PATENT ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	MERGER
EFFECTIVE DATE:	12/15/2008

CONVEYING PARTY DATA

Name	Execution Date
Novo Innovations, Inc.	12/15/2008

RECEIVING PARTY DATA

Name:	Medicity, Inc.
Street Address:	56 East Broadway
City:	Salt Lake City
State/Country:	UTAH
Postal Code:	84111

PROPERTY NUMBERS Total: 1

Property Type	Number
Application Number:	11928783

CH $40.00 11928783

CORRESPONDENCE DATA

Fax Number: (650)938-5200
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
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ATTORNEY DOCKET NUMBER:	24754-15588
NAME OF SUBMITTER:	Brian G. Brannon

Total Attachments: 81
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AGREEMENT AND PLAN OF MERGER

BY AND AMONG

MEDICITY, INC.

MEDICITY ACQUISITION LLC,

NOVO INNOVATIONS, INC.,

ROBERT CONNELY,

ALOK MATHUR,

AND

SHAREHOLDERS OF NOVO INNOVATIONS, INC.

DATED AS OF DECEMBER 15, 2008

TABLE OF CONTENTS

TABLE OF CONTENTS

TABLE OF CONTENTS

TABLE OF CONTENTS

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER, dated as of December 15, 2008 (this "Agreement"), is entered into by and among **Medicity, Inc.**, a Delaware corporation ("Parent"), **Medicity Acquisition LLC**, a Delaware limited liability company and a wholly-owned subsidiary of Parent ("Merger Sub"), **Novo Innovations, Inc.**, a Georgia corporation (the "Company"), **Robert Connely** and **Alok Mathur**, each a resident of State of Georgia (in the capacity as Shareholder Representative as provided in Section 6.10 or in any other capacity contemplated hereby, collectively, the "Shareholder Representative"), and shareholders of the Company signatory hereto (including the Shareholder Representative, each a "Shareholder" and collectively, the "Shareholders"). Parent, Merger Sub, the Company and the Shareholders are referred to herein each individually as a "Party" and collectively as the "Parties". All capitalized terms used in this Agreement shall have the respective meanings ascribed thereto in Article X.

RECITALS

WHEREAS, Parent, Merger Sub and the Company intend to effect a merger of the Company with and into Merger Sub (the "Merger"), with Merger Sub to be the surviving entity of the Merger and a wholly-owned Subsidiary of Parent, on the terms and subject to the conditions set forth herein and in accordance with the General Corporation Law of the State of Delaware (the "CGCL") and the Georgia Business Corporation Code (the "GBCC");

WHEREAS, as a condition to the Company's willingness to enter into this Agreement, simultaneously with the execution and delivery of this Agreement, Parent, the sole member of Merger Sub, is executing and delivering or will execute and deliver an unconditional unanimous written consent to the approval of this Agreement and the transactions contemplated hereby, including the Merger;

WHEREAS, for United States federal income tax purposes, Parent, Merger Sub, the Company and the Shareholders intend that the Merger shall qualify as a reorganization within the meaning of Section 368(a) of the Code; and

WHEREAS, Parent, Merger Sub, the Company and the Shareholders desire to make certain representations, warranties, covenants and agreements in connection with, and to prescribe various conditions to, the Merger and the other transactions contemplated hereby.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and the representations, warranties, covenants and agreements set forth herein, as well as other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Parent, Merger Sub, the Company and the Shareholders hereby agree as follows:

ARTICLE I
THE MERGER; ALTERNATIVE STRUCTURE

1.1 The Merger. Upon the terms and subject to the conditions set forth in this Agreement and the applicable provisions of the CGCL, at the Effective Time, the Company shall be merged with and into Merger Sub, the separate corporate existence of the Company shall thereupon cease, and Merger Sub shall continue as the surviving entity of the Merger. Merger Sub, as the surviving entity of the Merger, is sometimes hereinafter referred to as the "Surviving Entity".

1.2 Closing. The consummation of the Merger (the "Closing") shall take place at a closing to occur at the offices of Kirkland & Ellis LLP located at 655 Fifteenth Street, N.W., Washington, D.C. 20005 at 10:00 a.m. (local time) on the second (2^{nd}) Business Day after the satisfaction or waiver (to the extent permitted hereunder) of the conditions set forth in Article VII hereof (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver (to the extent permitted hereunder) of such conditions), or at such other location, date and time as Parent and the Company shall mutually agree upon in writing (the date upon which the Closing shall actually occur pursuant hereto being referred to herein as the "Closing Date").

1.3 Effective Time. Upon the terms and subject to the conditions set forth in this Agreement, on the Closing Date, Parent, Merger Sub and the Company shall cause the Merger to be consummated (a) by filing a certificate of merger in customary form and substance (the "GA Certificate of Merger") with the Secretary of State of the State of Georgia (the "Georgia Secretary of State") in accordance with the applicable provisions of the GBCC and (b) by filing a certificate of merger in customary form and substance (the "DE Certificate of Merger" and together with the GA Certificate of Merger, the "Certificate of Merger") with the Secretary of State of the State of Delaware (the "Delaware Secretary of State") in accordance with the applicable provisions of the CGCL (the time of such filing and acceptance by the Georgia Secretary of State and the Delaware Secretary of State, or such later time as may be agreed in writing by Parent and the Company and specified in the Certificate of Merger, being referred to herein as the "Effective Time").

1.4 Effect of the Merger. At the Effective Time, the effect of the Merger shall be as provided in this Agreement and the applicable provisions of the GBCC and the CGCL. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time, all rights and property of the Company and Merger Sub shall vest in the Surviving Entity, and all debts and liabilities of the Company and Merger Sub shall become the debts and liabilities of the Surviving Entity.

1.5 Surviving Entity Organizational Documents. At the Effective Time, the articles of organization and operating agreement of Merger Sub, as in effect immediately prior to the Effective Time, shall be the articles of organization and operating agreement of the Surviving Entity until thereafter amended in accordance with Applicable Law and such articles of organization and operating agreement; provided, however, that, at the Effective Time, the articles of organization of the Surviving Entity shall be amended so that the name of the Surviving Entity shall be "Novo Innovations, LLC".

1.6 Surviving Entity Members. At the Effective Time, the initial members of the Surviving Entity shall be the members of Merger Sub immediately prior to the Effective Time, each to hold office in accordance with the articles of organization and any operating agreement of the Surviving Entity until his or her respective successor is duly elected or appointed and qualified. In order to effectuate the foregoing, the Company and each of the Shareholders shall use its reasonable best efforts to procure, in connection with the Closing, the resignation of each of the Company's directors to be effective immediately prior to the Effective Time.

1.7 Conversion of Company Shares. Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time, by virtue of the Merger and without any action on the part of Parent, Merger Sub, the Company or the holders of any of the following securities (including the Shareholders), the following shall occur:

(a) Membership Interests of Merger Sub. Each membership interest of Merger Sub that is issued and outstanding immediately prior to the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted into the right to receive one membership interest of the Surviving Entity, so that at the Effective Time, Parent shall be the holder of all of the issued and outstanding membership interests of the Surviving Entity. Each certificate evidencing ownership of such membership interests of Merger Sub shall cease to have any rights with respect thereto except that thereafter it shall evidence ownership of a membership interest of the Surviving Entity.

(b) Owned Company Common Stock. Each share of common stock, par value $0.01 per share, of the Company (the "Company Common Stock") owned by the Company immediately prior to the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, be automatically canceled and retired and shall cease to exist, and no payment or other consideration shall be made with respect thereto.

(c) Conversion of Company Common Stock. In addition to the Cash Consideration payable pursuant to Section 2.2, each Shareholder's Company Common Stock shall, by virtue of the Merger and without any action on the part of such Shareholder, be automatically canceled and retired and shall cease to exist and each Shareholder shall receive the number of duly authorized, validly issued, fully paid and nonassessable shares of common stock, par value $0.001 per share, of Parent (the "Parent Common Stock") set forth opposite such Shareholder's name on Exhibit A (the shares of Parent Common Stock issuable pursuant to this Section 1.7(c), collectively, the "Parent Shares," collectively, with the Cash Consideration, the "Merger Consideration"). As of the Effective Time, each certificate evidencing ownership of such shares of Company Common Stock shall cease to have any rights with respect thereto

except the right to receive the Merger Consideration to be issued and paid in consideration therefor upon the surrender of such certificate in accordance with Section 2.1.

1.8 Taking of Necessary Action; Further Action. If, at any time after the Effective Time, any further action is necessary or desirable to carry out the purposes of this Agreement and to vest the Surviving Entity with full right, title and possession to all assets, property, rights, privileges, powers and franchises of the Company and Merger Sub, the directors and officers of the Surviving Entity shall take all such lawful and necessary action, consistent with this Agreement, on behalf of the Company and Merger Sub.

ARTICLE II
MERGER CONSIDERATION

2.1 Exchange of Certificates.

(a) Exchange Procedures. At the Effective Time and upon the surrender to the Parent of the certificates that formerly represented shares of Company Common Stock, the Parent shall deliver to the holders of certificates that immediately prior to the Effective Time represented outstanding shares of Company Common Stock certificates representing the number of shares of Parent Common Stock into which such shares shall have been converted in accordance with Section 1.7(c), and the certificate so surrendered shall forthwith be cancelled.

(b) No Further Ownership Rights in the Company. At and after the Effective Time, each holder of shares of Company Common Stock immediately prior to the Effective Time shall cease to have any rights as a shareholder of the Company except for the right to surrender such shareholder's certificates that immediately prior to the Effective Time represented outstanding shares of Company Common Stock in exchange for receipt of the Merger Consideration in accordance with Section 1.7(c).

(c) No Fractional Shares. No fraction of a share of Parent Common Stock shall be issued in the Merger. In lieu of any fractional shares, the fractional amount of Parent Common Stock to which any holder of Company Common Stock is entitled to receive under Section 1.7(c) shall be rounded down to the nearest whole number and the holder thereof shall be entitled to receive an amount in cash (rounded to the nearest whole cent), without interest, equal to the product obtained by multiplying (x) the fraction of a share of Parent Common Stock to which such holder (after taking into account all shares of Company Common Stock and all certificates held immediately prior to the Effective Time by such holder) would otherwise be entitled to and (y) $11.5754.

2.2 Cash Consideration. In addition to the Parent Common Stock issuable pursuant to Section 1.7(c), each Shareholder shall, by virtue of the Merger and without any action on the part of such Shareholder, be entitled to receive the amount of Cash Consideration (as defined in Exhibit A) set forth opposite such Shareholder's name on Exhibit A, which Cash Consideration, other than the Future Cash Consideration Payments (as defined in Exhibit A), shall be paid to the Shareholders at the Closing and may be adjusted as provided in Section 2.5 and may be reduced to satisfy any Debt that is to be satisfied at Closing. The Cash Consideration, including the Future Cash Consideration Payments, to each Shareholder (a) by wire transfer in immediately

available funds to an account or accounts specified by the Shareholders prior to the Closing Date or (b) ,if no such account is specified, by check mailed to each Shareholder's address as set forth on Exhibit A. Notwithstanding anything to the contrary set forth herein, the Parties agree that the Future Cash Consideration Payments may be used by Parent to satisfy any amounts owed to Parent by the Company or the Shareholders hereunder, including Neutral Auditor fees and expenses pursuant to Section 2.5(b)(ii), Negative Net Working Capital Adjustment Amounts pursuant to Section 2.5(c)(i), or indemnity payments in accordance with the limitations, conditions and terms of Article IX.

2.3 Withholding. Each of Parent, the Surviving Entity and Exchange Agent, as applicable, shall be entitled to deduct and withhold from any amounts payable by it pursuant to this Agreement any withholding Taxes or other amounts required by any Applicable Law to be deducted and withheld. To the extent that any such amounts are so deducted or withheld, such amounts will be treated for all purposes of this Agreement as having been paid prior to the Closing to the Person in respect of which such deduction and withholding was made.

2.4 Adjustments. The numbers of shares of Parent Common Stock issuable pursuant to Section 1.7(c) shall be equitably adjusted to reflect appropriately the effect of any stock split, reverse stock split, stock dividend (including any dividend or distribution of securities convertible into Parent Common Stock), cash dividends, merger, reorganization, recapitalization, reclassification, combination, exchange of shares or other like change with respect to Parent Common Stock occurring on or after the date hereof.

2.5 Working Capital Adjustments.

(a) Not later than three (3) business days prior to the Closing Date, the Company shall prepare in good faith and deliver to the Parent an update to the Interim Balance Sheet (the "Estimated Closing Statement"), which (i) updates the Interim Balance Sheet as of the delivery date, and (ii) includes a calculation of the estimated Closing Net Working Capital of the Company as of the close of business on the Closing Date (the "Estimated Closing Net Working Capital"), together with worksheets and data that support the Estimated Closing Statement and any other information that Parent may reasonably request in order for Parent to verify the amounts reflected on the Estimated Closing Statement. The Estimated Closing Statement shall be prepared in accordance with GAAP consistently applied and otherwise consistent with the Company's past accounting methods and practices. If the Estimated Closing Net Working Capital exceeds the Target Net Working Capital, the Cash Consideration shall be increased by an amount equal to such excess. If the Estimated Closing Net Working Capital is less than the Target Net Working Capital, the Cash Consideration shall be decreased by the difference of such amounts.

(b) Within sixty (60) days after the Closing Date, Parent will deliver to the Shareholder Representative an audited balance sheet of the Company as of the Closing Date (the "Closing Balance Sheet"), together with worksheets and data that support the Closing Balance Sheet. The Closing Balance Sheet shall be prepared in accordance with GAAP consistently applied and otherwise consistent with the methodology, policies, practices and principles used to prepare the Interim Balance Sheet. Parent will deliver to the Shareholder Representative together with the Closing Balance Sheet a calculation of the Closing Net Working Capital as of

the Closing Date based on the Closing Balance Sheet, without giving effect to the Closing (the "Proposed Closing Net Working Capital") and shall deliver worksheets and data that support the Closing Balance Sheet and the calculation of the Proposed Closing Net Working Capital and any other information that the Shareholder Representative may reasonably request in order for the Shareholder Representative to verify the amounts reflected on the Closing Balance Sheet.

(i) The Closing Balance Sheet and the Proposed Closing Net Working Capital shall be binding upon the Parties if (A) the Shareholder Representative fails to object in writing within twenty (20) days after receipt of the Closing Balance Sheet or (B) the Shareholder Representative approves the Closing Balance Sheet and the Proposed Closing Net Working Capital in writing, in which case, under either event, the Proposed Closing Net Working Capital shall be the "Closing Net Working Capital."

(ii) If the Shareholder Representative does not agree with the Closing Balance Sheet and the calculation of the Proposed Closing Net Working Capital, or Parent and the Shareholder Representative cannot mutually agree on the same, then within thirty (30) days following receipt by the Shareholder Representative of the Closing Balance Sheet, Parent and the Shareholder Representative shall engage Frazier & Deeter, LLC or such other Southeast regional or nationally recognized independent accounting firm mutually satisfactory to Parent and the Shareholder Representative (the "Neutral Auditor") to resolve such dispute. The Neutral Auditor shall review the Interim Balance Sheet, the Estimated Closing Net Working Capital, the Closing Balance Sheet and the Proposed Closing Net Working Capital, along with all worksheets and data that support the same and, within ten (10) business days of its appointment (or as soon as practicable after such ten (10) business day period), shall make any adjustments necessary thereto, and, upon completion of such review, shall determine the Closing Net Working Capital of the Company as of the Closing Date, which determination shall be binding upon the Parties and shall be the "Closing Net Working Capital." If such a review is conducted, then Parent and the Shareholder Representative shall each be responsible for fifty percent (50%) of the fees and expenses of the Neutral Auditor associated with such review; provided, however, that the Parent shall be responsible for making the payment of all of such fees and expenses of the Neutral Auditor and the Future Cash Consideration Payments shall be offset in an amount equal to fifty percent (50%) of such fees and expenses.

(c) Within three (3) business days following determination of the Closing Net Working Capital in accordance with Section 2.5(b):

(i) in the event the Closing Net Working Capital is less than the Estimated Closing Net Working Capital, an amount equal to the difference between such amounts ("Negative Net Working Capital Adjustment Amount") shall be (A) first offset by Parent against any Future Cash Consideration Payments to be paid pursuant to Section 2.2 (with the Cash Consideration being deemed to have been decreased by any such Negative Net Working Capital Adjustment Amount) and (B) then, only to the extent that the Negative Net Working Capital Adjustment Amount is greater than the Future Cash Consideration Payments, paid to Parent by the Shareholders, severally and in equal amounts, by wire transfer of immediately available funds; and

(ii) in the event the Closing Net Working Capital is greater than the Estimated Closing Net Working Capital, Parent shall pay the Shareholders, by wire transfer of immediately available funds, to such accounts as designated in writing by the Shareholder Representative, an amount equal to the difference between such amounts ("Positive Net Working Capital Adjustment Amount"), and the Cash Consideration shall be increased by such Positive Net Working Capital Adjustment Amount.

(d) Notwithstanding anything in the Agreement to the contrary, the payment, non-payment or offset of (i) any Positive Net Working Capital Adjustment Amount by Parent or (ii) any Negative Net Working Capital Adjustment Amount by Parent against the Future Cash Consideration Payments under this Section 2.5 shall not be subject to any of the limitations on indemnification contained in Article IX.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to Parent and Merger Sub as of the date hereof as follows:

3.1 Organization and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Georgia. The Company has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business. The Company is duly qualified or licensed to do business and is in good standing as a foreign corporation in each jurisdiction in which the conduct of its business or the ownership, leasing, holding or use of its properties makes such qualification necessary, except such jurisdictions where the failure to be so qualified or licensed or in good standing would not have a Company Material Adverse Effect. The Company has made available to Parent a true and correct copy of its articles of incorporation and bylaws, each as amended to date and in full force and effect on the date hereof.

3.2 Subsidiaries.

(a) Section 3.2(a) of the Company Schedule sets forth a true and complete list of each Subsidiary of the Company, together with (i) the jurisdiction of formation of each such Subsidiary, (ii) the percentage of the outstanding Equity Interests of such Subsidiary owned by the Company or any of its other Subsidiaries, and (iii) if applicable, each other holder of Equity Interests of such Subsidiary. Neither the Company nor any of its Subsidiaries owns any Equity Interest in any Person other than the Subsidiaries set forth in Section 3.2(a) of the Company Schedule. All Equity Interests of each Subsidiary of the Company owned by the Company or any of its other Subsidiaries are owned free and clear of all Liens other than Permitted Liens.

(b) Each Subsidiary of the Company is duly organized, validly existing and in good standing (to the extent applicable) under the Applicable Laws of its jurisdiction of formation. Each Subsidiary of the Company has all requisite power and authority to own, lease and operate its properties and to carry on its business. Each Subsidiary of the Company is duly qualified or licensed to do business and is in good standing (to the extent applicable) as a foreign organization in each jurisdiction in which the conduct of its business or the ownership, leasing,

holding or use of its properties makes such qualification necessary, except such jurisdictions where the failure to be so qualified or licensed or in good standing would not have a Company Material Adverse Effect. The Company has made available to Parent a true and correct copy of the certificate of incorporation and bylaws or other comparable organizational documents of each Subsidiary of the Company, each as amended to date and in full force and effect on the date hereof.

(c) All of the outstanding share capital of each of the Company's Subsidiaries has been duly authorized and validly issued and is fully paid and non-assessable.

3.3 Authority. The Company has all requisite power and authority to execute and deliver this Agreement and all other Related Agreements to which it is or is to be a party and subject, to consummate the transactions contemplated hereby and thereby and to perform its obligations hereunder and thereunder. The execution and delivery by the Company of this Agreement and the other Related Agreements to which it is or is to be a party and the consummation by the Company of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Company, and no additional corporate proceedings on the part of the Company are necessary to authorize this Agreement or any other Related Agreement or the consummation of the transactions contemplated hereby or thereby. This Agreement and the other Related Agreements to which the Company is or is to be a party have been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by Parent and Merger Sub and any other counterparty thereto, constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as (a) may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting or relating to creditors' rights generally, and (b) is subject to general principles of equity.

3.4 No Conflict. None of the execution, delivery or performance by the Company of this Agreement or any other Related Agreements to which it is to be a party, the consummation by the Company of the transactions contemplated hereby or thereby or the compliance by the Company with any of the provisions hereof or thereof: (i) violate or conflict with any provision of the articles of incorporation or bylaws of the Company; (ii) violate or conflict with any provision of the certificates of incorporation or bylaws or other comparable organizational documents of any of the Company's Subsidiaries; (iii) except as set forth in Section 3.4 of the Company Schedule and subject to obtaining the Consents set forth in Section 3.5 of the Company Schedule, violate, conflict with, or result in the breach of or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or result in the termination of, or accelerate the performance required by or modification to the terms or conditions of, or result in a right of termination, acceleration or modification under, any Contract to which the Company or any of its Subsidiaries is a party or by which the Company, any of its Subsidiaries or any of their properties or assets may be bound; (iv) violate or conflict with any Applicable Law or Decree applicable to the Company or any of its Subsidiaries or by which any of their properties or assets are bound; or (v) result in the creation of any Lien upon any of the properties or assets of the Company or any of its Subsidiaries, except in the case of each of clauses (ii), (iii), (iv) and (v) above, for such violations, conflicts, breaches, defaults, terminations, accelerations or Liens that would not have a Company Material Adverse Effect.

3.5 Governmental Consents. Except as set forth on Section 3.5 of the Company Schedule, no Consent of any Governmental Entity is required on the part of the Company or any of the Shareholders in connection with the execution, delivery or performance by the Company or the Shareholders of this Agreement or any other Related Agreement to which it is or is to be a party or the consummation by the Company or the Shareholders of the transactions contemplated hereby or thereby, except (a) the filing and recordation of the Certificate of Merger with the Georgia Secretary of State and the Delaware Secretary of State, and such filings with Governmental Entities to satisfy the Applicable Laws of states in which the Company is qualified to do business; (b) such filings and approvals as may be required by any federal or state securities laws; and (c) such other Consents, the failure of which to obtain would not have a Company Material Adverse Effect.

3.6 Capitalization.

(a) The authorized capital stock of the Company consists of 1,500 shares of Company Common Stock. Section 3.6(a) of the Company Schedule sets forth a true and complete list of all Equity Interests of the Company issued or outstanding and the record and beneficial holders thereof. Except as set forth on Section 3.6(a) of the Company Schedule, the Equity Interests set forth on Section 3.6(a) of the Company Schedule are the only Equity Interests of the Company issued or outstanding and the shareholders set forth thereon are the only holders of Equity Interests of the Company. All outstanding shares of Company Common Stock are validly issued, fully paid, nonassessable and free of any preemptive rights.

(b) Except as set forth on Section 3.6(b) of the Company Schedule, the Company has not reserved for issuance any additional shares of Company Common Stock other than those shares of Company Common Stock issued and outstanding as of the date hereof.

(c) All of the outstanding Equity Interests of the Company have been issued in compliance in all material respects with Applicable Law and the articles of incorporation and bylaws of the Company.

(d) Except as set forth on Section 3.6(d) of the Company Schedule, neither the Company nor any of its Subsidiaries, nor any of the Shareholders, is a party to any Contract restricting the transfer of, relating to the voting of, requiring registration of, or granting any preemptive rights, anti-dilutive rights or rights of first refusal or similar rights with respect to any Equity Interests of the Company or any other shareholders agreement or other similar agreement restricting the election or appointment of directors of the Company.

3.7 Financial Statements.

(a) Section 3.7(a) of the Company Schedule contains (i) the audited consolidated balance sheets and the related audited consolidated income statements, changes in shareholders' equity and cash flow of the Company and its Subsidiaries as of and for the fiscal year ended December 31, 2007 (the "Most Recent Company Audited Balance Sheet"); and (ii) the unaudited consolidated balance sheet of the Company and its Subsidiaries as of October 31, 2008 (the "Interim Balance Sheet Date") and the related unaudited consolidated income statements of the Company and its Subsidiaries as of and for the ten-month period then ended (the "Interim

Balance Sheet," and collectively with the Most Recent Company Audited Balance Sheet, the "Company Financial Statements").

(b) Except as set forth on Section 3.7(b) of the Company Schedule, the Company Financial Statements (i) were prepared in accordance with GAAP as in effect on the respective dates thereof applied on a consistent basis during the periods involved (except as may be indicated therein or in the notes thereto); and (ii) fairly present in accordance with GAAP in all material respects (subject, in the case of the unaudited interim financial statements, to normal, recurring year-end audit adjustments that were not or are not expected to be, individually or in the aggregate, materially adverse to the Company), the consolidated financial position of the Company and its Subsidiaries as of the respective dates thereof and the consolidated results of their operations and cash flows for the respective periods then ended.

3.8 No Undisclosed Liabilities. Neither the Company nor any of the Company's Subsidiaries has any Liability that would be required by GAAP, as in effect on the date thereof, to be reflected on a consolidated balance sheet of the Company and its Subsidiaries (including the notes thereto) except for (a) Liabilities reflected or reserved against in the Interim Balance Sheet; (b) Liabilities incurred in the ordinary course of business consistent with past practice since the Interim Balance Sheet Date; (c) Liabilities that arose under, or were incurred in connection with the transactions contemplated by, this Agreement; or (d) Liabilities that would not have a Company Material Adverse Effect.

3.9 Absence of Certain Changes.

(a) Since December 31, 2007, except as set forth on Section 3.9 of the Company Schedule or except for actions expressly contemplated by this Agreement or any other Related Agreement or expressly consented to in writing by Parent from and after the date hereof, (i) the business of the Company and its Subsidiaries has been conducted, in all material respects, in the ordinary course consistent with past practice and (ii) there has not been a Company Material Adverse Effect.

(b) Without limiting the generality of Section 3.9(a), the Company and its Subsidiaries have not since October 31, 2008, and prior to the date of this Agreement taken any action, or failed to take any action, which if taken from and after the date hereof would be restricted by Section 6.1(b).

3.10 Compliance with Laws and Permits.

(a) Except as set forth on Section 3.10 of the Company Schedule, the Company and each of its Subsidiaries is and during the last three (3) years has been in compliance with all Applicable Laws and Decrees, except for such noncompliance that would not have a Company Material Adverse Effect. Except as set forth on Section 3.10 of the Company Schedule, none of the Company or any of its Subsidiaries has received any written, or the Knowledge of the Company, oral, notice (i) of any non-routine administrative, civil or criminal investigation or audit (other than Tax audits, which are addressed in Section 3.18) by any Governmental Entity relating to the Company or any of its Subsidiaries or (ii) from any Governmental Entity alleging that the Company or any of its Subsidiaries is not or has not been in compliance with any

Applicable Law or Decree, that, if adversely determined (as to both subsections (i) and (ii) above), would have a material adverse effect on the Company.

(b) Except with respect to matters that are the subjects of Section 3.17, Section 3.18 and Section 3.19, the Company and each of its Subsidiaries has and during the last three (3) years has had in effect all Permits necessary for it to own, lease or otherwise hold and operate its properties and assets and to carry on its businesses and operations as now conducted, and no suspension or cancellation of any such Permits is pending or, to the Knowledge of the Company, threatened in writing, except for such lack of Permits, noncompliance, suspensions or cancellations that would not have a Company Material Adverse Effect. There are no defaults (with or without notice or lapse of time or both) under, violations of, or events giving rise to any right of termination, amendment or cancellation of, any such Permits, except for such defaults, violations, terminations, amendments or cancellations that would not have a Company Material Adverse Effect.

3.11 Litigation. Except as set forth in Section 3.11 of the Company Schedule, there is no Legal Proceeding pending or, to the Knowledge of the Company, threatened, (a) against the Company, any of its Subsidiaries, the Shareholder Representative, or any of the Company's or any of its Subsidiaries' respective properties that (i) involves an amount in controversy in excess of $250,000, or (ii) seeks to impose any material legal restraint on or prohibition against or limit the Surviving Entity's or any of its Subsidiaries' ability to operate the business of the Company and its Subsidiaries substantially as it was operated immediately prior to the date of this Agreement; (b) against any current director or officer of the Company or any of its Subsidiaries (in their respective capacities as such) or, to the Knowledge of the Company, any former director or officer of the Company or any of its Subsidiaries (in their respective capacities as such); or (c) against the Company, any of its Subsidiaries or any Shareholder or any of their respective properties that challenges, or that has the effect of preventing, delaying, making illegal or otherwise materially interfering with, the Merger or any of the other transactions contemplated hereby. Neither the Company nor any of its Subsidiaries is subject to any outstanding Decree that materially impairs the Company's or such Subsidiary's ability to operate in the same manner it operates on the date hereof. Section 3.11 of the Company Schedule sets forth, for each Legal Proceeding listed thereon, a brief description and the status thereof.

3.12 Assets. Except as set forth on Section 3.12 of the Company Schedule, the Company and its Subsidiaries have (i) good and valid title to all of the assets and properties (whether real, personal or mixed, or tangible or intangible) material to the operation of their business, taken as a whole (including all assets and properties recorded on the Interim Balance Sheet, other than assets and properties disposed of in the ordinary course of business since the Interim Balance Sheet Date), free and clear of any Liens, other than Permitted Liens, and (ii) valid leasehold interests in, or any other valid rights under Contract to use, all of the assets and properties which the Company or any of its Subsidiaries lease or otherwise use, except where the failure to have such title or interest would not have a Company Material Adverse Effect.

3.13 Material Contracts.

(a) Section 3.13 of the Company Schedule lists, as of the date hereof, all of the Material Contracts to which the Company or any of its Subsidiaries is a party or that is otherwise

binding on the Company, any of its Subsidiaries or any of the assets or property of the Company or any of its Subsidiaries (each such listed Material Contract or Material Contract otherwise required to be listed, or any Material Contract that would be required to be listed if entered into from and after the date hereof and prior to the Effective Time, a "Company Material Contract").

(b) Except as set forth on Section 3.13(b) of the Company Schedule, each Company Material Contract, other than any Company Material Contract that by its terms has expired or been terminated since the date hereof, is valid and binding on the Company (and/or each Subsidiary of the Company party thereto) and, to the Knowledge of the Company, is valid and binding on each other party thereto and is in full force and effect, except as may be limited by bankruptcy, insolvency, reorganization, preference, fraudulent transfer, moratorium or similar laws relating to or affecting the rights and remedies of creditors and by general principles of equity regardless of whether considered in a proceeding in equity or at law. Except as set forth on Section 3.13(b) of the Company Schedule, neither the Company nor any of its Subsidiaries party thereto, nor, to the Knowledge of the Company, any other party thereto, is in breach of, or default under, any Company Material Contract, and no event has occurred that with notice or lapse of time or both would constitute such a breach or default thereunder by, the Company or any of its Subsidiaries, or, to the Knowledge of the Company, any other party thereto, or would give rise to the right to declare a default or exercise any remedy under, or to accelerate the maturity of, or to cancel, terminate or modify any Company Material Contract, except for such failures to be in full force and effect and such breaches, defaults or events that would not have a Company Material Adverse Effect.

(c) Except as set forth on Section 3.13(c) of the Company Schedule, the Company has made available to Parent true, accurate and complete copies of all Company Material Contracts.

3.14 Real Property.

(a) Section 3.14(a) of the Company Schedule sets forth the address and a general description of all material real property owned by the Company or any of its Subsidiaries as of the date of this Agreement (the "Company Owned Real Property"). With respect to all Company Owned Real Property:

(i) the Company or one of its Subsidiaries has good and marketable fee simple title, free and clear of all Liens, other than Permitted Liens;

(ii) except as set forth on Section 3.14(a) of the Company Schedule and except for Permitted Liens, neither the Company nor any of its Subsidiaries has leased or otherwise granted to any Person the right to use or occupy such Company Owned Real Property or any material portion thereof; and

(iii) there are no outstanding options, rights of first offer or rights of first refusal to purchase such Company Owned Real Property or any portion thereof or interest therein.

(b) Section 3.14(b) of the Company Schedule contains a complete and accurate list of the following:

(i) the address of each item of material Leased Real Property used or occupied by the Company or any of its Subsidiaries (the "Company Leased Real Property" and together with the Company Owned Real Property, the "Company Real Property") pursuant to a Lease (the "Company Leases"), and a true and complete list of all Company Leases. The Company has made available to Parent a true and complete copy of each of the Company Leases and, in the case of any oral Company Lease, a written summary of the terms of such Company Lease; and

(ii) all Contracts or options granted by the Company or any of its Subsidiaries, or contractual obligations on the part of the Company or any of its Subsidiaries, to purchase or acquire any interest in real property material to the Company and its Subsidiaries taken as a whole.

(c) Except as set forth on Section 3.14(c) of the Company Schedule, with respect to each Company Lease, (i) such Lease is valid and binding on the Company (and/or each Subsidiary of the Company party thereto) and, to the Knowledge of the Company, is valid and binding on each other party thereto and is in full force and effect, except as may be limited by bankruptcy, insolvency, reorganization, preference, fraudulent transfer, moratorium or similar laws relating to or affecting the rights and remedies of creditors and by general principles of equity regardless of whether considered in a proceeding in equity or law; (ii) neither the Company nor any of its Subsidiaries party thereto, nor, to the Knowledge of the Company, any other party thereto, is in breach of, or default under, such Lease, and no event has occurred that with notice or lapse of time or both would constitute such a breach or default thereunder by, the Company or any of its Subsidiaries, or, to the Knowledge of the Company, any other party thereto, or would give rise to the right to declare a default or exercise any remedy under, or to accelerate the maturity of, or to cancel, terminate or modify such Lease; (iii) neither the Company or any of its Subsidiaries owes, or has any obligation to owe in the future, any brokerage commissions or finder's fees with respect to such Lease; (iv) neither the Company nor any of its Subsidiaries has collaterally assigned or granted any other security interest in such Lease or any interest therein; and (v) there are no Liens, other than Permitted Liens, on the estate or interest created by such Lease, except in the case of clauses (i) through (v) as would not have a Company Material Adverse Effect.

(d) Except as would not materially interfere with the use or operation thereof, the Company Real Property has received all required approvals of Governmental Entities (including Permits and a certificate of occupancy or other similar certificate permitting lawful occupancy of the Company Real Property) required in connection with the operation thereof. Except as would not materially interfere with the use or operation of any Company Real Property, all buildings, structures, improvements, fixtures, building systems and equipment, and all components thereof, included in the Company Real Property, including leasehold improvements (the "Company Improvements"), are, to the Knowledge of the Company, (x) in good operating condition and repair, subject to ordinary wear and tear, (y) sufficient for the operation of the Company's or its Subsidiaries' business as presently conducted, and (z) in conformity with all Applicable Laws.

(e) Except as set forth on Section 3.14(e) of the Company Schedule, neither the Company nor any of its Subsidiaries has received any written notice that it is in violation of any zoning, use, occupancy or building regulation, ordinance or other Applicable Law or Decree

relating to the Company Real Property, and, to the Knowledge of the Company, there is no condemnation, expropriation or other proceeding in eminent domain pending, or threatened, affecting the Company Real Property or any portion thereof or interest therein.

3.15 Intellectual Property. Section 3.15 of the Company Schedule contains a complete and accurate list of all of the following that constitutes Company Intellectual Property (identifying for each, the owner, and, if not exclusively owned by the Company, the license pursuant to which the Company has the right to use such Intellectual Property): (i) patented or registered Intellectual Property (including Internet domain names), (ii) pending patent applications or applications for registration of other Intellectual Property, (iii) all computer software (other than commercially available, off-the-shelf software with a replacement cost and/or annual license fee of less than $100,000), and (iv) trade or corporate names and material unregistered trademarks and service marks. Except as set forth on Section 3.15 of the Company Schedule or as would not have a Company Material Adverse Effect:

(a) the Company and/or each of its Subsidiaries owns and possesses, free and clear of all Liens, other than Permitted Liens and any non-exclusive licenses of the Company Intellectual Property, or has a valid and enforceable written license to use, all right, title and interest in and to the Company Intellectual Property and all other Intellectual Property necessary for the conduct of the business of the Company and its Subsidiaries as currently conducted;

(b) the patented and registered Company Intellectual Property is valid, enforceable and subsisting and no loss of any Company Intellectual Property is reasonably foreseeable;

(c) the Company and each of its Subsidiaries have taken reasonable and customary actions necessary to maintain, protect, and enforce the Company Intellectual Property, including the confidentiality of its trade secrets and other confidential information;

(d) to the Knowledge of the Company, the conduct of the business of the Company or any of its Subsidiaries does not infringe, misappropriate or otherwise conflict with, and has not within the last six (6) years infringed, misappropriated or otherwise conflicted with, any Intellectual Property of any third party, and to the Knowledge of the Company, no third party is infringing, misappropriating or otherwise conflicting with, or has within the last six (6) years infringed, misappropriated or otherwise conflicted with, any of the Company Intellectual Property;

(e) there are no claims (including office actions or oppositions or cancellation actions) against the Company or any of its Subsidiaries that were either made within the past six (6) years or are presently pending or, to the Company's Knowledge, threatened, contesting the validity, ownership, enforceability, registrability or use of any of the Company Intellectual Property and, to the Knowledge of the Company, there is no basis for any such claim;

(f) all past and present employees and independent contractors of, and consultants to, the Company and its Subsidiaries involved in the development of the Company Intellectual Property have entered into agreements or are subject to a company policy pursuant to which such employee, independent contractor or consultant agrees to protect the confidential

information of the Company and its Subsidiaries and assign to the Company all Intellectual Property authored, developed or otherwise created by such employee, independent contractor or consultant in the course of his, her, or its employment or other relationship with the Company and its Subsidiaries;

(g) neither the Company nor any of its Subsidiaries is a party to any agreement or arrangement, or otherwise subject to any duty or obligation, which (in either case) (i) restricts the free use, license or disclosure by the Company of any source code relating to any of the Company's or any of its Subsidiaries' proprietary software (collectively, "Company Software"), or (ii) requires the Company to (x) include any source code relating to any Company Software with any distribution or delivery (whether physical or on a hosted basis) of such software and/or (y) permit any licensee of any Company Software to modify any source code relating to any Company Software;

(h) no source code for any Company Software has been delivered, licensed, or made available to any Person who is not, as of the date of this Agreement, an escrow agent or an employee of Company or any of its Subsidiaries and neither the Company nor any of its Subsidiaries has a duty or obligation (whether present, contingent, or otherwise) to deliver, license, or make available the source code for any Company Software to any Person who is not, as of the date of this Agreement, an escrow agent or an employee of the Company or any of its Subsidiaries; and

(i) the Company has complied in all material respects with all Health Information Laws, in each case to the extent such Health Information Laws required compliance by the Company, and has implemented all measures required for it to comply with the Health Information Laws and all other applicable data protection or privacy laws and healthcare laws applicable to the performance of the Company. The Company is in compliance with any privacy policies or related policies, programs or other notices that apply to the Company's collection or use of Protected Health Information (as defined in HIPAA). The Company has entered into, where required, and is in compliance with the terms of all Business Associate (as defined in HIPAA) agreements to which the Company is a party or otherwise bound. The Company has not received any written inquiries from the U.S. Department of Health and Human Services or any other Governmental Authority regarding the Company's compliance with the Health Information Laws, and the policies and procedures of the Company have not been rejected by any applicable certification organization which has reviewed such policies and procedures, or to which such policies and procedures have been submitted, for Health Information Law compliance. The Company has not received written notice of and does not have Knowledge, that any Business Associate of the Company is in violation of Health Information Laws. The Company and its Subsidiaries have not been debarred, excluded or suspended from participation under Medicare, Medicaid, TRICARE or any other "Federal health care program" as that term is defined at 42 U.S.C. § 1320a-7b(f).

3.16 Insurance. The Company and its Subsidiaries have all policies of insurance covering the Company, its Subsidiaries or any of their respective employees, properties or assets, which are reasonably customary for the operation of its business. All such insurance policies are in full force and effect, no notice of cancellation has been received, and there is no existing default or event which, with the giving of notice or lapse of time or both, would constitute a

default, by any insured thereunder, except for such defaults that would not have a Company Material Adverse Effect. There is no material claim by the Company or any of its Subsidiaries or any Affiliate thereof pending under any of such insurance policies as to which coverage has been questioned, denied or disputed by the underwriters of such policies other than for routine matters in the ordinary course of business. There is no pending claim that will exceed the policy limits under any such insurance policy. None of the Company or any of its Subsidiaries maintain, sponsor, participate in or contribute to any self-insurance plan or program.

3.17 Environmental Matters. Except as set forth on Section 3.17 of the Company Schedule:

(a) Each of the Company, its Subsidiaries and their respective predecessors and Affiliates have at all times complied and are in compliance with all Environmental Laws, except for such noncompliance that would not have a Company Material Adverse Effect.

(b) Without limiting the generality of the foregoing, each of the Company, its Subsidiaries and their respective predecessors and Affiliates have obtained and at all times complied with, and are in compliance with, all Permits that are required pursuant to Environmental Law for the occupation of their facilities and the operation of their business, except for such noncompliance that would not have a Company Material Adverse Effect.

(c) Neither the Company, nor any of its Subsidiaries, nor their respective predecessors or Affiliates has received any written or, to the Company's Knowledge, oral notice, report or other information regarding any actual or alleged violation of Environmental Law, or any Liability, including any investigatory, remedial or corrective obligations, relating to any of them or their facilities or the conduct of their respective businesses arising under Environmental Law, except for such violations or Liability that would not have a Company Material Adverse Effect.

(d) Neither the Company, nor any of its Subsidiaries, nor their respective predecessors or Affiliates has treated, stored, disposed of, arranged for or permitted the disposal of, transported, handled, manufactured, distributed, exposed any person to, or Released any substance, including without limitation any Hazardous Materials, or owned, operated or conducted their business at or upon any property or facility (and no such property or facility is contaminated by any such substance) so as to give rise to any current or future Liabilities, including any Liability for fines, penalties, response costs, corrective action costs, personal injury, property damage, natural resources damages or attorneys' fees, pursuant to the CERCLA, the Solid Waste Disposal Act or any other Environmental Law, except for such Liabilities that would not have a Company Material Adverse Effect.

(e) Neither the Company nor any of its Subsidiaries has assumed, undertaken, or provided an indemnity with respect to any material Liability, including any obligation for corrective or remedial action, of any Person relating to any Environmental Law.

(f) The Company has made available to Parent true and correct copies of all environmental audits, reports and assessments, and all other documents materially bearing on environmental, health or safety liabilities, in each case relating to the past or current operations,

facilities or business of the Company and its Subsidiaries, in each case which are in its possession or under its reasonable control.

3.18 Tax Matters. Except as set forth on Section 3.18 of the Company Schedule:

(a) The Company and each of its Subsidiaries have filed or have caused to be timely filed all material Tax Returns required to be filed by it (the "Company Tax Returns"). All such Company Tax Returns were correct and complete in all material respects.

(b) All material Taxes due and owing by the Company and each of its Subsidiaries (whether or not shown on any Company Tax Return) have been paid or adequate reserves therefor have been established on the Company Financial Statements in accordance with GAAP.

(c) The Company and each of its Subsidiaries have timely withheld or collected all material Taxes that they were required to withhold or collect under Applicable Law from their employees, customers, shareholders, creditors and others from whom they are or were required to withhold Taxes and have timely paid all such withheld amounts to the appropriate taxing authorities.

(d) Neither the Company nor any of its Subsidiaries is currently the subject of an audit, judicial proceeding or other examination in respect of Taxes by the tax authorities of any nation, state or locality (and, to the Knowledge of the Company, no such audit, judicial proceeding or other examination is contemplated). The Company has made available to Parent correct and complete copies of all examination reports, closing agreements and statements of deficiencies assessed against or agreed to by the Company or any of its Subsidiaries filed or received since December 31, 2004.

(e) Neither the Company nor any of its Subsidiaries has consented in writing to extend the statutory period of limitations applicable to any claim for, or the period for the collection or assessment of, Taxes of the Company or any of its Subsidiaries due for any taxable period.

(f) Neither the Company nor any of its Subsidiaries has received written notice of any claim by any taxing authority in a jurisdiction where such Company or Subsidiary does not file Company Tax Returns that such Company or Subsidiary is or may be subject to taxation by that jurisdiction.

(g) No material Liens for Taxes exist with respect to any of the assets or properties of the Company or any of its Subsidiaries, except for Permitted Liens.

(h) Neither the Company nor any of its Subsidiaries is a party to or bound by any Tax indemnity agreement, Tax sharing agreement or Tax allocation agreement.

(i) Neither the Company nor any of its Subsidiaries is a party to any Contract which, individually or collectively with respect to any Person, could give rise to the payment of any amount that would not be deductible by the Company or any of its Subsidiaries by reason of Section 280G of the Code (or any corresponding provision of United States or non-United States

federal, state and local Tax law) as a result of the transactions contemplated hereby or by any other Related Agreement.

(j) Neither the Company nor any of its Subsidiaries has engaged in any "listed transaction", or any reportable transaction the principal purpose of which was tax avoidance, within the meaning of Section 6011, Section 6111 and Section 6112 of the Code.

(k) Neither the Company nor any of its Subsidiaries is, or has been, a United States real property holding company (as defined in Section 897(c)(2) of the Code) during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(l) In the past five (5) years, neither the Company nor any of its Subsidiaries has been either a "controlled corporation" or a "distributing corporation" (within the meaning of Section 355(a)(1)(A) of the Code) with respect to a transaction that was described in, or intended to qualify as a Tax-free transaction pursuant to Section 355 of the Code.

(m)Since December 31, 2004, each plan, program, arrangement or agreement that constitutes in any part a nonqualified deferred compensation plan within the meaning of Section 409A of the Code has been operated and maintained in accordance with the requirements of IRS Notice 2005-1 and a good faith, reasonable interpretation of Section 409A of the Code with respect to amounts deferred (within the meaning of Section 409A of the Code) after December 31, 2004.

(n) The Company has been a validly electing S corporation within the meaning of Section 1361 and 1362 of the Code (and similar provisions of state and local law) at all times since January 1, 1996, and the Company will be an S corporation up to an including the Closing Date.

(o) Section 3.18(o) of the Company Schedule identifies each Subsidiary of the Company that is a qualified subchapter S subsidiary within the meaning of Code Section 1361(b)(3)(B). Each Subsidiary of the Company so identified has been a qualified subchapter S subsidiary at all times since the date shown on such schedule up to and including the Closing Date.

3.19 Labor Matters. Except as set forth on Section 3.19 of the Company Schedule, as it relates to the Company and its Subsidiaries: (i) as of the date hereof, there is no collective bargaining agreement or relationship covering employees of the Company or any of its Subsidiaries; (ii) there are no pending or, to the Knowledge of the Company, threatened, material labor or employment controversies or disputes, including any Legal Proceeding alleging alleged unlawful harassment, employment discrimination, unfair labor practices, unpaid wages, unsafe workplace, unlawful wage or immigration practices, or unlawful tax withholding practices; (iii) there is no strike, slowdown, work stoppage, lockout or other material labor dispute underway, or threatened, and no such labor dispute has occurred within the past three (3) years; (iv) the Company and its Subsidiaries are in compliance with all laws affecting labor and employment, except for instances of noncompliance that would not, individually or in the aggregate, result in a Company Material Adverse Effect; and (v) within the past three (3) years, neither the Company nor any of its Subsidiaries has implemented any employee layoffs in violation of the Worker

Adjustment and Retraining Notification Act of 1988 or any similar Applicable Laws (collectively, the "WARN Act"), and no such action will be implemented without advance notification to Parent. Neither the Company nor any of its Subsidiaries party thereto, nor, to the Knowledge of the Company, any other party thereto, is in breach of, or default under, any collective bargaining agreement or relationship covering employees of the Company or any of its Subsidiaries, and no event has occurred that with notice or lapse of time or both would constitute such a breach or default thereunder by, the Company or any of its Subsidiaries, or, to the Knowledge of the Company, any other party thereto, or would give rise to the right to declare a default or exercise any remedy under, or to accelerate the maturity of, or to cancel, terminate or modify any such collective bargaining contract, except for such failures to be in full force and effect and such breaches, defaults or events that would not have a Company Material Adverse Effect.

3.20 Employment Matters.

(a) Section 3.20(a) of the Company Schedule sets forth each Company Employee Plan. Neither the Company nor any of its Subsidiaries has any stated plan, intention or commitment to establish any new Company Employee Plan, to modify any Company Employee Plan (except to the extent required by Applicable Law or to conform any such Company Employee Plan to the requirements of any Applicable Law, in each case as previously disclosed to Parent in writing), or to enter into or terminate any Company Employee Plan.

(b) The Company has made available to Parent (i) correct and complete copies of each Company Employee Plan and each summary plan description and summary of material modifications thereto; (ii) the three (3) most recent annual reports (Series 5500 and all schedules thereto), if any, required under ERISA or the Code in connection with each Company Employee Plan or related trust; (iii) if any Company Employee Plan is funded, the most recent annual and periodic accounting of Company Employee Plan assets; and (iv) each trust, insurance policy or other funding mechanism which implements each Company Employee Plan.

(c) The Company and each of its Subsidiaries has performed in all material respects all obligations required to be performed by it under each Company Employee Plan and each Company Employee Plan has been established, maintained, funded and operated in accordance with its terms, the terms of any applicable collective bargaining agreement and in all material respects in compliance with all Applicable Law, including ERISA and the Code. Each Company Employee Plan intended to qualify under Section 401(a) of the Code and each trust intended to qualify under Section 501(a) of the Code is so qualified and has received a favorable determination letter or opinion letter from the IRS with respect to such Company Employee Plan as to its qualified status under the Code, and to the Knowledge of the Company, nothing has occurred since the date of the last such determination as to each Company Employee Plan which has resulted or is likely to result in the revocation of such determination or which requires or could require action under the compliance resolution programs of the IRS to preserve such qualification. There are no Legal Proceedings pending, or, to the Knowledge of the Company, threatened or anticipated (other than routine claims for benefits) against any Company Employee Plan or fiduciary thereto or against the assets of any Company Employee Plan. Each Company Employee Plan can be amended, terminated or otherwise discontinued after the Effective Time in accordance with its terms, without liability to the Company, any of its Subsidiaries, Parent or any

of its ERISA Affiliates (other than ordinary administration expenses typically incurred in a termination event). There are no audits, inquiries investigations or proceedings pending or, to the Knowledge of the Company, threatened by the IRS, DOL or other Governmental Entity with respect to any Company Employee Plan. All annual reports and other filings required by the DOL or the IRS to be made with respect to each Company Employee Plan have been timely and completely made.

(d) Except as set forth on Section 3.20(d) of the Company Schedule, none of the Company, any of its Subsidiaries or ERISA Affiliates now, or has ever, maintained, established, sponsored, participated in, or contributed to, any plan that is subject to Title IV of ERISA or Section 412 of the Code, other than a Multiemployer Plan. None of the Company, any of its Subsidiaries or ERISA Affiliates has incurred, nor do they reasonably expect to incur, any liability with respect to any transaction described in Section 4069 of ERISA. Except as set forth on Section 3.20(d) of the Company Schedule, no Company Employee Plan is a multiple employer plan as defined in Section 210 of ERISA.

(e) None of the Company, any of its Subsidiaries or any of its ERISA Affiliates (i) has incurred any Liability on account of a "partial withdrawal" or "complete withdrawal" from any Multiemployer Plan (as described in Sections 4205 and 4203 of the Code, respectively), no such Liability has been asserted, and there are no events or circumstances which have occurred which could result in any such partial or complete withdrawal; or (ii) is bound by any contract or agreement or has any obligation or Liability under Section 4204 of ERISA.

(f) The execution and delivery by the Company of this Agreement and any other Related Agreement to which the Company is a party, and the consummation of the transactions contemplated hereby and thereby, will not conflict with or result in any violation of or default under (with or without notice or lapse of time, or both), or give rise to a right of termination, cancellation, modification or acceleration of any obligation or loss of any benefit under, any Company Employee Plan, trust or loan that could reasonably be expected to result in any payment (whether of severance pay or otherwise), acceleration, forgiveness of indebtedness, vesting, distribution, increase in benefits or obligation to fund benefits with respect to any Employee.

(g) No Company Employee Plan provides, or has any Liability to provide, life insurance, medical or other employee welfare benefits to any Employee upon his or her retirement or termination of employment for any reason, except as may be required by Applicable Law.

(h) All contributions and premium payments required to be made to or with respect to each Company Employee Plan prior to the Effective Time have been timely made in accordance with each such Company Employee Plan and Applicable Law and all contributions and premium payments not yet due to or with respect to each Company Employee Plan have been made or properly accrued. There have been no Prohibited Transactions with respect to any Company Employee Plan which could result in a material liability to the Company. The Company, its Subsidiaries and any ERISA Affiliates have complied with the requirements of COBRA in all material respects.

3.21 Interested Party Transactions.

(a) Except as set forth on Section 3.21(a) of the Company Schedule, to the Knowledge of the Company, no officer or director of the Company or any of its Subsidiaries (nor any ancestor, sibling, descendant or spouse of any of such Person, or any trust, partnership or corporation in which any of such Persons has an economic interest in excess of five percent (5%) of the ownership interests therein), has, directly or indirectly, (i) an economic interest in any Person that furnishes or sells, or has furnished or sold during or since January 1, 2007, services or products that the Company or any of its Subsidiaries, furnishes or sells; (ii) an economic interest in any Person that purchases from or sells or furnishes to, the Company or any of its Subsidiaries, any goods or services; or (iii) a beneficial interest in any material Contract to which the Company or any of its Subsidiaries is a party or by which they or their properties are bound; provided, however, that ownership of debt or equity interests not exceeding one percent (1%) of the outstanding voting stock of an entity shall not be deemed an "economic interest in any entity" for purposes of this Section 3.21.

(b) Except as set forth on Section 3.21(b) of the Company Schedule, there are no material receivables of the Company or any of its Subsidiaries owing by any officer or director of the Company or any of its Subsidiaries (or, to the Knowledge of the Company, any ancestor, sibling, descendant or spouse of any of such Person, or any trust, partnership or corporation in which any of such Persons has an economic interest in excess of five percent (5%) of the ownership interests therein), other than advances in the ordinary and usual course of business for reimbursable business expenses (as determined in accordance with the Company's established employee reimbursement policies and consistent with past practice). Except with respect to the personal guarantees by the Shareholder Representative set forth in Section 3.21(b) of the Company Schedule, none of the Shareholders has agreed to, or assumed, any obligation or duty to guaranty or otherwise assume or incur any obligation or liability of the Company or any of its Subsidiaries.

3.22 Certain Payments. None of Company nor any of its Subsidiaries, nor to the Company's Knowledge, any of their respective corporate officers or directors, acting alone or together, has made any contribution, payment, remuneration, bribe, rebate, influence payment, payoff, kickback, gift or other form of economic benefit, whether in money, property, or services (a "Payment"), to or for the private use of any governmental official, employee or agent where the Payment or the purpose of the Payment was in violation of Applicable Law.

3.23 Indemnification. Other than pursuant to its articles of incorporation or bylaws or other comparable organizational documents, neither the Company nor any of its Subsidiaries is a party to any material indemnification agreement with any of its present or former managers, officers, directors, employees or other Persons who serve or served in any other official capacity with the Company, any Subsidiary of the Company or any other enterprise at the request of the Company or any of its Subsidiaries.

3.24 Required Vote. Except as set forth on Section 3.24 of the Company Disclosure Schedule, the affirmative vote of the holders of a majority of the outstanding shares of Company Common Stock, voting together or acting by written consent as a class, for the approval of this Agreement, is the only vote or action of the holders of any class or series of the Equity Interests

of the Company necessary to adopt or approve this Agreement and the transactions contemplated hereby, which shall be satisfied in full by the delivery of the Company Shareholder Consent.

3.25 Brokers' and Finders' Fees. Except as set forth on Section 3.25 of the Company Schedule, no broker, finder, agent, investment banker, financial advisor or other Person is entitled to any broker's, finder's, agent's, investment banker's, financial advisor's or other similar fee or commission in connection with the Merger or any other transactions contemplated by this Agreement or any other Related Agreement (including for these purposes any inquiry of any sale of any Equity Interests of the Company considered in lieu thereof) based upon arrangements made by or on behalf of the Company, any of its Subsidiaries or any of the Shareholders.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE SHAREHOLDERS

Each Shareholder hereby represents and warrants to Parent and Merger Sub as of the date hereof as follows:

4.1 Ownership of Subject Shares. Shareholder has good and marketable title to the Equity Interests of the Company corresponding to Shareholder on Exhibit A hereto (with respect to any such Shareholder, the "Subject Shares") free and clear of any and all Liens. Except for the Subject Shares, Shareholder does not own or have any interest in any other Equity Interests of the Company or any of its Subsidiaries.

4.2 Authority. Shareholder has all requisite power and authority to execute and deliver this Agreement and all other Related Agreements to which it is or is to be a party and to consummate the transactions contemplated hereby and thereby and to perform its obligations hereunder and thereunder. The execution and delivery by Shareholder of this Agreement and the other Related Agreements to which it is or is to be a party and the consummation by Shareholder of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of Shareholder (and for any Shareholder that is not a natural person, no additional corporate or trust proceedings on the part of Shareholder are necessary to authorize this Agreement or any other Related Agreement or the consummation of the transactions contemplated hereby or thereby). This Agreement and the other Related Agreements to which Shareholder is a party has been duly executed and delivered by Shareholder and, assuming the due authorization, execution and delivery by the Company, Parent and Merger Sub and any other counterparty thereto, constitutes a legal, valid and binding obligation of Shareholder, enforceable against Shareholder in accordance with its terms, except as (a) may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting or relating to creditors' rights generally and (b) is subject to general principles of equity.

4.3 No Conflict. None of the execution, delivery or performance by Shareholder of this Agreement or any other Related Agreements to which it is or is to be a party, the consummation by Shareholder of the transactions contemplated hereby or thereby, or the compliance by Shareholder with any of the provisions hereof or thereof: (i) for any Shareholder that is not a natural person, violate or conflict with any provision of its certificate of incorporation or bylaws

or other comparable organizational documents; (ii) violate, conflict with, or result in the breach of or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or result in the termination of, or accelerate the performance required by or modification to the terms or conditions of, or result in a right of termination, acceleration or modification under, any Contract to which Shareholder is a party or by which Shareholder or any of its properties or assets may be bound; (iii) violate or conflict with any Applicable Law or Decree applicable to Shareholder or by which its properties or assets are bound; or (iv) result in the creation of any Lien upon any of the properties or assets of Shareholder.

4.4 Investment. Shareholder is not acquiring any Parent Shares with a view to or for sale in connection with any distribution thereof within the meaning of the Securities Act.

4.5 Accredited Investor. Shareholder is an accredited investor as defined in Regulation D under the Securities Act.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF PARENT

Parent hereby represents and warrants to the Company and the Shareholders as of the date hereof as follows:

5.1 Organization and Qualification. Parent is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Merger Sub is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. Each of Parent and Merger Sub has all requisite corporate or limited liability power and authority to own, lease and operate its properties and to carry on its business. Each of Parent and Merger Sub is duly qualified or licensed to do business and is in good standing as a foreign corporation in each jurisdiction in which the conduct of its business or the ownership, leasing, holding or use of its properties makes such qualification necessary, except such other jurisdictions where the failure to be so qualified or licensed or in good standing would not have a Parent Material Adverse Effect. Each of Parent and Merger Sub has made available to the Company a true and correct copy of its Certificate of Incorporation and Bylaws or other comparable organizational documents, each as amended to date and in full force and effect on the date hereof.

5.2 Authority. Each of Parent and Merger Sub has all requisite power and authority to execute and deliver this Agreement and all other Related Agreements to which it is or is to be a party and subject and to consummate the transactions contemplated hereby and thereby and to perform its obligations hereunder and thereunder. The execution and delivery by each of Parent and Merger Sub of this Agreement and the other Related Agreements to which it is or is to be a party and the consummation by each of Parent and Merger Sub of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of each of Parent and Merger Sub, and no additional corporate proceedings on the part of Parent and Merger Sub are necessary to authorize this Agreement or any other Related Agreement or the consummation of the transactions contemplated hereby or thereby. This Agreement and the other Related Agreements to which Parent or Merger Sub is or is to be a party have been duly

executed and delivered by each of Parent and Merger Sub, as appropriate, and, assuming the due authorization, execution and delivery by the Company and the Shareholders and any other counterparty thereto, constitutes a legal, valid and binding obligation of Parent and Merger Sub, as appropriate, enforceable against Parent and Merger Sub, as appropriate, in accordance with its terms, except as (a) may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting or relating to creditors' rights generally, and (b) is subject to general principles of equity.

5.3 No Conflict. None of the execution, delivery or performance by Parent or Merger Sub of this Agreement or any other Related Agreements to which it is or is to be a party, the consummation by Parent or Merger Sub of the transactions contemplated hereby or thereby or the compliance by Parent or Merger Sub with any of the provisions hereof or thereof do or will: (i) violate or conflict with any provision of its certificate of incorporation or bylaws or other comparable organizational documents; (ii) violate or conflict with any provision of the certificate of incorporation or bylaws or other comparable organizational documents of any of Parent's Subsidiaries (other than Merger Sub); (iii) violate, conflict with, or result in the breach of or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or result in the termination of, or accelerate the performance required by or modification to the terms or conditions of, or result in a right of termination, acceleration or modification under, any Contract to which Parent or any of its Subsidiaries is a party or by which Parent, any of its Subsidiaries or any of their properties or assets may be bound; (iv) violate or conflict with any Applicable Law or Decree applicable to Parent or any of its Subsidiaries or by which any of their properties or assets are bound; or (v) result in the creation of any Lien upon any of the properties or assets of Parent or any of its Subsidiaries, except in the case of each of clauses (ii), (iii), (iv) and (v) above, for such violations, conflicts, breaches, defaults, terminations, accelerations or Liens that would not have a Parent Material Adverse Effect.

5.4 Governmental Consents. Except as set forth in Section 5.4 of the Parent Schedule, no Consent of any Governmental Entity is required on the part of Parent or any of its Subsidiaries in connection with the execution, delivery or performance by Parent or Merger Sub of this Agreement or any other Related Agreement to which it is or is to be a party or the consummation by Parent or Merger Sub of the transactions contemplated hereby or thereby, except (a) the filing and recordation of the Certificate of Merger with the Georgia Secretary of State and the Delaware Secretary of State, and such filings with Governmental Entities to satisfy the Applicable Laws of states in which Parent and its Subsidiaries are qualified to do business; (b) such filings and approvals as may be required by any federal or state securities laws; and (c) such other Consents, the failure of which to obtain would not have a Parent Material Adverse Effect.

5.5 Capitalization.

(a) The authorized capital stock of Parent consists of (i) forty million (40,000,000) shares of Parent Common Stock and (ii) ten million (10,000,000) shares of preferred stock, par value $0.001 per share (the "Parent Preferred Stock"). As of October 31, 2008: (A) 13,148,991 shares of Parent Common Stock were issued and outstanding, and (B) 8,383,470 shares of Parent Preferred Stock were issued and outstanding. All outstanding shares of Parent Common Stock and Parent Preferred Stock are validly issued, fully paid, nonassessable and free of any preemptive rights. Except as set forth on Section 5.5(a) of the Parent Schedule

and other than the Parent Options set forth in Section 5.5(b) below, the Equity Interests set forth on Section 5.5(a) of the Parent Schedule are the only Equity Interests of Parent issued or outstanding and the stockholders of Parent and Persons set forth thereon are the only holders of Equity Interests of Parent.

(b) As of October 31, 2008, Parent had reserved 4,478,438 shares of Parent Common Stock for issuance under the Parent Equity Plans. As of October 31, 2008, 4,385,636 shares of Parent Common Stock were issuable upon the exercise of outstanding Parent Options (whether or not vested), and, since such date, Parent has not granted, committed to grant or otherwise created or assumed any obligation with respect to any Parent Options, other than as permitted by Section 6.2. Except as described in this Section 5.5(b), Parent has not reserved for issuance any additional Equity Interests of Parent other than those Equity Interests of Parent issued and outstanding as of the date hereof.

(c) All of the outstanding Equity Interests of Parent have been issued in compliance in all material respects with Applicable Law and the Certificate of Incorporation and Bylaws of Parent.

(d) Except as set forth on Section 5.5(d) of the Parent Schedule, neither the Parent nor any of its Subsidiaries, nor, to the Knowledge of Parent, any of Parent's stockholders, is a party to any Contract restricting the transfer of, relating to the voting of, requiring registration of, or granting any preemptive rights, anti-dilutive rights or rights of first refusal or similar rights with respect to any Equity Interests of Parent or any other shareholders agreement or other similar agreement restricting the election or appointment of directors of Parent.

5.6 Litigation. There is no Legal Proceeding pending or, to the Knowledge of Parent, threatened, against Parent, any of its Subsidiaries or any of their respective properties that (a) seeks to impose any material legal restraint on or prohibition against or limit the Surviving Entity's or any of its Affiliates' ability to operate the business of Parent and its Subsidiaries (including the Company and its Subsidiaries from and after the Effective Time) substantially as it was operated immediately prior to the date of this Agreement, or (b) challenges, or that has the effect of preventing, delaying, making illegal or otherwise materially interfering with, the Merger or any of the other transactions contemplated hereby. Neither Parent nor any of its Subsidiaries is subject to any outstanding Decree that materially impairs Parent's or such Subsidiary's ability to operate in the same manner it operates on the date hereof.

5.7 Financial Statements.

(a) Section 5.7(a) of the Parent Schedule contains (i) the unaudited consolidated balance sheets and the related unaudited consolidated income statements, changes in shareholders' equity and cash flow of Parent and its Subsidiaries as of and for the fiscal year ended December 31, 2007 (the "Parent 2007 Unaudited Financial Statements"); and (ii) the unaudited consolidated balance sheet of Parent and its Subsidiaries as of October 31, 2008 (the "Interim Parent Balance Sheet Date") and the related unaudited consolidated income statements of Parent and its Subsidiaries as of and for the ten-month period then ended (the "Interim Parent Balance Sheet," and collectively with the Parent 2007 Unaudited Financial Statements, the "Parent Unaudited Financial Statements").

(b) Except as set forth on Section 5.7(b) of the Parent Schedule, the Parent Unaudited Financial Statements (i) were prepared in accordance with GAAP as in effect on the respective dates thereof applied on a consistent basis during the periods involved (except as may be indicated therein or in the notes thereto); and (ii) fairly present in accordance with GAAP in all material respects (subject, in the case of the unaudited interim financial statements, to normal, recurring year-end audit adjustments that were not or are not expected to be, individually or in the aggregate, materially adverse to Parent), the consolidated financial position of Parent and its Subsidiaries as of the respective dates thereof and the consolidated results of their operations and cash flows for the respective periods then ended.

5.8 No Undisclosed Liabilities. Neither Parent nor any of Parent's Subsidiaries has any Liability that would be required by GAAP, as in effect on the date thereof, to be reflected on a consolidated balance sheet of Parent and its Subsidiaries (including the notes thereto) except for (a) Liabilities reflected or reserved against in the Interim Parent Balance Sheet; (b) Liabilities incurred in the ordinary course of business consistent with past practice since the Interim Parent Balance Sheet Date; (c) Liabilities that arose under, or were incurred in connection with the transactions contemplated by, this Agreement; or (d) Liabilities that would not have a Parent Material Adverse Effect.

5.9 Absence of Certain Changes.

(a) Since December 31, 2007, except as set forth on Section 5.9 of the Parent Schedule or except for actions expressly contemplated by this Agreement or any other Related Agreement or expressly consented to in writing by the Company from and after the date hereof, (i) the business of Parent and its Subsidiaries has been conducted, in all material respects, in the ordinary course consistent with past practice and (ii) there has not been a Parent Material Adverse Effect.

(b) Without limiting the generality of Section 5.9(a), Parent and its Subsidiaries have not since October 31, 2008, and prior to the date of this Agreement taken any action, or failed to take any action, which if taken from and after the date hereof would be restricted by Section 6.2(b).

5.10 Compliance with Laws and Permits.

(a) Except as set forth on Section 5.10 of the Parent Schedule, Parent and each of its Subsidiaries is and during the last three (3) years has been in compliance with all Applicable Laws and Decrees, except for such noncompliance that would not have a Parent Material Adverse Effect. Except as set forth on Section 5.10 of the Parent Schedule, none of Parent or any of its Subsidiaries has received any written, or the Knowledge of Parent, oral, notice (i) of any non-routine administrative, civil or criminal investigation or audit (other than Tax audits) by any Governmental Entity relating to Parent or any of its Subsidiaries or (ii) from any Governmental Entity alleging that Parent or any of its Subsidiaries is not or has not been in compliance with any Applicable Law or Decree, that, if adversely determined (as to both subsections (i) and (ii) above), would have a material adverse effect on the Parent.

(b) Parent and each of its Subsidiaries has and during the last three (3) years has had in effect all Permits necessary for it to own, lease or otherwise hold and operate its properties and assets and to carry on its businesses and operations as now conducted, and no suspension or cancellation of any such Permits is pending or, to the Knowledge of Parent, threatened in writing, except for such lack of Permits, noncompliance, suspensions or cancellations that would not have a Parent Material Adverse Effect. There are no defaults (with or without notice or lapse of time or both) under, violations of, or events giving rise to any right of termination, amendment or cancellation of, any such Permits, except for such defaults, violations, terminations, amendments or cancellations that would not have a Parent Material Adverse Effect.

5.11 Intellectual Property. Section 5.11 of the Parent Schedule contains a complete and accurate list of all of the following that constitutes Parent Intellectual Property (identifying for each, the owner, and, if not exclusively owned by Parent, the license pursuant to which Parent has the right to use such Intellectual Property): (i) patented or registered Intellectual Property (including Internet domain names), (ii) pending patent applications or applications for registration of other Intellectual Property, (iii) all computer software (other than commercially available, off-the-shelf software with a replacement cost and/or annual license fee of less than $100,000), and (iv) trade or corporate names and material unregistered trademarks and service marks. Except as set forth on Section 5.11 of the Parent Schedule or as would not have a Parent Material Adverse Effect:

(a) Parent and/or each of its Subsidiaries owns and possesses, free and clear of all Liens, other than Permitted Liens and any non-exclusive licenses of the Company Intellectual Property, or has a valid and enforceable written license to use, all right, title and interest in and to the Parent Intellectual Property and all other Intellectual Property necessary for the conduct of the business of Parent and its Subsidiaries as currently conducted;

(b) the patented and registered Parent Intellectual Property is valid, enforceable and subsisting and no loss of any Parent Intellectual Property is reasonably foreseeable;

(c) Parent and each of its Subsidiaries have taken reasonable and customary actions necessary to maintain, protect, and enforce the Parent Intellectual Property, including the confidentiality of its trade secrets and other confidential information;

(d) to the Knowledge of Parent, the conduct of the business of Parent or any of its Subsidiaries does not infringe, misappropriate or otherwise conflict with, and has not within the last six (6) years infringed, misappropriated or otherwise conflicted with, any Intellectual Property of any third party, and to the Knowledge of Parent, no third party is infringing, misappropriating or otherwise conflicting with, or has within the last six (6) years infringed, misappropriated or otherwise conflicted with, any of the Parent Intellectual Property;

(e) there are no claims (including office actions or oppositions or cancellation actions) against Parent or any of its Subsidiaries that were either made within the past six (6) years or are presently pending or, to Parent's Knowledge, threatened, contesting the validity, ownership, enforceability, registrability or use of any of the Parent Intellectual Property and, to the Knowledge of Parent, there is no basis for any such claim;

(f) all past and present employees and independent contractors of, and consultants to, Parent and its Subsidiaries involved in the development of the Parent Intellectual Property have entered into agreements or are subject to a company policy pursuant to which such employee, independent contractor or consultant agrees to protect the confidential information of Parent and its Subsidiaries and assign to Parent all Intellectual Property authored, developed or otherwise created by such employee, independent contractor or consultant in the course of his, her, or its employment or other relationship with Parent and its Subsidiaries;

(g) neither Parent nor any of its Subsidiaries is a party to any agreement or arrangement, or otherwise subject to any duty or obligation, which (in either case) (i) restricts the free use, license or disclosure by Parent of any source code relating to any of Parent's or any of its Subsidiaries' proprietary software (collectively, "Parent Software"), or (ii) requires Parent to (x) include any source code relating to any Parent Software with any distribution or delivery (whether physical or on a hosted basis) of such software and/or (y) permit any licensee of any Parent Software to modify any source code relating to any Parent Software;

(h) no source code for any Parent Software has been delivered, licensed, or made available to any Person who is not, as of the date of this Agreement, an escrow agent or an employee of Parent or any of its Subsidiaries and neither Parent nor any of its Subsidiaries has a duty or obligation (whether present, contingent, or otherwise) to deliver, license, or make available the source code for any Parent Software to any Person who is not, as of the date of this Agreement, an escrow agent or an employee of Parent or any of its Subsidiaries; and

(i) Parent has complied in all material respects with all Health Information Laws, in each case to the extent such Health Information Laws required compliance by Parent, and has implemented all measures required for it to comply with the Health Information Laws and all other applicable data protection or privacy laws and healthcare laws applicable to the performance of Parent. Parent is in compliance with any privacy policies or related policies, programs or other notices that apply to Parent's collection or use of Protected Health Information (as defined in HIPAA). Parent has entered into, where required, and is in compliance with the terms of all Business Associate (as defined in HIPAA) agreements to which Parent is a party or otherwise bound. Parent has not received any written inquiries from the U.S. Department of Health and Human Services or any other Governmental Authority regarding Parent's compliance with the Health Information Laws, and the policies and procedures of Parent have not been rejected by any applicable certification organization which has reviewed such policies and procedures, or to which such policies and procedures have been submitted, for Health Information Law compliance. Parent not received written notice of and does not have Knowledge, that any Business Associate of Parent is in violation of Health Information Laws. Parent and its Subsidiaries have not been debarred, excluded or suspended from participation under Medicare, Medicaid, TRICARE or any other "Federal health care program" as that term is defined at 42 U.S.C. § 1320a-7b(f).

5.12 Tax Matters. Except as set forth on Section 5.12 of the Parent Schedule:

(a) Parent has filed or have caused to be filed all material Tax Returns required to be filed by it (the "Parent Tax Returns"). All such Parent Tax Returns were correct and complete in all material respects.

(b) All material Taxes due and owing by Parent (whether or not shown on any Parent Tax Return) has been paid or adequate reserves therefor have been established on the Interim Parent Balance Sheet in accordance with GAAP.

(c) Parent has timely withheld or collected all material Taxes that its was required to withhold or collect under Applicable Law from its employees, customers, shareholders, creditors and others from whom it is or was required to withhold Taxes and has timely paid all such withheld amounts to the appropriate taxing authorities.

(d) Parent is not currently the subject of an audit, judicial proceeding or other examination in respect of Taxes by the tax authorities of any nation, state or locality (and, to the Knowledge of Parent, no such audit, judicial proceeding or other examination is contemplated).

(e) Parent has not consented in writing to extend the statutory period of limitations applicable to any claim for, or the period for the collection or assessment of, Taxes of Parent due for any taxable period.

(f) Parent has not received written notice of any claim by any taxing authority in a jurisdiction where Parent does not file Parent Tax Returns that Parent is or may be subject to taxation by that jurisdiction.

(g) No material Liens for Taxes exist with respect to any of the assets or properties of Parent, except for Permitted Liens.

(h) Parent is not a party to or bound by any Tax indemnity agreement, Tax sharing agreement or Tax allocation agreement.

(i) Parent is not a party to any Contract which, individually or collectively with respect to any Person, could give rise to the payment of any amount that would not be deductible by Parent by reason of Section 280G of the Code (or any corresponding provision of United States or non-United States federal, state and local Tax law) as a result of the transactions contemplated hereby or by any other Related Agreement.

(j) Parent has not engaged in any "listed transaction," or any reportable transaction the principal purpose of which was tax avoidance, within the meaning of Section 6011, Section 6111 and Section 6112 of the Code.

(k) Parent is not, or has ever been, a United States real property holding company (as defined in Section 897(c)(2) of the Code) during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(l) In the past five (5) years, Parent has not been either a "controlled corporation" or a "distributing corporation" (within the meaning of Section 355(a)(1)(A) of the Code) with respect to a transaction that was described in, or intended to qualify as a Tax-free transaction pursuant to Section 355 of the Code.

5.13 Brokers' and Finders' Fees. No broker, finder, agent, investment banker, financial advisor or other Person is entitled to any broker's, finder's, agent's, investment

banker's, financial advisor's or other similar fee or commission in connection with the Merger or any other transactions contemplated by this Agreement or any other Related Agreement based upon arrangements made by or on behalf of Parent or any of its Subsidiaries.

5.14 Merger Sub. Parent owns all of the issued and outstanding equity interests of Merger Sub. Merger Sub was formed solely for the purpose of engaging in the transactions contemplated by this Agreement and the other Related Agreements, and Merger Sub has not conducted any business or activity other than in connection with the Merger and the other transactions contemplated by this Agreement and the other Related Agreements. Except for obligations or liabilities incurred in connection with its incorporation and the transactions contemplated by this Agreement and the other Related Agreements, Merger Sub has not incurred, directly or indirectly, any obligations or liabilities or engaged in any business activities of any type or kind whatsoever.

ARTICLE VI
COVENANTS

6.1 Conduct of the Company and its Subsidiaries.

(a) From the date hereof until the earlier of the Effective Time or the termination of this Agreement in accordance with its terms, except as contemplated hereby, as set forth on Section 6.1 of the Company Schedule, as required by Applicable Law or to the extent that Parent shall otherwise consent to in writing (which consent shall not be unreasonably withheld, conditioned or delayed), the Company will and will cause its Subsidiaries to use their respective commercially reasonable efforts to, and Shareholders will cause the Company and its Subsidiaries to use their commercially reasonable efforts to, (i) operate, invest in and conduct its business in all material respects in the ordinary course consistent with past practice; (ii) continue, in a manner consistent with the past practice, to (A) keep available the services of its respective officers, (B) pay accounts payable and collect accounts receivable, (C) comply in all material respects with Applicable Law and Permits, (D) maintain with financially responsible insurance companies insurance in such amounts and against such risks and losses as are customary for comparable companies engaged in its business, (E) maintain and preserve intact its business in all material respects, and (F) maintain in all material respects the ordinary and customary relationships of its business with its suppliers, customers, licensees, licensors, consultants and others having business relationships with the Company and its Subsidiaries; and (iii) prevent a material breach of any representations or warranty of the Company set forth herein.

(b) Without limiting the generality of Section 6.1(a), from the date hereof until the earlier of the Effective Time or the termination of this Agreement in accordance with its terms, except as contemplated hereby, as set forth on Section 6.1 of the Company Schedule, as required by Applicable Law or to the extent that Parent shall otherwise consent to in writing (which consent shall not be unreasonably withheld, conditioned or delayed), the Company will not, and will cause its Subsidiaries not to, and Shareholders will cause the Company and its Subsidiaries not to:

(i) issue, deliver or sell or authorize or propose the issuance, delivery or sale of any Equity Interests;

(ii) split, combine, repurchase or reclassify any Equity Interests, declare, set aside or pay any dividend or other distribution (whether in cash, shares or property or any combination thereof) in respect of any Equity Interests (other than the payment of any dividend by a wholly-owned Subsidiary), or make any other actual, constructive or deemed distribution in respect of any Equity Interests;

(iii) (A) incur, assume or otherwise become liable for any Debt (including by way of guarantee or the issuance and sale of Debt securities or rights to acquire Debt securities) or (B) enter into or modify any Contract with respect to the foregoing (other than consents to the transactions contemplated by this Agreement), other than in each such case in the ordinary course of business consistent with past practices;

(iv) incur or commit to any material capital expenditures outside of the ordinary course of business consistent with past practices (excluding, for the avoidance of doubt, any expenditures in connection with the Company's performance of services for any third-party);

(v) cancel, compromise, release or assign any material Liability owed to it or any material claims held by it, other than in the ordinary course of business consistent with past practice;

(vi) enter into or accelerate, terminate, modify, renew or cancel any Company Material Contract other than (in the case of a Material Contract of the kind described in clause (i), (ii), (iii), (v), (vii) or (xi) of the definition thereof set forth in Section 10.1) in the ordinary course of business consistent with past practice;

(vii) sell, lease, transfer, license, abandon, permit to lapse, mortgage, pledge or otherwise dispose of or encumber, except for any Permitted Liens, or grant any option to do any of the foregoing, any Company Intellectual Property or any of its other material properties or assets (other than the sale of assets or grant of such options in the ordinary course of business consistent with past practice);

(viii) acquire or agree to acquire by merging or consolidating with, or acquire or agree to acquire by purchasing a substantial portion of the Equity Securities or assets of, or in any other manner, any business or Person;

(ix) implement any layoffs that could implicate the WARN Act;

(x) wind-up, liquidate or dissolve, adopt a plan of complete or partial wind-up, liquidation or dissolution or resolutions providing for or authorizing such wind-up, liquidation or dissolution;

(xi) enter into, consummate, or adopt resolutions providing for or authorizing, any merger, consolidation, restructuring, recapitalization or other reorganization, other than the transactions contemplated herein;

(xii) amend its certificate of incorporation or bylaws or other comparable organizational documents;

(xiii) modify or amend any right of any holder of outstanding Equity Interests of the Company of any of its Subsidiaries;

(xiv) change its auditor or materially change its methods of accounting in effect as of the date hereof except as required by changes in GAAP or Applicable Law or by a Governmental Entity;

(xv) make, change, or rescind any Tax election, change any accounting period, adopt or change any accounting method for Tax purposes, file any amended Tax Return, enter into any closing agreement, settle or compromise any Tax claim or assessment relating to any of the Company or its Subsidiaries, surrender any right to claim a refund of Taxes, consent to any extension or waiver of the limitation period applicable to any Tax claim or assessment relating to any of the Company or its Subsidiaries, or take any other similar action relating to the filing of any Tax Return or the payment of any Tax, if, in all cases, such election, adoption, change, amendment, agreement, settlement, surrender, consent or other action would have the effect of increasing the Tax liability of any of the Company or its Subsidiaries for any period ending after the Closing Date or decreasing any Tax attribute of any of the Company or its Subsidiaries existing on the Closing Date by a material amount;

(xvi) take any action or make or revoke any election that would result in the termination of the Company's status as a validly electing S corporation within the meaning of Section 1361 and 1362 of the Code;

(xvii) settle or compromise any Legal Proceeding on terms which require it or any of its Subsidiaries to pay, incur or assume any Liability in excess of $100,000;

(xviii) (A) enter into, amend, modify or renew any Contract regarding employment, consulting, severance or similar arrangements with any of its directors, officers, employees or consultants, or grant any salary, wage or other increase in compensation or increase any employee benefit (including incentive, profit sharing or bonus payments), other than, in the case of employees or consultants, in the ordinary course of business consistent with past practice; (B) grant any severance or termination pay or benefit to any directors, officers, officers, employees or consultants except pursuant to written agreements or severance policies in effect of the date hereof and disclosed in the applicable Company Schedules, other than, in the case of employees or consultants, other than in the ordinary course of business consistent with past practice not related to the transactions contemplated hereby; or (C) adopt or amend any Company Employee Plan except to the extent required by Applicable Law or to the extent the adoption or amendment of such Company Employment Plan does not materially increase the aggregate cost of the Company's Employee Plans;

(xix) except as disclosed in the Company Schedule, enter into or modify any transaction or arrangement with, or for the benefit of any of its Affiliates or any of its or their directors, former directors, officers or shareholders; or

(xx) agree in writing or otherwise to take any of the foregoing actions.

6.2 Conduct of Parent and its Subsidiaries.

(a) From the date hereof until the earlier of the Effective Time or the termination of this Agreement in accordance with its terms, except as contemplated hereby, as set forth on Section 6.2 of the Parent Schedule, as required by Applicable Law or to the extent that the Company shall otherwise consent to in writing (which consent shall not be unreasonably withheld, conditioned or delayed), Parent will and will cause its Subsidiaries to use their respective commercially reasonable efforts to, (i) operate, invest in and conduct its business in all material respects in the ordinary course consistent with past practice; (ii) continue, in a manner consistent with the past practice, to (A) keep available the services of its respective officers, (B) pay accounts payable and collect accounts receivable, (C) comply in all material respects with Applicable Law and Permits, (D) maintain with financially responsible insurance companies insurance in such amounts and against such risks and losses as are consistent with past practice or customary for comparable companies engaged in its business, (E) maintain and preserve intact its business in all material respects, and (F) maintain in all material respects the ordinary and customary relationships of its business with its suppliers, customers, subcontractors, licensees, licensors, consultants and others having business relationships with Parent and its Subsidiaries; and (iii) prevent a material breach of any representations or warranty of Parent set forth herein.

(b) Without limiting the generality of Section 6.2(a), from the date hereof until the earlier of the Effective Time or the termination of this Agreement in accordance with its terms, except as contemplated hereby, as set forth on Section 6.2 of the Parent Schedule, as required by Applicable Law or to the extent that the Company shall otherwise consent to in writing (which consent shall not be unreasonably withheld, conditioned or delayed), Parent will not, and will cause its Subsidiaries not to:

(i) issue, deliver or sell or authorize or propose the issuance, delivery or sale of any Equity Interests other than in the ordinary course consistent with past practice or pursuant to issued and outstanding Equity Interests;

(ii) split, combine, repurchase or reclassify any Equity Interests, declare, set aside or pay any dividend or other distribution (whether in cash, shares or property or any combination thereof) in respect of any Equity Interests (other than the payment of any dividend by a wholly-owned Subsidiary), or make any other actual, constructive or deemed distribution in respect of any Equity Interests;

(iii) wind-up, liquidate or dissolve, adopt a plan of complete or partial wind-up, liquidation or dissolution or resolutions providing for or authorizing such wind-up, liquidation or dissolution;

(iv) enter into, consummate, or adopt resolutions providing for or authorizing, any merger, consolidation, restructuring, recapitalization or other reorganization, other than the transactions contemplated herein;

(v) amend its Certificate of Incorporation or Bylaws or other comparable organizational documents;

(vi) modify or amend any right of any holder of outstanding Equity Interests of Parent or Merger Sub;

(vii) sell, lease, transfer, license, mortgage, pledge or otherwise dispose of or encumber, except for any Permitted Liens, or grant any option to do any of the foregoing, any of its material properties or assets (other than the sale or license of assets or grant of such options in the ordinary course of business consistent with past practice); or

(viii) agree in writing or otherwise to take any of the foregoing actions.

6.3 No Solicitation by the Company or Shareholders; Shareholder Lock-Up.

(a) No Solicitation. At all times during the period commencing with the execution and delivery of this Agreement and continuing until the earlier to occur of the termination of this Agreement or the Effective Time, neither the Company nor any Shareholder shall, and the Company and each Shareholder shall use its reasonable best efforts to cause its Representatives not to:

(i) solicit, initiate, knowingly encourage, or knowingly induce the making, submission or announcement of, an Acquisition Proposal with respect to the Company;

(ii) furnish to any Person any non-public information relating to the Company or its Subsidiaries in connection with an Acquisition Proposal with respect to the Company (for avoidance of doubt, it being understood that the foregoing shall not prohibit the Company or any of its Representatives from furnishing any non-public information to any actual or potential customer, supplier, distributor, subcontractor, licensor, licensee, partner or other Person with which it has or may have business dealings in the ordinary course of business consistent with past practice (solely in such capacity) or to a Governmental Entity);

(iii) participate or engage in discussions or negotiations with any Person with respect to an Acquisition Proposal with respect to the Company; or

(iv) enter into any agreement, letter of intent or other similar instrument with any Person providing for an Acquisition Transaction with respect to the Company.

(b) Notice of Acquisition Proposal. In addition to the obligations of the Company set forth in Section 6.3(a), the Company and each Shareholder shall promptly, and in all cases within one (1) Business Day of its receipt, advise Parent orally (to be confirmed in writing as soon as practicable thereafter) of the receipt by the Company or such Shareholder, as appropriate, prior to the Effective Time or termination of this Agreement of (i) any Acquisition Proposal with respect to the Company, or (ii) any request for information or inquiry that is reasonably to be expected to lead to an Acquisition Proposal with respect to the Company, including the material terms and conditions of such Acquisition Proposal, request or inquiry, and in either case any developments with respect thereto.

(c) Shareholder Lock-Up. From the date hereof until the earlier of the Effective Time or the termination of this Agreement each Shareholder agrees that it shall not transfer, sell,

offer, exchange, pledge or otherwise dispose of or encumber any of its Equity Interests of the Company (except pursuant to the transactions contemplated hereby and the other Related Agreements).

6.4 Obligations to Consummate the Merger.

(a) Efforts. Upon the terms and subject to the conditions set forth in this Agreement, each of the Parties shall use its reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other Parties in doing, all things necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the Merger and the other transactions contemplated hereby. Without limiting the generality of the foregoing:

(i) (A) Parent and Merger Sub shall each use its reasonable best efforts to cause the conditions set forth in Section 7.1 and Section 7.3 to be satisfied or fulfilled, and (B) the Company and each Shareholder shall each use its reasonable best efforts to cause the conditions set forth in Section 7.1 and Section 7.2 to be satisfied or fulfilled;

(ii) each Party shall use its commercially reasonable efforts to obtain all necessary, proper or advisable Consents under any Contracts or Permits to which a Party is a party in connection with this Agreement and the other Related Agreements and the consummation of the transactions contemplated hereby and thereby so as to maintain and preserve the benefits under such Contracts and Permits following the consummation of the transactions contemplated hereby and thereby; provided, however, that except as expressly provided in Article VII, no such consents shall constitute conditions to Closing;

(iii) each Party shall use its reasonable best efforts to obtain all necessary Consents and other actions or non-actions and Decrees from Governmental Entities and make all necessary registrations, declarations and filings with Governmental Entities necessary to consummate and make effective the Merger and the other transactions contemplated hereby; provided, however, that except as expressly provided in Article VII, no such consents, actions, non-actions or Decrees shall constitute conditions to Closing; and

(iv) each Party shall execute or deliver any additional instruments reasonably necessary to consummate the transactions contemplated by, and to fully carry out the purposes of, this Agreement.

6.5 Access. Except as required pursuant to any confidentiality obligation to which the Company or Parent is a party as of the date hereof, from the date hereof until the earlier to occur of the termination of this Agreement or the Effective Time, each of the Company and Parent shall afford the other Party and its Representatives reasonable access during normal business hours, upon reasonable notice, to the properties, Contracts, books and records and corporate officers of such Party and its Subsidiaries to enable the other Party to obtain all information concerning its business, properties, results of operations and personnel as such other Party may reasonably request; provided, however, that neither Party shall be required to provide any Person information or access if (x) providing such information or access would reasonably be expected to result in a waiver of the attorney/client privilege; (y) providing such information or access

would reasonably be expected to result in a violation of Applicable Law; or (z) is deemed in good faith by such Party to be competitively sensitive.

6.6 Notices of Certain Events. From the date hereof until the earlier to occur of the termination of this Agreement or the Effective Time, each of Parent and the Company shall promptly notify the other of:

(a) the existence of any fact or circumstance, or the occurrence of any event, of which it has Knowledge which would be reasonably likely to cause a condition to a Party's obligations to consummate the transactions contemplated hereby set forth in Article VII not to be satisfied as of a reasonably foreseeable Closing Date,

(b) any notice or other communication from any Person alleging that a material Consent of such Person is or may be required in connection with any of the transactions contemplated hereby;

(c) any notice or other communication from any Governmental Entity in connection with the transactions contemplated hereby regarding any material matter; or

(d) any Legal Proceeding commenced or, to its Knowledge, threatened relating to the consummation of the transactions contemplated by this Agreement or any other Related Agreement.

The delivery of any such notice pursuant to this Section 6.6 shall not be deemed to amend or supplement this Agreement and the failure to deliver any such notice shall not constitute a waiver of any right or condition to the consummation of the transactions contemplated hereby by any Party.

6.7 Public Announcements. No Party shall issue any press release or make any public announcement from the date hereof until the earlier to occur of the termination of this Agreement or the Effective Time relating to the existence or subject matter of this Agreement or the transactions contemplated hereby without the prior consent of the other Parties; provided, however, that any Party may make any public disclosure it determines in good faith is required by Applicable Law.

6.8 Tax Treatment.

(a) The Parties intend that, for federal income tax purposes, the Merger shall qualify as a "reorganization" within the meaning of Section 368(a) of the Code. The Parties (i) are aware of no facts or circumstances that would prevent the Merger from constituting a transaction qualifying under Section 368(a) of the Code, (ii) shall act in accordance with the treatment of the Merger as a "reorganization" within the meaning of Section 368(a) of the Code in the filing of all Tax Returns and in the course of any Tax audit, Tax review or Tax litigation relating thereto and (iii) shall take no position and shall cause their Affiliates to take no position inconsistent with the treatment of the Merger as a "reorganization" within the meaning of Section 368(a) of the Code.

(b) Parent and the Company shall use their reasonable best efforts, and shall cause their respective Affiliates to use their reasonable best efforts, to take or cause to be taken any action (whether before or after the Merger) that is required to cause the Merger to qualify as a reorganization within the meaning of Section 368(a) of the Code.

6.9 Tax Matters.

(a) Tax Returns Filed After the Closing Date. The Surviving Entity shall prepare or cause to be prepared and file or cause to be filed all Tax Returns for each of the Company and its Subsidiaries for all Tax periods ending on or prior to the Closing Date which are filed after the Closing Date. The Surviving Entity shall permit the Shareholder Representative to review and comment on each such Tax Return described in the preceding sentence prior to filing thereof and shall make such revisions as are reasonably requested by the Shareholder Representative, unless otherwise required by Applicable Law.

(b) Tax Returns for Tax Periods Beginning Before and Ending After the Closing Date. Parent, shall prepare or cause to be prepared and file or cause to be filed any Tax Returns of any of the Surviving Entity and its Subsidiaries for all Tax periods that begin and end after the Closing Date. Parent shall permit the Shareholder Representative to review and comment on each such Tax Return described in the preceding sentence prior to filing thereof and shall make such revisions as are reasonably requested by the Shareholder Representative with respect to items relating to the Pre-Closing Period, unless otherwise required by Applicable Law.

(c) Cooperation on Tax Matters. Parent, the Shareholder Representative, the Company and the Surviving Entity shall cooperate fully, as and to the extent reasonably requested by the other party, in connection with the preparation and filing of any Tax Return (including any report required pursuant to Section 6043 of the Code and all Treasury Regulations promulgated thereunder), any audit, litigation or other proceeding with respect to Taxes. Such cooperation shall include the retention and (upon the other party's request) the provision of records and information which are reasonably relevant to any such audit, litigation or other proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Parent, the Shareholder Representative, the Company and the Surviving Entity agree (i) to retain all books and records with respect to Tax matters pertinent to the Company and its Subsidiaries relating to any Pre-Closing Period, and to abide by all record retention agreements entered into with any Taxing authority, and (ii) to give the other party reasonable written notice prior to destroying or discarding any such books and records and, if the other party so requests, Parent, the Shareholder Representative, the Company or the Surviving Entity, as the case may be, shall allow the other party to take possession of such books and records.

6.10 Shareholder Representative.

(a) Authority. Each Shareholder other than the Shareholder Representative hereby appoints the Shareholder Representative as its and their true and lawful agent and attorney-in-fact on behalf of each and every Shareholder on the terms and subject to the conditions set forth in this Section 6.10. In such capacity, the Shareholder Representative may take any action on behalf of, and may bind, any or all Shareholders from and after the date hereof

under this Agreement, including (i) giving and receiving notices and communications to or from Parent or Merger Sub relating to this Agreement or any of the transactions contemplated hereby or thereby (except to the extent that this Agreement expressly contemplates that any such notice or communication shall be given or received by a Shareholder individually without reliance on the Shareholder Representative); (ii) making any claim on behalf of any Shareholder Indemnified Party (provided that recovery of which shall be made or directed to such Shareholder Indemnified Party) pursuant to Article IX, consenting to the payment to any Parent Indemnified Party of any amounts payable or that may be offset pursuant to Article IX, making any objection to, or determine to waive or fail to take any action to object to, any claim for indemnification made by any Parent Indemnified Party pursuant to Article IX (including any notice contemplated by Section 9.4(a)); (iii) consenting or agreeing to, negotiate, entering into settlements and compromises of, and agreeing to arbitration and complying with orders of courts and awards of arbitrators with respect to, any claims contemplated by clause (i) or (ii); and (iv) taking all actions necessary or appropriate in the judgment of the Shareholder Representative for the accomplishment of the foregoing, in each case without having to seek or obtain the consent of any Shareholder under any circumstance. In the event one Person that is initially serving as a Shareholder Representative is no longer serving or able to serve for any reason, the remaining Person serving as the Shareholder Representative shall continue to serve as the sole Shareholder Representative. Any person serving as the sole Shareholder Representative may be replaced upon his death, incapacity or resignation by the other Shareholders and the Shareholders shall provide notice thereof to Parent. The Shareholder Representative shall receive no compensation for its services hereunder. The Shareholder Representative accept their appointment hereunder. Parent and their respective Representatives shall be entitled to rely on the authority of the Shareholder Representative for actions taken under this Section 6.10(a) and shall have no Liability to the Company or any Shareholder for such reliance.

(b) Liability. The Shareholder Representative shall not be liable to any other Shareholder for any act done or omitted hereunder as the Shareholder Representative while acting in accordance with the limitations set forth in Section 6.10(a) in good faith. Any act done or omitted pursuant to the advice of counsel shall be conclusive evidence of such good faith for such purposes.

6.11 Non-Competition; Non-Hire.

(a) Non-Competition. During the Restricted Period, each Shareholder shall not, and shall cause its respective Affiliates to not, except on behalf of the Company, directly or indirectly, as an owner, equityholder, manager, operator, consultant, member, partner, licensor, contractor, subcontractor, financing source, agent or in any other capacity, engage in the Business in the United States of America and its territories (the "Restricted Territory"); provided, however, that a Shareholder may, without having been deemed to have breached this covenant, own as a passive investment not in excess of an aggregate of three percent (3%) of the outstanding capital stock of a Person which engages in the Business if such capital stock is a security which is actively traded on an established national or international securities exchange.

(b) Non-Solicitation. During the Restricted Period, no such Shareholder shall, nor shall it permit any Affiliate thereof to, directly or indirectly, for itself or on behalf of any other Person, solicit for hire or hire any officer, director or employee of the Company or any of

its Subsidiaries, who had been employed by the Company or any of its Subsidiaries at the time of the Closing, or induce or attempt to induce any officer, director or employee who had been employed by the Company or any of its Subsidiaries at the time of the Closing, to leave his or her employment with the Company or any of its Subsidiaries; provided, however, that nothing in this Section 6.11(b) shall restrict or preclude the ability of any Shareholder to make generalized searches for employees by use of advertisements (in any medium) or search firms that do not target employees of the Company or any of its Subsidiaries.

(c) Interference. During the Restricted Period, no Shareholder shall, nor shall it permit any Affiliate thereof to, directly or indirectly, for itself or on behalf of any other Person, cause or attempt to cause any of the Company's or any of its Subsidiaries' customers or suppliers to cease doing business or reduce the level of business with the Company or any of its Subsidiaries.

(d) Confidential Information. No Shareholder shall, nor shall it permit any Affiliate thereof to, use or disclose to any Person other than Parent or any of its Subsidiaries, any Confidential Information or Trade Secrets for any purpose other than the Company's or its Subsidiaries Business, except as authorized in writing by the Company or as required by Applicable Law. The obligations under this subsection shall (i) with regard to the Trade Secrets, remain in effect as long as the information constitutes a trade secret under Applicable Law, and (ii) with regard to the Confidential Information, remain in effect for a period of five (5) years. In the event any Shareholder or any of its Affiliates is requested pursuant to, or required by, Applicable Law to disclose any Confidential Information or Trade Secrets, such Shareholder or Affiliate shall provide Parent with prompt notice of each such request or requirement so that Parent may seek an appropriate protective order.

(e) Specific Performance. Shareholders acknowledge that, in view of the nature of the business of the Company and its Subsidiaries and the business objectives of Parent in entering into the transactions contemplated hereby, and the consideration paid to the Shareholders hereby, the restrictions contained in this Section 6.11 are reasonably necessary to protect the legitimate business interests of Parent and that any violation of such restrictions may result in irreparable injury to Parent and the business Parent has acquired hereunder, for which damages may not be an adequate remedy. Shareholders acknowledge that, if any such restrictions are violated, Parent shall be entitled to seek preliminary and permanent injunctive relief as well as to an equitable accounting of earnings, profits and other benefits arising from such violation, and shall not be required to post bond or other security to enforce their rights, any requirement respecting which is hereby waived by the Shareholders.

(f) Severability. Should any provision of this Section 6.11 be held under any circumstances in any jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision or other part of such provision, or of such provision or part thereof under any other circumstances or in any other jurisdiction. It is acknowledged and agreed that the Restricted Territory is reasonable in scope. Notwithstanding the foregoing, if a court of competent jurisdiction decides that any provision of this Section 6.11 is overbroad, the remaining provisions shall continue to be binding on the parties hereto.

6.12 Compliance with Obligations. Parent shall take all action necessary to cause Merger Sub and the Surviving Entity to perform their respective obligations under this Agreement and the other Related Agreements and to consummate the transactions contemplated hereby and thereby upon the terms and subject to the conditions set forth in this Agreement. Shareholders shall take all action necessary to cause the Company to perform its obligations under this Agreement and the other Related Agreements and to consummate the transactions contemplated hereby and thereby upon the terms and subject to the conditions set forth in this Agreement.

6.13 Fees and Expenses. Whether or not the Merger is consummated, all fees and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such expenses, with the Company being responsible for all such fees and expenses incurred by the Shareholders; provided, however, that all fees and expenses incurred by the Shareholders after the Closing shall be paid for by the Shareholders. As used in this Section 6.13, "fees and expenses" includes all out of pocket expenses (including all fees and expenses of counsel, accountants, investment bankers, experts and consultants to a party hereto and its affiliates) incurred by a party or on its behalf in connection with or related to the authorization, preparation, negotiation, execution and performance of this Agreement and the transactions contemplated hereby.

6.14 Company Debt. The Company agrees to, and the Shareholders agree to cause the Company to, pay, prior to (or simultaneously with, from the proceeds of the Cash Consideration paid to the Shareholders) the Closing, the full amount of the Company's Debt, including all interest accrued thereon through the Closing Date. For the avoidance of doubt, the Company Debt to be paid prior to (or simultaneously with, with the proceeds of the Cash Consideration paid to the Shareholders) the Closing shall include any bridge loan facility or promissory notes made by the Company in favor of Parent, whether such facility or note is entered into prior to, on or after the date hereof.

ARTICLE VII
CONDITIONS PRECEDENT TO THE CLOSING

7.1 Mutual Conditions to Merger. The respective obligations of Parent, Merger Sub and the Company to consummate the Merger and the other transactions contemplated hereby are subject to the satisfaction, on or before the Closing Date, of each of the following conditions, any one or more of which may be waived in writing by Parent, Merger Sub or the Company to the extent permitted by Applicable Law:

(a) Shareholder Approval. Parent shall have obtained the Parent Shareholder Approval, and the Shareholders shall have delivered the Company Shareholder Consent.

(b) Governmental Approvals and Filings. (i) Any other Consents of any Governmental Entity required to consummate the transactions contemplated hereby, the failure of which to be obtained, individually or in the aggregate, would be material to any Party, shall have been obtained; and (ii) any other filings to be made with any Governmental Entity required

to consummate the transactions contemplated hereby, the failure of which to be obtained, individually or in the aggregate, would be material to any Party, shall have been obtained.

(c) No Injunctions or Restraints. No Governmental Entity of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any Applicable Law or Decree which is then in effect which (i) challenges the Merger or the other transactions contemplated hereby or has the effect of making the Merger or the other transactions contemplated hereby illegal or otherwise preventing the consummation of any of the Merger or the other transactions contemplated hereby or (ii) relates to any Legal Proceeding that seeks to restrain or prohibit the consummation of, or seeks the rescission of, the Merger or any other transactions contemplated hereby.

7.2 Parent's Conditions to the Merger. The respective obligations of Parent and Merger Sub to consummate the Merger and the other transactions contemplated hereby are subject to the satisfaction, on or before the Closing Date, of each of the following further conditions, any one or more of which may be waived in writing by Parent and Merger Sub:

(a) Representations and Warranties. (i) The representations and warranties of the Company and the Shareholders contained in Section 3.6 and Section 4.1, respectively, shall be true and correct in all respects on the date of this Agreement and on the Closing Date as though made on the Closing Date (other than those representations and warranties which speak of an earlier date, which representations and warranties shall have been true and correct in all respects as of such earlier date); and (ii) the other representations and warranties of the Company and the Shareholders contained in this Agreement shall be true and correct on the date of this Agreement and on the Closing Date as though made on the Closing Date (other than those representations and warranties which speak of an earlier date, which representations and warranties shall have been true and correct as of such earlier date), except in the case of this Section 7.2(a)(ii) for such failures to be true and correct which have not had and are not reasonably likely to have a Company Material Adverse Effect, it being agreed that any "materiality," "Company Material Adverse Effect" and other similar qualifications in such representations and warranties shall be disregarded in determining any inaccuracies for purposes of this Section 7.2(a)(ii);

(b) Covenants and Agreements. The Company and the Shareholders shall have complied in all material respects with all covenants and agreements contained in this Agreement to be performed by the Company or the Shareholders prior to the Closing.

(c) Company Material Adverse Effect. Since the date hereof, there shall not have been any changes, events or developments that have had a Company Material Adverse Effect.

(d) Officer's Certificate. Parent shall have received a certificate signed by the Chief Executive Officer or Chief Financial Officer of the Company and dated as of the Closing Date to the effect that the conditions set forth in Section 7.2(a), Section 7.2(b) and Section 7.2(c) have each been satisfied.

(e) Consents. The Company shall have obtained the Consents set forth on Schedule 7.2(e).

(f) Shareholders Agreement. Each Shareholder shall have executed and delivered the Shareholders Agreement, and the Shareholders Agreement shall continue to be in full force and effect.

(g) FIRPTA Certification. The Company shall have provided to Parent and Merger Sub a certification dated as of the Closing Date and in accordance with Sections 1.897-2(h) and 1.1445-2(c)(3) of the Treasury regulations to the effect that Company is not, nor has it been at any time during the period specified in Section 897(c)(1)(A)(ii), a "United States Real Property Holding Corporation" as that term is defined in Section 897(c)(2) of the Code.

(h) Restricted Stock Awards. Parent shall have received the Restricted Stock Agreement executed and delivered by the Persons set forth on Exhibit C.

(i) Termination Acknowledgments. Parent shall have received from the Company acknowledgments from the Persons set forth on Exhibit C that they have surrendered and released all rights to such options and/or equity in exchange for the right to receive the Restricted Stock Awards.

(j) Spectrum Warrant. Spectrum shall have surrendered and released all of its rights under the Novo Warrant in exchange for the right to receive the Warrant in the form attached hereto as Annex D.

7.3 The Company's Conditions to the Merger. The obligations of the Company to consummate the Merger and the other transactions contemplated hereby are subject to the satisfaction, on or before the Closing Date, of each of the following further conditions, any one or more of which may be waived in writing by the Company:

(a) Representations and Warranties. (i) The representations and warranties of Parent contained in Section 5.5 shall be true and correct in all respects on the date of this Agreement and on the Closing Date as though made on the Closing Date (other than those representations and warranties which speak of an earlier date, which representations and warranties shall have been true and correct in all respects as of such earlier date); (ii) the other representations and warranties of Parent contained in this Agreement shall be true and correct on the date of this Agreement and on the Closing Date as though made on the Closing Date (other than those representations and warranties which speak of an earlier date, which representations and warranties shall have been true and correct as of such earlier date), except in the case of this Section 7.3(a)(ii) for such failures to be true and correct which have not had and are not reasonably likely to have a Company Material Adverse Effect, it being agreed that any "materiality," "Parent Material Adverse Effect" and other similar qualifications in such representations and warranties shall be disregarded in determining any inaccuracies for purposes of this Section 7.3(a)(ii); and (iii) Parent shall represent and warrant to the Shareholders that the Parent Audited Financial Statements (A) have been prepared in accordance with GAAP as in effect on the respective dates thereof applied on a consistent basis during the periods involved (except as may be indicated therein or in the notes thereto), and (B) fairly present in accordance with GAAP in all material respects, the consolidated financial position of Parent and its Subsidiaries as of the respective dates thereof and the consolidated results of their operations and cash flows for the respective periods then ended

(b) Covenants and Agreements. Parent and Merger Sub shall have complied in all material respects with all covenants and agreements contained in this Agreement to be performed by Parent and Merger Sub prior to the Closing.

(c) Parent Material Adverse Effect. Since the date hereof, there shall not have been any changes, events or developments that have had a Parent Material Adverse Effect.

(d) Officer's Certificate. The Company shall have received a certificate signed by the Chief Executive Officer or Chief Financial Officer of Parent and dated as of the Closing Date to the effect that the conditions set forth in Section 7.3(a), Section 7.3(b) and Section 7.3(c) have each been satisfied.

(e) Shareholders Agreement. Parent shall have executed and delivered the Shareholders Agreement, and the Shareholders Agreement shall continue to be in full force and effect.

(f) Restricted Stock Awards. Parent shall have approved the Restricted Stock Awards to the Persons and in the amounts set forth on Exhibit C, and shall have executed and delivered the Restricted Stock Agreement to the recipients thereof.

(g) Spectrum Warrant. Parent shall have approved and issued to Spectrum Health Services the Warrant in the form attached hereto as Annex D.

(h) Parent Audit. Parent shall have delivered to the Company, the audited consolidated balance sheets and the related audited consolidated income statements, changes in shareholders' equity and cash flow of Parent and its Subsidiaries as of and for the fiscal year ended December 31, 2007 (the "Parent Audited Financial Statements") and such Parent Audited Financial Statements (i) shall be similar and comparable in all material respects to the Parent 2007 Unaudited Financial Statements, (ii) will be prepared in accordance with GAAP as in effect on the respective dates thereof applied on a consistent basis during the periods involved (except as may be indicated therein or in the notes thereto); and (iii) will fairly present in accordance with GAAP in all material respects, the consolidated financial position of Parent and its Subsidiaries as of the respective dates thereof and the consolidated results of their operations and cash flows for the respective periods then ended.

7.4 No Frustration of Closing Conditions. No Party may rely on or assert the failure of any condition to its obligation to consummate the transactions contemplated hereby set forth in this Article VII, as appropriate, to be satisfied if such failure was caused by such Party's failure to use its reasonable best efforts to satisfy the conditions to the consummation of the transactions contemplated hereby or any other material breach of any other provision hereunder.

ARTICLE VIII
TERMINATION

8.1 Termination. This Agreement may be terminated and the Merger abandoned at any time prior to the Closing Date regardless of whether the Parent Shareholder Approval has been obtained:

(a) by mutual written agreement of the Company and Parent;

(b) by either Parent or the Company, if the Merger has not occurred by January 15, 2008 (the "Termination Date"); provided, however, that the right to terminate this Agreement pursuant to this Section 8.1(b) shall not be available to any Party whose failure to fulfill in any material respect any obligation hereunder has been the cause of, or resulted in, the failure of the Merger to have become effective on or before the Termination Date and such action or failure constitutes a breach of this Agreement;

(c) by Parent or the Company, if a Governmental Entity of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any Applicable Law or Decree having any of the effects set forth in Section 7.1(c) that is in effect and has become final and non-appealable; provided, however, that the right to terminate this Agreement pursuant to this Section 8.1(c) shall not be available to any Party who shall have failed to use its reasonable best efforts to resist or prevent the entry or passage, or to seek the removal or lifting of, such Applicable Law or Decree;

(d) by Parent, in the event (i) that any representation or warranty of the Company or the Shareholders set forth in this Agreement shall have been inaccurate when made or shall not be capable of being made as of the Termination Date or (ii) of a material breach of any covenant or agreement on the part of the Company or any Shareholder set forth in this Agreement, in the case of either clause (i) or (ii) such that the conditions set forth in Section 7.2(a) or Section 7.2(b), respectively, could not be satisfied as of the Termination Date; or

(e) by the Company, in the event (i) that any representation or warranty of Parent set forth in this Agreement shall have been inaccurate when made or shall not be capable of being made as of the Termination Date or (ii) of a material breach of any covenant or agreement on the part of Parent or Merger Sub set forth in this Agreement, in the case of either clause (i) or (ii) such that the conditions set forth in Section 7.3(a) or Section 7.3(b), respectively, could not be satisfied as of the Termination Date.

8.2 Effect of Termination. Except as otherwise set forth in this Section 8.2, any termination of this Agreement pursuant to Section 8.1 will be effective immediately upon the delivery of written notice as provided therein. Upon a termination of this Agreement pursuant to Section 8.1, this Agreement shall forthwith become void and of no further force or effect, and there shall be no liability under this Agreement on the part of any Party, provided, however, that (a) nothing herein shall relieve any Party from liability for any breach of its covenants or agreements or willful breach of any of its representations or warranties set forth in this Agreement prior to such termination; and (b) the terms of Section 6.10, Article X and Article XI and this Section 8.2 shall survive any termination of this Agreement.

ARTICLE IX
SURVIVAL; INDEMNIFICATION

9.1 Survival.

(a) Representations and Warranties. The respective representations and warranties of the Company, the Shareholders and Parent set forth in this Agreement made as of the execution and delivery hereof or deemed made as of the Closing Date shall survive the Closing and will remain in full force and effect thereafter until the fifteen (15) month anniversary of the Closing Date (the "Initial Survival Termination Date"), after which time they shall be of no further force or effect and upon which no claim for indemnification may be made with respect to breaches thereof; provided, however, that (i) the representations and warranties set forth in Section 3.1, Section 3.3, Section 3.6, Section 3.24, Section 4.1, Section 4.2, Section 4.4, Section 5.1, Section 5.2, and Section 5.5 (the "Core Representations") shall survive the Closing and will remain in full force and effect thereafter until the third (3rd) anniversary of the Closing Date, and (ii) the representations and warranties set forth in Section 3.18 and Section 5.12 shall survive the Closing and will remain in full force and effect thereafter until the expiration of the applicable statute of limitations with respect thereto.

(b) Covenants and Agreements. The respective covenants and agreements of the Parties set forth in this Agreement shall survive the Closing in accordance with their terms.

9.2 Indemnification.

(a) Indemnification by the Shareholders. Subject to the other provisions of this Article IX (including Section 9.6), from and after the Effective Time, the Shareholders shall indemnify, defend and hold harmless Parent and its Subsidiaries (for avoidance of doubt, including the Surviving Entity and its Subsidiaries) (the "Parent Indemnified Parties") from and against any and all Losses incurred or suffered by any such Parent Indemnified Parties directly or indirectly as a result of, with respect to or in connection with:

(i) any misrepresentation or breach of any representation or warranty of the Company or any Shareholder set forth in this Agreement made as of the execution and delivery hereof or deemed made as of the Closing Date set forth in this Agreement;

(ii) any failure to perform any covenant or agreement of the Company or any Shareholder set forth in this Agreement;

(iii) any Loss, including but not limited to any "Separation Payments," arising from or under the Powell Separation Agreement; or

(iv) any Loss arising from or as a result of the Identified Tax Matters.

(b) Indemnification by Parent. Subject to the other provisions of this Article IX, from and after the Effective Time, Parent shall indemnify, defend and hold harmless the Shareholders, (the "Shareholder Indemnified Parties") from and against any and all Losses incurred or suffered by any such Shareholder Indemnified Parties directly or indirectly as a result of, with respect to or in connection with:

(i) any misrepresentation or breach of any representation or warranty of Parent set forth in this Agreement made as of the execution and delivery hereof or deemed made as of the Closing Date set forth in this Agreement; or

(ii) any failure to perform any covenant or agreement of Parent or Merger Sub set forth in this Agreement.

9.3 Limitations.

(a) Notwithstanding anything contained herein to the contrary, and except as otherwise provided in Section 9.7 with respect to fraud or willful breach of any representation and warranty, covenant, or other agreement herein, the maximum aggregate liability of the Shareholders to all Parent Indemnified Parties taken together for all Losses pursuant to Section 9.2(a)(i) shall be, (i) until the twelve (12) month anniversary of the Closing Date, limited to an amount equal to two million dollars ($2,000,000) and (ii) after the twelve (12) month anniversary of the Closing Date until the Initial Survival Termination Date, limited to the remaining Future Cash Consideration Payments to be made pursuant to Section 2.2 (collectively, the "General Cap"); provided, however that the General Cap shall not apply to any Losses pursuant to Section 9.2(a)(i) arising from a breach of (x) Section 3.15 for which the liability cap shall be equal to five million and two hundred and fifty thousand dollars ($5,250,000) or (y) the Core Representations for which the liability cap shall be equal to the Calculated Purchase Price (collectively, with the General Cap, the "Liability Cap Amounts").

(b) Notwithstanding anything contained herein to the contrary, the maximum aggregate liability of Parent to all Shareholder Indemnified Parties taken together for all Losses pursuant to Section 9.2(b)(i) shall be limited to the Liability Cap Amounts.

(c) Notwithstanding anything contained herein to the contrary, the Shareholders shall not be obligated to make any payment pursuant to Section 9.2(a)(i) unless and until the aggregate Losses of the Parent Indemnified Parties for which indemnification is permitted thereunder collectively exceed an amount equal to one hundred thousand dollars ($100,000) (the "Basket"), and then any indemnification with respect to such Losses shall be required to be made by the Shareholders for all Losses of the Parent Indemnified Parties; provided, however, that the limitations set forth in this Section 9.3(c) shall not apply to Losses of any Parent Indemnified Parties with respect to or related to the Company's or any Shareholder's breach of any representation or warranty set forth in Section 3.6, Section 3.18, Section 4.1.

(d) Notwithstanding anything contained herein to the contrary, Parent shall not be obligated to make any payment pursuant to Section 9.2(b)(i) unless and until the aggregate Losses of the Shareholder Indemnified Parties for which indemnification is permitted thereunder collectively exceed the Basket, and then any indemnification with respect to such Losses shall be required to be made by Parent for all Losses of the Shareholder Indemnified Parties.

(e) Notwithstanding anything contained herein to the contrary, for purposes of Section 9.2(a)(i), in determining the amount of any Loss related to a breach of any representation or warranty, references to "Company Material Adverse Effect" shall be deemed references to "material to the Company and its Subsidiaries."

(f) Notwithstanding anything contained herein to the contrary, for purposes of Section 9.2(b)(i), in determining the amount of any Loss related to a breach of any representation or warranty, references to "Parent Material Adverse Effect" shall be deemed references to "material to the Parent and its Subsidiaries."

(g) The obligations to indemnify, defend and hold harmless a Party pursuant to Section 9.2 shall cease to survive when the applicable representation or warranty ceases to survive pursuant to Section 9.1(a); provided, however, that such obligations to indemnify, defend and hold harmless shall not terminate with respect to any item as to which the Indemnified Party shall have, before the expiration of the applicable survival period, previously made a claim by delivering a written notice (stating in reasonable detail the basis of such claim) to the Party required to provide such indemnification.

(h) No Indemnified Party shall be entitled to recover more than the full amount of any Loss incurred by such Indemnified Party under the provisions of this Agreement in respect of any such Loss. Without limiting the generality of the foregoing, the amount of any Losses subject to indemnification under Section 9.2 shall be reduced by the amounts actually recovered by the Indemnified Party (or its related Persons) incurring such Loss under applicable insurance policies with respect to claims related to such Losses. An Indemnified Party shall use reasonable commercial efforts to pursue, and to cause its affiliates to pursue, all insurance claims to which it may be entitled in connection with any Losses it incurs, and the parties hereto shall cooperate with each other in pursuing insurance claims with respect to any Losses or any indemnification obligations with respect to Losses. If, after the making of any indemnification payment or offsetting against the Future Cash Consideration Payments, the amount of the Losses to which such payment relates is reduced by actual recovery, settlement or otherwise under any insurance coverage, or pursuant to any claim, recovery, settlement or payment by or against any other entity, the amount of such reduction (less any costs, expenses, premiums (including any increased premiums which may accrue over time) or Tax incurred in connection therewith) will promptly be paid by the Indemnified Party to the Indemnifying Party.

(i) The waiver by any Party hereto of any conditions set forth in Article VII will not affect or limit the provisions of this Article IX in any manner.

(j) Except as otherwise payable pursuant to a Third Party Claim, no Indemnifying Party shall be liable pursuant to Section 9.2 to any Indemnified Party for any consequential, incidental, special, exemplary or punitive Losses, diminution in value or Losses for lost profits.

(k) Each Shareholder Indemnified Party who is an officer or director of the Company or any of its Subsidiaries waives any right of contribution or other similar right against the Surviving Company or such Subsidiary, respectively, and its respective officers, directors, employees, assigns, successors and Affiliates that such Shareholder Indemnified Party may have by virtue of his or her status as an officer or director of the Company or such Subsidiary with respect to any claim for indemnification by Parent arising out of a breach of the representations, warranties, covenants or agreements of the Company or Shareholder contained herein. Each Shareholder Indemnified Party also agrees not to make a claim (except on behalf of the Surviving Entity) for recovery against any directors' and officers' liability insurance policy of

the Surviving Entity or any of its Affiliates (including Parent) with respect to matters covered by the foregoing waiver.

9.4 Claims.

(a) Notice of Claim. Promptly after the receipt by a Parent Indemnified Party or a Shareholder Indemnified Party, as appropriate (the "Indemnified Party"), of a notice of any claim, action, suit or proceeding by any third party (a "Third Party Claim") or upon becoming aware of any other facts, circumstances or events, in either case that would reasonably give rise to a right to indemnification pursuant to this Article IX, such Indemnified Party shall give written notice of such claim to the indemnifying party hereunder (the "Indemnifying Party"), stating the nature and basis of the claim and the amount thereof, to the extent known, along with copies of the relevant documents evidencing the claim and the basis for indemnification sought. Failure of the Indemnified Party to give such notice shall not relieve the Indemnifying Party from liability on account of such indemnification, except if and to the extent that the Indemnifying Party is actually prejudiced thereby. Thereafter, the Indemnified Party shall promptly deliver to the Indemnifying Party copies of all notices and documents (including court papers) received by the Indemnified Party relating to the Third Party Claim or such other claim.

(b) Assumption of Defense of Third Party Claims. The Indemnifying Party shall have the right to assume the defense of the Indemnified Party against any Third Party Claim with counsel of its choice reasonably satisfactory to the Indemnified Party and control the defense of such Third Party Claim (x) if it elects to do so within twenty (20) Business Days following receipt of the notice with respect thereto and (y) so long as the Indemnifying Party conducts such defense actively and diligently. The Indemnifying Party may not assume the defense of a Third Party Claim if the Third Party Claim of which it seeks to assume control (i) seeks non-monetary relief; (ii) involves criminal or quasi-criminal allegations; (iii) involves a claim which the Indemnifying Party failed or is failing to vigorously prosecute or defend; or (iv) involves a claim that is reasonably expected to result in Liability to the Indemnified Party in excess of the Indemnifying Party's indemnification obligation hereunder in light of the limitations set forth in this Article IX; provided, however, that, in the event that the Indemnified Party assumes the defense of a Third Party Action pursuant to the provisions of this sentence, the Indemnifying Party shall have the right to participate in the defense of the Third Party Claim, and may retain separate co-counsel at its sole cost and expense and the Indemnified Party shall not compromise or settle such Third Party Claim without the prior written consent of the Indemnifying Party. If the Indemnifying Party elects to assume the defense of the Third Party Claim, then, notwithstanding anything to the contrary in this Article IX, the Indemnifying Party shall not be required to pay or otherwise indemnify the Indemnified Party against attorneys' fees or other expenses incurred on behalf of the Indemnified Party in connection with the defense of such action following the Indemnifying Party's election to assume the defense. So long as the Indemnifying Party has assumed the defense of the Third Party Claim in accordance herewith and notified the Indemnified Party in writing thereof, (i) the Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third Party Claim, it being understood that the Indemnifying Party shall pay all reasonable costs and expenses of counsel for the Indemnified Party for all periods prior to such time as the Indemnifying Party has notified the Indemnified Party that it has assumed the defense of such Third Party Claim; (ii) the Indemnified Party shall not file any papers or consent to the entry of

any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnifying Party (not to be unreasonably withheld or delayed); and (iii) the Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim (other than a judgment or settlement that is solely for money damages and is accompanied by a release of all indemnifiable claims against the Indemnified Party) without the prior written consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed. Whether or not the Indemnifying Party shall have assumed the defense, such Indemnifying Party shall not be obligated to indemnify the Indemnified Party hereunder for any settlement entered into without the Indemnifying Party's prior written consent, which consent shall not be unreasonably withheld or delayed. If the Indemnifying Party elects not to assume the defense of an action contemplated by this Section 9.4(b) within the manner contemplated above, or, if such action is assumed by the Indemnifying Party, the Indemnifying Party fails to conduct the defense actively and diligently, (A) the Indemnified Party may defend against the action in any manner it reasonably may deem appropriate; provided, however, that the Indemnified Party shall consult with the Indemnifying Party in connection therewith; (B) the Indemnifying Party will reimburse the Indemnified Party promptly and periodically for the reasonable costs of defending against the action (including reasonable attorneys' fees and expenses) to the extent such costs are Losses for which the Indemnified Party is entitled to indemnification therefor hereunder; and (C) the Indemnifying Party will remain responsible for any costs the Indemnified Party may incur resulting from the action to the extent such costs are Losses for which the Indemnified Party is entitled to indemnification therefor hereunder; provided, however, that, in the event that it is determined that the Indemnified Party was not entitled to indemnification for any costs that are Losses hereunder, such Indemnified Party shall promptly refund to the Indemnifying Party that portion of the amounts paid or reimbursed by the Indemnifying Party to such Indemnified Party in respect of reimbursement of such costs. In the event that both the Indemnified Party and the Indemnifying Party are named as defendants in an action and/or the representation of both Persons by the same counsel would be appropriate under applicable standards of professional conduct, they shall both be represented by the same counsel (on whom they shall agree), unless such counsel, the Indemnified Party or the Indemnifying Party shall determine that such counsel has a conflict of interest in representing both the Indemnified Party and the Indemnifying Party in the same action or proceeding and the Indemnified Party and the Indemnifying Party do not waive such conflict to the satisfaction of such counsel, in which case the reasonable expense of separate counsel for the Indemnified Party shall be paid by the Indemnifying Party. If a settlement offer solely for money damages is made by an applicable third party claimant (which offer provides for a full and unconditional release of the Indemnified Party) with respect to a Third Party Claim, and the Shareholder Representative notifies the Indemnified Party in writing of the Shareholders' willingness to accept the settlement offer and indemnify the Indemnified Party pursuant to this Article IX without reservation of any rights or defenses against the Indemnified Party, the Indemnified Party may continue to contest such claim, free of any participation by the Shareholder Representative, and the amount of any ultimate liability with respect to such Third Party Claim that may be offset against the Future cash Consideration Payments hereunder shall (in addition to the other limitations set forth in this Article IX hereof) be limited to the lesser of (1) the amount of the settlement offer that the Indemnified Party declined to accept or (2) the aggregate Losses of the Indemnified Party with respect to such claim.

(c) Payment. On each occasion that any Indemnified Party shall be entitled to indemnification or reimbursement under this Article IX, the Indemnifying Party shall, subject to the limitations contained in this Article IX, at each such time, promptly pay the amount of such indemnification or reimbursement. Notwithstanding the foregoing, each Shareholder hereby agrees that if a Parent Indemnified Party is entitled to indemnification or reimbursement under this Article IX, such indemnification or reimbursement will first be satisfied from any Future Cash Consideration Payments to be paid pursuant to Section 2.2. Notwithstanding the foregoing, and subject to the limitations contained in this Article IX, if any Parent Indemnified Party is entitled to indemnification or reimbursement under this Article IX and such indemnification or reimbursement amount exceeds the amount of the Future Cash Consideration Payments, the Shareholders shall make payment to (or as directed by) such Parent Indemnified Party by wire transfer of immediately available funds; provided, however, at each Shareholder's option, the payment of all or any such portion of such indemnification or reimbursement excess amount can be satisfied by delivery of Parent Common Stock, with each such share so delivered being applied to any such amount owed by a Shareholder at a price of $11.5754 per share; provided, further, that notwithstanding the foregoing or anything to the contrary set forth herein, if any Parent Indemnified Party is entitled to indemnification or reimbursement under Section 9.2(a)(iii), that such amounts may only be offset against then remaining Future Cash Consideration Payments and no Shareholder shall be liable to any Parent Indemnified Party to the extent such amounts exceed the then remaining Future Cash Consideration Payments.

9.5 Adjustments to Merger Consideration. The Company, Parent, the Surviving Entity and the Shareholders agree to treat each indemnification payment pursuant to this Article IX as an adjustment to the consideration to be issued pursuant to the Merger for all Tax purposes and shall take no position contrary thereto unless required to do so by applicable Tax Law pursuant to a determination as defined in Section 1313(a) of the Code.

9.6 Nature of Shareholder Indemnification Obligations.

(a) Obligations Regarding the Company. The obligations of the Shareholders to indemnify the Parent Indemnified Parties pursuant to this Article IX shall be several and not joint to the extent the obligation arises pursuant to Section 9.2(a)(i) or Section 9.2(a)(ii) with respect to any misrepresentation or breach of any representation or warranty made or deemed made by the Company or any failure to perform any covenant or agreement of the Company, in either case such that each Shareholder's obligation therefor shall be pro rata with respect to the Equity Interests of the Company as set forth on Exhibit A hereto.

(b) Obligations Regarding a Shareholder. The obligations of the Shareholders to indemnify the Parent Indemnified Parties pursuant to this Article IX shall be several and not joint to the extent the obligation arises pursuant to Section 9.2(a)(i) or Section 9.2(a)(ii) with respect to any misrepresentation or breach of any representation or warranty made or deemed made by a Shareholder or any failure to perform any covenant or agreement of a Shareholder, in either case such that obligation therefor shall be a liability of the Shareholder making such representation or warranty or failing to perform any covenant or agreement, respectively, giving rise to the obligation.

9.7 Sole and Exclusive Remedy. Except as otherwise provided below, the indemnification provided for in this Article IX, subject to the limitations set forth herein or therein, shall be the exclusive post-Closing remedy available to any Indemnified Party in connection with any Losses arising out of the matters set forth in this Agreement or the transactions contemplated hereby; provided, however, that nothing herein will limit in any way any such Indemnified Party's (A) remedies in respect of fraud or willful breach of any representation, warranty, covenant or agreement herein, or (B) rights hereunder to injunctive or other equitable relief to enforce its rights under this Agreement or in connection with the transactions contemplated hereby.

ARTICLE X
DEFINITIONS, CONSTRUCTION, ETC.

10.1 Certain Definitions. For all purposes of and under this Agreement, the following capitalized terms shall have the following respective meanings:

"Acquisition Proposal" means any offer or proposal to enter into or consummate an Acquisition Transaction.

"Acquisition Transaction" means any transaction or series of related transactions (other than the transactions contemplated by this Agreement) resulting in: (i) any acquisition or purchase by any Person, directly or indirectly, of more than twenty percent (20%) of the total outstanding voting securities of the Company or any of its Subsidiaries; (ii) any merger, consolidation, business combination or other similar transaction involving the Company or any of its Subsidiaries pursuant to which the Shareholders would hold less than eighty percent (80%) of the equity interests in the surviving or resulting entity of such transaction immediately after consummation thereof; (iii) any sale, exchange, transfer, license, acquisition or disposition (in each case other than in the ordinary course of business) of more than twenty percent (20%) of the assets of the Company and/or its Subsidiaries taken on a consolidated basis (measured by either book or fair market value thereof); or (iv) any liquidation, dissolution, recapitalization or other significant corporate reorganization of the Company.

"Affiliate" means, with respect to the Person to which it refers, any other Person which directly or indirectly controls, is controlled by or is under common control with such Person.

"Applicable Law" means, with respect to any Person, any foreign, national, federal, provincial, state, municipal or local law, statute, constitution, principle of common law, resolution, ordinance, code, edict, treaty, decree, rule, regulation, ruling or other similar requirement enacted, adopted, promulgated, applied or otherwise put into effect by or under the authority of a Governmental Entity that is binding upon or applicable to such Person, assets or set of facts.

"Business" means the business of (i) developing, marketing, and selling computer software that enables physicians, hospitals, and other entities in the healthcare industry to efficiently organize, secure, manage, and share medical records and other healthcare information (the "Business Software"), and (ii) providing services in connection with the Business Software.

"Business Day" means any day, other than a Saturday, Sunday and any day which is a legal holiday under the laws of the State of New York or is a day on which banking institutions located in New York are authorized or required by Applicable Law to close.

"Calculated Purchase Price" means sixteen million dollars ($16,000,000).

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980.

"Closing Net Working Capital" means, at any time, the Company's Current Assets minus the Company's Current Liabilities.

"COBRA" means Sections 601 through 607 of ERISA and/or Section 4980B of the Code.

"Code" means the United States Internal Revenue Code of 1986, as amended.

"Company Employee Plan" means any Employee Plan of the Company.

"Company Intellectual Property" means any Intellectual Property that is owned by or licensed to the Company for use in the business of the Company or any of its Subsidiaries as currently conducted.

"Company Material Adverse Effect" means a Material Adverse Effect on the Company.

"Company Shareholder Consent" means that certain Shareholder Consent attached hereto as Annex A.

"Confidential Information" means (a) information of the Company and its Subsidiaries, to the extent not considered a Trade Secret under Applicable Law, whether or not marked or otherwise identified as confidential or secret, that (i) relates to the Business of the Company and its Subsidiaries, (ii) possesses an element of value to the Company and its Subsidiaries, (iii) is not generally known to the Company's competitors, and (iv) would damage the Company or any Subsidiary if disclosed, and (b) information of any third party provided to the Company or a Subsidiary which the Company or its Subsidiary is obligated to treat as confidential, including, but not limited to, information provided to the Company or its Subsidiary by a licensor, supplier, or customer. Confidential Information includes, but is not limited to, (i) Company Intellectual Property, (ii) future business plans or proposals, (iii) the composition, description, schematic or design of products, future products or equipment of the Company, its Subsidiaries, or any third party, (iv) advertising, marketing plans, catalogues, brochures, or service manuals, (v) information regarding independent contractors, employees, clients, licensors, suppliers, customers, or any third party, including, but not limited to, customer lists or pricing lists compiled by the Company or its Subsidiaries, and customer information compiled by the Company or its Subsidiaries, and (vi) information concerning the Company's, its Subsidiaries' or a third party's financial structure and methods and procedures of operation. Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of an unauthorized disclosure, (ii) has been independently developed and disclosed by others without violating this Agreement or the legal rights of any party, or (iii) otherwise enters the public domain through lawful means.

"Consent" means any approval, consent (including a negative consent), order, waiver, filing, authorization, license, sublicense, permit, notice, report of, or filing or registration with, or notification to, any Person or similar item.

"Contract" means any legally binding agreement, contract, mortgage, indenture, lease, sublease, license, sublicense, understanding, arrangement, instrument, note, guaranty, indemnity, representation, warranty, franchise, letter of intent, deed, assignment, power of attorney, certificate, purchase order, work order, insurance policy, benefit plan, permission, commitment, covenant, assurance, dealer and distributorship agreement, supply agreement, development agreement, joint venture agreement, promotion agreement, partnership agreement or other undertaking of any nature, whether written, oral or implied, and each and every amendment, extension, exhibit, attachment, schedule, addendum, appendix, statement of work, change order, and any other similar instrument or document relating thereto, and including any right or obligation under any of the foregoing.

"Current Assets" means, at any time, the current assets of the Company, determined in accordance with GAAP, using the same policies, practices and principles used to prepare the Company Financial Statements.

"Current Liabilities" means, at any time, the current liabilities of the Company, determined in accordance with GAAP, using the same policies, practices and principles used to prepare the Company Financial Statements; provided, however, that for purposes of the foregoing and for the avoidance of doubt Current Liabilities (a) shall exclude all deferred revenue, (b) shall include all fees and expenses of the Company and the Shareholders incurred through the Closing Date to be paid by the Company pursuant to Section 6.13, whether or not such fees and expenses are billed prior to or after the Closing Date and (c) shall exclude all Debt satisfied prior to or at the Closing.

"Debt" means, without duplication, with respect to any Person (i) all obligations for borrowed money or extensions of credit (including bank overdrafts and advances); (ii) all obligations evidenced by bonds, debentures, notes or other similar instruments; (iii) all obligations to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business; (iv) all obligations as lessee capitalized in accordance with GAAP; (v) all obligations of others secured by a Lien on any asset, whether or not such obligations are assumed; (vi) all obligations, contingent or otherwise, directly or indirectly guaranteeing any obligations of any other Person, all obligations to reimburse the issuer in respect of letters of credit or under performance or surety bonds, or other similar obligations; (vii) all obligations in respect of bankers' acceptances and under reverse repurchase agreements; and (viii) all obligations in respect of futures contracts, swaps, other financial contracts and other similar obligations (determined on a net basis as if such contract or obligation was being terminated early on such date).

"Decree" means any judgment, decision, decree, prohibition, injunction, ruling, writ, assessment or order of any Governmental Entity that is binding on any Person or its property under Applicable Law.

"DOL" means the United States Department of Labor.

"Employee Plan" of any Person means any plan, program, policy, practice, contract, agreement or other arrangement (written or oral) providing for deferred compensation, profit sharing, bonus, severance, termination pay, performance awards, stock option, share appreciation right or other stock-related awards, fringe benefits, group or individual health, dental, medical, life insurance, survivor benefit or other welfare, pension or other employee benefits or remuneration of any kind, whether formal or informal, funded or unfunded, including each "employee benefit plan" within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA, which is or has been maintained, contributed to, or required to be contributed to, by such Person or any of its Subsidiaries or ERISA Affiliates for the benefit of any Employee, or pursuant to which such Person or any of its Subsidiaries has or may have any Liability.

"Environmental Law" means, whenever in effect, any and all Applicable Laws and Permits issued, promulgated or entered into by any Governmental Entity relating to the environment, workplace health or safety, human health or safety, or the treatment, storage, disposal, management, Release or threatened Release of, or exposure to, hazardous materials, substances or waste.

"Equity Interests" means, with respect to any Person, any of (i) its capital stock, partnership interests (general or limited), limited liability company interests, trust interests or other securities which entitle the holder thereof to participate in the earnings of such Person or to receive dividends or distributions on liquidation, winding up or dissolution of such Person, or to vote for the election of directors or other management of such Person, or to exercise other rights generally afforded to shareholders of a corporation; (ii) any stock appreciation, phantom stock, profit participation, or similar rights with respect to any capital stock of such Person; or (iii) any security convertible into, exchangeable for or evidencing the right to subscribe for or acquire any security contemplated by clause (i) or clause (ii) hereof, including any common stock, preferred stock, option, warrant, subscription right, purchase right, conversion right, exchange right or other similar Contract.

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

"ERISA Affiliate" means, with respect to a Person, any other entity whose employees would, together with the employees of the Person, be treated as employed by a single employer under Section 414 of the Code or Section 4001 of ERISA and the regulations thereunder within the past six (6) years.

"Exchange Act" means the Securities Exchange Act of 1934.

"GAAP" means generally accepted accounting principles effective in the United States.

"Governmental Entity" means any government, any governmental, regulatory or administrative entity or body, department, commission, board, agency or instrumentality, any court, tribunal or judicial body or any other governmental, self-regulatory or quasi-governmental authority of any nature (including any governmental department, division, agency, bureau, office, branch, court, commission, tribunal, or other governmental instrumentality) or any political or other subdivision or part of any of the foregoing, in each case whether federal, state, territorial, commonwealth, province, county, provincial, municipal, district, local or foreign.

"Hazardous Material" means any material, substance, or waste as to which liability or standards of conduct may be imposed pursuant to any Environmental Law.

"Health Information Laws" means all federal and state laws relating to patient, medical or individual healthcare information, including the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended, and any rules or regulations promulgated thereunder.

"Identified Tax Matters" means the Colorado Tax Matter and the California Tax Matter, each as defined and described on Schedule 3.18 of the Company Disclosure Schedule.

"Intellectual Property" means any or all of the following and all rights in, arising out of, or associated therewith: (i) all United States, international and foreign patents and all applications therefor, together with all reissues, reexaminations, divisions, divisionals, renewals, revisions, extensions, provisionals, continuations and continuations-in-part thereof, and all patents, applications, documents and filings claiming priority to or serving as a basis for priority thereof; (ii) all inventions (whether or not patentable), invention disclosures, improvements, trade secrets, know-how, formulae, algorithms, compositions, industrial models, architectures, layouts, designs, drawings, plans, specifications, methodologies, ideas, research and development, proprietary process information, computer software programs (in both source code and object code form, as well as systems, tools, data, databases, firmware, and related documentation), technology, business methods, technical data and Confidential Information (including technical data, customer lists, supplier lists, pricing and cost information, and business and marketing plans and proposals), tangible or intangible proprietary information, and all documentation relating to any of the foregoing; (iii) all works of authorship (whether or not copyrightable), all copyrights, copyrights registrations and applications therefor, all mask works and all other rights corresponding thereto throughout the world; (iv) all industrial designs (including utility model rights, design rights and industrial property rights) and any registrations and applications therefor throughout the world; (v) all trade names, logos, trade dress, slogans, business names, corporate names, common law trademarks and service marks, trademark and service mark registrations and applications therefor throughout the world, and all other indicia of origin, together with all translations, adaptations, derivations, and combinations thereof, and all goodwill associated with any of the foregoing; (vi) all databases and data collections and all rights therein throughout the world; (vii) all moral and economic rights of authors and inventors, however denominated, throughout the world; (viii) all Web addresses, sites and domain names and numbers; (ix) all other proprietary and intellectual property rights; and (x) all copies and tangible embodiments or descriptions of any of the foregoing (in whatever form or medium).

"IRS" means the United States Internal Revenue Service.

"Knowledge" (and other words of similar import) means the actual knowledge after Reasonable Inquiry of (i) when used with respect to the Company, Robert Connely and Alok Mathur; (ii) when used with respect to Parent, Kipp Lassetter, Brent Dover and David Urry; or (iii) when used with respect to any other Person, the executive officers and directors (or other persons holding similar positions) of such Person (or if such Person is a natural person, such natural person), or, if any person named in this definition shall no longer be employed by its employer as of the date hereof or no longer shall have the responsibilities in such capacity as

processed as of the date hereof, the person holding the comparable office or job with comparable experience and responsibility of such named person.

"Lease" means all of the applicable party's right, title and interest in all leases, subleases, licenses, concessions and other agreements (written or oral), pursuant to which such party holds a leasehold or subleasehold estate in, or is otherwise granted the right to use or occupy, the Leased Real Property, including the right to all security deposits and other amounts and instruments deposited thereunder.

"Leased Real Property" means any land, buildings, structures, improvements, fixtures or other interest in real property which are used or occupied pursuant to a Lease.

"Legal Proceeding" means any action, cause of action, claim (or counterclaim), demand, suit, litigation, proceeding (public or private), criminal prosecution, audit, citation, summons, subpoena, inquiry, arbitration, mediation, alternative dispute resolution procedure or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, by or before any Governmental Entity or other tribunal, arbitrator or mediator.

"Liability" means any and all claims, debts, liabilities, obligations and commitments of whatever nature, whether asserted or unasserted, fixed, absolute or contingent, matured or unmatured, accrued or unaccrued, liquidated or unliquidated or due or to become due, and whenever or however arising (including those arising out of any Contract or tort, whether based on negligence, strict liability or otherwise) and whether or not the same would be required by GAAP to be reflected as a liability in financial statements or disclosed in the notes thereto.

"Lien" means any lien (including any lien for unpaid Taxes), pledge, mortgage, deed of trust, security interest, claim, lease, sublease, license, charge, option, right of first refusal, easement, restriction, condition, reservation, servitude, proxy, voting trust or agreement, transfer restriction under any shareholder or similar agreement, or encumbrance or adverse claims or rights of any nature whatsoever.

"Losses" shall mean, without duplication for purposes of recovery, claims, losses, liabilities, deficiencies, royalties, damages, debt, interest and penalties, costs and expenses, including reasonable out-of-pocket attorneys' fees and expenses and other reasonable expenses of investigation and defense.

"Material Adverse Effect" means, when used with respect to any Party, any fact, circumstance, change or effect that, individually or when taken together with all other facts, circumstances, changes or effects in the aggregate, has had or would be reasonably expected to have or result in a material adverse effect on (a) the business, assets, liabilities, properties, financial condition, or results of operations of such Party and its Subsidiaries, taken as a whole, other than facts, circumstances, changes or effects resulting from: (i) general market, economic or political conditions (including any changes arising out of acts of terrorism or war, weather conditions or other force majeure events) in the jurisdictions in which such Party or any of its Subsidiaries does business that do not disproportionately affect such Party and its Subsidiaries, taken as a whole, in any material respect compared to other Persons operating similar businesses in such jurisdictions; (ii) general market, legal or economic conditions in the healthcare

information industry that do not disproportionately affect such Party and its Subsidiaries, taken as a whole, in any material respect compared to other participants in such industry; (iii) the condition of the financial or securities markets in the countries in which such Party or any of its Subsidiaries does business that do not disproportionately affect such Party and its Subsidiaries, taken as a whole, in any material respect compared to other Persons in such markets; (iv) the pendency of this Agreement or any of the transactions contemplated hereby, including the Merger, or the taking of any action contemplated hereby or expressly permitted by the other Party hereto; or (v) changes in GAAP, or (b) the ability of such Party (or (x) in the case of Parent or Merger Sub or (y) in the case of the Company, any Shareholder) to perform its obligations pursuant to this Agreement and the other Related Agreements and to consummate the transactions contemplated hereby and thereby in a timely manner.

"Material Contract" means any of the following:

(i) employment or independent personal services contractor agreement involving compensation in excess of $25,000 per year;

(ii) lease of personal property having a value individually in excess of $25,000;

(iii) Contract of guaranty to any third party in excess of $25,000;

(iv) Contract containing any covenant limiting the freedom of the Person or any of its Affiliates (for avoidance of doubt for purposes of this clause (v), determined before or after the Closing) to engage in any line of business or in any geographic territory or to compete with any other Person, or pursuant to which the Person or any of its Affiliates has granted to any other Person any exclusivity to any geographic territory, any customer, or any product or service or expressly limits in any material respect the right of the Person or any of its Affiliates to engage in any activities with respect to its business;

(v) Contract relating to the license of Intellectual Property (excluding, for the avoidance of doubt, any license of commercially available, off-the-shelf computer software with a replacement value or annual license fee of less than $25,000);

(vi) Contract relating to capital expenditures and involving future payments in excess of $25,000 in the aggregate;

(vii) Contract not already fully performed relating to the acquisition or disposition of assets with a value in excess of $25,000 or any interest with a value in excess of $25,000 in any business enterprise outside the ordinary course of the Person's or any of its Subsidiaries' businesses;

(viii) Contract relating to the borrowing of money or the extension of credit or evidencing any Debt or securing such Debt with a principal amount in excess of $25,000;

(ix) other than Contracts covered by other clauses, settlement, conciliation or similar Contract with any Governmental Entity or any other Person, in either case

pursuant to which the subject Person would reasonably be expected to be required after the date hereof to pay consideration in excess of $25,000;

(x) any Contract pursuant to which a Person has advanced or loaned any amount to any of its shareholders, officers or directors, other than for the reimbursement of business expenses in ordinary course of business consistent with past practice;

(xi) a material joint venture, partnership, strategic alliance or other Contract involving the sharing of profits, losses, costs or liabilities with any Person (including any "earn out" or other similar payments) that, in terms of size or terms, is not consistent with past practice;

(xii) a Contract, the performance of which involves payment or the provision of services to or from such subject Person in excess of $25,000 in any year; or

(xiii) other Contract that alone, or in connection with other related Contracts, for which such Person or any of its Subsidiaries has aggregate surviving obligations in excess of $25,000 that, in terms of size or terms, is not consistent with past practice.

"Multiemployer Plan" has the meaning set forth in Section 3(37) of ERISA.

"Outstanding Common Stock Number" means the total number of shares of Company Common Stock issued and outstanding, on a fully diluted basis, immediately prior to the Effective Time.

"Parent Capital Stock" means any Parent Common Stock or Parent Preferred Stock.

"Parent Intellectual Property" means any Intellectual Property that is owned by or licensed to Parent for use in the business of Parent or any of its Subsidiaries as currently conducted.

"Parent Material Adverse Effect" means a Material Adverse Effect on Parent.

"Parent Equity Plans" means (i) the Medicity, Inc. 2000 Stock Plan and (ii) the Medicity, Inc. 2002 Stock Plan.

"Parent Option" means any option or other right to purchase Parent Common Stock, whether issued pursuant to the Parent Equity Plans or otherwise.

"Permits" means approvals, permits, notifications, licenses, grants, authorizations, Consents, easements, notifications, certificates, approvals, orders and franchises issued, granted, given, required or otherwise made available by or from any Governmental Entity.

"Permitted Liens" shall mean (a) Liens for Taxes not yet due and payable; (b) Liens of landlords and Liens of carriers, warehousemen, mechanics and materialmen, equipment providers and other like Liens arising in the ordinary course of business for sums not yet due and payable; (c) statutory Liens claimed or held by any Governmental Entity that are related to obligations that are not due or delinquent; (d) restrictions on resale of securities imposed by

applicable Legal Requirements; (e) security given in the ordinary course of business to any public utility, Governmental Entity or other statutory or public authority; (f) with respect to leased or licensed personal property, the terms and conditions of the lease or license applicable thereto; (g) with respect to real property, zoning, building codes and other land use laws regulating the use or occupancy of such real property or the activities conducted thereon which are imposed by any Governmental Entity having jurisdiction over such real property which are not violated by the current use or occupancy of such real property or the operation of the applicable business as currently conducted, or the violation of which would not have a material adverse effect on the applicable business; (h) easements, covenants, conditions, restrictions and other similar matters affecting title to real property and other encroachments and title and survey defects that do not or would not materially impair the use or occupancy of such real property in the operation of the applicable business as currently conducted; and (i) other Liens (other than those securing indebtedness) that do not materially interfere with the use or operation of the property subject thereto.

"Person" means any individual, corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, company (including any limited liability company or joint stock company), firm or other enterprise, association, organization, entity or Governmental Entity, including the media.

"Powell Separation Agreement" means that certain letter agreement between the Company and its former employee, Jeffrey Powell, effective as of December 12, 2008, pursuant to which the Company and Mr. Powell agreed to certain terms and conditions related to Mr. Powell's separation from the Company.

"Pre-Closing Period" means any taxable period or portion thereof ending on or before the Closing Date. If a taxable period begins on or before the Closing Date and ends after the Closing Date, then the portion of the taxable period through the end of the Closing Date shall constitute a Pre-Closing Period.

"Prohibited Transaction" has the meaning set forth in Section 406 of ERISA and Section 4975 of the Code.

"Reasonable Inquiry" means (i) when used with respect to the Company, inquiry of the Company's vice presidents that are responsible for the subject matter of the applicable representation and warranty and (ii) when used with respect to the Parent, inquiry of Parent's senior vice presidents that are responsible for the subject matter of the applicable representation and warranty.

"Related Agreements" means this Agreement, the Shareholders Agreement, the Company Shareholder Consent, and any other Contracts, documents, schedules, certifications or other instruments being delivered pursuant to or in connection with this Agreement or the any other Related Agreement.

"Release" has the meaning set forth in Section 101(22) of CERCLA.

"Representative" means, when used with respect to any Person, such Person's Affiliates (including Subsidiaries) and such Person's or any of the foregoing Persons' respective shareholders, partners, members, managers, directors (or committees thereof), officers, employees, trustees, trust beneficiaries, agents, representatives, advisors (including financial advisors, bankers, consultants, counsel and accountants) and controlling Persons.

"Restricted Period" means the period from the Effective Time until the third (3rd) anniversary thereof.

"Restricted Stock Agreement" means that certain Form of Restricted Stock Agreement attached hereto as Annex C

"Restricted Stock Award" means the award of Parent Common Stock pursuant to the terms of the Restricted Stock Agreement.

"Securities Act" means the Securities Act of 1933.

"Shareholders Agreement" means that certain Stockholders Agreement attached hereto as Annex B.

"Subsidiary" of any Person shall mean (a) a corporation more than fifty percent (50%) of the combined voting power of the outstanding voting stock of which is owned, directly or indirectly, by such Person or by one of more other Subsidiaries of such Person or by such Person and one or more other Subsidiaries thereof; (b) a partnership of which such Person, or one or more other Subsidiaries of such Person or such Person and one or more other Subsidiaries thereof, directly or indirectly, is the general partner and has the power to direct the policies, management and affairs of such partnership; (c) a limited liability company of which such Person or one or more other Subsidiaries of such Person or such Person and one or more other Subsidiaries thereof, directly or indirectly, is the managing member and has the power to direct the policies, management and affairs of such company; (d) any other Person (other than a corporation, partnership or limited liability company) in which such Person, or one or more other Subsidiaries of such Person or such Person and one or more other Subsidiaries thereof, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof; or (e) any joint venture to which such Person or any of its other Subsidiaries is party or owner or part-owner; provided, however, that (x) each representation or warranty made by a Party herein with respect to Subsidiaries shall relate to joint ventures of such Party that are neither operated nor managed by such Party or one of its Subsidiaries only to the extent to which such Party has Knowledge of such matter with respect to such joint venture, and (y) each covenant or agreement made by a Party hereunder with respect to Subsidiaries shall relate to joint ventures of such Party that are neither operated nor managed by such Party or one of its Subsidiaries only to the extent to which such Party has a right to control or influence such matter with respect to such joint venture.

"Target Net Working Capital" means $500,000.

"Tax" means all (i) United States federal, state or local or non United States taxes, assessments, charges, duties, levies or other similar governmental charges of any nature, including all income, franchise, profits, capital gains, capital stock, transfer, sales, use,

occupation, property, excise, severance, windfall profits, stamp, stamp duty reserve, license, payroll, withholding, ad valorem, value added, alternative minimum, environmental, customs, social security (or similar), unemployment, sick pay, disability, registration and other taxes, assessments, charges, duties, fees, levies or other similar governmental charges of any kind whatsoever, whether disputed or not, together with all estimated taxes, deficiency assessments, additions to tax, penalties and interest; (ii) any liability for the payment of any amount of a type described in clause (i) arising as a result of being or having been a member of any consolidated, combined, unitary or other group or being or having been included or required to be included in any Tax Return related thereto; and (iii) any liability for the payment of any amount of a type described in clause (i) or clause (ii) as a result of any obligation to indemnify or otherwise assume or succeed to the liability of any other Person.

"Tax Returns" means all returns, declarations, reports, claims for refund, information statements and other documents relating to Taxes, including all schedules and attachments thereto, and including all amendments thereof.

"Trade Secrets" means information of the Company, and its licensors, suppliers, clients, and customers, without regard to form, including, but not limited to, technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, a list of actual customers, clients, licensors, or suppliers, or a list of potential customers, clients, licensors, or suppliers which is not commonly known by or available to the public and which information (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

10.2 Index of Defined Terms. The following capitalized terms shall have the respective meanings ascribed thereto in the respective sections of this Agreement set forth opposite each of the capitalized terms below:

Term	Reference
"AAA"	Section 11.11(b)
"Acquisition Proposal"	Section 10.1
"Acquisition Transaction"	Section 10.1
"Affiliate"	Section 10.1
"Agreement"	Preamble
"Applicable Law"	Section 10.1
"Basket"	Section 9.3(c)
"Business"	Section 10.1
"Business Day"	Section 10.1
"Business Software"	Section 10.1
"Calculated Purchase Price"	Section 10.1
"CERCLA"	Section 10.1
"Certificate of Merger"	Section 1.3
"CGCL"	Recitals

Term	Reference
"Closing"	Section 1.2
"Closing Balance Sheet"	Section 2.5(b)
"Closing Date"	Section 1.2
"COBRA"	Section 10.1
"Code"	Section 10.1
"Company"	Preamble
"Company Common Stock"	Section 1.7(b)
"Company Employee Plan"	Section 10.1
"Company Financial Statements"	Section 3.7(a)
"Company Improvements"	Section 3.14(d)
"Company Intellectual Property"	Section 10.1
"Company Leased Real Property"	Section 3.14(b)(i)
"Company Leases"	Section 3.14(b)(i)
"Company Material Adverse Effect"	Section 10.1
"Company Material Contract"	Section 3.13(a)
"Company Owned Real Property"	Section 3.14(a)
"Company Real Property"	Section 3.14(b)(i)
"Company Schedule"	Section 10.3(k)
"Company Shareholder Consent"	Section 10.1
"Company Software"	Section 3.15(g)
"Company Tax Returns"	Section 3.18(a)
"Competing Operation"	Section 6.11(a)
"Confidential Information"	Section 10.1
"Consent"	Section 10.1
"Contract"	Section 10.1
"Core Representations"	Section 9.1(a)
"Current Assets"	Section 10.1
"Current Liabilities"	Section 10.1
"Debt"	Section 10.1
"DE Certificate of Merger"	Section 1.3
"Decree"	Section 10.1
"Delaware Secretary of State"	Section 1.3
"Dispute"	Section 11.11(a)
"DOL"	Section 10.1
"Effective Time"	Section 1.3
"Employee Plan"	Section 10.1
"Environmental Law"	Section 10.1
"Equity Interest"	Section 10.1
"ERISA"	Section 10.1

Term	Reference
"ERISA Affiliate"	Section 10.1
"Estimated Closing Net Working Capital"	Section 2.5(a)
"Estimated Closing Statement"	Section 2.5(a)
"Exchange Act"	Section 10.1
"Fees and Expenses"	Section 6.13
"GAAP"	Section 10.1
"GA Certificate of Merger"	Section 1.3
"General Cap"	Section 9.3(a)
"Georgia Secretary of State"	Section 1.3
"Governmental Entity"	Section 10.1
"Hazardous Material"	Section 10.1
"Health Information Laws"	Section 3.15(m)
"Identified Tax Matters"	Section 10.1
"Indemnified Party"	Section 9.4(a)
"Indemnifying Party"	Section 9.4(a)
"Initial Survival Termination Date"	Section 9.1(a)
"Intellectual Property"	Section 10.1
"Interim Balance Sheet"	Section 3.7(a)
"Interim Balance Sheet Date"	Section 3.7(a)
"Interim Parent Balance Sheet"	Section 5.7(a)
"Interim Parent Balance Sheet Date"	Section 5.7(a)
"IRS"	Section 10.1
"Knowledge"	Section 10.1
"Lease"	Section 10.1
"Leased Real Property"	Section 10.1
"Legal Proceeding"	Section 10.1
"Liability"	Section 10.1
"Liability Cap Amount"	Section 9.3(a)
"Lien"	Section 10.1
"Losses"	Section 10.1
"Material Adverse Effect"	Section 10.1
"Material Contract"	Section 10.1
"Merger"	Recitals
"Merger Consideration"	Section 1.7(c)
"Merger Sub"	Preamble
"Minimum Claim Amount"	Section 9.3(c)
"Most Recent Company Audited Balance Sheet"	Section 3.7(a)
"Parent 2007 Unaudited Financial statements"	Section 5.7(a)
"Multiemployer Plan"	Section 10.1

Term	Reference
"Negative Net Working Capital Adjustment Amount"	Section 2.5(c)(i)
"Neutral Auditor"	Section 2.5(b)(ii)
"Novo Innovations, LLC"	Section 1.5
"Outstanding Common Stock Number"	Section 10.1
"Parent"	Preamble
"Parent Audited Financial Statements"	Section 7.3(h)
"Parent Board"	Recitals
"Parent Capital Stock"	Section 10.1
"Parent Common Stock"	Section 1.7(c)
"Parent Equity Plans"	Section 10.1
"Parent Software"	Section 5.11(g)
"Parent Unaudited Financial Statements"	Section 5.7(a)
"Parent Indemnified Parties"	Section 9.2(a)
"Parent Intellectual Property"	Section 10.1
"Parent Material Adverse Effect"	Section 10.1
"Parent Option"	Section 10.1
"Parent Preferred Stock"	Section 5.5(a)
"Parent Schedule"	Section 10.3(k)
"Parent Shares"	Section 1.7(c)
"Party"	Preamble
"Payment"	Section 3.22
"Permit"	Section 10.1
"Permitted Lien"	Section 10.1
"Person"	Section 10.1
"Positive Net Working Capital Adjustment Amount"	Section 2.5(c)(ii)
"Powell Separation Agreement"	Section 10.1
"Pre-Closing Period"	Section 10.1
"Prohibited Transaction"	Section 10.1
"Proposed Closing Net Working Capital"	Section 2.5(b)
"Reasonable Inquiry"	Section 10.1
"Related Agreements"	Section 10.1
"Release"	Section 10.1
"Representatives"	Section 10.1
"Restricted Period"	Section 10.1
"Restricted Stock Agreement"	Section 10.1
"Restricted Stock Award"	Section 10.1
"Restricted Territory"	Section 6.11(a)
"Securities Act"	Section 10.1
"Shareholder Indemnified Parties"	Section 9.2(b)

Term	Reference
"Shareholder Representative"	Preamble
"Shareholders"	Preamble
"Shareholders Agreement"	Section 10.1
"Subject Shares"	Section 4.1
"Subsidiary"	Section 10.1
"Surviving Entity"	Section 1.1
"Target Net Working Capital"	Section 10.1
"Tax"	Section 10.1
"Tax Return"	Section 10.1
"Termination Date"	Section 8.1(b)
"Third Party Claim"	Section 9.4(a)
"Trade Secret"	Section 10.1
"WARN Act"	Section 3.19

10.3 Construction. Unless otherwise indicated to the contrary:

(a) The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of names and pronouns shall include the plural and vice versa.

(b) The words "include" and "including," and other words of similar import when used herein shall not be deemed to be terms of limitation but rather shall be deemed to be followed in each case by the words "without limitation."

(c) The word "if" and other words of similar import when used herein shall be deemed in each case to be followed by the phrase "and only if."

(d) Except as otherwise indicated, all references in this Agreement to "Articles," "Sections," "Annexes," "Exhibits" and "Schedules" are intended to refer to Articles, Sections, Annexes, Exhibits and Schedules of or to this Agreement, as applicable.

(e) The words "herein," "hereto," and "hereby" and other words of similar import in this Agreement shall be deemed in each case to refer to this Agreement as a whole and not to any particular Article, Section or other subdivision of this Agreement.

(f) Any reference herein to "dollars" or "$" shall mean United States dollars.

(g) The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(h) Any reference herein to Applicable Law shall be deemed to include reference to all Applicable Law, and any reference herein to a specific Applicable Law (or, with respect to

any statute, ordinance, code, rule or regulation, any provision thereof) shall be deemed to include reference to such Applicable Law and any Applicable Law promulgated thereunder (or provision thereof, as applicable), in either case including any successor(s) thereto, respectively, and as may be amended from time to time. Any reference herein to a Governmental Entity shall be deemed to include reference to any successor thereto.

(i) The Parties agree that they have been represented by counsel during the negotiation and execution of this Agreement and the other Related Agreements and have participated jointly in the negotiation and drafting of this Agreement and the other Related Agreements and hereby waive the application of any law, regulation, holding, rule of construction or other Applicable Law providing that ambiguities in an agreement or other document will be construed against the party drafting such agreement or document. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement or any other Related Agreement.

(j) Whenever this Agreement requires the disclosure of an agreement on the Company Schedule or the Parent Schedule or the delivery to a Party of an agreement, that disclosure requirement or delivery requirement, as applicable, shall also require the disclosure or delivery of each and every amendment, extension, exhibit, attachment, schedule, addendum, appendix, statement of work, change order, and any other similar instrument or document relating to that agreement.

(k) The Company shall deliver to Parent a disclosure schedule (the "Company Schedule") setting forth certain exceptions to, and providing certain required supplementary information with respect to, the Company's and the Shareholders' representations, warranties, covenants and agreements hereunder in connection with the execution and delivery of this Agreement, which shall be arranged in order corresponding to the appropriate provisions of this Agreement. Parent shall deliver to the Company a disclosure schedule (the "Parent Schedule") setting forth certain exceptions to, and providing certain required supplementary information with respect to, Parent's representations, warranties, covenants and agreements hereunder in connection with the execution and delivery of this Agreement, which shall be arranged in order corresponding to the appropriate provisions of this Agreement. The Company shall have the right from time to time prior to the Closing to supplement or amend the Company Schedule with respect to any matter required to be set forth or described in such Company Schedule; provided that if the matter giving rise to such supplement or amendment to the Company Schedule is a material supplement or amendment, Parent shall have the right within five (5) Business Days of receipt by Parent of such supplemented or amended Company Schedule to terminate this Agreement by giving written notice to the Company. Parent shall have the right from time to time prior to the Closing to supplement or amend the Parent Schedule with respect to any matter required to be set forth or described in such Parent Schedule; provided that if the matter giving rise to such supplement or amendment to the Parent Schedule is a material supplement or amendment, the Company shall have the right within five (5) Business Days of receipt by the Company of such supplemented or amended Parent Schedule to terminate this Agreement by giving written notice to Parent. All capitalized terms not defined in the Company Schedule or the Parent Schedule shall have the meanings ascribed to them in this Agreement. The disclosure

of any matter in the Company Schedule or the Parent Schedule shall be deemed to be a disclosure for all purposes of this Agreement to which such matter is readily apparent on the face thereof. The listing of any matter in the Company Schedule or the Parent Schedule shall expressly not be deemed to constitute an admission by the Party delivering such schedule, or to otherwise imply, that any such matter is material, is required to be disclosed under this Agreement or falls within relevant minimum thresholds or materiality standards set forth in this Agreement. No disclosure in the Company Schedule or the Parent Schedule relating to any possible breach or violation of any Contract or Applicable Law shall be construed as an admission or indication that any such breach or violation exists or has actually occurred. In no event shall the listing of any matter in the Company Schedule or the Parent Schedule be deemed or interpreted to expand the scope of the Company's, the Shareholders' or Parent's representations, warranties, covenants and/or agreements set forth in this Agreement, respectively. All attachments to the Company Schedule or the Parent Schedule are incorporated by reference into such schedule.

(l) The representations, warranties, covenants and obligations of the Parties, and the rights and remedies that may be exercised by the Indemnified Parties pursuant to Section 9.2 based on such representations, warranties, covenants and agreements hereunder, will not be limited or affected by any investigation conducted by any Party or any of its Representatives, or any knowledge acquired (or capable of being acquired) by such Party or any of its Representatives at any time, whether before or after the execution and delivery of this Agreement or the Closing, with respect to the accuracy or inaccuracy of or compliance with any such representation, warranty, covenant or agreement.

ARTICLE XI
GENERAL PROVISIONS

11.1 Notices. All notices, requests, demands, claims and other communications hereunder will be in writing except as expressly provided herein. Any notice, request, demand, claim or other communication hereunder shall be deemed duly given (i) when delivered personally or by commercial delivery service to the recipient; (ii) one (1) Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid); (iii) when delivered (with acknowledgment of a complete transmission) if sent by facsimile transmission; or (iv) three (3) Business Days after being mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid. Notices shall be deemed to be properly addressed to any party hereto if addressed to the following addresses (or at such other address for a Party as shall be specified by like notice):

(a) if to Parent or Merger Sub, to:

Medicity, Inc.
56 East Broadway
Salt Lake City, UT 84111
Attention: Kipp Lassetter
Facsimile: (801) 322-4413

with a copy (which shall not constitute notice to Parent or Merger Sub) to:

Kirkland & Ellis LLP
655 Fifteenth Street, N.W.
Washington, D.C. 20005-5793
Attention: George P. Stamas, Esq.
Facsimile: (202) 879-5200

(b) if to the Company, to:

Novo Innovations, Inc.
3600 Mansell Road
Suite 225
Alpharetta, GA 30022
Attention: Robert Connely
Facsimile: (404) 806-4858

with a copy (which shall not constitute notice to the Company) to each of the following:

Morris Manning & Martin, LLP
1600 Atlanta Financial Center
3343 Peachtree Road, NE
Atlanta, GA 30326-1044
Attention: Edward D. Hirsch, Esq.
Facsimile: (404) 365-9532

(c) if to any Shareholder, subject to Section 6.10, to the address of such Shareholder set forth on Exhibit A hereto, with a copy (which shall not constitute notice to the Shareholder) to each of the following:

Morris Manning & Martin, LLP
1600 Atlanta Financial Center
3343 Peachtree Road, NE
Atlanta, GA 30326-1044
Attention: Edward D. Hirsch, Esq.
Facsimile: (404) 365-9532

(d) if to the Shareholder Representative, to the address of the Shareholder Representative set forth on Exhibit A hereto, with a copy (which shall not constitute notice to the Shareholder Representative) to each of the following:

Morris Manning & Martin, LLP
1600 Atlanta Financial Center
3343 Peachtree Road, NE
Atlanta, GA 30326-1044

Attention: Edward D. Hirsch, Esq.
Facsimile: (404) 365-9532

11.2 Entire Agreement. This Agreement, the other Related Agreements and the Confidentiality Agreement constitute the entire agreement between the Parties and supersede any prior understandings, agreements or representations (whether written or oral) by or between the Parties, written or oral, with respect to the subject matter hereof.

11.3 Severability. In the event that any provision of this Agreement or the application thereof becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other Persons or circumstances will be interpreted so as reasonably to effect the intent of the Parties hereunder. The Parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the greatest extent possible, the economic, business and other purposes of such void or unenforceable provision.

11.4 Amendment. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by each Party (subject to Section 6.10) except as expressly provided herein.

11.5 Extension; Waiver. At any time and from time to time prior to the Effective Time, any Party may, to the extent legally allowed and except as otherwise set forth herein, (a) extend the time for the performance of any of the obligations or other acts of any other Party, as applicable; (b) waive any inaccuracies in the representations and warranties made to such Party hereto contained herein or in any document delivered pursuant hereto; or (c) waive compliance with any of the agreements or conditions for the benefit of such Party contained herein. No such extension or waiver by any Party shall be valid unless the same shall be in writing and signed by the Party providing such extension or waiver, nor shall such extension or waiver be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent default, misrepresentation or breach of warranty or covenant. Any delay in exercising any right under this Agreement shall not constitute a waiver of such right. No conditions, course of dealing or performance, understanding or agreement purporting to modify, vary, explain or supplement the terms or conditions of this Agreement shall be binding unless this Agreement is amended or modified in writing pursuant to the first sentence of Section 11.4.

11.6 Specific Performance. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to seek to enforce specifically the terms and provisions of this Agreement in any state or federal court sitting in the State of Delaware, this being in addition to any other remedy to which they are entitled at law, in equity or otherwise.

11.7 Other Remedies. Except as otherwise provided herein, any and all remedies herein expressly conferred upon a Party will be deemed cumulative with and not exclusive of

any other remedy conferred hereby, or by law or in equity, upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy.

11.8 Successors and Assigns; Assignment; No Third Party Beneficiaries.

(a) This Agreement shall be binding upon each Shareholder that is a natural person and each of its respective personal representatives, executors, administrators, estates, heirs, successors and assigns, if any, and each of Parent, Merger Sub, the Company and each Shareholder that is not a natural person and its respective successors and assigns, if any. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns.

(b) No Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other Parties.

(c) Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person other than a Party any rights, interests, benefits or other remedies of any nature under or by reason of this Agreement.

11.9 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE.

11.10 Consent to Jurisdiction; Service of Process. Except as otherwise expressly set forth in Section 11.11, each of the Parties irrevocably and unconditionally submits to the exclusive jurisdiction of any state or federal court sitting in the State of Delaware in any Legal Proceeding arising out of or relating to this Agreement and agrees that all claims in respect of such Legal Proceeding may be heard and determined in any such court. Each Party also agrees not to bring any Legal Proceeding arising out of or relating to this Agreement in any other court. Each of the Parties irrevocably and unconditionally waives any objection to the laying of venue in, and any defense of inconvenient forum to the maintenance of, any Legal Proceeding so brought and waives any bond, surety or other security that might be required of any other Party with respect thereto. Any Party may make service on the other Party by sending or delivering a copy of the process to the Party to be served at the address and in the manner provided for the giving of notices in Section 11.1; provided, however, that nothing in this Section 11.10 shall affect the right of any Party to serve legal process in any other manner permitted by Applicable Law or in equity. Each Party agrees that a final judgment in any Legal Proceeding so brought shall be conclusive and may be enforced by Legal Proceeding or in any other manner provided by law or in equity. The Parties intend that all foreign jurisdictions will enforce any Decree of any state or federal court sitting in the State of Delaware in any Legal Proceeding arising out of or relating to this Agreement or any other Related Agreement.

11.11 Arbitration of Certain Disputes

(a) Any dispute between the Parties relating to or arising out of or related to this Agreement (a "Dispute") shall be resolved solely as provided in this Section 11.11. If a Dispute

arises, the complaining Party shall provide detailed written notice to the other Party of the nature of the Dispute. The Parties shall then negotiate in good faith to resolve such Dispute through informal negotiation between the Shareholder Representative and a senior executive appointed by Parent. If such Dispute is not resolved through such negotiations within ten (10) days after a Party's written notice of the dispute to the other Party, then the Parties agree to submit the Dispute to binding arbitration for resolution, provided that, nothing herein shall prevent either Party from instituting judicial proceedings at any time in order to seek a preliminary injunction or other temporary injunctive relief to avoid irreparable injury or preserve the status quo. Prior to filing a demand or otherwise initiating an Arbitration, the parties shall discuss that intended filing and seek agreement on the arbitration rules that will apply. The agreement to arbitrate contained in this Section 11.11 shall continue in full force and effect despite the expiration or termination of this Agreement.

(b) The Arbitration shall be conducted in accordance with such rules as may be agreed upon by the Parties in writing, or failing agreement within ten (10) days after notice of an impending arbitration, by the American Arbitration Association ("AAA"), in accordance with its Commercial Arbitration Rules then in effect, subject to any modifications contained in this Agreement. The Arbitration shall be heard by a panel of three arbitrators, each with industry experience. Each party shall select one of the arbitrators, and the two arbitrators selected by the Parties shall select the third arbitrator, with that third arbitrator serving as the chair of the arbitration panel. If the two arbitrators selected by the Parties are unable to agree upon the third arbitrator, the third arbitrator shall be selected by the AAA. The arbitrators shall base their decision on the terms and conditions of the Agreement, as interpreted according to the substantive law and judicial precedent of the State of Delaware, without regard to its conflicts of laws rules, and the arbitration panel shall have no authority to render an award which is inconsistent therewith, and any award that is inconsistent with the Agreement shall not be confirmed, no presumption of validity shall attach, and such award shall be vacated. The decision of the majority of the arbitrators shall be final and binding on the Parties and cannot be subject of any appeal. The award shall be in writing and shall be rendered within thirty (30) days after the conclusion of the live arbitration hearings and shall include the findings of fact and conclusions of law upon which it is based. The arbitration panel shall have the power to award costs (including reasonable attorney's fees and expenses) in accordance with its assessment of the merits of each Parties' position in the Dispute. The arbitration shall take place in the County of New Castle, State of Delaware.

(c) The arbitration shall be conducted on an expedited schedule. The Parties agree that the entire arbitration process may take no longer than one hundred fifty (150) days from the date of filing through the conclusion of the merits hearing. Unless the Parties agree otherwise, discovery will be limited to an exchange of directly relevant documents. Depositions will not be taken except as needed in lieu of a live appearance or upon mutual agreement of the parties. Where the applicable discovery is not addressed by the agreed-upon rules, the Parties agree that Federal Rules of Civil Procedure should apply where the AAA rules are silent on an issue. The arbitration panel shall collectively resolve any discovery disputes or designate the neutrally-selected arbitrator as the chair capable of resolving such disputes without the need to convey the entire arbitration panel. The Parties agree that the arbitration panel and counsel of record in any Arbitration shall have the power to subpoena witnesses to appear to provide their

testimony at a hearing or deposition. The parties knowingly and voluntarily waive their rights to have any Dispute tried and adjudicated by a judge or a jury.

(d) The enforceability of this Section 11.11 and, subject to the balance of this paragraph, the enforcement of any award hereunder, shall be governed by the Federal Arbitration Act (Title 9, U.S. Code). Judgment upon the award rendered may be entered in any court of competent jurisdiction. Notwithstanding the foregoing, upon the application by either Party to a court for an order confirming, modifying or vacating the award, the court shall have the power to review whether, as a matter of law based on the findings of fact determined by the arbitrator, the award should be confirmed, modified or vacated in order to correct any errors of law made by the arbitrator. In order to effectuate such judicial review limited to issues of law, the Parties agree (and shall stipulate to the court) that the findings of fact made by the arbitration panel shall be final and binding on the Parties and shall serve as the facts to be submitted to and relied upon by the court in determining the extent to which the award should be confirmed, modified or vacated.

(e) Except as otherwise required by law, the Parties and the arbitrators agree to keep confidential and not disclose to third parties any information or documents obtained in connection with the arbitration process, including the resolution of the Dispute. All arbitration proceedings or submissions shall be treated as compromise or settlement negotiations for purposes of applicable rules of evidence. If either Party fails to proceed with arbitration as provided in this Section 11.11, or unsuccessfully seeks to stay the arbitration, or fails to comply with the arbitration award, or is unsuccessful in vacating or modifying the award pursuant to a petition or application for judicial review, the arbitration panel can consider (at its discretion) whether the other party shall be entitled to be awarded costs, including reasonable attorney's fees, paid or incurred in successfully compelling such arbitration or defending against the attempt to stay, vacate or modify such arbitration award and/or successfully defending or enforcing the award.

11.12 WAIVER OF JURY TRIAL. EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ALL RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDINGS (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER RELATED AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

11.13 Consent to use Morris, Manning & Martin, LLP. Subject to applicable law and professional standards, Parent and Merger Sub each hereby consent to allow Shareholder Representative, in their capacity as Shareholder Representative and on behalf of the Shareholders, to use Morris, Manning & Martin, LLP ("MMM") in connection with any dispute arising out of this Agreement or any other document or agreement contemplated hereunder and Parent and Merger Sub waive any conflicts of interest related to MMM's prior representation of the Company and its Subsidiaries. Parent and Merger Sub expressly waive any right to receive any privileged communications to the extent such privilege has not been waived between MMM and (i) the Shareholder Representative or (ii) the Shareholders.

11.14 Counterparts; Facsimile Delivery. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties. Any signature page delivered by facsimile or electronic image transmission shall be binding to the same extent as an original signature page. Any Party that delivers a signature page by facsimile or electronic image transmission shall deliver an original counterpart to any other Party that requests such original counterpart.

{Remainder of page intentionally left blank.}

IN WITNESS WHEREOF, the Parties hereto have executed and delivered this Agreement as of the date first written above.

Parent:

MEDICITY, INC.

By: _____
Name: James K. Lassetter
Title: CEO

Merger Sub:

MEDICITY ACQUISITION LLC

By: Medicity, Inc.,
its Managing Member

By: _____
Name: James K. Lassetter
Title: Managing Member

Company:

NOVO INNOVATIONS, INC.

By: _____
Name: Robert E. Connely III
Title: CEO

Shareholder Representative:

_____
Robert Connely

_____
Alok Mathur

Shareholders:

By: _____
Name: Robert Connely

By: _____
Name: Alok Mathur

Section 3.15

Intellectual Property

i. None.

ii. The Company currently has one (1) patent pending including:

a. The only active patent application is;
SYSTEM FOR THE PROCESSING FOR INFORMATION BETWEEN REMOTELY LOCATED HEALTHCARE FACILITIES, Pub. No,: US 2008/0109447 A1, Pub Date: May 8, 2008. (See attached.)

b. Another patent application had been submitted but was subsequently withdrawn because the elements of the patent were addressed in the above listed patent Pub. No,: US 2008/0109447 A1, Pub Date: May 8, 2008.

iii. None.

iv. Intellectual Property Issues

a. Certain Customer contracts contain statements that provide Intellectual Property rights to Customers for software projects that are performed by the Company for that specific Customer. Please refer to the Section 3.13 of this Disclosure Schedule for a list of Customers that the Company has identified as having these provisions.

b. The Company installation process presents a software license agreement and open source software notice a customer sees when they download the software, and when they install the software. See "Novo Open Source Software Disclosure" attached hereto.