or which are known by the Physician to be contracted with, serviced by or who have or had an agreement with Purchaser or the Company (collectively, the "Foregoing Third Parties") to terminate, curtail or restrict their relationship with Purchaser or provide those Foregoing Third Parties with services previously furnished to them by Purchaser, provided however that this shall not prevent a Physician from contracting with a managed care company or network or third party payer to provide medical services after the termination or expiration a Physician's employment; (iv) solicit the treatment of any Person for whom Purchaser provided services during the twenty four (24) month period prior to such Physician's last day of services on behalf of Purchaser; (v) induce or solicit the employment or services of, or employ or engage the services of, any person employed or contracted by Purchaser, or (vi) solicit any Person who referred patients to the Practice during the twenty four (24) month period prior to such Physician's last day of services on behalf of Purchaser. Immediately upon the termination of a Physician's employment for any reason whatsoever, the Physician will tender his or her resignation and agree to totally remove himself or herself from the medical staff of the Hospital(s) (as defined in the PEA) for the remainder of

the Covenant Period. In the event a Physician fails to immediately resign such privileges, this Agreement shall be deemed a power of attorney from such Physician to the President of Purchaser to take such steps which are necessary to effectuate such resignation.

(b) Each of the Physicians acknowledge and it shall be presumed that: (i) a breach or threatened breach by the Company or any of the Physicians of the provisions of Section 5.04(a) will cause Purchaser irreparable harm; (ii) monetary damages in an action at law may not provide an adequate remedy in the event of a breach or threatened breach; and (iii) the restrictions contained in this Section 5.04 are not contrary to public health, safety or welfare. Accordingly, the Physicians severally agree that, in addition to any other remedies (legal, equitable or otherwise) available to Purchaser, Purchaser shall be entitled to obtain injunctive relief against the breach or threatened breach of the provisions of Section 5.04(a) as well as all other rights and remedies available at law and equity including, without limitation, specific performance, without the necessity of posting a bond. In addition, each of the Physicians covenants and agrees, severally, to indemnify and hold Purchaser harmless from and against all claims, damages, actions, suits whatsoever for a breach of Section 5.04(a) in accordance with Article IX hereof, and for any period(s) of time required to enforce the covenants in this Agreement. The non-prevailing party in such action shall pay the reasonable attorneys' fees, expenses and costs incurred in any action based on enforcing any provisions of Section 5.04(a), at pre-trial, trial and appellate levels. Nothing contained in this Section 5.04(b) shall be construed as prohibiting Purchaser and all other injured parties from pursuing all other remedies available to them for a breach or threatened breach of the provisions of Section 5.04(a).

The Physicians further acknowledge and agree that the covenants contained in this Section 5.04 are reasonable and necessary for the protection of Purchaser's legitimate business interests and professional duties, ethical obligations and interests, and are reasonable in scope and content. In the event of any breach or violation by the Physicians of any of the provisions of Section 5.04(a), the running of the three (3) or five (5) year period, as applicable, (but not the Company's and any of the Physicians' obligations thereunder) shall be tolled during the continuation of any breach or violation. The Physicians further acknowledge and agree that the restrictions against competition set forth in this Section 5.04 are considered by the parties to be reasonable for the purposes of protecting the legitimate business interests of Purchaser, which interests include, without limitation, (i) trade secrets, and other valuable confidential business information that may not qualify as trade secrets to be acquired by Purchaser by virtue of the terms and conditions hereof and the consideration paid in connection with this Agreement; (ii) the substantial business relationships with existing and prospective customers, clients and patients and the customer, client and patient goodwill associated with the ongoing business represented by the Purchased Assets acquired in the Contemplated Transaction and evidenced by the various trademarks, trade names, service marks and trade dress acquired by Purchaser in the Contemplated Transaction; and (iii) an expectation of continuing patronage from the existing customers, clients and patients of the business, in each case as derived in the Restricted Area and in connection with the business conducted. **THE PARTIES FURTHER ACKNOWLEDGE AND AGREE THAT ANY OF PURCHASER OR ITS SUCCESSORS OR ASSIGNS ARE EXPRESSLY AUTHORIZED TO ENFORCE THE PROVISIONS OF THIS SECTION 5.04.**

(c) Each Physician acknowledges that the terms of Section 5.04 are inherently reasonable in all respects, notwithstanding the fact that the terms of Section 5.04 could restrict him or her from earning income in the field in which he or she currently practices, and that each Physician has received hereunder, under the PEAs and otherwise, adequate consideration therefore.

(d) The invalidity or unenforceability of any one or more of the words, phrases, sentences, clauses, or sections contained in Section 5.04 shall not affect the validity or enforceability of the remaining provisions of Section 5.04 or any part of any provision, all of which are inserted

conditionally on their being valid in law, and in the event that any one or more of the words, phrases, sentences, clauses or sections contained in Section 5.04 shall be construed as if that invalid or unenforceable word or words, phrase or phrases, sentence or sentences, clause or clauses, or section or sections had not been inserted or shall be enforced as nearly as possible according to their original terms and intent to eliminate any invalidity or unenforceability. If any invalidity or unenforceability is caused by the length of any period of time or the size of any area set forth in any part of this Section 5.04, the period of time or area, or both, shall be considered to be reduced to a period or area which would cure the invalidity or unenforceability. If any words in Section 5.04 have been stricken out or otherwise eliminated (whether or not those words or phrases have been added) and the stricken words initialed by the party against whom the words are construed, then Section 5.04 shall be construed as if the words so stricken out or otherwise eliminated were never included in Section 5.04 and no implication or inference shall be drawn from the fact that those words were stricken out or otherwise eliminated.

Section 5.05. Company Cessation of Certain Services. As of the Acquisition Date, the Company and the Physicians will cease to provide any medical services through the Company. As of the Acquisition Date, the Company and the Physicians will cease to provide any administrative or management services through the Company except for those which are required in order for the Company to (i) bill, collect and distribute the Purchase Price and the Company's accounts and notes receivable outstanding as of the Acquisition Date; (ii) distribute any other monies required to be distributed in accordance with the any shareholder or similar agreements; and (iii) decisions to be made in connection with (i) and (ii) of this Section 5.05. The Company will continue to collect and retain its accounts receivable outstanding as of the Acquisition Date or as otherwise permitted by the Contemplated Transaction. The Company will then wind-up its business as soon as practicable. To the extent any data is maintained on any computer at Purchaser's premises after the Acquisition Date relating to such accounts receivable, the parties shall mutually agree on procedures for access to such data for purposes of the Company's collecting such accounts receivable.

Section 5.06. Conduct of Business. Between the Execution Date of this Agreement and the Acquisition Date, the Company shall, and Physicians shall cause the Company to:

- (a) conduct its business only in the ordinary course of business consistent with past practices;
- (b) refrain from making any purchase, sale or disposition of any asset other than in the ordinary course of business, and mortgaging, pledging, subjecting to a Lien or otherwise encumbering any of its properties or assets;
- (c) refrain from incurring any contingent liability as a guarantor or otherwise with respect to the obligations of others, and from incurring any other contingent or fixed obligations or liabilities except in the ordinary course of business consistent with past practices;
- (d) refrain from making any change or incurring any obligation to make a change in its Articles of Incorporation, except as contemplated by this Agreement;
- (e) refrain from making any change in the compensation payable or to become payable to any of its officers, employees, agents or independent contractors other than of a Physician;
- (f) use diligent efforts to keep intact its business organization, to keep available its present officers, directors, employees and contractors and to preserve the goodwill of all suppliers, patients, customers, independent contractors and others having business relations with the Company;

- (g) maintain in effect all the Company's insurance policies;
- (h) furnish Purchaser with unaudited monthly balance sheets and statements of income and retained earnings and cash flows of the Company within ten (10) days after each month end for each month ending after the Execution Date through the Acquisition Date; and
- (i) satisfy all accrued obligations of the Company, including all professional liability insurance tail obligations.

Section 5.07 No Solicitation of Other Offers. From the Execution Date through the Acquisition Date, each Physician agrees that he or she will not, and will not cause the Company to, directly or indirectly (a) offer to sell the assets of the Company, in whole or in part, or offer to sell any securities of the Company, in whole or in part, or offer to enter into any transaction similar to any other aspect of the Contemplated Transaction, (b) agree to sell the assets of the Company, in whole or in part, or agree to sell any securities of the Company, in whole or in part, to, or agree to enter into any transaction similar to any other aspect of the Contemplated Transaction with, any corporation, limited liability company, partnership, person, entity or group other than Purchaser, (c) make or assist anyone else in making any proposal to purchase the assets of the Company, purchase any securities of the Company or to enter into any transaction similar to any other aspect of the Transaction, (d) encourage, solicit or initiate discussions or negotiations with or provide any information to, any corporation, limited liability company, partnership, person, entity or group other than Purchaser concerning any merger, consolidation, sale of assets, sale of securities or acquisition of beneficial ownership of any securities of the Company or any transaction similar to any other aspect of the Contemplated Transaction, or (e) otherwise take any action which would prejudice the ability of Purchaser to complete the Transaction. In the event the Company or any Physician is contacted by any Person relating to the sale of the assets of the Company, in whole or in part, the sale of any securities of the Company, in whole or in part, or any transaction similar to any other aspect of the Contemplated Transaction, the Company and each Physician shall immediately provide written notice to Purchaser of the foregoing, identifying, with specificity, the nature of such contact.

Section 5.08 No Disclosure. Without the prior written consent of Purchaser, neither the Company nor the Physicians shall disclose the existence or any term or condition of this Agreement or any other Transaction Document to any Person except that disclosure may be made to: (a) the Company's and the Physicians' attorneys or accountants and any lender or other Person in a commercial business relationship with the Company or the Physicians to whom disclosure is necessary in order to satisfy any of the conditions to the consummation of the Contemplated Transaction; and (b) the extent the party making the disclosure believes in good faith that the disclosure is required by Law.

Section 5.09 Malpractice Insurance. Prior to Closing, the risk of loss shall be borne solely and entirely by the Company and the Physicians, and Seller shall maintain any applicable insurance policies with respect to the Purchased Assets. Such insurance policies shall include, without limitation, professional liability insurance with coverage limits of \$1,000,000.00 per occurrence and \$3,000,000.00 in the annual aggregate. If such insurance is maintained under a "claims made" form of insurance, the Company shall obtain, prior to or at the Closing, and maintain thereafter, such extended reporting period endorsement (i.e., "tail" coverage) that provides coverage within the same limits noted above for any medical incident that is deemed to have occurred during or prior to the Closing. In the event such "tail" coverage can be obtained at more favorable rates through Purchaser's carrier, then at the Company's election, such tail can be procured in such fashion (at the cost of the Company and each Physician).

Section 5.10 Due Diligence: Mutual Non-Solicitation.

(a) The Company will provide Purchaser and its accountants, counsel and other representatives with reasonable access during normal business hours to all of its business operations, properties, books, files and records, exclusive of such materials which shall be identified as Second Stage Materials, and will do everything reasonably necessary to enable Purchaser to make a complete examination of the business, finances, assets, liabilities, properties, commitments and affairs of the Company and its facilities and the conditions thereof. For purposes of this Agreement "Second Stage Materials" shall mean: (i) all compilations of personally identifiable patient information in whatever form same exists or may be compiled including but not limited to patient charts, patient files and records of patient specimens, and (ii) contracts or other agreements with health insurance companies and other third party payors addressing, among other things, reimbursement rates for encounters and procedures.

(b) Second Stage Materials shall be provided upon representation of the parties to each other that, other than satisfactory review of Second Stage Materials by Purchaser, both Purchaser and the Company are otherwise ready to close upon the Contemplated Transaction, and the delivery by Purchaser to counsel for Purchaser the sum of \$500,000 (the "Second Stage Escrow") which shall be held in escrow by counsel. In the event that Purchaser fails to close the transaction following the delivery of Second Stage Materials, unless due to a failure by the Company or the Physicians, the Second Stage Escrow shall be held by counsel to Purchaser (in an interest bearing account) as security for the obligations of Purchaser set forth in Subsection (c) below; provided however, if the closing does not occur due to a failure by the Company or the Physicians, the Second Stage Escrow, and interest thereon, shall be released to Purchaser. Upon expiration of the period identified in subsection (c) below, Purchaser shall be entitled to return of the Second Stage Escrow, and all interest thereon, or such portion which remains after satisfaction of claims by the Company for a breach of the obligations set forth subsection (c). In the event that the Contemplated Transaction closes, the Second Stage Escrow will be credited to the Purchase Price and delivered to the Company at Closing.

(c) From the Execution Date and in the event the Closing is not consummated, through the date which is one (1) year anniversary after the Execution Date, neither party will engage in the following conduct (except in connection with the Contemplated Transactions):

(i) neither party, nor any of its representatives, will, and the party and such representatives (to the extent such representatives are acting on behalf of a party) will not, directly or indirectly, solicit or provide medical services to any patient of the other party hereto the identity of which such party learned in the process of evaluating the information provided hereunder;

(ii) neither party, nor any of its representatives will, and the party and such representatives (to the extent such representatives are acting on behalf of a party) will not, directly or indirectly, employ, solicit to employ or cause to be solicited for employment, any of the officers or employees of the other party hereto which were engaged at any time during the 24 month period ending on the Termination Date;

(iii) induce the healthcare facilities, hospitals, clinics, managed care companies or networks, ambulatory centers, third party payers, or any parties or facilities who or which are known by a party hereto to be contracted with, serviced by or who have or had an agreement with the other party to terminate, curtail or restrict their relationship with such other party.

Notwithstanding the foregoing, any general advertisement not specifically referred, targeted or directed to an employee or patient of a party which is answered or responded to by a person described above shall not be considered to be a violation of this provision by a party hereto. In the event of a breach of the obligations of Purchaser hereunder, the Company may make a claim upon the Second Stage Escrow,

which is subject to dispute by Purchaser in a manner consistent with the provisions of Section 9.08(d) hereof.

Section 5.11. Physicians Representative. Each Physician hereby appoints Michael Darder, M.D. (the "Physician Representative") as his or her exclusive agent, attorney-in-fact, and representative for all purposes and matters relating to this Agreement and any other matters arising among the parties, including settling any indemnification Claims made pursuant to Article IX. The Physician Representative is authorized, on behalf of all of the Physicians, to (a) enter into any and all discussions, negotiations and communications with Purchaser as he may deem advisable; (b) approve, agree, or otherwise authorize any actions to be taken by or on behalf of the Physicians as he may deem advisable; (c) make, execute and deliver any and all agreements, certificates or instruments necessary or desired by the Physician Representative; and (d) generally do any other act necessary or deemed advisable in connection with this Agreement. The Physician Representative may resign at any time provided the Physicians have designated a replacement Physician Representative with Purchaser's written consent, which consent shall not be unreasonably withheld or delayed. Notices or communications to or from the Physician Representative shall constitute notice to or from each of the Physicians. A decision, act, consent or instruction of the Physician Representative shall constitute a decision of all of the Physicians and shall be final, binding and conclusive upon each Physician, and Purchaser may rely upon any decision, act, consent or instruction of the Physician Representative as the decision, act, consent or instruction of each and every Physician and shall not be liable for any action taken or not taken in reliance on a communication or other instruction from the Physician Representative.

Section 5.12. Patient Notice. Prior to Closing, a notice shall be mailed to all Company patients where were treated during the four (4) year period prior to the Closing in form and substance acceptable to the Company and Purchaser. The cost of such notice shall be borne by the Company.

ARTICLE VI Covenants of Purchaser

Purchaser makes the covenants and agreements set forth in this Article VI.

Section 6.01. Consents and Approvals. Purchaser shall use its best efforts to obtain prior to the Closing all necessary consents and approvals to the performance of its obligations under this Agreement and the Contemplated Transaction and will cooperate in all respects with the Company and the Physicians with a view toward obtaining timely satisfaction of conditions to the Closing and consummating the Contemplated Transaction.

Section 6.02. Confidentiality of Information Furnished by the Company or the Physicians. All information furnished by the Company or the Physicians, as applicable, to Purchaser in connection with this Agreement and the Contemplated Transaction shall be treated as the sole property of the Company and the Physicians, as applicable, and if the Closing shall not occur, Purchaser shall return to the Company all that written information and all documents, notes, summaries or other materials containing, reflecting or referring to, or derived from, that information. Should the Closing not occur, Purchaser shall keep confidential all such information, and shall not directly or indirectly use such information for any competitive or other commercial purpose. The obligation to keep such information confidential shall continue for a period of two (2) years from the date of this Agreement if the Closing does not take place for any reason but shall not apply to: (i) any information which was then generally known to the public other than by reason of a breach of this Section; (ii) was disclosed to Purchaser by a third party not bound by an obligation of confidentiality; or, (iii) is disclosed in accordance with an order of a court of competent jurisdiction or pursuant to applicable Law.

Section 6.03. Breach of Representations and Warranties. Promptly upon Purchaser becoming aware of any breach, or the impending or threatened occurrence of any event which would cause or constitute a breach, or would have caused or constituted a breach had such event occurred or been known prior to the Execution Date, of any of the representations and warranties of Purchaser contained in or referred to in this Agreement, Purchaser shall give detailed written notice thereof to the Physician and shall use their best efforts to prevent or promptly remedy the same.

Section 6.04. No Disclosure. Without the prior written consent of the Company, and except as permitted by this Agreement, Purchaser shall not disclose the existence or any term or condition of this Agreement or any other Transaction Document to any Person except that disclosure may be made to: (a) Purchaser's attorneys or accountants and any lender or other Person in a commercial business relationship with Purchaser to whom disclosure is necessary in order to satisfy any of the conditions to the consummation of the Contemplated Transactions; and (b) the extent Purchaser believes in good faith that the disclosure is required by Law.

Section 6.05 Employees.

(a) Each Physician and Leo Doherty, M.D. and Eden Rauch, M.D. (each an "IVFNJ Associate" and together with the Physicians, the "IVFNJ Physicians") shall be offered employment by Purchaser. It is acknowledged that each Physician works, on average, four (4) days a week, Dr. Doherty works, on average, five (5) days a week, and Dr. Rauch works, on average, three (3) days a week. Each Physician shall receive annual minimum compensation of no less than \$200,000, Dr. Doherty shall receive annual minimum compensation of no less than \$250,000, and Dr. Rauch shall receive annual minimum compensation of no less than \$150,000, plus, in each case, a guaranteed annual bonus of \$50,000 during the initial two years of employment together with such additional compensation as determined under the same methodology that non-owner Purchaser physicians are compensated. Annual minimum compensation (but not the guaranteed bonus) shall be reduced or increased proportionately based upon the average work week of a physician. In addition, each Physician and IVFNJ Associate shall be entitled to the same benefits as non-owner Purchaser physicians. It is expected that each Physician and IVFNJ Associate shall work at the level performed immediately prior to the Closing. Specifically, each IVFNJ Physician shall be entitled to one (1) week for continuing medical education, and Michael Darder, M.D. and Susan Treiser, M.D. shall be entitled to seven (7) weeks of vacation, Melissa Yih, M.D. entitled to six (6) weeks vacation, Marcus Jurema, M.D. (as of January 1, 2015) shall be entitled to five (5) weeks of vacation, Leo Doherty, M.D. shall be entitled to paid vacation pursuant to policies for a full time physician; and Eden Rauch, M.D. shall be entitled to 3/5 paid vacation pursuant to policies for a full time physician. The foregoing employment relationships shall be governed by the PEAs.

(b) Purchaser may offer employment to other Company employees in its sole discretion. Employment terms will be at the discretion of Purchaser (although Purchaser's goal is to attain equivalence with other Purchaser employees in equivalent positions).

(c) Purchaser will provide insurance and benefits immediately upon Closing (so that no employee will have a gap in coverage).

ARTICLE VII
Conditions

Section 7.01. Conditions to the Obligations of Purchaser. The obligation of Purchaser to consummate the Contemplated Transaction are subject to the fulfillment or waiver (in writing) by Purchaser, prior to or at the Closing, of the following conditions:

(a) Representations; Warranties; Covenants. Each of the representations and warranties of the Company and the Physicians made pursuant to this Agreement shall be true and correct in all respects on and as of the Execution Date and the Acquisition Date (unless the representations and warranties address matters as of a particular date, in which case such representations and warranties shall remain true and correct as of such date); the Company and each Physician shall, on or before the Acquisition Date, have performed and satisfied in all respects all of their respective pre-Closing covenants and agreements set forth herein; and the Company and each Physician, as applicable, shall have delivered to Purchaser a certificate certifying to the foregoing.

(b) No Actions. No Action shall have been instituted or threatened which seeks to enjoin, restrain or prohibit, or might result in damages with respect to, this Agreement or the consummation of the Contemplated Transaction. No Law shall be in effect and no order of any Governmental Authority shall have been entered in any Action which enjoins, restrains or prohibits this Agreement or the consummation of the Contemplated Transaction.

(c) Approvals and Consents. The Company shall have made all filings with and notifications to Governmental Authorities and other Persons set forth on Section 3.02 of the Disclosure Schedule in connection with the execution and delivery of this Agreement and the consummation of the Contemplated Transaction. The Company shall have received all required consents, approvals, waivers and Permits to permit the consummation of the Contemplated Transaction, in form and substance reasonably satisfactory to Purchaser, from all third parties, including applicable Governmental Authorities, so that the Purchased Assets shall be conveyed free of all Liens.

(d) Deliveries. Each Physician and the Company, as applicable, shall have delivered or entered into, or caused to have been delivered or entered into, the other Transaction Documents to which they are a party, and the instruments contemplated by this Agreement and Section 2.06, all in form and substance reasonably satisfactory to Purchaser.

(e) Material Adverse Changes. There shall not have been a Material Adverse Effect with respect to the Company from the Execution Date to the Acquisition Date.

(f) Due Diligence. Purchaser shall be satisfied with the results of its due diligence review of the Company.

(g) Financing. Purchaser shall have obtained third party financing upon terms and conditions which are acceptable to it.

(h) Administrative Tasks. All administrative tasks have been completed, such as credentialing, IT connectivity, and human resources.

(i) Leases. Purchaser understands that the Company has offices in the following locations: Somerset, Hamilton, Freehold, Short Hills, Flemington and New York City. Purchaser shall assume any and all liability which the Company or the Physicians have under the lease for the Somerset location and the Company and the Physicians shall be released from all liability thereunder subject to the consent of the landlord thereto; provided however, it is acknowledged that Purchaser may request modifications thereto and thus the Closing is contingent upon the landlord's consent thereto. As to the other locations, Purchaser may elect to assume or reject any lease for any such office. In the event an office is owned by the Company or one or more the Physicians (or their Affiliates) which Purchaser elects to lease after Closing, then a new lease (each a "New Lease") shall be negotiated with an agreed upon fair market rent, and such lease shall provide Purchaser (or its designee) with a right of first refusal on the sale of the real estate. The third-party approval, if applicable, of the assignment of any of the foregoing leases

to the Purchaser, as well as the negotiation of any modifications related thereto as requested by the Purchaser, are Closing contingencies.

(j) Disclosure Schedules. The Company and the Physicians shall have completed their Disclosure Schedules and the Purchaser shall be satisfied with the results thereof in its sole discretion.

Section 7.02 Conditions to the Obligations of the Company and the Physicians. The obligations of the Company and the Physicians to consummate the Contemplated Transaction are subject to the fulfillment or waiver (in writing) by the Company and the Physicians, prior to or at the Closing, of the following conditions:

(a) Representations; Warranties; Covenants. Each of the representations and warranties of Purchaser made pursuant to this Agreement shall be true and correct in all respects on and as of the Execution Date and the Acquisition Date (unless the representations and warranties address matters as of a particular date, in which case such representations and warranties shall remain true and correct as of such date); Purchaser shall, on or before the Acquisition Date, have performed and satisfied in all respects all of its pre-Closing covenants and agreements set forth herein; and Purchaser shall have delivered to the Company a certificate certifying to the foregoing.

(b) No Actions. No Action shall have been instituted or threatened which seeks to enjoin, restrain or prohibit, or might result in damages with respect to, this Agreement or the consummation of the Contemplated Transaction. No Law shall be in effect and no order of any Governmental Authority shall have been entered in any Action which enjoins, restrains or prohibits this Agreement or the consummation of the Contemplated Transaction.

(c) Approvals and Consents. Purchaser shall have made all filings with and notifications to Governmental Authorities and other Persons in connection with the execution and delivery of this Agreement and the consummation of the Contemplated Transaction.

(d) Deliveries. Purchaser shall have delivered or entered into the other Transaction Documents to which it is a party, and the instruments contemplated by this Agreement all in form and substance reasonably satisfactory to the Company.

(e) Material Adverse Changes. There shall not have been a Material Adverse Effect with respect to Purchaser.

(f) Disclosure Schedules. The Purchaser shall have completed its Disclosure Schedules and the Company and the Physicians shall be satisfied with the results thereof in their sole discretion.

ARTICLE VIII Termination Of Agreement

Section 8.01 Termination. This Agreement may be terminated any time prior to the Closing as follows:

(a) with the mutual consent of the Company and Purchaser;

(b) by Purchaser if any of the conditions set forth in Section 7.01 of this Agreement have not been satisfied at or prior to the Closing, pursuant to written notice by Purchaser to the Company setting forth the conditions which have not been satisfied;

(c) by the Company if any of the conditions set forth in Section 7.02 of this Agreement have not been satisfied at or prior to the Closing, pursuant to written notice by the Company to Purchaser setting forth the conditions which have not been satisfied; and,

(d) by either the Company or Purchaser if the Closing shall not have occurred on or before March 1, 2015.

The date on which this Agreement is terminated shall be referred to as the Termination Date.

Section 8.02. Effect of Termination. All obligations of the parties to this Agreement shall cease upon any termination pursuant to Section 8.01. However, (a) the provisions of Section 5.04, Section 5.08, Section 5.10, Section 6.02, Section 6.04, Article IX and Article X shall survive any termination of this Agreement; and (b) any party may proceed as further set forth in Section 8.03 below. Notwithstanding the foregoing, no party shall be released of a breach of this Agreement by such party.

Section 8.03. Right to Proceed. Notwithstanding anything in this Agreement to the contrary, upon the termination of this Agreement, the parties shall have the right to pursue any remedies available at Law and in equity without waiving any of rights under this Agreement.

ARTICLE IX Survival; Indemnification

Section 9.01 Survival of Representations, Warranties, Etc. All representations, warranties, agreements, covenants and obligations in this Agreement, the Transaction Documents or in the Disclosure Schedule or in any certificate, exhibit, schedule or agreement delivered by any party incident to the Contemplated Transaction are material and may be relied upon by the party receiving the same and shall survive the Closing for the twenty-four (24) month period from the Acquisition Date, provided however, the representations and warranties set forth in Section 3.01 (Authority), Section 3.03 (Organization, Existence and Authority), Section 3.04 (Ownership of the Company), Section 3.22 (Employee Benefit Programs) and Section 3.23 (Environmental Matters) (collectively, the "Fundamental Representations") shall survive Closing for the applicable statutes of limitation periods as provided by Law, and the representations and warranties set forth in Section 3.28 (Anti-Referral and Other Laws Applicable to Health Care Providers) and Medical Services Claims (collectively, the "Patient-Related Representations") shall survive Closing for the applicable statutes of limitation periods as provided by Law, in each case regardless of any investigation by or knowledge of that party and shall not merge into the performance of any obligation by any party to this Agreement, all as subject to the provisions of this Article IX. The applicable survival period is referred to as the "Survival Period".

Section 9.02 Indemnification by Physicians. Except as provided below, each of the Physicians on behalf of him or herself and his or her successors, executors, administrators, estates, heirs and permitted assigns, agrees subsequent to the Acquisition Date, to jointly and severally, except as otherwise provided herein, indemnify and hold harmless Purchaser, and its Affiliates, directors, officers, employees, owners, agents, attorneys, representatives, successors, and assigns (each, a "Purchaser Indemnified Party" and collectively, the "Purchaser Indemnified Parties") from and against and in respect of all Losses arising out of, based upon or in connection with

(a) fraud, intentional misrepresentation or a deliberate or willful breach by the Company or any Physician of any of their representations, warranties or covenants under this Agreement, the Transaction Documents or in any certificate, schedule or exhibit or otherwise in connection with the Contemplated Transaction which was committed or otherwise existed at or prior to the Acquisition Date;

(b) conditions, circumstances or occurrences which existed at or prior to the Acquisition Date which constitute or result in any other breach of any representation or warranty made by the Company or any Physician in this Agreement, the Transaction Documents or in any schedule, exhibit, certificate, financial statement or Contract delivered under or in connection with this Agreement, or by reason of any Action asserted or instituted arising out of any matter or thing covered by any such representations or warranties;

(c) any breach of the covenants set forth in Article V hereof; or

(d) (i) any and all claims for injury (including death), claims for damage, direct or consequential, or liability claims resulting from or connected with products sold or services provided by the Company or Health Care Providers prior to the Acquisition Date, including without limitation, any malpractice claims for services performed prior to the Acquisition Date and procedures and treatments performed prior to the Acquisition Date (collectively, "Medical Services Claims"); (ii) other personal injury or property damage claims relating to events occurring on or prior to the Acquisition Date; (iii) amounts due in connection with any Employee Program maintained or contributed to by the Company on or prior to the Acquisition Date; (iv) amounts paid or payable relating to environmental matters including Losses resulting from or in connection with the use, storage, or discharge into or presence in the ground, water or atmosphere of any Hazardous Substances or any violation of an Environmental Law which occurred on or prior to the Acquisition Date; (v) Losses relating to the failure of the Company to comply with applicable Laws on or prior to the Acquisition Date; and (vi) Losses with respect to Taxes of the Company (including its respective predecessors) which were due on or prior to, or related to periods ending prior to the Acquisition Date.

Claims under clauses (a) through (d) of this Section 9.02 are collectively referred to as "Purchaser Indemnifiable Claims," and Losses arising out of, based upon or in connection with Purchaser Indemnifiable Claims are collectively referred to as "Purchaser Indemnifiable Losses." The indemnification provision of this Section 9.02 shall be the sole remedy available to a Purchaser Indemnified Party under this Agreement for a breach of any of the representations and warranties contained in this Agreement. Notwithstanding anything herein which may be to the contrary, the obligations of each Physician to indemnify a Purchaser Indemnified Party on account of a Purchaser Indemnifiable Loss pursuant to Section 9.02(c) which is attributable to an action (or failure to act) of one or more of the Physicians, but not all of them, shall be limited to several liability as to those responsible Physicians where there are two or more, or sole liability where the Purchaser Indemnifiable Loss is attributable to the action (or failure to act) of only one Physician, and then to that Physician alone.

The rights of Purchaser Indemnified Parties to recover indemnification in respect of any occurrence referred to in clauses (a), (c) and (d) of this Section 9.02 shall not be limited by the fact that such occurrence may not constitute an inaccuracy in or breach of any representation or warranty referred to in clause (b) of this Section 9.02.

During the Escrow Period, the Purchaser Indemnified Parties may seek payment for any portion of Purchaser Indemnified Claims which remain after application of available insurance benefits for which it is entitled to indemnification under this Agreement by making a claim upon the Escrow Account in the manner contemplated in this Agreement. Once funds in the Escrow Account are depleted or otherwise reserved for any actual or potential payments, claims or disputes, the Purchaser Indemnified Parties shall

be entitled to indemnification directly from the Physicians as the result of securing a final, non-appealable judgment which gives rise to an obligation to satisfy such claim in accordance with the provisions of this Article IX.

Section 9.03. Limitations on Indemnification by the Physicians. The right of all Purchaser Indemnified Parties to indemnification under Section 9.02 shall be subject to the following provisions:

(a) Time Limits for Claims. Indemnification with respect to Purchaser Indemnified Losses in respect of any Purchase Indemnified Claim shall expire at the conclusion of the applicable Survival Period as set forth in Section 9.01 (after giving effect to any extensions or waivers) for the indemnified matter; provided, however, that in each case if prior to the applicable date of expiration a Purchaser Indemnified Party shall have provided notice of a Purchaser Indemnifiable Claim to the Physicians Representative before the conclusion of the applicable Survival Period, the obligation of the Company or the Physicians remain in effect until that matter shall have been finally determined and disposed of (or by the passage of time which, by application of the applicable statute of limitations bars the filing of any claim for such Company Indemnifiable Loss), and any indemnification due in respect thereof shall have been paid according to the date on which notice of the applicable claim is given.

(b) Threshold. Neither the Company nor the Physicians shall be obligated to indemnify the Purchaser Indemnified Parties with respect to any occurrence referred to in Section 9.02(b) and (d) (except for d(i) which shall not be subject to the Threshold) (collectively, the "Threshold Claims") except to the extent the cumulative amount of the Threshold Claims exceeds \$100,000.00 (the "Physician Indemnity Threshold"). Once the Physician Indemnity Threshold is met, the Physicians shall be obligated to indemnify the Purchaser Indemnified Parties for the aggregate amount of such Losses, instead of the amount in excess of the Physician Indemnity Threshold. Notwithstanding the terms of this Section 9.03(b), no threshold shall apply for claims related to any matters arising under Sections 9.02(a), (c) or (d)(i), for which, in each case, the full amount of those Losses shall be recoverable in accordance with the terms of this Agreement.

(c) Application of Escrow. Before one or more of the Physicians shall be obligated to contribute to the payment of Purchaser Indemnified Loss to a Purchaser Indemnified Party once the Physician Indemnity Threshold has been exceeded, the Escrow Amount shall first have been consumed by the payment of amounts in satisfaction of Purchaser Indemnified Losses in the manner provided in Section 9.08.

(d) Aggregate Limitation of Losses. Notwithstanding anything in this Agreement, which may be to the contrary, in no event shall the Company or the Physicians be obligated to pay a Purchaser Indemnified Loss to the extent the aggregate total of all such Purchaser Indemnified Losses under this Agreement are more than the cap (the "Cap"), which is as follows: (i) a cap equal to the Purchase Price relating to the Fundamental Representations; (ii) a cap equal to fifty percent (50%) of the Purchase Price relating to the Patient-Related Representations; and (iii) a cap equal to thirty percent (30%) of the Purchase Price relating to all other Purchaser Indemnifiable Losses. In no event, however, shall the sum of the liabilities of the Physicians or the Company under clauses (i), (ii) and (iii) above exceed the Purchase Price.

Section 9.04. Indemnification by Purchaser. Purchaser shall indemnify and hold harmless the Physicians, their representatives, heirs, successors and assigns (the "Physician Indemnified Parties") from and against and in respect of all Losses sustained, suffered or incurred by or made against any Physician Indemnified Party arising out of, based upon or in connection with:

(a) fraud, intentional misrepresentation or a deliberate or willful breach by Purchaser of any of its representations, warranties or covenants under this Agreement, the Transaction Documents or in any certificate, schedule or exhibit delivered pursuant to this Agreement or otherwise in connection with the Contemplated Transaction;

(b) conditions, circumstances or occurrences which constitute or result in any breach of any representation or warranty made by Purchaser in this Agreement or in any schedule, exhibit, certificate, agreement or other instrument delivered under or in connection with this Agreement, or by reason of any Action asserted or instituted arising out of any matter or thing covered by any such representations or warranties; or

(c) any breach of the covenants set forth in Article VI hereof.

Claims under clauses (a) through (c) are collectively referred to as "Physician Indemnifiable Claims," and Losses arising out of, based upon or in connection with Physician Indemnifiable Claims are collectively referred to as "Physician Indemnifiable Losses." The indemnification provisions of this Section 9.04 shall be the sole remedy available to a Physician Indemnified Party under this Agreement for a breach of any of the representations and warranties contained in this Agreement.

Section 9.05. Limitations on Indemnification by Purchaser. The right of all Physician Indemnified Parties to indemnification under Section 9.04 shall be subject to the following provisions:

(a) Threshold. Purchaser not shall be obligated to indemnify Physician Indemnified Parties affected by any occurrence referred to in Section 9.04(b) except to the extent the cumulative amount of Physician Indemnifiable Losses under Section 9.04(b) exceeds \$100,000.00 (the "Buyer Indemnity Threshold"). Once the Buyer Indemnity Threshold is met, Purchaser shall be obligated to indemnify the Physician Indemnified Parties for the aggregate amount of such Losses, instead of the amount in excess of the Buyer Indemnity Threshold.

(b) Time Limits for Claims. Indemnification with respect to Physician Indemnifiable Losses in respect of any occurrence referred to in Section 9.04(b) shall expire on the second (2nd) anniversary of the Acquisition Date and indemnification with respect to Physician Indemnifiable Losses in respect of any occurrence referred to in Sections 9.04(a) and (c) shall expire at the end of the applicable statute of limitations (after giving effect to any extensions or waivers) for the indemnified matter; provided, however, that in each case if prior to the applicable date of expiration a specific state of facts shall have become known which may constitute or give rise to any Physician Indemnifiable Loss as to which indemnity may be payable and a Physician Indemnified Party shall have given notice of those facts to Purchaser, then the right to indemnification with respect thereto shall remain in effect until that matter shall have been finally determined and disposed of, and any indemnification due in respect thereof shall have been paid according to the date on which notice of the applicable claim is given.

(c) Aggregate Limitation of Losses Notwithstanding anything in this Agreement, with respect only to claims arising under Section 9.04(b), in no event shall Purchaser be obligated to pay the Physician Indemnified Parties more than thirty percent (30%) of the Purchase Price for any Losses under this Agreement and the Transaction Documents.

Section 9.06. Indemnification Procedure: Notice: Defense of Claims. Promptly after receipt by a party of notice of any claim, liability or expense to which the indemnification obligations in this Agreement would apply, and notwithstanding anything in this Agreement which may be to the contrary, before any payment is made from or claim tendered upon the Escrow Agent, the Company or the

Physicians, the party receiving such notice (the "Indemnified Party") shall give notice thereof in writing to the party from whom indemnification is sought (the "Indemnifying Party") but the omission to so notify the Indemnifying Party promptly shall not relieve the Indemnifying Party from any liability except to the extent that the Indemnifying Party shall have been prejudiced as a result of the failure or delay in giving that notice. The notice shall state the information then available regarding the amount and nature of the claim, liability or expense and shall specify the provision or provisions of this Agreement under which the liability or obligation is asserted. Such notice shall be accompanied by all written communication which the indemnified party has received in regard to the claim.

(a) The Indemnifying Party shall have twenty (20) days after the receipt of the notice to either acknowledge its obligation to provide indemnification or dispute its obligation to provide indemnification. If the Indemnifying Party elects to dispute and defend against the claim, it shall promptly at its own cost and expense, select and engage counsel to represent the parties hereto (subject to the consent of the Indemnified Party which consent shall not be unreasonably withheld). During the pendency of the defense of the claim, neither the Indemnifying Party nor the Escrow Agent shall be required to make any payment with respect to the claim, liability or expense as long as the indemnifying party is conducting a good faith and diligent defense at its own expense; provided, however, that the assumption of defense of any such matters by the Indemnifying Party shall relate solely to the claim, liability or expense that is subject or potentially subject to indemnification. If such claim, liability or expense is one that by its nature cannot be defended solely by the Indemnifying Party, then the Indemnified Party shall make available all information and assistance that the Indemnifying Party may reasonably request and shall cooperate with the Indemnifying Party in such defense.

(b) If the Indemnifying Party fails to respond to the notice for indemnification, or having elected to dispute and defends against the claim but later ceases to pursue the defense in a diligent and good faith manner, the Indemnified Party may, upon notice to the Indemnifying Party, at the expense of the Indemnifying Party, undertake the defense of such claim (with counsel selected by the Indemnified Party), and shall have the right to compromise or settle (exercising reasonable business judgment), such claim, liability or expense.

(c) In all cases where the Indemnifying Party is diligently pursuing the defense of a claim, it shall have the right, with the consent of the Indemnified Party, which consent shall not be unreasonably withheld, to settle all indemnifiable matters related to claims by third parties which are susceptible to being settled provided its obligation to indemnify the Indemnified Party therefor will be fully satisfied. The Indemnifying Party shall keep the Indemnified Party apprised of the status of the claim, liability or expense and any resulting suit, proceeding or enforcement action, shall furnish the Indemnified Party with all documents and information that the Indemnified Party shall reasonably request and shall advise the Indemnified Party prior to acting on major matters, including settlement discussions. Notwithstanding anything in this Agreement, the Indemnified Party shall at all times have the right to fully participate in that defense at its own expense directly or through counsel; provided, however, if the named parties to the action or proceeding include both the Indemnifying Party and the Indemnified Party and representation of both parties by the same counsel would be inappropriate under applicable standards of professional conduct, the expense of separate counsel for the Indemnified Party shall be paid by the Indemnifying Party.

(d) The amount of any such liability or claim which was the subject of a notice for indemnification shall be paid by the Indemnifying Party or the Escrow Agent (as may be appropriate), if (i) the Indemnifying Party elects not to dispute the liability upon which notice for indemnification was tendered, (ii) following the entry of a final, non-appealable judgment in the Action in which the claim was adjudicated, or (iii) the dispute involving the claim is resolved by settlement. Other than its obligation to

pay counsel fees to conduct the defense of a claim, no amount shall be paid by the Indemnifying Party or Escrow Agent during the pendency of the defense of a claim subject to indemnification.

Section 9.07. Treatment of Indemnification Payments. Unless otherwise required by applicable Law, all indemnification payments made under this Agreement shall be treated as an adjustment to the Purchase Price for Tax purposes, and no party shall take any position inconsistent with such characterization.

Section 9.08. Escrow.

(a) In accordance with Section 2.1(b) of this Agreement, at Closing Purchaser shall deposit the Closing Escrow Amount and the Clawback Escrow with the Escrow Agent. The Closing Escrow Amount and the Clawback Escrow Amount (together with all interest accrued thereon) shall be held and distributed by the Escrow Agent in accordance with this Section 9.08. The Closing Escrow Amount shall be held for any and all claims under this Agreement. The Clawback Escrow Amount shall be held and distributed by the Escrow Agent in accordance with a separate escrow agreement by and between the Purchaser, the Company and the Escrow Agent.

(b) The Closing Escrow Amount shall be held in an interest bearing, federally-insured segregated account (the "Escrow Account"). The escrow period for the Closing Escrow Amount shall begin on the Acquisition Date and end on the twenty-four (24) month anniversary of the Acquisition Date (the "Escrow Release Date") or any applicable later date if the applicable Escrow Release Date is tolled in accordance with subparagraph (f) below (the "Escrow Period").

(c) Escrow Claims; Final Escrow Claims. The following shall apply to the Closing Escrow Amount:

(i) Purchaser may deliver, at any time during the applicable Escrow Period, to the Escrow Agent and the Physician Representative a written claim, arising pursuant to Section 9.02 or elsewhere in this Agreement, for an amount payable to any Purchaser Indemnified Party (as defined in Section 9.02) from the Escrow Amount (an "Initial Escrow Claim") with respect to the Escrow. Each Initial Escrow Claim, if any, must include a reference to the event or events forming the basis of such Initial Escrow Claim, the amount involved (unless the amount is uncertain or contingent, in which case Purchaser shall provide a reasonable estimate of the amount involved), supporting evidence of the determination of the amount, payment instructions, and any other pertinent information or instructions.

(ii) Following receipt of an Initial Escrow Claim, the Physician Representative shall review the Initial Escrow Claim. As soon as practicable, but in any event within fifteen (15) calendar days (the "Review Period") of receipt of an Initial Escrow Claim, the Physician Representative shall provide to the Escrow Agent and Purchaser either (A) a written notice indicating its acceptance and agreement with the Escrow Claim or (B) a written report setting forth specific, itemized and quantified objections to the Initial Escrow Claim (an "Escrow Claim Objection"). If the Physician Representative fails to timely send an Escrow Claim Objection, then the Initial Escrow Claim shall be deemed accepted and agreed by the Physician Representative (on behalf of each Physician). An Initial Escrow Claim, as accepted and agreed in writing by the Physician Representative (or deemed accepted and agreed by the Physician Representative) is referred to as a "Final Escrow Claim."

(iii) Subject to subparagraph (g) below, the amount specified in each Final Escrow Claim shall be distributed by the Escrow Agent to Purchaser, in accordance with the payment instructions set forth in the applicable Final Escrow Claim.

(d) Resolving Escrow Claim Objections: Final Modified Escrow Claims.

(i) In the event that the Physician Representative has timely delivered to the Escrow Agent and Purchaser an Escrow Claim Objection, within fifteen (15) calendar days of the timely receipt of the Escrow Claim Objection, Purchaser and the Physician Representative (acting on behalf of each Physician) shall meet to endeavor to amicably resolve the disputed matters set forth in the Escrow Claim Objection. However, if the basis for the Escrow Claim Objection is that Physician's Representative disputes the obligation of the Company or the Physicians for the underlying liability which has been asserted by a third party, the Escrow Claim Objection need not be subject to resolution under Section 9.08(d) and instead shall be treated under Section 9.05 and 9.06 hereof.

(ii) If Purchaser and the Physician Representative are unable to amicably resolve any disputed matters set forth in the Escrow Claim Objection which can appropriately be resolved under Section 9.08(d)(i) within thirty (30) calendar days after their meeting, then the disputed matters shall be submitted for resolution to an arbitrator (the "Arbitrator") as may be mutually acceptable to Purchaser and the Physician Representative. The Arbitrator shall consider the disputed matters and issue a written determination with respect to the disputed matters, which shall be final and binding on the parties. Purchaser and the Physician Representative shall cooperate reasonably with each other and each other's representatives to enable the Arbitrator to render a decision as promptly as possible. The fees and disbursements of the Arbitrator shall be borne by the non-prevailing party. Any arbitration under this Agreement shall be administered in accordance with the provisions the Commercial Arbitration Rules of the American Arbitration Association, including the Emergency Interim Relief Procedures, which may be implemented during the thirty (30) day negotiation period noted herein. All proceedings shall be held in Mercer County, New Jersey. For the purpose of clarity, the role of the Arbitrator shall be to resolve whether the party seeking indemnification is entitled to same under the terms of this Agreement, and not to determine the extent of the liability of the indemnifying party to the indemnified party.

(A) Where the amount in dispute is less than \$250,000, the parties shall be bound by the Expedited Procedures of the American Arbitration Association and depositions shall not be permitted. Where the amount in dispute is in excess of \$1,000,000 shall be subject to the Supplementary Procedures for Large Complex Disputes.

(B) If the amount in dispute is \$1,000,000 or less, the dispute shall be heard by a sole arbitrator who shall be an attorney (or retired attorney) with experience in the purchase and sale of business interests of closely-held companies in the healthcare field. In all other instances, the case shall be heard by three arbitrators, one arbitrator shall have experience in the purchase and sale of business interests of closely-held business in the healthcare field, a second shall be primarily a transactional attorney with experience in business transactions and the third shall be an attorney with experience in litigation.

(C) Consistent with the expedited nature of arbitration, each party will, upon written request of the other party, promptly provide copies of documents relevant to the issues raised by any claim or counterclaim. Any dispute regarding discovery, or the relevance or scope thereof, shall be determined by the sole arbitrator or the chair of the arbitration panel, which determination shall be conclusive. All discovery shall be completed within 60 days following the preliminary hearing.

(D) For those disputes where a deposition is permissible, the chair of the arbitration panel shall have the discretion to order examination by deposition of witnesses to the extent deemed relevant and appropriate. Depositions shall be limited to a maximum of three per party and shall be held within 30 days within the grant of same. Additional depositions may be scheduled only with the permission of the chair of the arbitration panel, and then only for good cause shown. The direct

examination shall be limited to four (4) hours in duration. All objections will be reserved for the arbitration hearing except for objections based on privilege and proprietary or confidential information which shall be resolved prior to the deposition.

(E) The parties agree that there is no authority under this provision to award punitive, special, consequential or incidental damages. The award shall be limited to actual direct damages suffered by the prevailing party. Any monetary award shall include pre-award interest at the rate of 6% per annum from the time of the act or acts giving rise to the award to the date on which the award is paid. Such award may, in the discretion of the arbitrators, include all reasonable pre-award expenses of the arbitration, including arbitrators' fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees and attorneys' fees.

(F) The parties agree that a judgment of any court having jurisdiction may be entered on the award of the arbitrator. Such judgment shall be final, non-appealable and binding upon the parties.

(G) Except as may be required by law, neither a party nor an arbitrator may disclose the existence, content or results of any arbitration hereunder without the prior written consent of both parties. Nothing herein shall be construed to extend to an arbitration award or the findings of the arbitration panel in the event that a party chooses to appeal an arbitration award.

(iii) The Initial Escrow Claim shall be deemed modified pursuant to either the parties' resolution pursuant to subparagraph (d)(i) or the Arbitrator's determination (resolving the disputed matters in the Escrow Claim Objection) pursuant to subparagraph (d)(ii) and, as modified, is referred to as the "Final Modified Escrow Claim." The Escrow Agent shall be entitled to conclusively act and rely on the Arbitrator's determination and the Final Modified Escrow Claim.

(iv) Subject to subparagraph (g) below, the amount specified in each Final Modified Escrow Claim shall be distributed by the Escrow Agent to Purchaser, in accordance with the payment instructions set forth in the applicable Final Modified Escrow Claim.

(e) Funds in the Escrow Account may be applied to pay or reimburse the Escrow Agent for any reasonable costs, expenses, charges or fees it incurs or charges in connection with its obligations under this Section 9.08. Such reasonable costs, expenses, charges or fees shall be paid to the Escrow Agent within thirty (30) days after demand therefor. Costs and expenses relating to the arbitrator shall be borne by the losing party according to the provisions set forth above.

(f) As soon as reasonably practicable following the Escrow Release Date, the Escrow Agent shall return any funds (including any applicable accrued interest) remaining in the Escrow Account with respect to the Escrow, as applicable, to the Company; provided, however, that if on or prior to the Escrow Release Date, any portion of the Escrow Amount is subject to an outstanding claim or dispute, then the Escrow Release Date shall be tolled with respect to the applicable portion of the Escrow Amount and the Escrow Agent shall continue to hold that portion of the Escrow Amount in the Escrow Account until each applicable claim or dispute has been finally determined and disposed of.

(g) The Escrow Amount shall not in any way limit any indemnification to which any Purchaser Indemnified Party (as defined in Section 9.02) is entitled under this Agreement.

(h) The Escrow Agent, solely in its capacity as escrow agent, shall have no duties or responsibilities except those set forth in this Section 9.08, which the parties hereto agree are ministerial in nature. The parties hereto acknowledge that the Escrow Agent is serving solely as an accommodation to

the parties hereto, and except for the Escrow Agent's willful misconduct or gross negligence, the Escrow Agent shall have no liability of any kind whatsoever arising out of or in connection with its activity as the Escrow Agent hereunder provided it is acting in accordance with the provisions of this Section 9.08. The Escrow Agent may rely and/or act upon any judgment, certificate, demand or other writing delivered to it hereunder without being required to determine the authenticity or the correctness of any fact stated therein, the propriety or validity thereof, or the jurisdiction of a court issuing any such judgment. The Escrow Agent may rely and/or act upon (i) any instrument or signature believed to be genuine and to have been duly authorized, executed and delivered and (ii) advice of counsel in reference to any matter or matters connected herewith.

(i) Purchaser and each Physician hereby jointly and severally agree to defend, indemnify and hold the Escrow Agent harmless from and against any and all costs, claims, damages or expenses (including, without limitation, reasonable attorneys' fees and disbursements, whether paid to retained attorneys or representing the fair value of legal services rendered to itself) howsoever occasioned that may be incurred by the Escrow Agent acting in its capacity as escrow agent under this Section 9.08 or to which the Escrow Agent may be put in connection with the Escrow Agent acting in its capacity as escrow agent under this Section 9.08, except for costs, claims or damages arising out of the Escrow Agent's willful misconduct or gross negligence. In the event that either the Physicians (acting alone or together) or Purchaser is found culpable for the losses incurred by the Escrow Agent for which it is entitled to indemnification, the prevailing party shall be entitled to recover from the non-prevailing party all indemnity payments paid by it to the Escrow Agent and all of its reasonable fees, costs, and expenses of counsel (at pre-trial, trial and appellate levels).

(j) If the Escrow Agent is uncertain for any reason whatsoever as to its duties or rights hereunder, or if the Escrow Agent receives instructions from any person which (in the Escrow Agent's judgment) conflict with this Section 9.08, the Escrow Agent may: (A) continue to hold in the Escrow Amount until the Escrow Agent receives a written agreement of Purchaser and the Physician Representative, in which event the Escrow Agent shall act in accordance with such agreement; (B) deliver the Escrow Amount into any court of competent jurisdiction and bring an action of interpleader or other comparable proceeding; or (C) in the event of litigation between or among the parties hereto, deposit the Escrow Amount with the clerk of the court in which any such litigation is pending.

(k) The provisions of this Section 9.08 shall survive the Closing.

(l) Pursuant to Prop Reg. 1.468B-8 of the regulations promulgated under the Code, all amounts maintained by the Escrow Agent shall be deemed for income tax purposes to be the property of the Purchaser until such time that it can be determined that contingencies as set forth in this Agreement or the Escrow Agreement have either occurred or will not occur and that the relative interests of the parties in the Closing Escrow Amount or the Clawback Escrow Amount are fixed and the amounts so held are paid wholly to the Purchaser, wholly to the Company or in combination thereof. As to the amounts so paid, the date on which they are paid shall be referred to as a "Determination Date." Prior to a Determination Date, all income earned on funds held in escrow by the Escrow Agent shall be allocated to and reported by the Purchaser. The Escrow Agent shall timely provide notice to the Purchaser no later than January 30 of each calendar year in which funds are held by the Escrow Agent of the income earned by the Escrowed Amounts during the prior calendar year. The Escrow Agent shall report all such amounts on Form 1099 as required by the Code. No later than March 1 of each calendar year in which funds are held in escrow by the Escrow Agent, the Escrow Agent shall distribute to the Purchaser fifty (50%) of the aggregate ordinary income earned on funds held in escrow by the Escrow Agent during the prior calendar year ending December 31 to allow the Purchaser to pay the income taxes due on the income earned on the Closing Escrow Amount and the Clawback Escrow Amount. In the event that the Escrow Agent expects to make a terminating distribution of the Escrow prior to the completion of a calendar year, the Escrow

Agent shall estimate the amount of income to be earned by the funds held in escrow and pay the appropriate amount to the Purchaser to allow for the payment of income taxes thereon. After the occurrence of a Determination Date, income earned on the portion of the Closing Escrow Amount or Clawback Escrow Amount to which rights have become fixed and determined shall be allocated to and be the property of the party to whom such funds are to be paid. There shall be no obligation to make a tax distribution as to income which is to be distributed to the Purchaser before its obligation to report such income is fixed.

ARTICLE X
Miscellaneous

Section 10.01. Law Governing. This Agreement shall be construed under and governed by State Law. The parties hereby submit to the jurisdiction of the State and Federal courts located within the State of New Jersey for purposes of all legal proceedings which may arise hereunder or under any of the Transaction Documents, agree that all claims in respect of such action or proceeding may be heard and determined in any such court, and agree not to bring any action or proceeding arising out of or relating to this Agreement or the Transaction Documents in any other court.

Section 10.02. Notices. Whenever any notice, demand, request, information or other document is required or permitted to be given under this Agreement, that notice, demand, request, information or other document shall be in writing and shall be either hand delivered in person sent by United States certified mail, postage prepaid, or delivered via overnight courier to the addresses below or to any other address that any party may specify by notice to the other parties. No party shall be obligated to send more than one notice to each of the other parties and no notice of a change of address shall be effective until received by the other parties. A notice shall be deemed received upon hand delivery, two days after posting in the United States mail or one day after dispatch by overnight courier.

To Purchaser:
RMA of New Jersey, LLC
111 Madison Avenue
Suite 100
Morristown, NJ 07962
Attn: Richard Scott, M.D.

with a copy to:
Wilentz, Goldman & Spitzer, P.A.
90 Woodbridge Center Drive
Woodbridge, NJ 07095
Attn: Michael F. Schaff, Esq. and Peter Greenbaum, Esq.

To the Company or Physicians:
Fertility & Gynecology Center, P.A./T/A IVF New Jersey
81 Veronica Avenue
Somerset, NJ 08873
Attn: Michael Darder, M.D.

with a copy to:
Szaferman Lakind Blumstein & Blader, PC
101 Grovers Mill Road
Second Floor
Lawrenceville, NJ 08648
Attn: Scott P. Borsack, Esq.

or to any other address of which any party may notify the other parties as provided above. Each party to this Agreement agrees to promptly notify all of the other parties to this Agreement of each change of their respective addresses in the manner specified in this Section.

Section 10.03. Prior Agreements Superseded. This Agreement supersedes all prior understandings and agreements among the parties relating to the subject matter of this Agreement.

Section 10.04. Fees and Expenses. Each of the parties hereto shall bear its, his or her own legal, accounting and other expenses in connection with the Contemplated Transaction.

Section 10.05. Publicity and Disclosures. Neither of the parties to this Agreement nor any of their respective shareholders, subsidiaries, affiliates, officers, directors or employees shall issue or cause the publication of any press release or other announcement with respect to this Agreement or the Contemplated Transaction without the prior written consent of the other parties to this Agreement, which consent shall not be unreasonably withheld, except to the extent disclosure is required by any applicable Law or by any Governmental Authority.

Section 10.06. Captions and Gender. The captions in this Agreement are for convenience only and shall not affect the construction or interpretation of any term or provision of this Agreement. The use in this Agreement of the masculine pronoun in reference to a party to this Agreement shall be deemed to include the feminine or neuter pronoun, as the context may require, and whenever the context of this Agreement directs, the plural shall be read as the singular and the singular as the plural.

Section 10.07. Execution in Counterparts. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

Section 10.08. Certain Remedies; Severability. It is specifically understood and agreed that any breach of this Agreement by any of the parties to this Agreement (including any breach of Section 5.04 by any Physician) may result in irreparable injury to Purchaser and Physicians, as applicable, that the remedy at law alone will be an inadequate remedy for such breach and that, in addition to any other remedy it may have, the aggrieved party shall be entitled to enforce the specific performance of this Agreement by the breaching party and to seek both temporary and permanent injunctive relief, without the necessity of proving actual damages or the posting of a bond, but without limitation of their rights to recover such damages. In case any of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, any such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had been limited or modified (consistent with its general intent) to the extent necessary to make it valid, legal and enforceable, or if it shall not be possible to so limit or modify such invalid, illegal or unenforceable provision or part of a provision, this Agreement shall be construed as if such invalid, illegal or unenforceable provision or part of a provision had never been contained in this Agreement.

Section 10.09. Entire Agreement. This Agreement, including the Schedules and Exhibits referred to in this Agreement and the other writings specifically identified in this Agreement or contemplated by this Agreement, is complete, reflects the entire agreement of the parties with respect to its subject matter, and supersedes all previous written or oral negotiations, commitments and writings. No promises, representations, understandings, warranties and agreements have been made by any of the parties to this Agreement except as referred to in this Agreement or in its Schedules and Exhibits or in other writings; and all inducements to the making of this Agreement relied upon by either party to this Agreement have been expressed in this Agreement or in the Schedules or Exhibits or in other writings.

Section 10.10. Amendments; Waivers. This Agreement may not be amended or modified except by a writing duly and validly executed by each party to this Agreement. Any party to this Agreement may waive any covenant or condition intended for its benefit in its discretion, but delay on the part of any party in exercising any right, power or privilege in this Agreement shall not operate as a waiver thereof, nor shall any waiver on the part of any party of any such right, power or privilege, preclude any further exercise thereof or the exercise of any other such right, power or privilege. All waivers to be effective shall be in writing signed by the waiving party.

Section 10.11. Construction. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted, including any presumption of superior knowledge or responsibility based upon a party's business or profession or any professional training, experience, education or degrees of any member, agent, officer or employee of any party. If any words in this Agreement have been stricken out or otherwise eliminated (whether or not any other words or phrases have been added) and the stricken words initialed by the party against whom the words are construed, then this Agreement shall be construed as if the words so stricken out or otherwise eliminated were never included in this Agreement and no implication or inference shall be drawn from the fact that those words were stricken out or otherwise eliminated. The words "including," "include" and "includes" are not exclusive and shall be deemed to be followed by the words "without limitation."

Section 10.12. Third Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of each party to this Agreement and their respective successors or permitted assigns, and it is not the intention of the parties to confer third-party beneficiary rights, and this Agreement does not confer any such rights.

Section 10.13. Litigation: Prevailing Party. In the event of any litigation, including appeals, with regard to this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable fees, costs, and expenses of counsel (at pre-trial, trial and appellate levels).

Section 10.14. Survival. Except as set forth in Article IX, all of the respective representations and warranties of the parties to this Agreement or in any certificate delivered by any party incident to this Agreement are material and may be relied upon by the party receiving the same and shall survive beyond the date of this Agreement for a time period equal to the applicable statutes of limitations (after giving effect to any extensions or waivers). All statements in this Agreement shall be deemed representations and warranties. The due diligence investigations conducted by the parties to this Agreement and the results thereof shall not diminish or otherwise affect any of the representations and warranties set forth in this Agreement.

Section 10.15. Further Assurances. The parties shall execute all other documents or instruments and shall take all other actions as may be reasonably be requested by the other to effect the purposes of this Agreement.

Section 10.16. Compliance with Health Care Laws. The parties enter into this Agreement with the intent of conducting their relationship in full compliance with all applicable federal, state, and local statutes and regulations including, but not limited to the Health Care Laws. Notwithstanding any unanticipated effect of any of the provisions herein, no party to this Agreement will intentionally conduct itself under the terms of this Agreement in a manner to constitute a violation of the Health Care Laws.

Section 10.17. Referral Policy. Nothing contained in this Agreement shall require (directly or indirectly, explicitly or implicitly) any of the parties to refer or direct any patients to any other party or to

use another party's facilities as a precondition to receiving the benefits set forth herein or in establishing the valuation of the Shares.

Section 10.18. Jury Trial. EACH PARTY WAIVES ALL RIGHTS TO ANY TRIAL BY JURY IN ALL LITIGATION RELATING TO OR ARISING OUT OF THIS AGREEMENT.

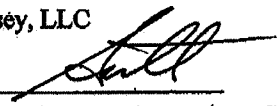
[Signatures to Asset Purchase Agreement appear on the following Page]

Execution Version.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Asset Purchase Agreement to be duly executed as of the date first written above.

RMA of New Jersey, LLC

By: _____


Name: Richard Scott, MD
Title: Partner

Fertility & Gynecology Center, P.A.
T/A IVF New Jersey

By: _____

Name:
Title:

Michael Darder, M.D.

Marcus Jurema, M.D.

Susan Treiser, M.D.

Melissa Yih, M.D.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Asset Purchase Agreement to be duly executed as of the date first written above.

RMA of New Jersey, LLC

By: _____
Name:
Title:

Fertility & Gynecology Center, P.A.
T/A IVF New Jersey

By: Michael C. Darder
Name: MICHAEL C. DARDER
Title: PRESIDENT

Michael C. Darder
Michael Darder, M.D.

Marcus Jurema, M.D.

Susan Treiser, M.D.

Melissa Yih, M.D.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Asset Purchase Agreement to be duly executed as of the date first written above.

RMA of New Jersey, LLC

By: _____
Name:
Title:

Fertility & Gynecology Center, P.A.
T/A IVF New Jersey

By: _____
Name:
Title:

Michael Darder, M.D.



Marcus Jurema, M.D.

Susan Treiser, M.D.

Melissa Yih, M.D.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Asset Purchase Agreement to be duly executed as of the date first written above.

RMA of New Jersey, LLC

By:

Name:

Title:

Fertility & Gynecology Center, P.A.
T/A IVF New Jersey

By:

Name:

Title:

Michael Darder, M.D.

Marcus Jurema, M.D.



Susan Treiser, M.D.

Melissa Yih, M.D.

Execution Version

IN WITNESS WHEREOF, the parties to this Agreement have caused this Asset Purchase Agreement to be duly executed as of the date first written above.

RMA of New Jersey, LLC

By: _____
Name:
Title:

Fertility & Gynecology Center, P.A.
T/A IVF New Jersey

By: _____
Name:
Title:

Michael Darder, M.D.

Marcus Jurema, M.D.

Susan Treiser, M.D.

Melissa Yih, M.D.

Exhibit A
Form of Employment Agreement

RMA OF NEW JERSEY, LLC

Date

Name
Address
Address

Dear

The following (this "Agreement") sets forth the terms and condition for your employment or continued employment by RMA of New Jersey, L.L.C. (the "Company"). This Agreement supersedes any and all prior written or oral agreements concerning your employment and affiliation with the Company.

1. You will be employed full-time (unless otherwise set forth on Exhibit 1) as a reproductive endocrinologist with the Company, and you will perform your services at the Company's offices, primarily at the office(s) specified on Exhibit 1 attached hereto and made a part hereof, and at the hospital(s) specified on Exhibit 1 hereto (the "Hospital"). During your association with the Company, you will be required to maintain active staff status at the Hospital and at such other hospitals as agreed to by you and the Company.

Your hours will be irregular and generally exceed a "normal" workweek. You will be required to provide on-call services in accordance with the Company's policies.

You will devote your entire professional time and attention to the Company and you will not take any outside employment during this period. All work performed by you will be billed and scheduled by the Company. You hereby assign to the Company all of your rights to bill and collect for the services you perform during the term of this Agreement. You agree to complete all necessary forms on time and within compliance standards for the Company to bill for your services. All collections from such work shall be the property of the Company. In conjunction therewith, you hereby authorize the Company to endorse and deposit into its account any checks made payable to you on account of professional services rendered on behalf of the Company and you hereby grant the Company a limited power of attorney to effectuate the foregoing. You have agreed to abide by all of the Company's and the Hospitals' rules and regulations, By-laws and Compliance Plans.

The actual first day of your employment shall be the "Commencement Date" and shall continue in full force and effect until terminated in accordance with the provisions of Section 8.

It is expected that you will work, at a minimum, at the level performed immediately prior to the Commencement Date during your employment with Fertility & Gynecology Center, P.A. T/A IVF New Jersey.

#7786200.6

2. Your base salary will be the amount specified on Exhibit 1, payable on the schedule adopted by the Company for the payment of all employees. You will also be entitled to a bonus calculated in accordance with Exhibit 2, if you are an employee of the Company at the time such bonuses are paid.

All of your compensation shall be reduced by applicable withholdings required by law.

3. The Company will provide and maintain on your behalf medical and dental insurance similar to all physician employees of the Company. You will be able to participate in our 401(k), life insurance plan, AD&D insurance, medical leave and long-term disability when you meet their eligibility requirements. These benefits will be in amounts and on terms dictated by the Company's benefit plans and are subject to modification from time to time at the Company's discretion.

4. During each calendar year, you will also be entitled to non-cumulative paid vacation and sick time as set forth on Exhibit 1, and up to five (5) additional days for continuing medical education and/or professional society meetings. Additional time for medical education or professional meetings and lectures must be approved by a Founding Partner or their designee. Vacations must be scheduled in advance and approved by the Company. If you are not employed for any full calendar year period, your vacation and sick time, base salary and other benefits will be pro-rated accordingly. Arrangements for all absences (including vacations) must, of course, be made to assure that the Company's practice is properly covered. Unused vacation, sick time, and time for continuing medical education or professional meetings cannot be carried over to succeeding years, nor will it be paid for except in accordance with Company policy. Absences in excess of your time accrued will be without pay and may result in your termination for undue absence, in the Company's discretion.

5. The Company will pay the cost of your professional liability (malpractice) claims based insurance. Physician acknowledges that the cost of professional liability insurance is a direct charge against physician's Net Revenue under Exhibit 2. Your medical license fees imposed by the State of New Jersey, Hospital staff fees, Managed Care Participation fees, dues will be reimbursed up to the amount specified in Exhibit 1, a car allowance up to the amount specified in Exhibit 1, and approved continuing medical education all are expenses against your revenue. Although you may be reimbursed for other business expenses where they benefit the Company and are approved by the Company in advance, other non-approved practice-related expenses will have to be paid by you personally during the term of this Agreement. If your employment is terminated as of a date there is continuing professional liability (malpractice) insurance coverage in force which has been prepaid by the Company, and in the further event that the insurance carrier will not permit cancellation of the policy on termination of your employment without your consent or direction, you agree and hereby irrevocably authorize the Company to cancel such professional liability (malpractice) insurance coverage as of your termination date and, in any event, you hereby assign to the Company all of your right, title and interest in any refund premium with respect to such policy. This provision shall be self-executing, and shall not require any other form of documentation, and the professional liability carrier shall be and is hereby authorized to act in accordance with the terms of this provision upon receipt of a photocopy of this employment letter, without more. The "tail" premium will be the responsibility of the Company in the following instances: (i) your employment by the

Company is terminated by the Company without cause; (ii) you terminate your employment for Good Reason (as hereinafter defined); (iii) your employment is terminated because of your disability; or (iv) you die while actively employed by the Company. In all other events of the termination of your employment, you shall be responsible (and the Company can offset it from amounts due you from the Company) for one hundred percent (100%) of any tail premium payment due upon your separation from the Company.

6. In addition to your clinical competence, the following activities, conduct, and objectives are essential to your overall success and thus represent material obligations on your part under this Agreement: (a) your acceptance by patients, staff, physicians, and hospital personnel; (b) the commitment of your time; (c) your productivity and efficiency in handling patient matters; (d) your willingness, availability and effectiveness in promoting the practice and yourself; (e) your performance in the practice from an entrepreneurial standpoint; and (f) a clearly demonstrated ability for us to work together with good rapport and understanding.

7. During your employment period, you will not be required to contribute any personal funds towards the Company's equipment or operations. Your work will give you no financial interest in the Company's cash, accounts receivable, furniture, equipment, leasehold improvements, patient charts, or other tangible assets other than to compensation and bonuses as set forth herein.

8. (a) Either the Company or you may terminate this Agreement without cause upon at least ninety (90) days advance written notice (a "Notice of Termination"). The 90th day following the delivery of such Notice of Termination shall be considered the "Date of Termination".

(b) If either the Company or you terminate this Agreement without cause, during the time period between the Notice of Termination and the Date of Termination, you shall continue to perform services for the Company until the Date of Termination. The Company may, at any time during that 90 day period, in its sole discretion, elect not to have you perform services for the Company. The date that the Company elects to have you stop performing services, or (if earlier) the date that you actually stop performing services for the Company shall be deemed the "Work Stoppage Date".

(c) In the event of the termination of this Agreement without cause (by either party), you shall be paid your salary and provided the benefits specified in Sections 2 and 3 of this Agreement up to the earlier of (1) the Date of Termination, or (2) the date you obtain other employment, or open an independent Reproductive Endocrinology practice outside of the Restrictive Covenant area. If the Company terminates your employment for cause pursuant to Subsection (d) below, you shall be entitled to only those bonus payments made prior to the Work Stoppage Date. In all other cases of the termination of your employment, you shall be entitled to bonus payments, pro-rated through the Date of Termination, the timing of the calculation and payment of which shall be in the ordinary course of the Company's business.

(d) In addition, the Company may immediately terminate your employment for cause if or upon (i) your license to practice medicine in the State of New Jersey or in any other jurisdiction is lost, suspended, revoked, restricted, limited, withdrawn or terminated for

whatever reason; (ii) the narcotics number issued by the federal Drug Enforcement Administration or the State of New Jersey is suspended, revoked, restricted, limited, terminated or withdrawn for any reason, (iii) the suspension, revocation, restriction or termination for any reason of your active medical staff privileges at any Hospital; (iv) your performance violates the standards of care in the community and puts a patient, or their tissue, at risk, or puts the Company at risk for liability or litigation; (v) you fail or refuse to comply with the Company's policies, processes, standards and regulations, as solely determined by the Company; provided however, the Company shall provide twenty (20) days written notice to you of such failure or refusal during which you may cure such issue and provided further however you shall not be entitled to such notice and cure period if the issue is not capable of being cured nor will you be entitled to such notice and cure period if the same or similar event occurred in the twelve (12) month period from the prior event; (vi) you become physically incapable of performing the essential job functions required of your position, with or without reasonable accommodation, for a period of sixty (60) or more consecutive days (exclusive of time off pursuant to state or federal leave laws) during any 180 day period; (vii) you are charged or convicted of a felony; (viii) the commission by you of any act of embezzlement, misappropriation or conversion of property, or of any offense involving moral turpitude against the Company or any of its employees; (ix) your use of alcohol or drugs, which, in the Company's reasonable discretion, has an adverse effect (in the Company's reasonable discretion) on the Company's practice or your ability to perform the duties required of you hereunder; (x) you become a sanctioned person, as defined in the attached Exhibit A; (xi) [reserved]; (xii) your removal for cause from any provider panel of a managed care organization, indemnity insurers, or other third-party payers, or independent practice association, physician organizations or other provider networks; (xiii) you fail or refuse to perform your duties under this Agreement in a faithful, diligent, or competent manner, as determined solely by the Company; provided however, the Company shall provide twenty (20) days written notice to you of such failure or refusal during which you may cure such issue and provided further however you shall not be entitled to such notice and cure period if the issue is not capable of being cured nor will you be entitled to such notice and cure period if the same or similar event occurred in the twelve (12) month period from the prior event; (xi) you commit an act amounting to willful misconduct; (xii) your status as a participating provider in any third party payor program, including any HMO, PPO, or other managed care program, is suspended, restricted, or terminated; or (xiii) your actions are detrimental to the Company or its practice (in the Company's sole discretion). The Date of Termination shall be the date upon which the Company delivers you Notice of Termination for Cause.

(e) If the Company terminates this Agreement for Cause, you shall be paid your salary and provided the benefits specified in Sections 2 and 3 of this Agreement, up to the Date of Termination. You shall only be entitled to bonus payments made on or prior to the Date of Termination.

(f) In addition, you may terminate your employment for Good Reason. "Good Reason" means a termination by you due to (1) a material diminution in your base compensation, provided you are then working at the level performed immediately prior to the Commencement Date during your employment with Fertility & Gynecology Center, P.A. T/A IVF New Jersey; (2) a material diminution in your authority, duties or responsibilities as a reproductive endocrinologist (provided that such responsibilities or duties of all employed reproductive endocrinologists are not reduced, or such reduction is not caused by your conduct); (3) a material

change in the geographic location at which you must regularly report (provided however, Company physicians may be asked to cover other locations if needed in an amount less than ten percent (10%) of his or her total schedule which shall not be deemed Good Reason hereunder); and (4) any other action or inaction that constitutes a material breach by the Company hereunder. In order to assert that Good Reason exists, you must first provide written notice to the Company of the existence of a Good Reason condition within a period not to exceed ninety (90) days of the initial existence of the Good Reason condition, allowing the Company thirty (30) days during which it may remedy the condition before you may separate from service. Additionally, you must actually separate from service no later than the date which is within fifteen (15) days of the expiration of the cure period or it will be deemed a waiver of Good Reason.

(g) Notwithstanding any provision of the Agreement which may be to the contrary, Sections 9, 10, 11, 12, and 16 shall survive termination of this Agreement.

9. (a) You recognize that you will be introduced to the Company's patients and referral sources, which have been developed prior to your joining the Company. Loss of them would seriously injure the Company's practice. It is also an express condition of this Agreement that you will not, directly or indirectly, except on behalf of the Company, during the term of your employment or during a period of twelve (12) months following termination of your employment, at any time, for any reason, whether voluntary or involuntary, on your own behalf or as a principal, owner, part-owner, shareholder, partner, investor (other than as a holder solely as an investment of less than 1% of the outstanding stock of a publicly traded corporation), director, officer, trustee, employee, agent, independent contractor or consultant, or in any other capacity of any person, partnership, entity, firm, corporation or otherwise, (i) provide reproductive endocrinology services within the Restricted Area or (ii) own, manage, operate or control a Competing Business or receive any compensation in any capacity from any Competing Business which is located in or provides services in the Restricted Area (collectively, "Competitive Practice"). As further inducement to our employment of you, and for other good and valuable consideration, immediately upon the termination of this relationship for any reason whatsoever, you will tender your resignation and agree to totally remove yourself from the medical staff of the Hospital(s). In the event you fail to immediately resign your privileges, this Agreement shall be deemed a power of attorney from you to the President of the Company to take such steps which are necessary to effectuate such resignation.

(b) In the event that you enter into Competitive Practice with the Company you shall (i) forfeit any bonus payable to you in accordance with Exhibit 2, and (ii) you may, at the Company's sole discretion, be required to reimburse the Company upon demand for any accumulated deficit between your (A) Physician Gross Revenue and (B) Expenses, as both terms are defined in Exhibit 2. You hereby agree that such reimbursement shall not be deemed liquidated damages, and shall not limit any other remedies to which the Company is entitled to by law and under the terms of this Agreement.

(c) For purposes of this Agreement,

(i) "Competing Business" means a Person which provides any reproductive endocrinology services in or for a medical practice which is in competition with the Company.

(ii) "Restricted Area" means the following area: (a) a twenty (20) mile radius from the Company's office that was your primary office at the time your employment terminated; (b) a ten (10) mile radius of any other Company office; (c) at the hospitals at which you had privileges at the time your employment terminated; and (d) any laboratory providing in vitro fertilization ("IVF") services within a fifteen (15) mile radius of any laboratory owned and operated by the Company at the time your employment terminated in which in-vitro fertilization services are provided.

(iii) "Person" means any domestic or foreign individual, partnership, company, association, limited liability company, trust, joint venture, estate, corporation, custodian, trustee, executor, administrator, nominee or any other entity.

(d) Recognizing your duty to the Company as your employer, you agree that if your employment terminates for any reason or in any manner, whether or not you enter into Competitive Practice, you will neither before termination, nor at any time within twelve (12) calendar months after termination of your employment (except on behalf of the Company), (i) induce or solicit the healthcare facilities, hospitals, clinics, managed care companies or networks, ambulatory centers, third party payers, or any parties or facilities who or which is known by you to be contracted with, serviced by or who have or had an agreement with the Company (collectively, the "Foregoing Third Parties") to terminate, curtail or restrict their relationship with the Company or provide those Foregoing Third Parties with services previously furnished to them by the Company, provided however that this shall not prevent you from contracting with a managed care company or network or third party payer to provide medical services after the termination or expiration your employment; (ii) solicit the treatment of any Person for whom the Company provided services during the twenty four (24) month period prior to your Work Stoppage Date; (iii) induce or solicit the employment or services of, or employ or engage the services of, any person employed or contracted by the Company during the twenty four (24) month period prior to your Work Stoppage Date; or (iv) solicit any Person who referred patients to the Company during the twenty four (24) month period prior to your Work Stoppage Date. The Company may enforce this provision by obtaining an injunction in a court of law or equity (without the necessity or posting any bond in cash or otherwise).

(e) You hereby acknowledge that the services you are to render on behalf of the Company under this Agreement are of special and unusual character with a unique value to the Company, the loss of which cannot be adequately compensated in an action of law. Moreover, you acknowledge that the names of the Company's patients and referral sources and the details of their relationships with the Company, as may exist from time to time, are valuable, special and unique assets of the Company and are deemed to be trade secrets. Finally, you acknowledge that the restrictions contained in this Agreement are reasonable and necessary to protect the legitimate interests of the Company and that any violation of such restrictions would result in irreparable injury to the Company for which money damages may not be readily ascertainable. The Company and you each acknowledge that, in the event of a violation of any such restrictions which are not remedied within ten (10) calendar days after written notice thereof, the Company shall be entitled to preliminary and permanent injunctive relief without having to prove actual damages or immediate or irreparable harm or to post a bond; the Company shall also be entitled to an equitable accounting of all earnings, profits and other benefits arising from such violation, which rights shall be cumulative and in addition to any other

rights or remedies to which the Company may be entitled in law and equity. In the event of a violation under this Section 9, such period shall be extended by a period of time equal to that period beginning with the commencement of any such violation and ending when such violation shall have been finally terminated in good faith.

(f) NOTWITHSTANDING THE FOREGOING, IF THE RESTRICTIONS HEREIN SPECIFIED ARE ADJUDGED UNREASONABLE IN A COURT PROCEEDING, THE PARTIES HEREBY AGREE TO THE REFORMATION OF SUCH RESTRICTION BY THE COURT TO LIMITS WHICH THE COURT FINDS TO BE REASONABLE, AND THE PARTIES SHALL NOT ASSERT THAT SUCH RESTRICTIONS SHOULD BE ELIMINATED IN THEIR ENTIRETY BY SUCH COURT. THE COMPANY AND YOU EACH ACKNOWLEDGE THAT THE TERMS OF THIS AGREEMENT HAVE BEEN NEGOTIATED AT ARM'S LENGTH WITH ADVICE OF COUNSEL. THE PARTIES AGREE THAT RESTRICTIONS SHALL BE LEGALLY ENFORCEABLE AND SHALL NOT BE CHALLENGED BY ANY PARTY IN ANY COURT PROCEEDING. YOU REPRESENT THAT YOU UNDERSTAND THE FULL EXTENT AND IMPLICATION OF THE TERMS OF THIS AGREEMENT AND HEREBY KNOWINGLY AND VOLUNTARILY AGREE TO BE BOUND HEREBY.

10. You shall, at all times keep secret and retain in the strictest of confidence, and shall not use for your benefit or others, except in connection with the performance of your duties for the Company, all confidential matters of the Company, including without limitation, patient lists, medical records, lab work product, protocols, operating instructions, forms, treatment algorithms, the terms of vendor or real estate contracts, billing information, the terms of contracts with insurance companies and managed care organizations and employment arrangements with respect to other employees of the Company, including their levels of compensation.

11. All patient records, patient charts, memoranda, notes, lists, research, lab work product, protocols, operating instructions, forms, treatment algorithms, records and other documents (and all copies thereof), including but not limited to, items stored on computer hard drives, removable media or by any other means, made or compiled by or on behalf of you or made available to you concerning the business of the Company, shall be the Company's sole and exclusive property. Upon termination of your employment with the Company, or at any other time the Company may reasonably request, you have agreed to return these items immediately. You agree not to reproduce any document or other object that contains or is derived from any such confidential information. You further agree to injunctive relief to protect disclosure or use of confidential information.

12. You shall disclose to the Company all discoveries, improvements, developments, applications, trade secrets, formula, know-how, inventions, methods or processes (collectively, the "Inventions") conceived by you alone or with others relating to human reproductive services while you are employed by the Company. The Inventions shall remain the sole and exclusive property of the Company whether patented or not. You shall assign to the Company the Inventions and all patents and copyrights in any and all countries which may issue thereon, and shall assist the Company, and at the Company's expense, to obtain the Inventions for the Company's benefit.

13. You hereby make the following representations and warranties to the Company, as of the date hereof and as of the Commencement Date (and should there be any change during your employment with the Company you agree to immediately notify the Company in writing):

(a) You are a physician in good standing and qualified, and, on the Commencement Date, duly licensed to practice medicine without restriction or limitation in the State of New Jersey. You are registered with the Federal Drug Enforcement Agency ("DEA") to prescribe controlled substances without restriction or limitation. Neither your license to practice medicine nor your DEA registration has ever been suspended, revoked, restricted, limited or terminated. You have never been subjected to the imposition of any type of disciplinary or corrective action taken by any medical licensing or certification authority, or any reprimand or monetary fine or penalty imposed by any medical licensing or certification authority relating to the rendering of medical services by you.

(b) You are under no obligation, restriction or limitation, contractual or otherwise, to any other individual or entity that would prohibit or impede you from undertaking and performing the duties, responsibilities and obligations under this Agreement, and you are free to enter into and perform the terms and provisions hereof.

(c) To the best of your knowledge, you are under no physical or mental disability that would hinder your ability to carry out the duties, responsibilities or obligations to be rendered by you under this Agreement, with or without reasonable accommodation.

(d) You have provided evidence to the Company of adequate occurrence-based liability insurance to insure against malpractice claims arising out of any and all occurrences you may have had prior to the Commencement Date. In the event you have obtained claims-based liability insurance, you have provide evidence to the Company of adequate "tail/prior acts" liability insurance acceptable to the Company.

(e) You are neither an employee, partner, officer, agent nor independent contractor of the Hospital(s), nor do you receive any compensation, fee, benefit or payment of any kind from the Hospital(s).

(f) You have never been removed from any provider panel of any managed care organization, indemnity insurer or other third-party payer, or independent practice association, physician organization, physician-hospital organization or other provider network.

(g) You are not a party to any pending malpractice or other patient-related litigation, nor, to the best of your knowledge, have any such actions been threatened, nor are any proceedings threatened or pending against you before any professional licensing board.

(h) You are not a party to any pending investigations or proceedings, nor, to the best of your knowledge, have any such investigations or proceedings been threatened, the basis of which implicates your professional competence or that could lead to a suspension, revocation, restriction, limitation or termination of medical staff privileges at any hospital at which you ever were a member of the medical staff, nor has your medical staff privileges been suspended, restricted or terminated at any hospital.

(i) You have never been convicted of: (i) any offense related to the delivery of an item or service under the Medicare or Medicaid programs; (ii) a criminal offense relating to neglect or abuse of patients in connection with the delivery of a healthcare item or service; (iii) fraud, theft, embezzlement or other financial misconduct in connection with the delivery of a healthcare item or service; (iv) obstructing an investigation of any crime referred to in this Section 13(i) through (iii); or (v) the unlawful manufacture, distribution, prescription or dispensing of a controlled substance.

(j) You have never been required to pay any civil monetary penalty under 42 U.S.C. S1128A regarding false, fraudulent or impermissible claims caused by you which may result in payments under, or payments to induce a reduction or limitation of health care services to beneficiaries of, any state or federal health care program.

(k) You have never been excluded from participation in the Medicare or Medicaid program or any program funded under Title V or Title XX of the Social Security Act.

(l) To the best of your knowledge, you have not been subject to any investigation or proceeding that could lead to any of the events set forth in Sections 13(f), (g), (h), (i), (j) and (k).

(m) If you are Board certified as a reproductive endocrinologist you are required to maintain such Board certification during the term of your employment. If you are Board eligible as a reproductive endocrinologist, you warrant that you will become Board certified as a reproductive endocrinologist no later than three (3) years after your first opportunity to take the written Boards and shall thereafter maintain such Board certification, except as otherwise provided on Exhibit 1.

14. This Agreement will be governed by and the terms construed in accordance with the laws of the State of New Jersey. This Agreement contains the entire agreement between the parties and supersedes all prior agreements or understandings written or oral, relating to the subject matter of this Agreement. No amendment, modification, termination or waiver of any provision of this Agreement shall be effective unless it shall be in writing and signed by you and an authorized representative of the Company. In the event of any inconsistency between this Agreement and any personnel policy or manual of the Company with respect to any matter, this Agreement shall govern the matter.

15. In the event of any claims, suits or governmental investigations, arising out of or relating to your performance of medical services to and at the Company, in which you, the Company, or any Company officers, directors, shareholders, physicians or employees are named, whether pending at the time of the termination of this Agreement (in accordance with Section 8 hereof) or which arises after the termination of this Agreement, you agree to fully cooperate with the Company in the defense of such suit, claim or investigation. Such cooperation shall include, by way of example but not limitation, meeting with defense counsel, the production of any documents in your possession for review, participation in discovery or an investigation by an insurer, response to subpoena and the coordination of any individual defenses with counsel for all parties. You shall, as soon as reasonably practical, deliver to the Company copies of any summonses, complaints, demand letters, subpoena or legal papers of any kind, served upon you

or your attorneys. This obligation to cooperate shall survive the termination of your employment and this Agreement and nothing in this paragraph shall obligate the parties to pay any legal fees incurred by the other.

16. Except as provided for in Sections 9 and 11, any claim, controversy or dispute between the Company and you (including without limitation the Company's affiliates, members, managers, employees, representatives, or agents) arising out of employment, or any matter relating to the foregoing (any "Controversy"), shall be submitted for resolution by an arbitrator in a forum of the American Health Lawyers Association Alternative Dispute Resolution Service ("AHLA ADRS"), and the arbitration proceeding shall be held at the nearest AHLA ADRS site to Morristown, New Jersey. In the event that AHLA ADRS declines to hear such arbitration, then the controversy shall be submitted to and resolved by arbitration before a single arbitrator in a forum of the American Arbitration Association ("AAA"), and such arbitration shall be held at the nearest AAA site to Morristown, New Jersey. It is agreed that if any party shall desire relief of any nature whatsoever from the other party as a result of any Controversy, such party will institute arbitration proceedings in accordance with this section. All costs of such arbitration, including the arbitrator's fees, if any, shall be borne equally by the parties, unless the arbitration decision and award provides otherwise. All legal fees incurred by each party in connection with such arbitration shall be borne by the party who incurs them, unless the arbitration decision and award provides otherwise. The parties agree that the decision and award of AHLA ADRS shall be final and conclusive upon the parties, in lieu of all other legal, equitable or judicial proceedings between them, that no appeal or judicial review of the arbitrator's award shall be taken, and that the decision and award may be entered as a judgment in, and enforced by, any court of competent jurisdiction. The foregoing requirement to arbitrate Controversies applies to all claims or demands by you, including without limitation any rights or claims you may have under any employment law whatsoever, including, but not limited to, the Age Discrimination in Employment Act of 1967, Section 1981 of the Civil Rights Act, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1991, the Equal Pay Act, the Family and Medical Leave Act and/or New Jersey family and medical leave laws, the New Jersey Law Against Discrimination ("LAD"), the New Jersey Conscientious Employee Protection Act ("CEPA"), or any other federal, state or local laws or regulations pertaining to your employment, the termination of your employment or this Agreement. You agree that you must assert any Controversy against the Company within six months of the date which such Controversy occurred, and in the event you fail to assert such Controversy within such period, you shall be barred from raising such Controversy, and shall waive all of your rights relating thereto, notwithstanding the applicable statute of limitations. **YOU UNDERSTAND AND AGREE THAT THIS ARBITRATION PROVISION WAIVES YOUR RIGHT TO A JURY TRIAL FOR ANY AND ALL CLAIMS, INCLUDING STATUTORY EMPLOYMENT CLAIMS.**

17. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. In addition, this Agreement may be executed initially by delivery of facsimile counterparts and such facsimile counterparts shall be deemed for all purposes the same as originals; provided that originals shall be substituted therefor and one fully executed original or complete set of executed original counterparts shall be distributed to each Party as soon as reasonably practicable after such facsimile execution.

18. The Section headings contained in this Agreement are for convenience of reference only and shall in no manner be construed as a part of this Agreement.

19. Except as otherwise expressly set forth herein, this document embodies the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

20. All notices and other communications required or permitted to be given under this Agreement shall be in writing and may be given by any of the following methods: (i) personal delivery; (ii) facsimile transmission; (iii) registered or certified mail, postage prepaid, return receipt requested; or (iv) overnight delivery service. Notices shall be sent to the appropriate party at his, her In computing the number of days for purposes of this Agreement (including without limitation due dates), all days shall be counted, including Saturdays, Sundays and holidays; provided, however, that if the final day of any time period falls on a Saturday, Sunday or holiday, then the final day shall be deemed to be the next day which is not a Saturday, Sunday or holiday. or its address or facsimile number as provided by the parties for this purpose.

I am enclosing two copies of this letter. If the above meets with your approval, please sign and return one copy to me. Feel free to call me with any questions or thoughts.

Sincerely,

RMA OF NEW JERSEY, L.L.C.

By: _____
Name:
Title:

Agreed and accepted
this ___ day of _____, 2015

Name:

EXHIBIT 1

Primary Office(s): *Identify Primary Office(s)*

Hospital(s): You agree to maintain hospital privileges at any hospital(s) necessary to provide services as a reproductive endocrinologist for the Company or at any hospital the Company designates.

Effective Date: _____, 2015

Base Salary: Your base salary will be at an annual rate of *[\$200,000; provided however, in the event you increase your average number of weekly days to five (5), then your base salary will be at an annual rate of \$250,000]* [EDEN RAUCH, M.D.: *\$150,000; provided however, in the event you increase your average number of weekly days to four (4), then your base salary will be at an annual rate of \$200,000, or to five (5), then your base salary will be at an annual rate of \$250,000]* [LEO DOHERTY, M.D.: *\$250,000]*

Car Allowance: \$600.00 per month, \$276.92 per paycheck.

Professional Allowance: The Company shall pay or reimburse you for the fees for your New Jersey medical license, your CDS registration and dues for the hospitals referenced in "Hospital(s)" above. In addition, the Company shall provide an allowance of up to \$1,500.00 per calendar year for your continuing medical education (provided however if you speak/present at such seminar/class and to the extent approved in advance by the Company, the fees relating to seminar/class shall not count toward such \$1,500 amount).

[EDEN RAUCH, M.D.: For purposes of this Agreement, full-time means that you will perform services, on average, of three (3) days a week.] [LEO DOHERTY, M.D.: For purposes of this Agreement, full-time means that you will perform services, on average, of FIVE (5) days a week.] [OTHERS: For purposes of this Agreement, full-time means that you will perform services, on average, of four (4) days a week.]

Paid Vacation:

[Michael Darder and Susan Treiser thirty-five (35) days

Melissa Yih thirty (30) days

Marcus Jurema twenty-five (25) days

Eden Rauch 3/5 of RMA's paid vacation policies for a full time physician

Leo Doherty RMA's paid vacation policies for a full time physician]

Paid Sick Days: six (6) (pro-rated to the extent not providing services five (5) days a week).

[Leo Doherty Board Eligibility (Section 13(m)): With respect to Section 13(m), the three (3) year period to become Board certified as referenced therein is hereby amended to be January 31, 2018.]

EXHIBIT 2

PHYSICIAN BONUS CALCULATION

1. **Physician Net Revenue.** Net Revenue for a Physician shall be calculated by deducting Expenses as defined below from Employee's Gross Revenue as defined below. The Company reserves the right, in its sole discretion, to (i) utilize cash, accrual or other accounting methods in calculating expenses for purposes of calculating bonuses of employee physicians, (ii) to allocate expenses for items or services utilized by more than one Clinical Center among such Clinical Centers, and (iii) to interpret the following provisions and to establish policies for the determination of bonuses calculated in accordance herewith.

(a) **Physician Gross Revenue.** Gross Revenue shall include only the following:

- (i) Revenue generated from services to Physician's patients in Clinical Center(s). Clinical Center(s) coverage is assigned by company. Except as otherwise specified by Company's policies, patients who the Physician provided the initial consult will be treated as Physician's patients for purposes of calculating Physician Gross Revenue. Collections will be tracked by company from individual billing agreements generated at Clinical Center(s).
- (ii) Revenue generated from Company's ART laboratories (Embryology, Andrology, Endocrinology) and IVF Operating Room resulting from services rendered to Physician's patients. This will include all embryology, oocyte retrieval, embryo transfer, and anesthesia fees.
- (iii) IVF cycle deposits are not included in Gross Revenue since these monies have not yet been allocated and may be refunded to patient.

(b) **Expenses:**

- (i) A proportion share of the salaries, benefits, and related expenses for all personnel working in the Physician assigned Clinical Center(s), other than physicians who are shareholders of the Company. The share will be calculated as the total expenses multiplied by the percentage of gross receipts of that Clinical Center(s). For example, if the personnel expenses for a Clinical Center were \$100,000, and the Physician's receipts were 20% of the total receipts for that Clinical Center, then the attributed expense would be \$20,000.
- (ii) Physician's individual salary, benefits and malpractice insurance will be directly attributed to their expense allocation.

- (iii) A proportional share of all overhead and operating expenses for the assigned Clinical Center(s). The share will be calculated as the total expenses multiplied by the percentage of gross receipts of that Clinical Center(s). For example, if the expenses for that Clinical Center were \$100,000, and the Physician's receipts were 20% of the total receipts from that Clinical Center, then the attributed expense would be \$20,000.
- (iv) A proportional share of all debt service for any loans associated with the build out or financing of capital equipment or operations at assigned Clinical Center(s). The share shall be calculated as the total debt service expenses multiplied by the percentage of gross receipts of that Clinical Center(s). For example, if the debt service expense for that Clinical Center(s) were \$100,000 and the Physician's receipts were 20% of the total receipts for that Clinical Center (s), the attributed debt service would be \$20,000.
- (v) The proportional share of operating expense for the ART embryology, operating room, and recovery room. This amount will be calculated as the Physician's patients proportion of total retrievals to the total expenses associated to the operation of the ART embryology, operating room, and recovery room. For example, if the Company did 1000 retrievals during the relevant quarter, and 100 were generated by the Physician's patients, the attributed expense would be 10% of the overall expense (100/1,000).
- (vi) The proportional share of operating expense of the Andrology and Endocrinology laboratories. This amount will be calculated as the Physician's patient's proportion of total expenses related to the operation of the Andrology and Endocrinology laboratories. For example, if the Company did 1,000 endocrinology tests during the relevant quarter and 100 of these tests were generated by the Physician's patients the attributed expense would be 10% of the overall expense (100/1,000).
- (vii) The proportional share of the core operating expenses of the Company. These expenses include Administration, Human Resources, Finance, Accounting, Information Systems, basic core clinical functions, and various consultants such as attorneys, accountants, etc. The proportional share will be calculated based on the number of new patients seen by Physician. For example, if all Company physicians saw 1,000 new patients in the aggregate during the relevant quarter and Physician saw 100 of these patients, then the attributed expense would be 10% of core operating expense (100/1000).
- (viii) The proportional share of operating expense of Marketing and Public Relations, Donor Marketing and Partner Administrative Income. The proportional share will be calculated based on the full time equivalents (FTEs) worked by Physician. For Example, if all Company shareholder

and employee physicians worked 10 FTE's in the aggregate during the relevant quarter, and Physician worked 1 FTE, then the attributed expense would be 10% of Marketing and Public Relations, Donor Marketing and Partner Guaranteed Income (1/10).

2. Physician Bonus Calculation and Payment Within sixty (60) days of the end of each calendar quarter, the Company will pay to Physician a bonus equal to 35% of Physician's Net Revenue for such calendar quarter. For example, Physician's Gross Revenue for 1st quarter is \$100,000 and Physician's Expenses are \$50,000, Physician's bonus for 1st quarter would be \$17,500. If Physician's Net Revenue is a deficit for any period, such deficit shall be carried over and charged against Net Revenue for subsequent periods. Physician will only be entitled to such bonus if he or she is employed by the Company and has not received notice of any event described in Section 8(d) of the Agreement which remains uncured on the date such bonus is paid.

3. During the first two years of employment, your bonus shall be guaranteed at a minimum of \$50,000 per year.

EXHIBIT "A"

"Sanctioned Person" means a person who:

- (a) is currently the subject of prosecution for, or has been convicted of: (i) any offense related to the delivery of any item or service under the Medicare or Medicaid programs; (ii) a criminal offense relating to neglect or abuse of patients in connection with the delivery of a health care item or service; (iii) fraud, theft, embezzlement, or other financial misconduct in connection with the delivery of a health care item or service; or (iv) obstructing an investigation into the manufacture, distribution, prescription, or dispensing of a controlled substance; or
- (b) has been required to pay any civil monetary penalty under 42 U.S.C. §1128A, regarding false, fraudulent, or impermissible claims under, or payments to induce a reduction or limitation of health care services to beneficiaries of any state or federal health care program which may result in such payment; or
- (c) has been excluded from participation in Medicare and/or Medicaid.