

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT												
NATURE OF CONVEYANCE:	Asset Transfer Agreement												
CONVEYING PARTY DATA													
<table border="1"> <thead> <tr> <th>Name</th> <th>Execution Date</th> </tr> </thead> <tbody> <tr> <td>John Pacifico</td> <td>03/26/2013</td> </tr> <tr> <td>Joseph Jannetty</td> <td>03/26/2013</td> </tr> </tbody> </table>		Name	Execution Date	John Pacifico	03/26/2013	Joseph Jannetty	03/26/2013						
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RECEIVING PARTY DATA													
<table border="1"> <tr> <td>Name:</td> <td>Abyrx, Inc.</td> </tr> <tr> <td>Street Address:</td> <td>1 Bridge Street</td> </tr> <tr> <td>Internal Address:</td> <td>Suite 121</td> </tr> <tr> <td>City:</td> <td>Irvington</td> </tr> <tr> <td>State/Country:</td> <td>NEW YORK</td> </tr> <tr> <td>Postal Code:</td> <td>10533</td> </tr> </table>		Name:	Abyrx, Inc.	Street Address:	1 Bridge Street	Internal Address:	Suite 121	City:	Irvington	State/Country:	NEW YORK	Postal Code:	10533
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PROPERTY NUMBERS Total: 1													
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CORRESPONDENCE DATA													
Fax Number: 2129833115 <i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i> Phone: 2129353000 Email: mliberto@mintz.com Correspondent Name: Muriel Liberto Address Line 1: 666 Third Avenue, 24th Floor Address Line 2: Atty Dkt: 37159-503001US Address Line 4: New York, NEW YORK 10017													
ATTORNEY DOCKET NUMBER:	37159-503001US												
NAME OF SUBMITTER:	Muriel Liberto												
Signature:	/Muriel Liberto/												

Date:

09/12/2013

Total Attachments: 43

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**RECORDATION FORM COVER SHEET
PATENTS ONLY**

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies):John Pacifico (Orthocon)
Joseph Jannetty (Doctor's Research Group)Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No**3. Nature of conveyance/Execution Date(s):**Execution Date(s): 3/26/2013

- ☐ Assignment ☐ Merger ☐ Change of Name
☐ Security Agreement ☐ Joint Research Agreement
☐ Government Interest Assignment
☐ Executive Order 9424, Confirmatory License
☒ Other Asset Transfer Agreement

2. Name and address of receiving party(ies)Name: Abyrx, Inc.

Internal Address: _____

Street Address: _____

1 Bridge Street
Suite 121City: IrvingtonState: New YorkCountry: United States of America Zip: 10533Additional name(s) & address(es) attached? ☐ Yes ☒ No**4. Application or patent number(s):**☐ This document serves as an Oath/Declaration (37 CFR 1.63).A. Patent Application No.(s)
11/492,083

B. Patent No.(s)

Additional numbers attached? ☐ Yes ☒ No**5. Name and address to whom correspondence concerning document should be mailed:**Name: Muriel Liberto, Esq.
MINTZ LEVIN COHN FERRIS GLOVSKY
AND POPEO, P.C.Internal Address: Atty. Dkt.:37159-503001USStreet Address: 666 Third Avenue
Chrysler Center, 24th FloorCity: New YorkState: NY Zip: 10017Phone Number: (212) 935-3000Fax Number: (212) 983-3115Email Address: IPDocketingBOS@mintz.com**6. Total number of applications and patents involved:**1**7. Total fee (37 CFR 1.21(h) & 3.41)** \$ 40.00

- ☒ Authorized to be charged to deposit account
☐ Enclosed
☐ None required (government interest not affecting title)

8. Payment InformationDeposit Account Number 50-0311Authorized User Name Muriel Liberto, Esq.**9. Signature:**/Muriel Liberto/
SignatureSeptember 12, 2013
DateMuriel Liberto, Esq. - 55,382
Name of Person Signing

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

42Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

ASSET TRANSFER AGREEMENT

by and among

ORTHOCON, INC., DOCTORS RESEARCH GROUP, INC.

and

ABYRX, INC.

March 26, 2013

ASSET TRANSFER AGREEMENT

THIS ASSET TRANSFER AGREEMENT (this “**Agreement**”), dated as of March 26, 2013, is made by and among ORTHOCON, INC., a Delaware corporation (“**Orthocon**”), DOCTORS RESEARCH GROUP, INC., a Connecticut corporation (“**DRG**”) and ABYRX, INC., a Delaware corporation (“**Newco**”). Each of Orthocon, DRG and Newco are sometimes referred to in this Agreement individually as a “**Party**” and collectively as the “**Parties**.”

BACKGROUND

Whereas, each of Orthocon and DRG, among other things, designs, manufactures (or has manufactured) and sells certain medical devices; and

Whereas, each of Orthocon and DRG desires to transfer to Newco, and Newco desires to accept the transfer of, certain assets associated with their respective businesses, other than certain excluded assets, and Newco desires to assume certain stated liabilities, which shall exclude certain excluded liabilities, in each case on the terms and conditions set forth in this Agreement.

ACCORDINGLY, the Parties agree as follows:

ARTICLE 1 PRINCIPAL TRANSACTIONS

1.1 Transfer of Orthocon Assets. On the terms and subject to the conditions of this Agreement, Orthocon will, and as of the Closing hereby does, assign, convey, transfer and deliver to Newco, and Newco will, and as of the Closing hereby does, acquire and accept from Orthocon, all right, title, benefit and interest in and to all of the assets associated with the Orthocon Business, including those listed below in this Section 1.1 (collectively, the “**Transferred Orthocon Assets**”), free and clear of all Liens. The Transferred Orthocon Assets include, except for the Excluded Orthocon Assets and as otherwise expressly limited by this Agreement, all of Orthocon’s right, title, benefit, and interest in and to the following:

- (a) All equipment, fixed assets, furniture and fixtures, and any improvements relating thereto (“**Orthocon Personal Property**”);
- (b) All Orthocon Intellectual Property and Orthocon Confidential Information;
- (c) All cash and cash equivalents and all accounts receivable existing on the Closing Date;
- (d) All finished goods inventory (“**Orthocon Inventory**”);
- (e) Subject to obtaining any necessary third-party consents, all contracts, agreements, distribution contracts, manufacturing agreements, customer and supplier purchase orders, real and personal property leases (including any security deposits and similar deposits relating to the real or personal property leases) and other commitments relating to the Orthocon Business (the “**Assumed Orthocon Contracts**”), including those listed on Schedule 1.1(e);
- (f) All Orthocon Product Registrations and Orthocon Licenses; and
- (g) All permits, licenses, approvals, registrations and Governmental Authorizations relating to or maintained in connection with the Orthocon Business (the “**Orthocon Permits**”).

1.2 Excluded Orthocon Assets. Orthocon is retaining all of its right, title, benefit, and interest in and to only the following (the “**Excluded Orthocon Assets**”):

(a) Orthocon’s entity charters, qualifications to conduct business as a foreign entity, arrangements with registered agents relating to foreign qualifications, taxpayer and other identification numbers, books of account, ledgers and other financial records, seals, minute books, stock transfer books, blank stock certificates, corporate records, minute books, tax returns and other documents relating to the organization, maintenance, and existence of Orthocon as a corporation;

(b) All assets, including all Intellectual Property and Confidential Information, of Orthocon relating to its IT distribution platform business (the “**Orthocon IT Distribution Platform Business**”), which assets, to the extent shared or otherwise used by the Orthocon Business prior to the Closing, will be made available to Newco under a distribution agreement;

(c) All rights under this Agreement; and

(d) All insurance policies covering director’s and officer’s liability and rights thereunder.

1.3 Assumed Orthocon Liabilities. At the Closing, Newco will assume and agree to pay, perform, and discharge, when due, only the following liabilities and obligations of Orthocon (collectively, the “**Assumed Orthocon Liabilities**”):

(a) The obligations and liabilities of Orthocon listed on Schedule 1.3(a);

(b) Those liabilities of Orthocon, whether arising or which become due or payable before, on or after the Effective Time, under and pursuant to the Assumed Orthocon Contracts, except any liabilities related to or arising out of any breach thereof by Orthocon prior to the Effective Time; and

(c) Those liabilities for events arising from and after the Effective Time in connection with the operation of Newco’s business under any of the Orthocon Permits or the Transferred Orthocon Assets.

1.4 Excluded Orthocon Liabilities. Except for the Assumed Orthocon Liabilities, Newco will not assume or be obligated to pay, perform, or discharge any, and Orthocon will retain, pay, perform and discharge all, liabilities, obligations, debts, charges, and expenses of Orthocon (the “**Excluded Orthocon Liabilities**”). The Excluded Orthocon Liabilities will include, without limitation:

(a) All liabilities to or in respect of any current or former employees of Orthocon; provided that this shall not limit Newco’s obligations to current or former Orthocon employees who become Newco employees on or after the Closing Date in accordance with separate employment arrangements entered into between Newco and such parties;

(b) All obligations and liabilities resulting from or in connection with the Orthocon IT Distribution Platform Business;

(c) All liabilities of Orthocon due or payable to any of its shareholders in their capacities as such;

(d) All liabilities of Orthocon in respect of any Tax payable with respect to the Transferred Orthocon Assets or the Orthocon Business for any period prior to the Closing Date, and for the avoidance of doubt, any Tax payable on the Excluded Orthocon Assets or the Orthocon operations and business after the Closing Date;

(e) All liabilities of Orthocon, whether arising or which become due or payable before, on or after the Effective Time, arising out of any breach by Orthocon of an Assumed Orthocon Contract; and

(f) All liabilities for borrowed money of Orthocon (other than to the extent assumed pursuant to Sections 1.3(a) or 1.3(b)).

1.5 Transfer of DRG Assets. On the terms and subject to the conditions of this Agreement, DRG will, and as of the Closing hereby does, assign, convey, transfer and deliver to Newco, and Newco will, and as of the Closing hereby does, acquire and accept from DRG, all right, title, benefit and interest in and to the assets associated with the DRG Business listed below in this Section 1.5 (collectively, the “**Transferred DRG Assets**”), free and clear of all Liens. The Transferred DRG Assets include, except for the Excluded DRG Assets and as otherwise expressly limited by this Agreement, all of DRG’s right, title, benefit, and interest in and to the following::

(a) All equipment, fixed assets, furniture and fixtures, and any improvements relating thereto, including, without limitation, the assets of DRG listed on Schedule 1.5(a) (the “**DRG Listed Personal Property**”);

(b) All DRG Intellectual Property and DRG Confidential Information, other than the names “Doctors Research Group” and “Kryptonite”;

(c) All cash and cash equivalents, except for any cash amount to be retained by DRG to satisfy any unpaid undisclosed liabilities disclosed on Schedule 3.6 of the DRG Disclosure Schedule and which amount is consented to by Orthocon at Closing;

(d) Subject to obtaining any necessary third-party consents, those contracts, agreements, distribution contracts, manufacturing agreements, real and personal property leases (including any security deposits and similar deposits relating to such leases) and other commitments listed on Schedule 1.5(d) (the “**Assumed DRG Contracts**”);

(e) All DRG Product Registrations and DRG Licenses; and

(f) All permits, licenses, approvals, registrations and Governmental Authorizations relating to or maintained in connection with the DRG Business (“**DRG Permits**” and, together with the Orthocon Permits, the “**Permits**”).

1.6 Excluded DRG Assets. DRG is not transferring, and Newco is not acquiring, any assets of DRG other than the Transferred DRG Assets as provided above. Without limiting the generality of the foregoing, DRG is retaining all of its right, title, benefit, and interest in and to the following (the “**Excluded DRG Assets**”):

(a) DRG’s entity charters, qualifications to conduct business as a foreign entity, arrangements with registered agents relating to foreign qualifications, taxpayer and other identification numbers, books of account, ledgers and other financial records, seals, minute books, stock transfer books, blank stock certificates, corporate records, minute books, tax returns and other documents relating to the organization, maintenance, and existence of DRG as a corporation;

(b) All inventory and accounts receivable;

(c) All rights under this Agreement; and

(d) All insurance policies covering director’s and officer’s liability and rights thereunder.

1.7 Assumed DRG Liabilities. At the Closing, Newco will assume and agree to pay, perform, and discharge, when due, only the following liabilities and obligations of DRG (collectively, the “**Assumed DRG Liabilities**”):

- (a) The obligations and liabilities of DRG listed on Schedule 1.7(a);
- (b) Those liabilities of DRG, whether arising or which become due or payable before, on or after the Effective Time, under and pursuant to the Assumed DRG Contracts, except any liabilities related to or arising out of any breach thereof by DRG prior to the Effective Time; and
- (c) Those liabilities for events arising from and after the Effective Time in connection with the operation of Newco’s business under any of the DRG Permits or the Transferred DRG Assets.

1.8 Excluded DRG Liabilities. Except for the Assumed DRG Liabilities, Newco will not assume or be obligated to pay, perform, or discharge any, and DRG will retain, pay, perform and discharge all, liabilities, obligations, debts, charges, and expenses of DRG (the “**Excluded DRG Liabilities**”). The Excluded DRG Liabilities will include, without limitation:

- (a) All liabilities to or in respect of any current or former employees of DRG; provided that this shall not limit Newco’s obligations to current or former DRG employees who become Newco employees on or after the Closing Date in accordance with separate employment arrangements entered into between Newco and such parties;
- (b) All liabilities of DRG due or payable to any of its shareholders in their capacities as such;
- (c) All liabilities of DRG in respect of any Tax payable with respect to the Transferred DRG Assets or the DRG Business for any period prior to the Closing Date, and for the avoidance of doubt, any Tax payable on the Excluded DRG Assets or the DRG Business after the Closing Date;
- (d) All liabilities of DRG, whether arising or which become due or payable before, on or after the Effective Time, arising out of any breach by DRG of an Assumed DRG Contract; and
- (e) All liabilities for borrowed money or other indebtedness of DRG (other than to the extent assumed pursuant to Sections 1.7(a) or 1.7(b)).

1.9 Consideration. As consideration for the transfer of the Transferred Orthocon Assets and the Transferred DRG Assets and the other covenants in this Agreement, Newco will deliver to Orthocon and DRG the following consideration (the “**Consideration**”):

- (a) Orthocon Shares. At Closing, Newco will issue and deliver to Orthocon shares of Newco’s common stock equal to 45% of the post-closing fully diluted capitalization of Newco (minus the 100 shares of common stock issued to Orthocon in connection with the formation of Newco) (the “**Orthocon Shares**”); and
- (b) DRG Shares. At Closing, Newco will issue and deliver to DRG shares of Newco’s common stock equal to 45% of the post-closing fully diluted capitalization of Newco (the “**DRG Shares**”). For the sake of clarity, the post-closing fully diluted capitalization of Newco will include issued and/or reserved options or equity grants for Newco’s management up to an aggregate amount of 10% of Newco’s capitalization as of the Closing.

1.10 Additional Consideration. As additional consideration for the transfer of the Transferred DRG Assets and the other covenants in this Agreement, at the Closing Orthocon will cause Kairuku, Inc., Orthocon’s

subsidiary which will conduct the IT Distribution Platform Business (“**IT Distribution Subsidiary**”), to issue and deliver to DRG shares of common stock of the IT Distribution Subsidiary in an amount equal to 6.5% of the post-Closing fully diluted capitalization of the IT Distribution Subsidiary (the “**IT Sub Shares**”). The IT Sub Shares shall be of the same class as those issued to the other existing stockholders of the IT Distribution Subsidiary.

1.11 Closing. The consummation of the transactions contemplated by this Agreement (the “**Closing**”) will take place via an electronic exchange of documents on the date that is five (5) days after the date on which all conditions precedent set forth in Article 6 have been satisfied or waived in accordance with Article 6, or at any other place, time and date that are mutually agreeable to the Parties (the “**Closing Date**”). The Closing will be deemed to be effective as of 12:01 a.m. local time on the day immediately following the Closing Date (the “**Effective Time**”).

1.12 Closing Deliveries - Newco. At the Closing, Newco will execute and/or deliver, or cause to be executed and/or delivered, to the Parties as follows:

- (a) To Orthocon, a stock certificate to Orthocon representing the Orthocon Shares;
- (b) To DRG, a stock certificate to DRG representing the DRG Shares;
- (c) To Orthocon and DRG, a duly executed Voting Agreement among the Parties, in substantially the form attached as Exhibit A (the “**Voting Agreement**”);
- (d) To Orthocon and DRG, a duly executed Assignment and Assumption Agreement between such Parties, in substantially the form attached as Exhibit B (the “**Assignment and Assumption Agreement**”);
- (e) To Orthocon and DRG, a duly executed Right of First Refusal and Co-Sale Agreement among the Parties, in substantially the form attached as Exhibit C (the “**ROFR Agreement**”);
- (f) To Orthocon and DRG, a duly executed Investor Rights Agreement among the Parties, in substantially the form attached as Exhibit D (the “**IRA Agreement**”);
- (g) A good standing certificate with respect to Newco, issued by the state of its organization, dated within ten days of the Closing;
- (h) Those documents and instruments referenced in Section 6.2(c) of this Agreement; and
- (i) Any and all other agreements, certificates, instruments, and documents as may be reasonably required of Newco under this Agreement.

1.13 Closing Deliveries - Orthocon. At the Closing, Orthocon will execute and/or deliver, or cause to be executed and/or delivered, to the Parties as follows:

- (a) To Newco, a Bill of Sale and other instruments of conveyance, reasonably acceptable to Newco, that are sufficient to transfer to Newco good and marketable title to the Transferred Orthocon Assets, free and clear of all Liens;
- (b) To Newco, a duly executed Assignment and Assumption Agreement;
- (c) To Newco and DRG, a duly executed Voting Agreement, ROFR Agreement and IRA Agreement;
- (d) To DRG, an original stock certificate representing the IT Sub Shares;

(e) Written consents of third parties, if required, with respect to the transfer of the Transferred Orthocon Assets (including rights under the Assumed Orthocon Contracts and Orthocon Permits);

(f) A certificate executed by Orthocon certifying as to the resolutions of Orthocon's Board of Directors and shareholders authorizing the consummation of the transactions contemplated by this Agreement;

(g) If applicable, releases of liens and financing statements to reflect the termination of any Liens against the Transferred Orthocon Assets;

(h) A good standing certificate with respect to Orthocon, issued by the Delaware Secretary of State, dated within ten days of the Closing;

(i) Those documents and instruments referenced in Section 6.1(c) of this Agreement;

(j) To DRG and IT Distribution Subsidiary, a duly executed stockholders agreement in the form agreed to by the parties thereto (the "**IT Distribution Subsidiary Stockholders Agreement**"); and

(k) Any and all other agreements, certificates, instruments and documents as may be reasonably required of Orthocon under this Agreement.

1.14 Closing Deliveries - DRG. At the Closing, DRG will execute and/or deliver, or cause to be executed and/or delivered, to the Parties as follows:

(a) To Newco, a Bill of Sale and other instruments of conveyance, reasonably acceptable to Newco, that are sufficient to transfer to Newco good and marketable title to the Transferred DRG Assets, free and clear of all Liens;

(b) To Newco, a duly executed Assignment and Assumption Agreement;

(c) To Newco and Orthocon, a duly executed Voting Agreement, ROFR Agreement and IRA Agreement;

(d) Written consents of third parties, if required, with respect to the transfer of the Transferred DRG Assets (including rights under the Assumed DRG Contracts and DRG Permits);

(e) A certificate executed by DRG certifying as to the resolutions of DRG's Board of Directors and shareholders authorizing the consummation of the transactions contemplated by this Agreement;

(f) If applicable, releases of liens and financing statements to reflect the termination of any Liens against the Transferred DRG Assets;

(g) A good standing certificate with respect to DRG, issued by the Connecticut Secretary of State, dated within ten days of the Closing;

(h) Those documents and instruments referenced in Section 6.1(c) of this Agreement;

(i) To Orthocon and IT Distribution Subsidiary, a duly executed IT Distribution Subsidiary Stockholders Agreement; and

(j) Any and all other agreements, certificates, instruments and documents as may be reasonably required of DRG under this Agreement.

1.15 Transfer Taxes. Newco will bear the cost of all transfer, conveyance, sales, use, recording and similar Taxes arising in connection with the transactions contemplated hereunder, whether such Taxes are imposed on Orthocon or DRG. The Parties will cooperate to comply with all Tax Return requirements for such Taxes and will provide such documentation and take such other reasonable actions as may be necessary to minimize the amount of any such Taxes.

1.16 Consent of Third Parties. To the extent that any Assumed Contract, Permit or other Transferred Asset for which assignment to Newco is provided under this Agreement is not assignable without the consent of a third party, then there will be no assignment or attempted assignment of such Assumed Contract, Permit or other Transferred Asset under this Agreement if such assignment or attempted assignment would constitute a breach thereof. Prior to the Closing Date, each Party will use commercially reasonable efforts to obtain the consents of such third parties as shall be required to transfer to Newco its applicable Assumed Contract, Permit or other Transferred Asset. In the event that any such consent is not obtained on or prior to the Closing Date, the applicable Party will continue to use its commercially reasonable efforts to obtain any such consent after the Closing Date until such time as such consent has been obtained.

ARTICLE 2 REPRESENTATIONS AND WARRANTIES OF ORTHOCON

Orthocon represents and warrants to Newco that the statements contained in this Article 2 are true, correct and complete as of the date of this Agreement, except as set forth in the Orthocon Disclosure Schedule (which Disclosure Schedule may be updated by Orthocon prior to the Closing):

2.1 Disclosure Schedule. Orthocon has delivered to Newco individually numbered schedules (collectively, the “**Orthocon Disclosure Schedule**”). Each individual schedule in the Orthocon Disclosure Schedule contains exceptions to the specifically identified section contained in this Article 2. Each section of the Orthocon Disclosure Schedule will be deemed to incorporate by reference information disclosed in any other section of the Orthocon Disclosure Schedule to the extent that the relevance of such disclosure to any such other section is reasonably apparent from the terms of such disclosure.

2.2 Organization and Good Standing. Orthocon is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Orthocon is qualified to do business as a foreign entity in all states where such qualification is required under applicable law, except to the extent the failure to so qualify would not have a Material Adverse Effect on Orthocon. Orthocon has full power and authority to own and use the properties and assets associated with the Orthocon Business that it purports to own and use, and to perform its obligations under the Assumed Orthocon Contracts. Orthocon is an “**accredited investor**” as defined in **Rule 501 promulgated under the Securities Act of 1933, as amended**. **Orthocon does not have any subsidiaries and owns no equity or other ownership interest in any Person, other than the IT Distribution Subsidiary.**

2.3 Valid and Binding. Orthocon has full power and authority to enter into and perform this Agreement and each other Transaction Agreement entered into by it, and to carry out its obligations under the Transaction Agreements to which it is a party. This Agreement is, and each of the other Transaction Agreements to which it is a party when executed and delivered will be, binding upon and enforceable against Orthocon in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting the enforcement of creditors’ rights and subject to general equitable principles. The execution, performance, and delivery of each Transaction Agreement to which it is a party have been duly authorized, approved, and adopted by Orthocon as required under Orthocon’s organizational documents.

2.4 No Conflict. The execution, delivery and performance of this Agreement and the Transaction Agreements to which it is a party and the consummation of the transactions contemplated by such agreements will not directly or indirectly (with or without notice or lapse of time): (a) contravene the Certificate of Incorporation or other organizational document of Orthocon or result in a breach of any provision of, or constitute a default under, any Assumed Orthocon Contract; (b) violate any Legal Requirement or Order or give any Governmental Body the

right to revoke, withdraw, suspend, cancel, terminate or modify any Governmental Authorization applicable to Orthocon or the Transferred Orthocon Assets; (c) result in the imposition of any Tax on Newco or the Transferred Orthocon Assets; or (d) result in any Lien being created or imposed upon or with respect to any of the Transferred Orthocon Assets, except to the extent any of the foregoing would not reasonably be expected to have a Material Adverse Effect on Orthocon or Newco. All consents, approvals or authorizations of or declarations, filings or registrations with any Person required in connection with the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated by this Agreement (including the assignment of rights under the Assumed Orthocon Contracts to Newco) are set forth in Schedule 2.4 of the Orthocon Disclosure Schedule and will be obtained or made, as applicable, by Orthocon prior to the Closing.

2.5 Financial Statements. Orthocon has delivered to Newco: (a) the unaudited balance sheets of Orthocon as of December 31 for 2011 and 2012, and the related statements of income, changes in members' equity, and cash flow for each of the fiscal years then ended; (b) an unaudited balance sheet of Orthocon as of January 31, 2013 (including the notes thereto, the "**Latest Orthocon Balance Sheet**"), and the related statements of income, changes in members' equity, and cash flow for the period then ended. Such financial statements and notes fairly present the financial condition and the results of operations, changes in members' equity, and cash flow of Orthocon as at the respective dates of and for the periods referred to in such financial statements, all in accordance with GAAP, except as noted in Schedule 2.5 of the Orthocon Disclosure Schedule and subject, in the case of interim financial statements, to normal recurring year-end adjustments (the effect of which will not, individually or in the aggregate, be expected to have a Material Adverse Effect) and the absence of notes (that, if presented, would not differ materially from those included in the Latest Orthocon Balance Sheet). The financial statements referred to in this Section 2.5 reflect the consistent application of such accounting principles throughout the periods involved, except as disclosed in the notes to such financial statements.

2.6 Undisclosed Liabilities. Except as set forth in Schedule 2.6 of the Orthocon Disclosure Schedule, and except to the extent expressly reflected, reserved against or otherwise disclosed in the Latest Orthocon Balance Sheet, Orthocon does not have at the date hereof, any liabilities or obligations of any nature (whether matured or unmatured, fixed or contingent) relating to the Orthocon Business or with respect to the Transferred Orthocon Assets which under GAAP would be required to be disclosed in the Latest Orthocon Balance Sheet, except for those incurred in connection with the execution of this Agreement and for (i) liabilities or obligations arising in the Ordinary Course since the date of the Latest Orthocon Balance Sheet and (ii) executory obligations under the Assumed Orthocon Contracts, in the case of clauses (i) and (ii) only to the extent such liabilities and obligations would not have a Material Adverse Effect on Newco (after the Closing) or Orthocon.

2.7 Title to, Condition and Sufficiency of Transferred Assets. Orthocon has good and valid title to all of the Transferred Orthocon Assets free and clear of all Liens. All of the Orthocon Personal Property is in good working order, ordinary wear and tear excepted. To Orthocon's Knowledge, the products within the Transferred Orthocon Assets are free from material defects in design, material, workmanship, and merchantable and fit for their current intended purpose. Additionally, the products within the Transferred Orthocon Assets as presently being sold by Orthocon conform in all material respects to the requirements of the FDA and are not adulterated or misbranded within the meaning of the Food, Drug, Cosmetic and Device Act, as amended from time to time (the "**Act**") and other applicable laws. The Transferred Orthocon Assets provide Newco with all of the assets and contractual rights necessary to operate the Orthocon Business after the Closing Date as currently conducted by Orthocon in all material respects.

2.8 Inventory. All of the Orthocon Inventory is useable and saleable in the ordinary course of business consistent with Orthocon's past practices, ordinary wear and tear excepted.

2.9 Litigation; Orders. There is no Action pending or, to Orthocon's Knowledge, threatened against Orthocon with respect to the Orthocon Business or any of the Transferred Orthocon Assets that could reasonably be expected to have a Material Adverse Effect on the operation of the Orthocon Business by Newco after the Closing. There are no Orders against Orthocon with respect to the Orthocon Business or any of the Transferred Orthocon Assets.

2.10 Intellectual Property.

(a) Definition. Schedule 2.10 of the Orthocon Disclosure Schedule sets forth a list of all issued Patents, pending Patent applications and registered Marks owned, licensed or used by Orthocon in the Orthocon Business (the “**Listed Orthocon IP**”); and all licenses and sublicenses (to or from Orthocon) with respect to the Orthocon Intellectual Property (the “**Listed Orthocon Licenses**”). Except as set forth on Schedule 2.10, there are no outstanding and, to Orthocon’s Knowledge, no threatened material disputes or disagreements with respect to the Listed Orthocon IP or Listed Orthocon Licenses.

(b) Ownership. Orthocon owns the entire right, title and interest in and to, and, to Orthocon’s Knowledge, has the full right to enjoy and exploit for its benefit, free and clear of any licenses, liens (statutory or other), mortgages, pledges, hypothecations, encumbrances, security agreements or similar restrictions of any kind or nature whatsoever, the Listed Orthocon IP and all other Orthocon Intellectual Property relating thereto, without infringing on the rights or claimed rights of any Person, except as set forth on Schedule 2.10. Title in all the Orthocon Intellectual Property is in the name of Orthocon, and Orthocon will, prior to Closing, ensure that title in all the Orthocon Intellectual Property is properly recorded in the name of the Orthocon. There is not now and, except as set forth on Schedule 2.10 of the Orthocon Disclosure Schedule, has not been at any time in the past a pending or, to Orthocon’s Knowledge, threatened material claim, suit or proceeding by any third party contesting ownership or other rights in the Orthocon Intellectual Property, and to Orthocon’s Knowledge, there is no reasonable basis for any such claim, suit or proceeding. Orthocon is not obligated to pay any royalty or other consideration to any Person in connection with the use of any Orthocon Intellectual Property.

(c) No Infringement. To Orthocon’s Knowledge, none of the activities or business previously or currently conducted by Orthocon related to the Orthocon Business, including the operation, manufacturing, testing, marketing, offer for sale, sale, importation or use of any product within the Orthocon Business, in any way constitute infringement, misappropriation or violation of any intellectual property, proprietary or other rights or interests of any third party anywhere in the world, except as set forth on Schedule 2.10. To Orthocon’s Knowledge, the making, using, selling, offering for sale, or importation of any product within the Orthocon Business as currently constituted does not and will not in any way constitute infringement, misappropriation or violation of any intellectual property, proprietary or other rights or interests of any third party anywhere in the world, except as set forth on Schedule 2.10. Except as set forth on Schedule 2.10, there is not now and has not been at any time in the past any pending or, to Orthocon’s Knowledge, threatened material claim, suit or proceeding by another that alleges that the operation, manufacturing, testing, marketing, offer for sale, sale, importation or use of any product within the Orthocon Business, infringes or otherwise violates any intellectual property right of any third party or will infringe a patent issuing from a pending patent application if and when such patent application issues as a patent, and to Orthocon’s Knowledge, there is no basis for any such claim, suit or proceeding.

(d) Validity and Sufficiency. The Orthocon Intellectual Property is valid and enforceable, and, to Orthocon’s Knowledge, except as set forth on Schedule 2.10, does not in any way infringe, misappropriate or violate any patent, copyright, trademark, trade name, service mark, trade dress, design, trade secret, confidential information or other intellectual property or proprietary right or interest of any third party, nor has any claim, suit, or proceeding of any invalidity, unenforceability, infringement, misappropriation or violation been identified, threatened or asserted by any third party, and, to Orthocon’s Knowledge, except as set forth on Schedule 2.10, there is no basis for such claim, suit, or proceeding. The Orthocon Intellectual Property is sufficient as of the Closing to make, have made, sell, offer to sell, import, reproduce, distribute, market or otherwise exploit all products within the Orthocon Business in the manner exploited by Orthocon immediately prior to the Closing.

(e) Assignments. Orthocon has valid and enforceable agreements that require an assignment to Orthocon of all right, title, and interest in and to the Orthocon Intellectual Property and any inventions, improvements, discoveries, or information relating to the products within the Orthocon Business with all Persons previously or presently employed or engaged as consultants or employees or otherwise involved in the development, testing and manufacture of such products. No third party has any right or claim in and/or to the Orthocon Intellectual Property as a result of that third party having been previously employed or engaged as a consultant or otherwise involved in the development, testing and manufacture of the products within the Orthocon Business.

(f) Patents. All of the Patents within the Listed Orthocon IP is currently in compliance in all material respects with formal legal requirements (including payment of filing, examination, and maintenance fees and proofs of working or use) and, to Orthocon's Knowledge, are valid and enforceable, and not subject to any maintenance fees or taxes or actions falling due within 90 days after the date of the Closing.

(g) Trademarks. The Orthocon Marks are currently in compliance in all material respects with all formal legal requirements (including the timely post-registration filing of affidavits of use and incontestability and renewal applications), are, to Orthocon's Knowledge, valid and enforceable, and are not subject to any maintenance fees or taxes or actions falling due within 90 days after the date of the Closing. The Orthocon Marks have not been and are not now involved in any material opposition, invalidation, or cancellation and, to Orthocon's Knowledge, no such action is threatened with the respect to the Orthocon Marks. Orthocon has the exclusive right to use the Orthocon Marks.

2.11 Compliance with Laws. To Orthocon's Knowledge, Orthocon is, and at all times has been, in compliance in all material respects with all Legal Requirements that are or were applicable to it in connection with the Orthocon Business or the ownership or use of the Transferred Orthocon Assets and the products associated with the Orthocon Business have been in compliance in all material respects with all applicable standards promulgated by any Governmental Body (including the FDA). No event has occurred or circumstance exists that (with or without notice or lapse of time) may constitute or result in a material violation by Orthocon of, or a failure on the part of Orthocon to comply in all material respects with, any Legal Requirement in connection with the Orthocon Business or may give rise to any material obligation on the part of Orthocon to undertake, or to bear all or any portion of the cost of, any material remedial action of any nature in connection with the Orthocon Business. Orthocon has not received any notice or other communication (whether written or oral) from any Governmental Body or any other Person regarding any actual, alleged, possible or potential material violation of, or failure to materially comply with, any Legal Requirements in connection with the Orthocon Business or any actual, alleged, possible or potential material obligation on the part of Orthocon to undertake, or to bear all or any portion of the cost of, any material remedial action of any nature in connection with the Orthocon Business.

2.12 Insurance. Orthocon maintains the insurance set forth on Schedule 2.12 of the Orthocon Disclosure Schedule.

2.13 Employees and Consultants. Schedule 2.13 of the Orthocon Disclosure Schedule contains a complete and accurate list of each current employee and consultant of Orthocon and each former employee and consultant who was involved in the development of the Orthocon Intellectual Property that was developed during the past 18 months.

2.14 Contracts.

(a) List of Contracts. Schedule 2.14(a) of the Orthocon Disclosure Schedule contains a complete list and description (including each amendment, supplement, and modification), whether oral or written, of: (i) each Assumed Orthocon Contract; (ii) each other agreement that involves the performance of services or delivery of goods or materials to or by Orthocon that relates to the Transferred Orthocon Assets and involves the payment of in excess of \$50,000 over the life of the agreement; (iii) each other material agreement relating to the Orthocon Business that was not entered into in the ordinary course of business; and (iv) each other agreement related to the Transferred Orthocon Assets containing covenants that in any way purport to restrict the business activity of the Orthocon Business.

(b) Valid and Enforceable. Each Assumed Orthocon Contract is in full force and effect, is valid and enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally and by general principles of equity (whether in a proceeding at law or in equity) and, except as set forth on Schedule 2.14 of the Orthocon Disclosure Schedule, may be assigned by Orthocon without the consent of or notice to any party.

(c) Compliance. Orthocon is, and at all times has been, in compliance in all material respects with all applicable terms and requirements of each Assumed Orthocon Contract. To Orthocon's Knowledge, each other Person that has or had any obligation or liability under any Assumed Orthocon Contract is, and at all times has been, in compliance in all material respects with all applicable terms and requirements of such Assumed Orthocon Contract. No event has occurred or circumstance exists that (with or without notice or lapse of time) may contravene, conflict with, or result in a violation or breach of, or give Orthocon or any other Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate, or modify, any Assumed Orthocon Contract. Orthocon has not given to or received from any other Person, at any time, any notice or other written communication (whether oral or written) regarding any actual, alleged, possible, or potential material violation or material breach of, or default under, any Assumed Orthocon Contract.

2.15 Product Registrations, Licenses, Approvals, Certification Marks. Schedule 2.15 of the Orthocon Disclosure Schedule lists all Governmental Authorizations granted to Orthocon by or pending with any Governmental Body in any particular country to market any product within the Orthocon Business (the "**Orthocon Product Registrations**"). To Orthocon's Knowledge, except as set forth on Schedule 2.15 of the Orthocon Disclosure Schedule, (a) all products sold under the Orthocon Product Registrations are manufactured and marketed in all material respects in accordance with the specifications and standards contained in such Product Registrations, (b) Orthocon possesses or has been granted, all governmental licenses, permits, franchises and other authorizations of any Governmental Body (including, without limitation, the FDA) in connection with the Orthocon Business, including, without limitation, all required 510(k) clearances as prescribed by the Act (the "**Orthocon Licenses**"), (c) all Orthocon Licenses necessary to carry on the Orthocon Business as presently conducted or to own or operate the Transferred Orthocon Assets are set forth on Schedule 2.15 of the Orthocon Disclosure Schedule and all such licenses are in full force and effect, and (d) as of the date hereof no Action is pending or, to Orthocon's Knowledge, threatened seeking the revocation or limitation of any Orthocon License. Schedule 2.15 of the Orthocon Disclosure Schedule lists all certification marks for the products within the Orthocon Business authorized by any Person or any Governmental Body. Except as set forth on Schedule 2.15 of the Orthocon Disclosure Schedule, to Orthocon's Knowledge, all such certification marks are in full force and Orthocon has been in compliance in all material respects with all applicable listing standards. To Orthocon's Knowledge, no event has occurred or circumstance exists that (with or without notice or lapse of time) may constitute or result in a violation by Orthocon of, or a failure on the part of Orthocon to comply in all material respects with, any listing standards applicable to its certification marks. Orthocon has not received written notice or other written communication from any Person or any Governmental Body regarding any actual, alleged, possible or potential material violation of, or failure to comply in all material respects with, any listing standards associated with the certification marks.

2.16 Quality. Orthocon has undertaken, and, to Orthocon's Knowledge, its suppliers have undertaken, such quality control and inspection procedures as required by the FDA with respect to all products within the Orthocon Business. Orthocon has manufactured, and, to Orthocon's Knowledge, its manufacturer(s) have manufactured, the products within the Orthocon Business in all material respects in accordance with the Current Good Manufacturing Practice, including, without limitation, requirements set forth in the Quality System Regulation promulgated pursuant to applicable provisions of the Act and in compliance in all material respects with the Quality Assurance and Good Manufacturing Practice requirements of ISO9000/ISO13485/EN46001.

2.17 Product and Service Warranties and Liabilities. Set forth in Schedule 2.17 of the Orthocon Disclosure Schedule are all warranties applicable to products developed, manufactured, sold or to be sold in connection with the Orthocon Business. To Orthocon's Knowledge, all of the products within the Orthocon Business manufactured or sold on or before the Closing Date meet or will meet such warranties. Except as set forth in Schedule 2.17 of the Orthocon Disclosure Schedule, to Orthocon's Knowledge, there are no claims outstanding to return products by reason of alleged over shipments, defective merchandise or otherwise, and there is no Action pending or, to Orthocon's Knowledge, threatened against Orthocon under any product warranty relating to the Orthocon Business. There are no pending or, to Orthocon's Knowledge, threatened recalls for any products within the Orthocon Business. Schedule 2.17 of the Orthocon Disclosure Schedule summarizes all material product liability and product warranty claims that have been asserted with respect to the Orthocon Business within the preceding five years, including for each claim whether it has been resolved or remains outstanding and, if resolved, the manner and cost of resolution.

2.18 No Broker's Fees. Orthocon has not employed and are not subject to any valid claim of, any broker, finder, consultant or other intermediary in connection with the transactions contemplated by this Agreement who might be entitled to a fee or commission in connection with such transactions.

2.19 Certain Relationships. Neither Orthocon nor any Related Person of Orthocon is an owner, shareholder, creditor, director, agent, consultant, or employee of, or lender to, any Person who is engaged in a business that acts as a supplier of any goods or services in connection with the Orthocon Business, who is a customer of Orthocon in connection with the Orthocon Business, who otherwise has business or contractual relations with the Orthocon in connection with the Orthocon Business, or any part of whom is in actual or potential competition with the Orthocon Business, except for the IT Distribution Subsidiary. Orthocon has not, in connection with the Orthocon Business, purchased, licensed or leased or otherwise acquired any property or assets or obtained any services from, or sold, licensed, leased or otherwise disposed of any property or assets or provided any services to, any Related Person of Orthocon, except for the IT Distribution Subsidiary.

2.20 Absence of Violation. Neither Orthocon nor any of its officers, managers, employees or agents (or distributors, representatives or other Persons acting on the express, implied or apparent authority of any of them) have paid, given or received or have offered or promised to pay, give or receive, any bribe or other unlawful payment of money or other thing of value, any unlawful extraordinary discount, or any other unlawful inducement, to or from any Person, business association or governmental official or entity in connection with or in furtherance of the business of Orthocon (including any unlawful offer, payment or promise to pay money or other thing of value (a) to any foreign official or political party (or official thereof) for the purposes of influencing any act, decision or omission in order to assist Orthocon in obtaining business for or with, or directing business to, any Person, or (b) to any Person, while knowing that all or a portion of such money or other thing of value will be offered, given or promised to any such official or party for such purposes). Orthocon is not in any manner dependent upon the making or receipt of such unlawful payments, discounts or other inducements.

2.21 No Exclusion from Federal Healthcare Program Participation. Neither Orthocon nor its Affiliates, nor any individual employed by Orthocon or its Affiliates, is currently included in the United States Department of Health and Human Services/Office of Inspector General List of Excluded Individuals/Entities or in the General Services Administration List of parties Excluded from Federal Procurement and No Procurement Programs. To Orthocon's Knowledge, neither Orthocon nor any individual employed by Orthocon or its Affiliates, is the target or subject of any current or potential investigation relating to any Federal Health Care Program-related offense. Orthocon is not now and has never been excluded from any governmental health care program (including Medicaid and Medicare) and is not owned or controlled by individuals who have been convicted, sanctioned and/or excluded

from any such program and none of its employees, independent contractors, agents, or medical professionals have been convicted of a criminal offense which would trigger exclusion from such a program.

2.22 Disclosure. To Orthocon's Knowledge, no representation or warranty of Orthocon in this Agreement and no statement in the Orthocon Disclosure Schedule omits to state a material fact necessary to make the statements herein or therein, in light of the circumstances in which they were made, not materially misleading. There is no fact known to Orthocon that has specific application to Orthocon as it relates to the Orthocon Business (other than general economic or industry conditions) and that could reasonably be expected to have a Material Adverse Effect on Orthocon or, as far as Orthocon can reasonably foresee, materially threatens, the assets, business, financial condition, or results of operations of the Orthocon Business that has not been set forth in this Agreement or the Orthocon Disclosure Schedule.

2.23 Solvency. No petition or notice has been presented, no order has been made and no resolution has been passed for the bankruptcy, liquidation, winding-up or dissolution of Orthocon. No receiver, trustee, custodian or similar fiduciary has been appointed over the whole or any part of the assets or the income of Orthocon. Nor does Orthocon have any plan or intention of, or has received any notice that any other Person has any plan or intention of, filing, making or obtaining any such petition, notice, order or resolution or of seeking the appointment of a receiver, trustee, custodian or similar fiduciary.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF DRG

DRG represents and warrants to Newco that the statements contained in this Article 3 are true, correct and complete as of the date of this Agreement, except as set forth in the DRG Disclosure Schedule (which Disclosure Schedule may be updated by DRG prior to the Closing):

3.1 Disclosure Schedule. DRG has delivered to Newco individually numbered schedules (collectively, the "**DRG Disclosure Schedule**"). Each individual schedule in the DRG Disclosure Schedule contains exceptions to the specifically identified section contained in this Article. Each section of the DRG Disclosure Schedule will be deemed to incorporate by reference information disclosed in any other section of the DRG Disclosure Schedule to the extent that the relevance of such disclosure to any such other section is reasonably apparent from the terms of such disclosure.

3.2 Organization and Good Standing. DRG is a corporation duly organized, validly existing and in good standing under the laws of the State of Connecticut. DRG is qualified to do business as a foreign entity in all states where such qualification is required under applicable law, except to the extent the failure to so qualify would not have a Material Adverse Effect on DRG. DRG has full power and authority to own and use the properties and assets associated with its business that it purports to own and use, and to perform its obligations under the Assumed DRG Contracts. DRG is an "**accredited investor**" as defined in Rule 501 promulgated under the Securities Act of 1933, as amended. DRG has no subsidiaries and owns no equity or other ownership interest in any Person.

3.3 Valid and Binding. DRG has full power and authority to enter into and perform this Agreement and each other Transaction Agreement to which it is a party, and to carry out its obligations under the Transaction Agreements to which it is a party. This Agreement is, and each of the other Transaction Agreements when executed and delivered will be, binding upon and enforceable against DRG in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting the enforcement of creditors' rights and subject to general equitable principles. The execution, performance, and delivery of each Transaction Agreement have been duly authorized, approved, and adopted by DRG as required under DRG's organizational documents.

3.4 No Conflict. The execution, delivery and performance of this Agreement and the Transaction Agreements and the consummation of the transactions contemplated by such agreements will not directly or indirectly (with or without notice or lapse of time): (a) contravene the Certificate of Incorporation or other organizational document of DRG or result in a breach of any provision of, or constitute a default under, any Assumed DRG Contract; (b) violate any Legal Requirement or Order or give any Governmental Body the right to

revoke, withdraw, suspend, cancel, terminate or modify any Governmental Authorization applicable to DRG or the Transferred DRG Assets; (c) result in the imposition of any Tax on Newco or the Transferred DRG Assets; or (d) result in any Lien being created or imposed upon or with respect to any of the Transferred DRG Assets, except to the extent any of the foregoing would not reasonably be expected to have a Material Adverse Effect on DRG or Newco. All consents, approvals or authorizations of or declarations, filings or registrations with any Person required in connection with the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated by this Agreement (including the assignment of rights under the Assumed DRG Contracts to Newco) are set forth in Schedule 3.4 of the DRG Disclosure Schedule and will be obtained or made, as applicable, by DRG prior to the Closing.

3.5 Financial Statements. DRG has delivered to Newco: (a) the unaudited balance sheets of DRG as of December 31 for 2011 and 2012, and the related statements of income, changes in members' equity, and cash flow for each of the fiscal years then ended; (b) an unaudited balance sheet of DRG as of January 31, 2013 (including the notes thereto, the "**Latest DRG Balance Sheet**"), and the related statements of income, changes in members' equity, and cash flow for the period then ended. Such financial statements and notes fairly present the financial condition and the results of operations, changes in members' equity, and cash flow of DRG as at the respective dates of and for the periods referred to in such financial statements, all in accordance with GAAP, except as noted in Schedule 3.5 of the DRG Disclosure Schedule and subject, in the case of interim financial statements, to normal recurring year-end adjustments (the effect of which will not, individually or in the aggregate, be expected to have a Material Adverse Effect) and the absence of notes (that, if presented, would not differ materially from those included in the Latest DRG Balance Sheet). The financial statements referred to in this Section 3.5 reflect the consistent application of such accounting principles throughout the periods involved, except as disclosed in the notes to such financial statements.

3.6 Undisclosed Liabilities. Except as set forth in Schedule 3.6 of the DRG Disclosure Schedule, and except to the extent expressly reflected, reserved against or otherwise disclosed in the Latest DRG Balance Sheet, DRG does not have at the date hereof, any liabilities or obligations of any nature (whether matured or unmatured, fixed or contingent) relating to the DRG Business or with respect to the Transferred Orthocon Assets which under GAAP would be required to be disclosed in the Latest DRG Balance Sheet, except for those incurred in connection with the execution of this Agreement and for (i) liabilities or obligations arising in the Ordinary Course since the date of the Latest DRG Balance Sheet and (ii) executory obligations under the Assumed Orthocon Contracts, in the case of clauses (i) and (ii) only to the extent such liabilities and obligations would not have a Material Adverse Effect on Newco (after the Closing) or DRG.

3.7 Title to, Condition and Sufficiency of Transferred Assets. DRG has good and valid title to all of the Transferred DRG Assets free and clear of all Liens. All of the DRG Listed Personal Property is in good working order, ordinary wear and tear excepted. To DRG's Knowledge, the products sold in connection with the DRG Business are free from material defects in design, material, workmanship, and merchantable and fit for their current intended purpose. To DRG's Knowledge, the products as presently being sold by DRG conform in all material respects to the requirements of the FDA and are not adulterated or misbranded within the meaning of the Act and other applicable laws.

3.8 Litigation; Orders. There is no Action pending or, to DRG's Knowledge, threatened against DRG with respect to the DRG Business or the Transferred DRG Assets. There are no Orders against DRG with respect to the Transferred DRG Assets.

3.9 Intellectual Property.

(a) Definition. Schedule 3.9 of the DRG Disclosure Schedule sets forth a list of all issued Patents, pending Patent applications and registered Marks owned, licensed or used by DRG related to the DRG Business (the "**Listed DRG IP**"); and all licenses and sublicenses (to or from DRG) with respect to the DRG Intellectual Property related to the DRG Business (the "**Listed DRG Licenses**"). Except as set forth on Schedule 3.9 of the DRG Disclosure Schedule, there are no outstanding and, to DRG's Knowledge, no threatened material disputes or disagreements with respect to the Listed DRG IP or Listed DRG Licenses.

(b) Ownership. DRG owns the entire right, title and interest in and to, and, to DRG's Knowledge, has the full right to enjoy and exploit for its benefit, free and clear of any licenses, liens (statutory or other), mortgages, pledges, hypothecations, encumbrances, security agreements or similar restrictions of any kind or nature whatsoever, the DRG Intellectual Property related to the DRG Business. Title in all the DRG Intellectual Property related to the DRG Business is in the name of DRG. There is not now and, except as set forth on Schedule 3.9 of the DRG Disclosure Schedule, has not been at any time in the past a pending or, to DRG's Knowledge, threatened material claim, suit or proceeding by any third party contesting ownership or other rights in the DRG Intellectual Property related to the DRG Business, and, to DRG's Knowledge, there is no reasonable basis for any such claim, suit or proceeding. Except as set forth on Schedule 3.9 of the DRG Disclosure Schedule, DRG is not obligated to pay any royalty or other consideration to any Person in connection with the use of any DRG Intellectual Property related to the DRG Business.

(c) Assignments. DRG has valid and enforceable agreements that require an assignment to DRG of all right, title, and interest in and to the DRG Intellectual Property related to the DRG Business and any inventions, improvements, discoveries, or information relating to the DRG Intellectual Property related to the DRG Business with all Persons previously or presently employed or engaged as consultants or employees or otherwise involved in the development of the DRG Intellectual Property related to the DRG Business.

3.10 Compliance with Laws. To DRG's Knowledge, except as set forth on Schedule 3.10 of the DRG Disclosure Schedule, (i) DRG is, and at all times has been, in compliance in all material respects with all Legal Requirements that are or were applicable to it in connection with the DRG Business or the ownership or use of the Transferred DRG Assets and the products associated with the DRG Business have been in compliance in all material respects with all applicable standards promulgated by any Governmental Body (including the FDA), (ii) no event has occurred or circumstance exists that (with or without notice or lapse of time) may constitute or result in a material violation by DRG of, or a failure on the part of DRG to comply in all material respects with, any Legal Requirement in connection with the DRG Business or may give rise to any material obligation on the part of DRG to undertake, or to bear all or any portion of the cost of, any material remedial action of any nature in connection with the DRG Business, and (iii) DRG has not received any notice or other communication (whether written or oral) from any Governmental Body or any other Person regarding any actual, alleged, possible or potential material violation of, or failure to materially comply with, any Legal Requirements in connection with the DRG Business or any actual, alleged, possible or potential material obligation on the part of DRG to undertake, or to bear all or any portion of the cost of, any material remedial action of any nature in connection with the DRG Business.

3.11 Insurance. DRG maintains the insurance set forth on Schedule 3.11 of the DRG Disclosure Schedule.

3.12 Employees and Consultants. Schedule 3.12 of the DRG Disclosure Schedule contains a complete and accurate list of each current employee and consultant of DRG and each former employee and consultant who was involved in the development of the DRG Intellectual Property that was developed during the past 18 months.

3.13 Contracts.

(a) List of Contracts. Schedule 3.13(a) of the DRG Disclosure Schedule contains a complete list and description (including each amendment, supplement, and modification), whether oral or written, of: (i) each Assumed DRG Contract; and (ii) each other agreement that involves the performance of services or delivery of goods or materials to or by DRG that relates to the Transferred DRG Assets.

(b) Valid and Enforceable. Assuming the enforceability against the other party thereto, each Assumed DRG Contract is in full force and effect, is valid and enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally and by general principles of equity (whether in a proceeding

at law or in equity) and, except as set forth on Schedule 3.13 of the DRG Disclosure Schedule, may be assigned by DRG without the consent of or notice to any party.

(c) Compliance. DRG is, and at all times has been, in compliance in all material respects with all applicable terms and requirements of each Assumed DRG Contract. To DRG's Knowledge, each other Person that has or had any obligation or liability under any Assumed DRG Contract is, and at all times has been, in compliance in all material respects with all applicable terms and requirements of such Assumed DRG Contract. To DRG's Knowledge, no event has occurred or circumstance exists that (with or without notice or lapse of time) may contravene, conflict with, or result in a violation or breach of, or give DRG or any other Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate, or modify, any Assumed DRG Contract. DRG has not given to or received from any other Person, at any time, any notice or other written communication (whether oral or written) regarding any actual, alleged, possible, or potential violation or breach of, or default under, any Assumed DRG Contract.

3.14 Product Registrations, Licenses, Approvals, Certification Marks. Schedule 3.14 of the DRG Disclosure Schedule lists all Governmental Authorizations granted to DRG by or pending with any Governmental Body in any particular country to market any product within the DRG Business (the "**DRG Product Registrations**"). To DRG's Knowledge, except as set forth on Schedule 3.14 of the DRG Disclosure Schedule, (a) all products sold under the DRG Product Registrations are manufactured and marketed in all material respects in accordance with the specifications and standards contained in such DRG Product Registrations, (b) DRG possesses or has been granted, all governmental licenses, permits, franchises and other authorizations of any Governmental Body (including, without limitation, the FDA) in connection with the DRG Business, including, without limitation, all required 510(k) clearances as prescribed by the Act (the "**DRG Licenses**"), (c) all DRG Licenses necessary to carry on the DRG Business as presently conducted or to own or operate the Transferred DRG Assets are set forth on Schedule 3.14 of the DRG Disclosure Schedule and all such licenses are in full force and effect, and (d) as of the date hereof no Action is pending or, to DRG's Knowledge, threatened seeking the revocation or limitation of any DRG License. Schedule 3.14 of the DRG Disclosure Schedule lists all certification marks for the products within the DRG Business authorized by any Person or any Governmental Body. Except as set forth on Schedule 3.14 of the DRG Disclosure Schedule, to DRG's Knowledge, all such certification marks are in full force and DRG has been in compliance in all material respects with all applicable listing standards. To DRG's Knowledge, no event has occurred or circumstance exists that (with or without notice or lapse of time) may constitute or result in a violation by DRG of, or a failure on the part of DRG to comply in all material respects with, any listing standards applicable to its certification marks. DRG has not received written notice or other written communication from any Person or any Governmental Body regarding any actual, alleged, possible or potential material violation of, or failure to comply in all material respects with, any listing standards associated with the certification marks.

3.15 Quality. DRG has undertaken, and, to DRG's Knowledge, its suppliers have undertaken, such quality control and inspection procedures as required by the FDA with respect to all products within the DRG Business. DRG has manufactured, and, to DRG's Knowledge, its manufacturer(s) have manufactured, the products within the DRG Business in all material respects in accordance with the Current Good Manufacturing Practice, including, without limitation, requirements set forth in the Quality System Regulation promulgated pursuant to applicable provisions of the Act and in compliance in all material respects with the Quality Assurance and Good Manufacturing Practice requirements of ISO9000/ISO13485/EN46001.

3.16 Product and Service Warranties and Liabilities. Set forth in Schedule 3.16 of the DRG Disclosure Schedule are all warranties applicable to products developed, manufactured, sold, to be sold in connection with the DRG Business. To DRG's Knowledge, all of the products within the DRG Business manufactured or sold on or before the Closing Date meet or will meet such warranties. Except as set forth in Schedule 3.16 of the DRG Disclosure Schedule, to DRG's Knowledge, there are no claims outstanding to return products by reason of alleged over shipments, defective merchandise or otherwise, and there is no Action pending or, to DRG's Knowledge, threatened against DRG under any product warranty relating to the DRG Business. There are no pending or, to DRG's Knowledge, threatened recalls for any products within the DRG Business. Schedule 3.16 of the DRG Disclosure Schedule summarizes all material product liability and product warranty claims that have been asserted

with respect to the DRG Business within the preceding five years, including for each claim whether it has been resolved or remains outstanding and, if resolved, the manner and cost of resolution.

3.17 No Broker's Fees. DRG has not employed and is not subject to any valid claim of, any broker, finder, consultant or other intermediary in connection with the transactions contemplated by this Agreement who might be entitled to a fee or commission in connection with such transactions.

3.18 Certain Relationships. Neither DRG nor any Related Person of DRG is an owner, shareholder, creditor, director, agent, consultant, or employee of, or lender to, any Person who is engaged in a business that acts as a supplier of any goods or services in connection with the DRG Business, who is a customer of DRG in connection with the DRG Business, who otherwise has business or contractual relations with the DRG in connection with the DRG Business, or any part of whom is in actual or potential competition with the DRG Business. DRG has not, in connection with the DRG Business, purchased, licensed or leased or otherwise acquired any property or assets or obtained any services from, or sold, licensed, leased or otherwise disposed of any property or assets or provided any services to, any Related Person of DRG.

3.19 Disclosure. To DRG's Knowledge, no representation or warranty of DRG in this Agreement and no statement in the DRG Disclosure Schedule omits to state a material fact necessary to make the statements herein or therein, in light of the circumstances in which they were made, not materially misleading. There is no fact known to DRG that has specific application to DRG as it relates to the Transferred DRG Assets or Assumed DRG Liabilities (other than general economic or industry conditions) and that could reasonably be expected to have a Material Adverse Effect on DRG or, as far as DRG can reasonably foresee, materially threatens, the Transferred DRG Assets that has not been set forth in this Agreement or the DRG Disclosure Schedule.

3.20 Solvency. No petition or notice has been presented, no order has been made and no resolution has been passed for the bankruptcy, liquidation, winding-up or dissolution of DRG. No receiver, trustee, custodian or similar fiduciary has been appointed over the whole or any part of the assets or the income of DRG. Nor does DRG have any plan or intention of, or has received any notice that any other Person has any plan or intention of, filing, making or obtaining any such petition, notice, order or resolution or of seeking the appointment of a receiver, trustee, custodian or similar fiduciary.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF NEWCO

Orthocon represents and warrants to DRG that the statements contained in this Article 4 are true, correct and complete as of the date of this Agreement:

4.1 Organization and Good Standing. Newco is a newly formed corporation duly formed, validly existing and in good standing under the laws of Delaware, with full power and authority to conduct its business as it is now being conducted and to own or use its properties and assets, and after the Closing, to conduct the DRG Business and the Orthocon Business. Orthocon has delivered to DRG true, complete and correct copies of the organizational documents of Newco, including its Certificate of Incorporation and Bylaws. Newco is qualified to do business as a foreign entity in all states where such qualification is required under applicable law, except to the extent the failure to so qualify would not have a material adverse affect on Newco.

4.2 Authorization and Enforceability; No Conflict. Newco has full power and authority to enter into and perform this Agreement and each other Transaction Agreement, and to carry out the transactions contemplated by the Transaction Agreements. This Agreement is, and each of the other Transaction Agreements when executed and delivered will be, binding upon Newco and enforceable against Newco in accordance with their respective terms. The execution, performance, and delivery of each Transaction Agreement has been duly authorized, approved and adopted by Newco. The execution, delivery and performance of the Transaction Agreements and the consummation of the transactions contemplated by such agreements by Newco will not: (a) contravene the Certificate of Incorporation or Bylaws of Newco or result in a breach of any provision of, or constitute a default under, any contract, or (b) violate any Legal Requirement or Order.

4.3 No Broker's Fees. Newco has not retained or employed any broker, finder, investment banker, or other Person, or taken any action, or entered into any agreement or understanding that would give any broker, finder, investment banker, or other Person any valid claim against Newco for a commission, brokerage fee, or other compensation arising out of the transactions contemplated by this Agreement.

4.4 Capitalization. Immediately after the Closing, the outstanding capitalization of Newco shall be 9,000,000 shares of common stock and an additional 1,000,000 shares of authorized but unissued common stock. Except as described in Section 1.9 or in the Transaction Agreements, as of the Closing no other Person owns or has any interest in, or option or other right (contingent or otherwise), including any right of first refusal or right of first offer, to acquire any equity or debt security of Newco. Other than the Voting Agreement, ROFR Agreement, and IRA Agreement, there is no (i) voting trust or agreement, pledge agreement, buy-sell agreement, right of first refusal, preemptive right, stock appreciation right, redemption or repurchase right, anti-dilutive right or proxy relating to Newco or any of its assets or equity or debt securities, (ii) agreement restricting the transfer of, or requiring the registration for sale of, Newco or any of its assets or equity or debt securities, or (iii) option, warrant, call, right or other agreement to issue, deliver, grant, convert, exchange, sell, subscribe for, purchase, redeem or acquire any equity or debt securities of Newco or agreement to enter into any agreement with respect thereto.

4.5 Newco. Newco was formed on March 20, 2013, and has not conducted any operations prior to the Closing Date, other than as necessary in connection with the preparation, negotiation, execution and consummation of this Agreement and the transactions contemplated hereunder. Newco has not entered into agreements or otherwise performed any activity except as noted in this Section 4.5.

ARTICLE 5 CERTAIN COVENANTS AND AGREEMENTS

5.1 Reasonable Cooperation; Product Registrations.

(a) Subject to the terms and conditions otherwise provided in this Agreement, each Party hereto agrees to use its commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective on or prior to the Closing Date the transactions contemplated hereunder and to cooperate with the other in connection with the foregoing, including using its reasonable efforts (i) to obtain all necessary waivers, consents and approvals from other parties to material agreements, leases and other contracts, (ii) to obtain all consents, approvals and authorizations that are required to be obtained under any federal, state, local or foreign law or regulation, (iii) to cause to be lifted or rescinded any injunction or restraining order or other order adversely affecting the ability of the Parties to consummate the contemplated transactions, (iv) to effect all necessary governmental registrations and filings, and (v) to fulfill all conditions to this Agreement.

(b) Following the Closing, each Party shall cooperate with the others as reasonably requested and at the requesting Party's expense in connection with all notices, amendments and filings required to be made by the requesting Party to any Governmental Body, or any other actions reasonably required to be taken, in each case in connection with any product registrations and licenses relating to the product to be manufactured and sold by Newco following the Closing after giving effect to the transactions hereunder.

5.2 Further Assurances. Each Party hereto hereby agrees that, from time to time for a reasonable period after the Closing Date, each of them will execute and deliver such further instruments of conveyance and transfer and take such other action as may be reasonably requested by any other Party hereto to carry out the purposes and intents of this Agreement and the transactions contemplated hereby.

5.3 Conduct of Business. From the date hereof through the Closing or termination of this Agreement, Orthocon and DRG each hereby covenants and agrees that:

(a) Each will conduct its operations in the Ordinary Course;

(b) Except in the Ordinary Course or as otherwise provided for in or contemplated by this Agreement, neither will (i) sell, transfer, lease or otherwise dispose of any of the

Transferred Orthocon Assets or Transferred DRG Assets, as applicable (other than sales of inventory in the Ordinary Course), (ii) create any new Lien on any of the any of the Transferred Orthocon Assets or Transferred DRG Assets, as applicable, or (iii) enter into any joint venture, partnership or other similar arrangement relating to its business;

(c) Except in the Ordinary Course, neither will waive any material right or cancel any agreement, debt or claim with respect to its business, nor except in the Ordinary Course will either assume or enter into any contract, agreement, or other obligation or indebtedness, commitment, purchase or sale with respect to its business;

(d) Neither will, directly or indirectly (i) take any action that would knowingly interfere with or prevent the timely consummation or performance of this Agreement, or (ii) take any action that would knowingly be inconsistent with any of the representations, warranties, covenants or agreements set forth in this Agreement, as if such representations, warranties, covenants or agreements were made at a time subsequent to such action; and

(e) Neither will agree to take any action prohibited by this Section 5.3.

5.4 Preservation of the Business. Subject to the terms and conditions of this Agreement, during the period between the date hereof and the Closing Date, each of Orthocon and DRG will use all commercially reasonable efforts to preserve their respective businesses, except as contemplated hereunder.

5.5 Public Announcements. Except as may otherwise be required by applicable law, prior to the Closing, each Party hereto will consult with each other before issuing, or permitting any agent or Affiliate to issue, any press releases or otherwise making, or permitting any agent or Affiliate to make, any public statements with respect to this Agreement or the transactions contemplated hereby.

5.6 No Negotiation. Until such time, if any, as this Agreement is terminated or until the Closing, no Party hereto will, and each Party will cause its representatives not to, directly or indirectly solicit, initiate, or encourage any inquiries or proposals from, discuss or negotiate with, or provide any non-public information to, any Person (other than a Party hereto) relating to any transaction involving the sale of the Transferred Assets or their respective businesses.

5.7 Additional Agreements. At the Closing, the Parties will execute and deliver in form and substance reasonably satisfactory to the other Parties such other additional agreements as the Parties shall reasonably require to carry out the purposes of this Agreement.

5.8 Taxes.

(a) Orthocon will be responsible for and will pay any and all Taxes arising or resulting from the operation of the Orthocon Business or the ownership of the Transferred Orthocon Assets on or prior to the Closing Date, which liability will be an Excluded Orthocon Liability.

(b) DRG will be responsible for and will pay any and all Taxes arising or resulting from the operation of the DRG Business or the ownership of the Transferred DRG Assets on or prior to the Closing Date, which liability will be an Excluded DRG Liability.

(c) Newco will be responsible for and will pay any and all Taxes arising or resulting from the operation of the Transferred Assets after the Closing Date.

(d) For the avoidance of doubt, for any taxable period that includes (but does not end on) the Closing Date, Taxes with respect to any Transferred Assets shall be allocated to the period ending on or prior to the Closing Date based on the amount of such Taxes for the entire taxable period multiplied by a fraction, the numerator of which is the number of days in the

portion of such period ending on the Closing Date and the denominator of which is the total number of days in such period.

(e) Each Party will (i) provide the others with such assistance (including the execution of powers of attorney) as may reasonably be requested by any of them in connection with the preparation of any Tax Return, any audit or other examination by any taxing authority or any judicial or administrative proceeding with respect to Taxes, (ii) retain and provide to the other any records or other information which may be relevant to such return, audit examination or proceeding, and (iii) provide to the other any final determination of any such audit or examination, proceeding or determination that affects any amount required to be shown on any Tax Return of the other for any period (which will be maintained confidentially). Without limiting the generality of the foregoing, each Party will retain, until the applicable statutes of limitations (including all extensions) have expired, copies of all Tax Returns, supporting workpapers, and other books and records or information which may be relevant to such returns for all Tax periods or portions thereof ending before or including the Closing Date, and will not destroy or dispose of such records or information without first providing the other Parties with a reasonable opportunity to review and copy the same.

(f) For all Tax purposes, the Parties intend that the transfer of the Transferred Orthocon Assets and the Transferred DRG Assets in exchange for the Orthocon Shares and the DRG Shares, respectively, shall qualify as a nontaxable exchange pursuant to Section 351 of the Code, and each Party shall report such transaction for all Tax purposes consistent therewith unless otherwise required by applicable Legal Requirements. Insofar as necessary to effect the intention of the Parties as expressed herein, each of the Parties shall file with its US federal income Tax Return for the taxable year in which the Agreement is consummated (which Tax Returns shall be timely filed) the information required by Treasury Regulations Section 1.351-3(a) and 1.351-3(b), as applicable.

5.9 Confidentiality; Non-Compete.

(a) The Parties desire to enable each Party to be fairly protected in the full enjoyment of the benefits of this Agreement. The Parties desire to enter into the covenants in this Section 5.9 that are reasonably limited in time, territory and scope and that are no greater than necessary to protect Newco's operation of the Transferred Assets after Closing. The covenants in this Section 5.9 are a necessary part of, and ancillary to the transactions contemplated by, this Agreement.

(b) From and after the execution of this Agreement, neither Orthocon nor DRG will (except to Newco in connection with their obligations under this Agreement), at any time, disclose to any Person any Confidential Information, whether such information is embodied in writing or other physical form, unless and to the extent that the Confidential Information is or becomes generally known to and available for use by the industry other than as a result of the disclosing Party's fault or the fault of any other Person bound by a duty of confidentiality to such Party. On the Closing Date, and at any time thereafter as Newco may request from time-to-time, each of Orthocon and DRG will (i) deliver to Newco any and all documents, memoranda, notes, plans, records, reports, and other documentation, models, components, devices, or computer software, whether embodied in a disk or in other form (and all copies of all of the foregoing), relating solely to their respective businesses and any other Confidential Information that such Party may then possess or have under its control, together with any and all copies of the same and (ii) deliver to Newco a written certification that such Party has fully complied with its obligations under this subsection (b). Notwithstanding anything to the contrary herein, DRG and Orthocon will be permitted to make disclosures of Confidential Information necessary to inform its respective shareholders of the status of the operations and results of Newco.

(c) Effective as of the Effective Time and continuing for five years thereafter, neither Orthocon nor DRG will directly or indirectly engage in or invest in, own, manage, operate,

finance, control, or participate in the ownership, management, operation, financing, or control of any Person or as a partner of any partnership, as a member of any limited liability company or as a stockholder of any corporation, engaged in the business of developing, manufacturing, selling, distributing or marketing to any Person anywhere in the world, any product competitive with any product within the Orthocon Business or DRG Business as currently constituted, except for DRG as permitted by Section 5.16 and except for DRG and Orthocon through their ownership in the IT Distribution Subsidiary.

(d) In addition to any other rights or remedies provided by this Agreement, Newco will have the right to obtain injunctive or other equitable relief to restrain any breach or threatened breach or otherwise to specifically enforce the provisions of this Section 5.9. The Parties acknowledge and agree that money damages would be an inadequate remedy to compensate for the breach of this Section 5.9. The Parties intend all provisions of this Section 5.9 to be enforced to the fullest extent permitted by applicable Legal Requirements. If any provision or term of this Section 5.9 is held to be illegal, invalid, or unenforceable under present or future applicable Legal Requirements of any jurisdiction, such provision will be fully severable, and this Section 5.9 will be construed and enforced in such jurisdiction as if such illegal, invalid or unenforceable provision were never a part hereof, and the remaining provisions will remain in full force in such jurisdiction and will not be affected by the illegal, invalid, or unenforceable provision, or by its severance. Without limiting the generality of the foregoing, if a Governmental Body or court in any competent jurisdiction should determine that any of the restrictions contained in this Section 5.9 are unreasonable in terms of scope, duration, geographic area or otherwise, such provision will be reformed in such jurisdiction to the extent necessary such that such restriction will be rendered enforceable to the fullest extent permitted by applicable Legal Requirements.

5.10 Employees.

(a) Offers of Employment. Newco has no obligation to hire or offer employment to any employees of either Orthocon or DRG. However, Newco is free, without obligation, to interview, seek employment applications from, and employ any of Orthocon's or DRG's employees, and each Party agrees to assist Newco in all reasonable respects in connection with Newco's efforts to otherwise contract with any of their respective employees as designated by Newco. Orthocon and DRG will be solely and completely responsible for all employment termination costs and expenses and similar matters relating to termination of their respective employees.

(b) Employee Benefit Plans or Other Obligations. With respect to any employee of Orthocon or DRG hired by Newco (if any), Newco will not assume, honor, or be obligated to perform, and Orthocon and DRG will remain solely responsible for, any duties, responsibilities, commitments, or obligations of their employees with respect to any qualified or non-qualified employee benefit plan presently maintained by either such Party or for the benefit of their employees or any contract or commitment concerning any of their employees, other than the Assumed DRG Contracts and the Assumed Orthocon Contracts. The terms and conditions of employment, if any, offered by Newco to any employee of Orthocon or DRG will be determined by Newco in Newco's sole discretion.

5.11 Change of Name. Promptly following the Closing, Orthocon will change its corporate name to a name that does not include the words "Orthocon" or any variation thereof, and Orthocon will file any and all documents required by the Secretary of State (or similar agency) of any state in which such Party is qualified to do business or registered as a foreign corporation, or by the United States Patent and Trademark Office or other trademark office, to allow Newco to register the names "Orthocon" and the other Marks transferred hereunder by Orthocon or any variation thereof with such Secretary of State or as a trademark or service mark with the United States Patent and Trademark Office or other trademark office. Subject to the limitations in Section 5.16, DRG shall retain the right to use the names "Doctors Research Group" and "Kryptonite" provided, that, other than the use of such names as permitted by Section 5.16, promptly following the Closing DRG will cease the use of all DRG Marks, and DRG will file any and all documents required by any federal or state agency or by the United States

Patent and Trademark Office or other trademark office, to allow Newco to register all such DRG Marks or any variations thereof.

5.12 Insurance. Until the five year anniversary of the Closing (unless earlier terminated or waived with the consent of (i) DRG or the DRG Directors, and (ii) Newco), DRG will maintain in full force and effect, an insurance policy in a customary and reasonable form consistent with its past practices covering potential obligations arising from product liability claims relating to DRG's Business, including any product recall obligations arising from the DRG Business (the "**DRG Tail Policy**"). Such policy will name Newco as additional named insured. In the event that Newco does not pay on presentment of documentation evidencing such amounts by DRG for the costs of the DRG Tail Policy as set forth in Section 5.16, DRG shall have no further obligation to procure such DRG Tail Policy.

5.13 Distributors. Promptly following the Closing, DRG and Orthocon will disclose to Newco the names and contact information of all distributors and other sales agents engaged by either such to sell their respective products who generated at least \$50,000 in sales for the 12 months ending December 31, 2012.

5.14 DRG Accounts Receivable. After the Closing, DRG has the option to collect its outstanding accounts receivable; provided, that, if DRG chooses not to collect any such accounts receivable, Newco may, but shall not be obligated to, collect such accounts receivable and retain all the proceeds collected in respect thereof. All amounts collected by DRG in respect of its accounts receivable shall be retained by DRG and applied, as incurred, to any outstanding DRG liabilities and to amounts otherwise reimbursable by Newco pursuant to Section 5.16. In the event that Newco elects to collect such accounts receivable, Newco shall be responsible for (and shall indemnify and reimburse DRG for) all Damages attributable to or arising out of its efforts to collect such accounts receivable, including any Damages associated with the product for which such collections are made, and Damages that may be raised by the counterparty from whom it seeks to collect such accounts receivable.

5.15 Wind Down. DRG hereby agrees to wind down its business and operations in an orderly fashion as soon as is practicable after the Closing Date and will cease all operations other than, if DRG elects, to liquidate its remaining inventory, collect its accounts receivable (subject to Section 5.14), satisfy any remaining liabilities and obligations and perform its obligations hereunder; provided, that DRG may remain as a non-operating holding company to manage its interest in Newco and the IT Distribution Subsidiary. Orthocon hereby agrees to wind down its business and operations in an orderly fashion as soon as is practicable after the Closing Date and will cease all operations other than, if Orthocon elects, to satisfy any remaining liabilities and obligations and perform its obligations hereunder; provided, that Orthocon may remain as a non-operating holding company to manage its interest in Newco and the IT Distribution Subsidiary.

5.16 Reimbursement of Certain Expenses. Newco hereby agrees to reimburse each of DRG and Orthocon, upon presentation of reasonable documentation evidencing such amounts, for amounts due or payable by such Party in respect of (i) their reasonable fees and expenses incurred in holding (after the Closing Date) their Board of Directors and stockholders meetings; paying reasonable director's and officer's insurance; preparing and filing its tax returns and conducting its annual audit; and covering such other reasonable administrative costs as each shall reasonably incur; (ii) a reasonable tail insurance policy covering potential product liability claims by third parties relating to their respective businesses including, as to DRG, the DRG Tail Policy; and (iii) Damages arising out of claims made by third parties against Orthocon or DRG, arising out of the DRG Business, or against DRG or Orthocon, arising out of the Orthocon Business, as applicable ("**Third Party Reimbursable Claims**"), or Damages arising out of claims made against DRG or Orthocon by their respective stockholders for actions arising prior to the Closing out of their respective businesses or the transactions contemplated hereunder, together with the reasonable legal fees incurred by such Party in respect of any defense or settlement thereof; provided that such reimbursement shall be made only after a good faith effort has been made by such Party to settle such claims and collect such amounts under all applicable insurance policies and from all third parties who may have contribution obligations in respect of any such claims; and provided further that if any such Party ultimately receives reimbursement or remuneration from any other Person for any such amounts the amount of such reimbursement or remuneration shall be promptly paid over to Newco. Notwithstanding anything herein to the contrary, (i) Newco's aggregate obligation under this Section 5.16 to DRG shall not exceed \$850,000 in the aggregate (the "**DRG Bucket**") (such amount to be reduced in accordance with Section 8.2(d)(ii) and by all amounts collected in accordance with Section 5.14 after the first \$50,000 in receivables so collected), (ii) Newco's aggregate obligation under this Section 5.16 to Orthocon

shall not exceed \$850,000 in the aggregate (such amount to be reduced in accordance with Section 8.2(d)(ii)), (iii) Newco's reimbursement obligation hereunder shall expire on the five year anniversary of the Closing Date unless earlier terminated or waived as to DRG by DRG or the DRG Directors or, as to Orthocon, by Orthocon or the Orthocon Directors (as each such term is defined under the Voting Agreement), and (iv) in the event DRG or Orthocon (or their respective principal preferred stockholders), as the case may be, is or are no longer the direct owner of substantially all of the shares in Newco it receives pursuant to Section 1.9, this obligation of Newco under this Section 5.16 shall terminate with respect to such Party.

ARTICLE 6

CONDITIONS TO OBLIGATION TO CLOSE

6.1 Conditions to Obligation of Newco. Newco's obligation to pay the Consideration, to take the other actions required to be taken by Newco at the Closing and to consummate the transactions contemplated hereby is subject to the satisfaction, at or before the Closing, of each of the following conditions (any of which may be waived by Newco, in whole or in part):

(a) Representations and Warranties. The representations and warranties set forth in Articles 2 and 3, individually and collectively, must have been accurate in all material respects as of the date of this Agreement and must be accurate in all material respects as of the Closing Date as if made on the Closing Date;

(b) Covenants. Each of Orthocon and DRG must have performed and complied with all of their respective covenants and obligations under this Agreement, including delivery of the documents set forth in Sections 1.13 and 1.14;

(c) Bring-Down Certificate. Each of Orthocon and DRG must have delivered to Newco in a form reasonably acceptable to Newco: (i) a certificate dated as of the Closing Date certifying that the conditions set forth in Sections 6.1(a) and 6.1(b) applicable to it have been satisfied; and (ii) such other certificates, instruments or documents as Newco may reasonably request;

(d) No Action. There must not be any Action or Order pending or threatened or any Legal Requirement in effect that would prevent the consummation of any of the transactions contemplated by this Agreement;

(e) Filings; Consents. All registrations, filings, applications, notices, consents, licenses, approvals, orders, qualifications and waivers required to be made, filed, given or obtained with, to or from any third parties, including without limitation, Governmental Authorities, in connection with the consummation of the asset transfer hereunder will have been made, filed, given or obtained;

(f) No Injunction. At the Closing Date, there will be no injunction, restraining order or decree of any nature of any court or governmental agency or body of competent jurisdiction that is in effect that restrains or prohibits the consummation of the asset transfer hereunder or otherwise seeks to modify the terms of such transfer or questions the validity or legality of this Agreement or such transfer; and

(g) Litigation. There must not be any pending or threatened litigation, investigations or other matters materially adversely affecting the asset transfer hereunder or the Transferred Assets.

6.2 Conditions to Obligation of Orthocon. Orthocon's obligation to transfer the Transferred Orthocon Assets, to take the other actions required to be taken by Orthocon at the Closing and to consummate the transactions contemplated hereby is subject to the satisfaction, at or before the Closing, of each of the following conditions (any of which may be waived by Orthocon, in whole or in part):

(a) Representations and Warranties. The representations and warranties set forth in Article 3, individually and collectively, must have been accurate in all material respects as of the date of this Agreement and must be accurate in all material respects as of the Closing Date as if made on the Closing Date;

(b) Covenants. DRG must have performed and complied with all of its covenants and obligations under this Agreement;

(c) Bring-Down Certificate. DRG must have delivered to Newco and Orthocon in form reasonably acceptable to Orthocon: (i) a certificate dated as of the Closing Date certifying that the conditions set forth in Sections 6.2(a) and 6.2(b) applicable to it have been satisfied; and (ii) such other certificates, instruments or documents as Orthocon may reasonably request; and Orthocon will have received at the Closing a certificate to that effect dated the Closing Date and validly executed on behalf of DRG;

(d) No Injunction. At the Closing Date, there will be no injunction, restraining order or decree of any nature of any court or governmental agency or body of competent jurisdiction that is in effect that restrains or prohibits the consummation of the asset transfer hereunder or otherwise seeks to modify the terms of such transfer or questions the validity or legality of this Agreement or such transfer;

(e) Consideration. Newco shall have delivered to Orthocon an original stock certificate representing the Orthocon Shares;

(f) Employment Agreements. Newco shall have entered into employment agreements or offer letters with such senior executives of Orthocon and DRG as Orthocon shall request;

(g) Stockholder Approval. All approvals of Orthocon's stockholders required to effectuate the transactions hereunder shall have been obtained;

(h) IT Distribution Sub Stockholder Agreement. Each of Orthocon, DRG and IT Distribution Subsidiary shall have executed the IT Distribution Subsidiary Stockholders Agreement;

(i) Dissenters. No more than five percent (5%) of any class of capital stock of DRG shall constitute Dissenting Shares;

(j) Closing Date Cash. DRG shall transfer to Newco as part of the Transferred DRG Assets all of its cash and cash equivalents, which shall be in an amount not less than \$6,000,000; and

(k) Updated Disclosure Schedule. To the extent the DRG Disclosure Schedule is updated by DRG prior to the Closing, all such additions to or deletions from the DRG Disclosure Schedule that are materially adverse shall be acceptable to Orthocon in its sole and absolute discretion.

(l) Diligence. Orthocon shall have completed its due diligence investigation of DRG and the results of such investigation shall be satisfactory to Orthocon.

6.3 Conditions to Obligation of DRG. DRG's obligation to transfer the Transferred DRG Assets, to take the other actions required to be taken by DRG at the Closing and to consummate the transactions contemplated hereby is subject to the satisfaction, at or before the Closing, of each of the following conditions (any of which may be waived by DRG, in whole or in part):

(a) Representations and Warranties. The representations and warranties set forth in Articles 2 and 4, individually and collectively, must have been accurate in all material respects as of the date of this Agreement and must be accurate in all material respects as of the Closing Date as if made on the Closing Date;

(b) Covenants. Newco and Orthocon must have performed and complied with all of their respective covenants and obligations under this Agreement;

(c) Bring-Down Certificate. Each of Newco and Orthocon must have delivered to DRG in form reasonably acceptable to DRG: (i) a certificate dated as of the Closing Date certifying that the conditions set forth in Sections 6.3(a) and 6.3(b) applicable to it have been satisfied; and (ii) such other certificates, instruments or documents as DRG may reasonably request; and DRG will have received at the Closing a certificate to that effect dated the Closing Date and validly executed on behalf of Newco and Orthocon;

(d) No Injunction. At the Closing Date, there will be no injunction, restraining order or decree of any nature of any court or governmental agency or body of competent jurisdiction that is in effect that restrains or prohibits the consummation of the asset transfer hereunder or otherwise seeks to modify the terms of such transfer or questions the validity or legality of this Agreement or such transfer;

(e) Consideration. Newco shall have delivered to DRG an original stock certificate representing the DRG Shares and Orthocon shall have delivered to DRG an original stock certificate representing the IT Sub Shares;

(f) Employment Agreements. Newco shall have entered into employment agreements or offer letters with such senior executives of Orthocon and DRG as DRG shall request;

(g) Stockholder Approval. All approvals of DRG's stockholders required to effectuate the transactions hereunder shall have been obtained;

(h) IT Distribution Sub Stockholder Agreement. Each of Orthocon, DRG and IT Distribution Subsidiary shall have executed the IT Distribution Subsidiary Stockholders Agreement;

(i) Dissenters. **No more than four percent (4%) of any class of capital stock of DRG shall constitute Dissenting Shares;**

(j) License. Newco and IT Distribution Subsidiary shall have entered into a license agreement in a form reasonably acceptable to such parties; and

(k) Updated Disclosure Schedule. To the extent the Orthocon Disclosure Schedule is updated by Orthocon prior to the Closing, all such additions to or deletions from the Orthocon Disclosure Schedule that are materially adverse shall be acceptable to DRG in its sole and absolute discretion.

(l) Diligence. DRG shall have completed its due diligence investigation of Orthocon and the results of such investigation shall be satisfactory to DRG.

ARTICLE 7 TERMINATION

7.1 Termination Events. This Agreement may be terminated by mutual written agreement of all the Parties prior to Closing or by notice given before or at the Closing as follows:

(a) Breach. By any Party not in breach of this Agreement (a “**Non-Breaching Party**”) by giving written notice to the other Parties in the event that any of such other Parties has breached to any material extent any representation, warranty or covenant applicable to such Party contained in this Agreement, the Non-Breaching Party has notified the breaching Party of such breach, and such breach has continued without cure for a period of at least 15 days after such notice;

(b) Conditions. By any Party by giving written notice to any other Party if any of the conditions in Article 6 required to be satisfied by such other Party on or prior to the Closing have not been satisfied as of the Closing Date or if satisfaction of any of those conditions is or becomes impossible (other than through the failure of the notifying Party to comply with its obligations under this Agreement) and the notifying Party has not waived the condition on or before the Closing Date;

(c) Upset Date. By any Party if the Closing has not occurred (other than through the failure of the Party seeking to terminate this Agreement to comply fully with its obligations under this Agreement) on or before April 30, 2013, or any later date agreed to by the Parties in writing.

7.2 Effect of Termination. Each Party’s right of termination under Section 7.1 is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated pursuant to Section 7.1, all further obligations of the Parties under this Agreement will terminate; provided, however, the obligations contained in this Section 7.2 and Section 5.5 of this Agreement will survive any such termination. If this Agreement is terminated by a Party because of a breach of this Agreement by any other Party or because one or more of the conditions to the terminating Party’s obligations under this Agreement is not satisfied as a result of any other Party’s failure to comply with its obligations under this Agreement, the terminating Party’s right to pursue all legal remedies will survive the termination unimpaired.

ARTICLE 8 SURVIVAL; INDEMNIFICATION

8.1 Survival of Representations and Warranties. All representations and warranties made by any Party to this Agreement will survive the Closing until the one year anniversary of the Closing Date; provided, however, the representations and warranties in Sections 2.2, 2.3, 2.4, 2.7, 2.18, 3.2, 3.3, 3.4, 3.7, 3.17, 4.1, 4.2, 4.3, 4.4 and 4.5 will survive forever. Any Party with indemnification obligations hereunder (each an “**Indemnifying Party**”) will be liable to the Persons entitled to indemnification hereunder (each an “**Indemnified Person**”) with respect to claims referred to in Section 8.2 only if such Indemnified Person gives the Indemnifying Party written notice thereof prior to the survival date for the applicable representation or warranty specified in the preceding sentence. No investigation by or knowledge of a Party or its representatives, before or after the Closing (other than as may be contained in the Orthocon Disclosure Schedule or DRG Disclosure Schedule, as the case may be), will affect in any manner the representations, warranties, covenants or agreements of another Party set forth in this Agreement (or in any document to be delivered in connection with the consummation of the transactions contemplated by this Agreement) or the rights to rely thereon, and such representations, warranties, covenants and agreements will survive any such investigation.

8.2 Indemnification.

(a) DRG will indemnify and hold harmless Orthocon and its respective shareholders, directors, officers, employees, agents, representatives and affiliates (each an “**Orthocon Indemnified Person**”), and will reimburse the Orthocon Indemnified Persons, for all Damages incurred by any Orthocon Indemnified Person (after taking into account subsection (d) of this Section 8.2) arising from or related to: (i) any breach by DRG of any representation or warranty of DRG in this Agreement or any Transaction Agreement or any other certificate delivered by DRG pursuant to this Agreement; (ii) any breach by DRG of any covenant of DRG in this Agreement or any Transaction Agreement or any other certificate delivered by DRG pursuant to this Agreement; (iii) any claims against any Orthocon Indemnified Person with respect any Excluded DRG Liabilities (it being acknowledged that nothing disclosed on the DRG Disclosure Schedule shall, by virtue of such disclosure, make such item an Assumed DRG Liability unless such item is expressly within the definition of “Assumed DRG Liabilities” as set forth in Section 1.7 hereto); and (iv) any Tax of DRG arising before the Closing Date. With respect to indemnification by DRG pursuant to this Section 8.2(a), DRG will not be liable to any Orthocon Indemnified Person (or for any amount due in connection with the requirements set forth in Section 8.2(d)) unless and until the aggregate amount of Damages under this Section 8.2(a) due or payable by DRG to all Orthocon Indemnified Persons exceeds U.S. \$5,000 (the “**Basket**”) and, after which, such Orthocon Indemnified Person (together with its Affiliates and Related Persons) shall be entitled to indemnification for all such Damages in excess of the Basket.

(b) Orthocon will indemnify and hold harmless DRG and its respective shareholders, directors, officers, employees, agents, representatives and affiliates (each a “**DRG Indemnified Person**”), and will reimburse the DRG Indemnified Persons, for all Damages incurred by any DRG Indemnified Person (after taking into account subsection (d) of this Section 8.2) arising from or related to: (i) any breach by Orthocon or Newco of any representation or warranty of Orthocon or Newco in this Agreement or any Transaction Agreement or any other certificate delivered by Orthocon or Newco pursuant to this Agreement; (ii) any breach by Orthocon of any covenant of Orthocon in this Agreement (or by Newco with respect to any covenant hereunder of Newco to be performed before or at Closing) or any Transaction Agreement or any other certificate delivered by Orthocon or Newco pursuant to this Agreement; (iii) any claims against the DRG Indemnified Person with respect to any Excluded Orthocon Liabilities (it being acknowledged that nothing disclosed on the Orthocon Disclosure Schedule shall, by virtue of such disclosure, make such item an Assumed Orthocon Liability unless such item is expressly within the definition of “Assumed Orthocon Liabilities” as set forth in Section 1.3 hereto); and (iv) any Tax of Orthocon arising on or before the Closing Date. With respect to indemnification by Orthocon pursuant to this Section 8.2(b), Orthocon will not be liable to any DRG Indemnified Person (or for any amount due in connection with the requirements set forth in Section 8.2(d)) unless and until the aggregate amount of Damages under this Section 8.2(b) due or payable by Orthocon to all DRG Indemnified Persons exceeds the Basket and, after which, such DRG Indemnified Person shall be entitled to indemnification for all such Damages.

(c) Notwithstanding anything herein to the contrary but subject to Section 8.2(d), all indemnification obligations hereunder shall, except in the case of fraud or willful misconduct, be satisfied as follows:

(i) the Indemnifying Party shall transfer and assign to the indemnified Person (or its assigns) a number of shares of Newco common stock (including any additional securities issued in respect of the Newco common stock received hereunder) equal in value to the amount of such Damages, but for all such indemnification obligations not to exceed the number of shares of Newco common stock received by the Indemnifying Party hereunder pursuant to Section 1.9(a) (adjusted for any subsequent stock splits or similar event and to include any additional securities issued in respect of such Newco common stock); and

(ii) For purposes of valuing the shares of Newco common stock to be transferred or issued pursuant to this subsection (c), such shares shall be valued at the greater of the fair market value (as agreed to by the Parties or, absent such an agreement, as determined by a mutually selected independent third party appraiser) net of such shares at the time the indemnification claim is made and \$1.67 per share (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or similar recapitalization affecting such shares).

(iii) In lieu of the transfer of shares contemplated by the foregoing subsections (i) and (ii), the Indemnifying Party hereunder may, at its election in its sole discretion, satisfy its indemnity obligations hereunder by the payment to the indemnified Person in immediately available funds of the amount of any such Damages.

(d) (i) For purposes of determining any Damages to any Orthocon Indemnified Person or DRG Indemnified Person under this Article 8, there shall be included in such calculation any Damages incurred by Newco as a result of the enumerated items in Section 8.2(a)(i) through (iv), in the case of the Orthocon Indemnified Persons, and the enumerated items in Section 8.2(b)(i) through (iv), in the case of the DRG Indemnified Persons. The amount of Damages for which any indemnified Person shall be entitled to indemnity for purposes of this subsection (d) shall equal (x) the total amount of such Damages (after applying the Basket (the “**Gross Indemnity Amount**”) minus (y) the Gross Indemnity Amount multiplied by the indemnifying Person’s fully-diluted ownership interest in Newco at the time of the claim (the “**Indemnifying Party’s Ownership Percentage**”) (the number resulting from (x) minus (y) being referred to herein as the “**Net Indemnity Amount**”). By way of example, if Newco suffers \$500,000 in Damages (after applying the Basket) relating to a breach of a representation and warranty by DRG and DRG owns 45% of the fully-diluted capitalization of Newco, the Orthocon Indemnified Persons shall be entitled to indemnification for \$275,000 (\$500,000 minus \$225,000).

(ii) With respect to the reasonable legal fees and associated expenses incurred in connection with the defense and/or settlement of any indemnification claim to which any Orthocon Indemnified Person or DRG Indemnified Person may be entitled under this Article 8 (which may include the reasonable legal fees and associated expenses incurred by Newco in connection with any such claim) (“**Indemnifiable Legal Expenses**”), with the written consent of the applicable Indemnified Person, in lieu of the transfer of shares contemplated by Section 8.2(c) with respect to any Indemnifiable Legal Expenses, such Indemnifiable Legal Expenses shall instead be satisfied by Newco reducing the Orthocon Bucket (in the event a DRG Indemnified Person is entitled to such indemnification) and the DRG Bucket (in the event an Orthocon Indemnified Person is entitled to such indemnification) in an amount equal to one hundred percent of the Gross Indemnity Amount without reduction for the Indemnifying Party’s Ownership Percentage. By way of example, if Newco incurs \$100,000 in Indemnifiable Legal Expenses (after applying the Basket) relating to a breach of a representation and warranty by DRG, then, with the written consent of the applicable Orthocon Indemnified Person, Newco shall reduce the DRG Bucket by \$100,000. Notwithstanding the foregoing, the right of the applicable indemnified Person and Newco under this subsection (d)(ii) to reduce the DRG Bucket or Orthocon Bucket, as applicable, shall not apply if any such reduction in the DRG Bucket or Orthocon Bucket, as applicable, would render DRG or Orthocon, as applicable, during the time period which Section 5.16 is in effect as to such Party, unable to satisfy its payment obligations for premiums due on (x) as to DRG, the DRG Tail Policy or DRG’s director’s and officer’s insurance policy, or (y) as to Orthocon, any insurance policy of Orthocon maintained during such period in a customary and reasonable form covering potential obligations arising from product liability claims relating to Orthocon’s Business or Orthocon’s directors and officers insurance policy, and Newco shall thereafter be required to satisfy its obligations under Section 5.16 as to such Party as if no reductions in the DRG Bucket or Orthocon Bucket were made pursuant to this Section 8.2(d)(ii).

8.3 Third Party Claims.

(a) Notice. Promptly after receipt by an Indemnified Person of notice of the commencement of any Action against it, such Indemnified Person will, if a claim is to be made against an Indemnifying Party under this Agreement, give notice to the Indemnifying Party of the commencement of such claim, but the failure to notify the Indemnifying Party will not relieve the Indemnifying Party of any liability that it may have to any Indemnified Person, except to the extent that the Indemnifying Party demonstrates that the defense of such action is materially prejudiced by the Indemnified Person's failure to give such notice.

(b) Participation. If any Action is brought against an Indemnified Person and it gives prompt notice to the Indemnifying Party of the commencement of such Action, the Indemnifying Party will be entitled to participate in such Action and, to the extent that it wishes to assume the defense of such Action, will be entitled to assume the defense of such Action with counsel satisfactory to the Indemnified Person. After notice from the Indemnifying Party to the Indemnified Person of its election to assume, and its continued defense, of such Action, the Indemnifying Party will not, as long as it diligently conducts such defense, be liable to the Indemnified Person under this Article 8 for any fees of other counsel or any other expenses with respect to the defense of such Action subsequently incurred by the Indemnified Person in connection with the defense of such Action, other than reasonable costs of investigation. If the Indemnifying Party assumes the defense of an Action:

(i) It will be conclusively established for purposes of this Agreement that the claims made in that Action are within the scope of and subject to indemnification;

(ii) No compromise or settlement of such claims may be effected by the Indemnifying Party without the Indemnified Person's consent unless: (A) there is no finding or admission of any violation of Legal Requirements or any violation of the rights of any Person and no effect on any other claims that may be made against the Indemnified Person, and (B) the sole relief provided is monetary damages that are paid in full by the Indemnifying Party; and

(iii) The Indemnified Person will have no liability with respect to any compromise or settlement of such claims effected without its consent. If notice is given to an Indemnifying Party of the commencement of any Action and the Indemnifying Party does not, within ten days after the Indemnified Person's notice is given, give notice to the Indemnified Person of its election to assume the defense of such Action, the Indemnifying Party will be bound by any determination made in such Action or any compromise or settlement effected by the Indemnified Person.

(c) Special Claims. Notwithstanding the above, an Indemnifying Party will not be entitled to assume or continue the defense of an Action if: (i) the claim involves Taxes arising in a taxable year that begins subsequent to the Closing Date; (ii) the Indemnifying Party is also a party to such Action and the Indemnified Person determines in good faith that joint representation would be inappropriate; (iii) the Indemnifying Party fails to provide reasonable assurance to the Indemnified Person of its financial capacity to defend such Action and provide indemnification with respect to such Action; or (iv) an Indemnified Person determines in good faith that there is a reasonable probability that an Action may adversely affect it or its affiliates other than as a result of monetary damages for which it would be entitled to indemnification under this Agreement. In any such case, the Indemnified Person may, by notice to the Indemnifying Party, assume the exclusive right to defend, compromise, or settle such Action, but the Indemnifying Party will not be bound by any determination of an Action so defended or any compromise or settlement effected without its consent, which consent may not be unreasonably withheld, conditioned, or delayed.

8.4 Additional Limitations; Offset. Notwithstanding anything herein to the contrary, the indemnification obligations hereunder shall be subject to the following limitations:

(a) No Indemnifying Party will be liable to any Indemnified Person with respect to any claim referred to in Section 8.2 if the specific facts and circumstances giving rise to such claim were set forth on the Disclosure Schedule delivered by such Indemnifying Party in connection with the Closing hereunder or were disclosed in writing to the Indemnified Person prior to the Closing Date, in each case in a form adequate so as to make reasonably clear or otherwise make such Person reasonably aware that such facts and circumstances are an exception to the specified representation or warranty.

(b) The amount of any indemnification payment required to be made by an Indemnifying Party pursuant to Section 8.2 with respect to a particular claim for indemnification shall be reduced by: (i) the amount of tax benefits actually received or receivable by the Indemnified Person with respect to the tax year that the events giving rise to such claim arose (net of any tax detriment which the Indemnified Person may suffer on account of the indemnification) and (ii) the amount of insurance proceeds actually received or receivable as a result of the events giving rise to such claim.

(c) To the extent that any Indemnifying Party discharges any claim for indemnification hereunder, the Indemnifying Party shall be subrogated to all rights of the Indemnified Person after third parties. No Indemnified Person shall be entitled to recover, as an element of Damages any punitive or any special, incidental, indirect or consequential damages, including without limitation loss of revenue or income, cost of capital, diminution in value or loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement.

(d) In the event that Newco (i) breaches its reimbursement obligation under Section 5.16 with respect to its obligation to reimburse DRG for the costs of the DRG Tail Policy or DRG's director's and officer's liability insurance, then in addition to other remedies available to it, DRG's indemnification obligations under this Article 8 shall immediately cease (other than for any previously pending indemnification claims) and Newco shall thereafter be obligated to satisfy any Damages thereafter incurred by DRG attributable or arising out of Newco's failure to pay to DRG such amounts; and (ii) breaches its reimbursement obligation under Section 5.16 with respect to its obligation to reimburse Orthocon for the costs of its tail insurance policy or director's and officer's liability insurance, then in addition to other remedies available to it, Orthocon's indemnification obligations under this Article 8 shall immediately cease (other than for any previously pending indemnification claims) and Newco shall thereafter be obligated to satisfy any Damages thereafter incurred by Orthocon attributable or arising out of Newco's failure to pay to Orthocon such amounts.

8.5 Sole Remedy. The Parties agree that, except for claims based on fraud, willful misconduct or intentional misrepresentation on the part of any Party hereto, the indemnities provided under this Article 8 shall be the exclusive remedies arising from this Agreement; provided, however, nothing herein shall be deemed a waiver by any Party hereto of any right to specific performance or injunctive relief.

ARTICLE 9 DEFINITIONS

As used in this Agreement the listed terms will have the following respective meanings:

“Act” has the meaning set forth in Section 2.7.

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

“Affiliate” (and, with a correlative meaning, **“Affiliated”**) means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such first Person.

“Agreement” has the meaning set forth in the preamble to this Agreement.

“Assignment and Assumption Agreement” has the meaning set forth in Section 1.12(d).

“Assumed Contract” means, collectively, the Assumed DRG Contracts and the Assumed Orthocon Contracts.

“Assumed DRG Contracts” has the meaning set forth in Section 1.5(d).

“Assumed DRG Liabilities” has the meaning set forth in Section 1.7.

“Assumed Orthocon Contracts” has the meaning set forth in Section 1.1(e).

“Assumed Orthocon Liabilities” has the meaning set forth in Section 1.3.

“Basket” has the meaning set forth in Section 8.2(a).

“Closing” has the meaning set forth in Section 1.11.

“Closing Date” has the meaning set forth in Section 1.11.

“Code” means the Internal Revenue Code of 1986, as amended, and any successor thereto.

“Confidential Information” means with respect to the applicable Party, (a) any and all trade secrets, product specifications, data, know-how, formulae, compositions, processes, designs, graphs, drawings, samples, inventions and ideas, past, current and planned research and development, current and planned distribution methods and processes, customer lists, current and anticipated customer requirements, price lists, market studies, technical papers, business plans, computer software and programs, computer software and database technologies, systems, and any other information, however documented, that is marked or customarily treated by a Party as confidential; (b) historical financial statements, financial projections and budgets, historical and projected sales, capital spending budgets and plans, the names and backgrounds of key personnel, personnel training and techniques and materials; and (c) any and all notes, analysis, compilations, studies, summaries, and other material prepared by or for the applicable Party containing or based, in whole or in part, on any information included in the foregoing.

“Consideration” has the meaning set forth in Section 1.9.

“Damage” means any out of pocket amount paid or incurred in respect of any loss (including license fees, royalty or damage payments, or amounts paid in settlement), cost, liability, penalty, Tax, claim, damage, or expense (including cost of investigation, defense, settlement and reasonable attorneys’ and other professional fees). For the

purposes of Article 8, the determination of Damages will be made without regard to any materiality qualifier, including any reference to Material Adverse Effect.

“Dissenting Shares” means shares of capital stock of any issuer held by a stockholder of such issuer who did not vote in favor of the asset transfer contemplated hereunder (or consent thereto in writing) and who is entitled to demand and properly demands appraisal of such shares pursuant to, and who as of the Closing has complied in all respects with, the provisions of the corporate law applicable to such issuer.

“DRG” has the meaning set forth in the preamble to this Agreement.

“DRG Bucket” has the meaning set forth in Section 5.16.

“DRG Business” means DRG’s polyurethane biomaterials business as conducted immediately prior to the date of execution of this Agreement assuming that Closing does not occur.

“DRG Disclosure Schedule” has the meaning set forth in Section 3.1.

“DRG Indemnified Person” has the meaning set forth in Section 8.2(b).

“DRG Intellectual Property” means all Intellectual Property owned or used by DRG in the conduct of the DRG Business.

“DRG Licenses” has the meaning set forth in Section 3.14.

“DRG Listed Personal Property” has the meaning set forth in Section 1.5(a).

“DRG Permits” has the meaning set forth in Section 1.5(f).

“DRG Product Registrations” has the meaning set forth in Section 3.14.

“DRG Shares” has the meaning set forth in Section 1.9(b).

“DRG Tail Policy” has the meaning set forth in Section 5.12.

“Effective Time” has the meaning set forth in Section 1.11.

“Environment” means soil, land surface or subsurface strata, surface waters (including navigable waters and ocean waters), groundwaters, drinking water supply, stream sediments, ambient air (including indoor air), plant and animal life and any other environmental medium or natural resource.

“Environmental Law” means any Legal Requirement designed: (a) to advise appropriate authorities, employees or the public of intended, threatened or actual Releases of pollutants or Hazardous Substances or Materials or Hazardous Wastes, violations of environmental permits, or other violations of law and of the commencement of activities, such as resource extraction or construction, that could have a significant impact on the Environment; (b) to prevent or regulate the Release of Hazardous Substances or Materials or Hazardous Wastes into the Environment; (c) to reduce the quantities, prevent the Release and minimize the hazardous characteristics of wastes that are generated; (d) to regulate the generation, management, treatment, storage, handling, transportation or disposal of Hazardous Substances or Materials or Hazardous Wastes; (e) to assure that products are designed, formulated, packaged or used so that they do not present unreasonable risks to human health or the Environment when used or disposed of; (f) to protect or regulate natural resources, species or ecological amenities; (g) to provide for or require the cleanup of Hazardous Substances or Materials or Hazardous Wastes that have been Released; (h) to recover response costs or to make responsible parties pay private parties, or groups of them, for damages done to their health or the Environment, or to permit self-appointed representatives of the public interest to recover for injuries done to public assets; or (i) to regulate in any manner the potential impact of an activity on the Environment.

“Environmental Liability” means any Damages arising from or relating to any violation of or liability under Environmental Law or Occupational Safety and Health Law or Worker’s Compensation Law with respect to acts or omissions by a Person or with respect to any predecessor or Affiliate, or conditions in existence or events or circumstances having occurred, in each case on or before the Closing Date, including: (a) any environmental, health or safety matters or conditions (including on-site or off-site contamination, occupational safety and health violations, and regulation of chemical substances or products); and (b) any responsibility for response costs, natural resource damages, corrective action or actions to achieve compliance, including any cleanup, removal, containment or other remediation or response action (**“Cleanup”**) for which a Person is liable under applicable Environmental Law, Occupational Safety and Health Law or Worker’s Compensation Law (whether or not such Cleanup has been ordered or requested by any Governmental Body or any other Person). The terms “removal,” “remedial,” and “response action” include the types of activities covered by the Federal Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., as amended, or any similar state law.

“Excluded DRG Assets” has the meaning set forth in Section 1.6.

“Excluded DRG Liabilities” has the meaning set forth in Section 1.8.

“Excluded Orthocon Assets” has the meaning set forth in Section 1.2.

“Excluded Orthocon Liabilities” has the meaning set forth in Section 1.4.

“FDA” means the United States Food and Drug Administration.

“GAAP” means generally accepted accounting principles as used in the United States.

“Governmental Authorization” means any approval, clearance, consent, license, permit, waiver or other authorization issued, granted, given or otherwise made available by or under the authority of any Governmental Body or pursuant to any Legal Requirement.

“Governmental Body” means any: (a) nation, state, county, city, town, village, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official or entity and any court or other tribunal); (d) multi-national organization or body; or (e) body exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature.

“Gross Indemnity Amount” has the meaning set forth in Section 8.2(d)(i).

“Hazardous Substance or Material” means any pollutant or substance that is controlled or regulated by any Environmental Law in any way, including oil, petroleum or derivatives or products thereof.

“Hazardous Waste” means any “hazardous wastes,” “extremely hazardous substances,” “restricted hazardous waste,” “special waste,” “contamination” or words of similar import under any Environmental Law, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601, et. seq.) (**“CERCLA”**), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Section 1801, et. seq.), the Solid Waste Disposal Act as amended by the Resource Conservation and Recovery Act (42 U.S.C. Sections 6901, et. seq.), the Toxic Substances Control Act, as amended (15 U.S.C. Sections 2601 et seq.), the Federal Waters Pollution Control Act, as amended (33 U.S.C. 1251 et seq.), the Safe Drinking Water Act (42 U.S.C. Sections 300f et seq.), the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. Sections 136 et seq.), and any other state or local environmental laws.

“Indemnifiable Legal Expenses” has the meaning set forth in Section 8.2(d)(ii).

“Indemnified Party” has the meaning set forth in Section 8.1.

“Indemnified Person” has the meaning set forth in Section 8.1.

“Indemnifying Party’s Ownership Percentage” has the meaning set forth in Section 8.2(d)(i).

“Intellectual Property” means all right, title and interest in or relating to intellectual property, whether protected, created or arising under the laws of the United States or any other jurisdiction, including: (i) inventions, discoveries, and patents and applications therefor, including continuations, divisionals, and continuations-in-part thereof and patents issuing thereon, along with all reissues, reexaminations and extensions thereof, and every priority right that is or may be predicated upon or arise from the inventions, discoveries, and patents and applications (collectively, **“Patents”**); (ii) trademarks, service marks, trade names, service names, brand names, trade dress rights, corporate names, trade styles, logos and other source or business identifiers and general intangibles of a like nature, together with the goodwill associated with any of the foregoing, along with all applications, registrations, renewals and extensions thereof (collectively, **“Marks”**); (iii) Internet domain names; (iv) copyrights and mask work, database and design rights, whether or not registered or published, all registrations and recordings thereof and all applications in connection therewith, along with all reversions, extensions and renewals thereof (collectively, **“Copyrights”**); (v) trade secrets and other proprietary Confidential Information (**“Trade Secrets”**); (vi) other intellectual property rights arising from or relating to technology, and (vii) contracts granting any right relating to or under the foregoing. Notwithstanding the foregoing, “Intellectual Property” of a Party shall not include any Excluded Orthocon Asset or Excluded DRG Asset, as applicable.

“IRA Agreement” has the meaning set forth in Section 1.12(f).

“IT Distribution Subsidiary” has the meaning set forth in Section 1.10.

“IT Distribution Subsidiary Stockholders Agreement” has the meaning set forth in Section 1.13(j).

“IT Sub Shares” has the meaning set forth in Section 1.10.

“Knowledge” and words of similar meaning means, with respect to (a) DRG, the actual (and not constructive) knowledge of its officers and directors, including, Joseph Jannetty, Eric Kolb and Naresh Akkarapaka, without any duty of inquiry, investigation or diligence as to the relevant matter, and (b) Orthocon or Newco, the actual knowledge of its officers, directors and other employees of Newco, without any duty of inquiry, investigation or diligence as to the relevant matter; *provided, that*, no such Person listed above shall have any individual liability under this Agreement.

“Latest DRG Balance Sheet” has the meaning set forth in Section 3.5.

“Latest Orthocon Balance Sheet” has the meaning set forth in Section 2.5.

“Legal Requirement” means any federal, state, local, municipal, foreign, international, multinational or other constitution, law (including any Environmental Law or Occupational Safety and Health Law), ordinance, standard, principle of common law, statute, code, regulation, rule or treaty.

“Lien” means any security interest, pledge, mortgage, lien, charge, encumbrance, or any similar interest in any of the Transferred Assets, other than (i) statutory liens for taxes or assessments not yet due and payable or that a Party is contesting in good faith through appropriate proceedings for which adequate reserves have been maintained on such Party’s balance sheet and (ii) mechanics’, materialmen’s and similar liens.

“Listed DRG IP” has the meaning set forth in Section 3.9(a).

“Listed DRG Licenses” has the meaning set forth in Section 3.9(a).

“Listed Orthocon IP” has the meaning set forth in Section 2.10(a).

“Listed Orthocon Licenses” has the meaning set forth in Section 2.10(a).

“Material Adverse Effect” with respect to a Party shall mean any matter or matters affecting such Party that has or could reasonably be expected to have a material adverse effect on the business, assets, financial condition or results of operations of such Party and its subsidiaries, taken as a whole, or on the ability of such Party to consummate the transactions contemplated by this Agreement on a timely basis. For the purposes of this definition, a material adverse change in general political, financial or economic conditions within and/or without the United States shall not constitute a “Material Adverse Effect.”

“Net Indemnity Amount” has the meaning set forth in Section 8.2(d)(i).

“Newco” has the meaning set forth in the preamble to this Agreement.

“Non-Breaching Party” has the meaning set forth in Section 7.1(a).

“Occupational Safety and Health Law” means any Legal Requirement designed to provide safe and healthful working conditions and to reduce occupational safety and health hazards, and any program, whether governmental or private, designed to provide safe and healthful working conditions.

“Order” means any award, decision, injunction, judgment, order, decree, stipulation, ruling, subpoena or verdict entered, issued, made or rendered by any court, administrative agency or other Governmental Body or by any arbitrator.

“Ordinary Course” means the ordinary course of the applicable Party’s conduct of the operation of its business consistent with past practice.

“Orthocon” has the meaning set forth in the preamble to this Agreement.

“Orthocon Business” means Orthocon’s implantable biomaterial products business as conducted immediately prior to the date of execution of this Agreement assuming that Closing does not occur.. The Orthocon Business excludes in all respects, the Orthocon IT Distribution Platform Business.

“Orthocon Disclosure Schedule” has the meaning set forth in Section 2.1.

“Orthocon Indemnified Person” has the meaning set forth in Section 8.2(a).

“Orthocon Intellectual Property” means all Intellectual Property owned or used by Orthocon in the conduct of the Orthocon Business.

“Orthocon Inventory” has the meaning set forth in Section 1.1(d).

“Orthocon IT Distribution Platform Business” has the meaning set forth in Section 1.2(a).

“Orthocon Licenses” has the meaning set forth in Section 2.15.

“Orthocon Permits” has the meaning set forth in Section 1.1(g).

“Orthocon Personal Property” has the meaning set forth in Section 1.1(a).

“Orthocon Product Registrations” has the meaning set forth in Section 2.15.

“Orthocon Shares” has the meaning set forth in Section 1.9(a).

“Party” and **“Parties”** has the meaning set forth in the preamble to this Agreement.

“Permits” means, collectively, the Orthocon Permits and the DRG Permits as described in Section 1.5(f).

“Person” means any individual, firm, corporation, partnership, limited liability company, joint venture, association, estate, trust, governmental agency or body or other entity, and will include any successor (by merger or otherwise) of such Person.

“Records” means, to the extent that they relate to a Transferred Assets, all records, product technical files and all other data related to regulatory submissions, regulatory submissions (including 510(k) and CE Mark submissions), customer and supplier lists, customer contact reports, product and business plans, product information, product drawings, design history files, in vitro, in-vivo, pre-clinical and clinical data studies (whether completed, in process or being designed), reimbursement data and records (including data to support USP Monograph), production documentation, material specifications, equipment lists, equipment logs, research and development reports, formulae, specifications, computer software whether in object code or source code, electronic data processing systems, algorithms, flow charts, drawings, plans, reports, data, notes, correspondence, contracts, labels, catalogues, brochures, art work, photographs, advertising materials, marketing and production literature, files, books of account, ledgers and other financial records, and other records and documents relating to the applicable Transferred Asset (electronic or otherwise).

“Regulatory Matters” shall mean all matters governed by Legal Requirements issued by the FDA relating to any product of the applicable Party.

“Related Person” with respect to a particular Person, means: (a) any Person that directly or indirectly controls, is directly or indirectly controlled by, or is directly or indirectly under common control of the particular Person; (b) any Person that holds a material interest in the particular Person; (c) each Person that serves as an officer, director or manager of the particular Person; and (d) any Person in which such particular Person holds a material interest.

“Release” means any release, spill, emission, leaking, pumping, pouring, dumping, emptying, injection, deposit, disposal, discharge, dispersal, leaching or migration on or into the Environment or into or out of any property.

“ROFR Agreement” has the meaning set forth in Section 1.12(e).

“Shares” means the DRG Shares and the Orthocon Shares.

“Tax” or **“Taxes”** means all taxes, charges, fees, levies or other assessments (whether U.S. federal, state, local or foreign) based upon or measured by income and any other tax whatsoever, including, without limitation, gross receipts, profits, premium, sales, use, occupation, value added, ad valorem, transfer, franchise, withholding, payroll, employment, unemployment, excise, windfall profits, transfer, license, occupation or property taxes, together with any interest, penalties or additions to tax resulting from, attributable to, or incurred in connection with any such taxes or any contest or dispute thereof.

“Tax Return” means any return (including any information return), report, statement, schedule, notice, form or other document or information filed with or submitted to, or reported to be filed with or submitted to, any Governmental Body in connection with the determination, assessment, collection or payment of any Tax or in connection with the administration, implementation or enforcement of or compliance with any Legal Requirement relating to any Tax.

“Third Party Reimbursable Claims” has the meaning set forth in Section 5.16.

“Transaction Agreement” means this Agreement, the Voting Agreement, the IRA Agreement, the ROFR Agreement, the IT Distribution Subsidiary Stockholders Agreement, and all such other agreements, contracts, understanding and all other material documents, written or oral, entered into in connection with this Agreement and the Transaction Agreements.

“Transferred Assets” means, collectively, the Transferred Orthocon Assets and the Transferred DRG Assets.

“**Transferred DRG Assets**” has the meaning set forth in Section 1.5.

“**Transferred Orthocon Assets**” has the meaning set forth in Section 1.1.

“**Voting Agreement**” has the meaning set forth in Section 1.12(c).

“**Worker’s Compensation Law**” means any Legal Requirement designed to establish a system for financially compensating employees who sustain injuries or disabilities or disfigurements or contract illnesses that arise out of or in the course of their employment.

ARTICLE 10 GENERAL

10.1 Counterparts and Electronic Transmission. This Agreement may be executed in one or more counterparts, all of which will be considered one and the same agreement, and will become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party. This Agreement may be executed and delivered by facsimile or e-mail transmission with the same effect as if a manually signed original was personally delivered.

10.2 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York without regard to conflicts of laws principles.

10.3 Jurisdiction. The Parties agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby will be brought in the United States District Court for the Southern District of New York or any New York State court sitting in Manhattan, New York, so long as one of such courts will have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement will be deemed to have arisen from a transaction of business in the State of New York, and each of the Parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any Party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each Party agrees that service of process on such Party as provided in Section 10.6 will be deemed effective service of process on such Party.

10.4 Entire Agreement and Third-Party Beneficiaries. This Agreement (including agreements incorporated herein) and the Exhibits and Schedules hereto contain the entire agreement between the Parties with respect to the subject matter hereof and there are no agreements, understandings, representations or warranties between the Parties other than those set forth or referred to herein; provided, however, any confidentiality or non-disclosure agreement in effect between or among any of the Parties hereto shall survive until the closing hereunder. This Agreement is not intended to confer upon any Person not a Party hereto (and their successors and permitted assigns) any rights or remedies hereunder, except that Section 8.2 hereof is intended to benefit, and to be enforceable by, any of the Indemnified Persons.

10.5 Expenses. Except as set otherwise forth in this Agreement, whether the asset transfer contemplated hereunder is or is not consummated, all legal and other costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby will be paid by the Party incurring such costs and expenses.

10.6 Notices. All notices, requests, demands and other communications to be given pursuant to the terms of this Agreement will be in writing and will be deemed to have been duly given if delivered by hand, sent by e-mail, sent by a nationally recognized overnight mail service, or mailed first class, postage prepaid:

If to Orthocon:

1 Bridge Street
Suite 121
Irvington, New York 10533
Attention: CEO

If to DRG:

Doctors Research Group, Inc.
574 Heritage Road, Suite 202
Southbury, CT 06488 U.S.A

If to Newco:

1 Bridge Street
Suite 121
Irvington, New York 10533
Attention: CEO

Any Party may change its address, telephone number, or e-mail address by prior written notice to the other Parties.

10.7 Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and assigns; provided, however, that no Party will assign its rights or delegate its obligations under this Agreement without the express prior written consent of each other Party, except that Newco may transfer or assign any or all of its rights and obligations hereunder to any Affiliate of Newco or to a third party in connection with the sale of that portion of its business that concerns the subject matter hereof without the consent of any other Party. In the case of such a transfer or assignment to an Affiliate of Newco, such Affiliate will be the "Newco" for all purposes hereunder. Neither Party shall transfer any of its Shares to any Person while such Shares are subject to the indemnification obligations of such Party set forth in Article 8, unless the transferee of such Shares executes and delivers to each Party an agreement in form and substance acceptable to the Parties pursuant to which such transferee agrees that the transferee and the acquired Shares will be subject to the indemnification obligations (on a pro rata basis based upon the number of Shares transferred) of Article 8 in a manner identical to that imposed upon the transferor. None of the rights or obligations of this Agreement may be assigned by any of the Parties except in connection with a transfer of the Shares of such Party, and then only in accordance with any restrictions on transfer in this Agreement, the Voting Agreement, the ROFR Agreement and the IRA Agreement. In the event of the liquidation or dissolution of either DRG or Orthocon, their respective rights hereunder may be enforced by their respective former shareholders.

10.8 Amendments and Waivers. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by the Party against whom enforcement of any such modification or amendment is sought. Any Party may waive compliance by any other Party with any term or provision of this Agreement on the part of such Party to be performed or complied with, but only by an instrument in writing. The waiver by any Party of a breach of any term or provision of this Agreement will not be construed as a waiver of any subsequent breach.

10.9 Interpretation. It is understood and agreed that the specification of any dollar amount in the representations and warranties contained in this Agreement or the inclusion of any specific item in the Schedules is not intended to imply that such amounts or higher or lower amounts, or the items so included or other items, are or are not material, and no Party will use the fact of the setting of such amounts or the fact of the inclusion of any such item in the Schedules in any dispute or controversy between the Parties as to whether any obligation, item or matter not described herein or included in a Schedule is or is not material for purposes of this Agreement. As used in this Agreement, the word "including" means "including without limitation" or "include(s) without limitation," (ii) words importing the singular include the plural and vice versa and the masculine, feminine and neuter genders include all genders, and (iii) if the time for performing an obligation under this Agreement occurs or expires on a

day that is not a business day, the time for performance of such obligation shall be extended until the next succeeding business day.

10.10 Negotiation in Event of Dispute. In the event of any dispute or disagreement between any of the Parties as to the interpretation of any provision of this Agreement or any agreement incorporated herein, the performance of obligations hereunder or thereunder, or any other disputed matter relating hereto or thereto, such matter, upon the written request of any Party, will be referred to an executive of each Party. The executives will promptly meet in good faith to resolve the dispute. If the executives do not agree upon a decision within thirty calendar days after the reference of the matter to them, any Party hereto will be free to exercise any remedies available to it.

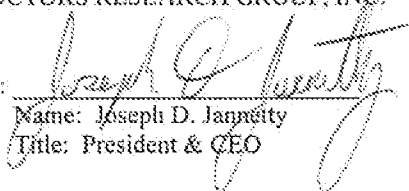
* * *

This Asset Transfer Agreement has been signed by or on behalf of each of the Parties as of the day first above written.

ORTHOCON, INC.

By: _____
Name: John J. Pacifico
Title: Chief Executive Officer

DOCTORS RESEARCH GROUP, INC.


By: 
Name: Joseph D. Jannetty
Title: President & CEO

ABYRX, INC.

By: _____
Name: John J. Pacifico
Title: Chief Executive Officer

This Asset Transfer Agreement has been signed by or on behalf of each of the Parties as of the day first above written.


ORTHOCON, INC.

By: 
Name: John J. Pacifico
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DOCTORS RESEARCH GROUP, INC.

By: _____
Name: Joseph D. Jannetty
Title: President & CEO

ABYRX, INC.

By: 
Name: John J. Pacifico
Title: Chief Executive Officer