

ASSET PURCHASE AGREEMENT

This Agreement, dated July 31, 2018, is by and among Galloway Dental, P.C. ("**Seller**"), a New York professional corporation located at 66 Galloway Road, Warwick, New York 10990; Premier Care Dental Management, LLC ("**Purchaser**"), a New York limited liability company located at 3333 New Hyde Park Road, New Hyde Park, New York 11042; Asnis Dental, PLLC ("**PLLC**"), a New York professional service limited liability company located at 2780 Merrick Road, Bellmore, New York 11710; Edwin O. Wiley, D.M.D., a dentist licensed under the laws of the State of New York having an address at 66 Galloway Road, Warwick, New York 10990 and Greg Klein, D.M.D., a dentist licensed under the laws of the State of New York having an address at 66 Galloway Road, Warwick, New York 10990 (each a "**Dentist**", and collectively, the "**Dentists**"). Seller, Purchaser, PLLC and the Dentists are hereinafter sometimes referred to individually as a "**Party**" and together as the "**Parties**."

WITNESSETH:

WHEREAS, Seller owns certain assets and operates a dental practice (the "**Practice**") located at 66 Galloway Road, Warwick, New York 10990 (the "**Premises**"); and

WHEREAS, Seller is a New York professional service corporation authorized to operate a dental practice in the State of New York, and Purchaser is a dental services company; and

WHEREAS, Dentists are the sole owners of the Practice;

WHEREAS, the Purchaser desires to acquire, and the Seller desires to sell, substantially all of the Business Assets (as defined herein) of the Seller, as more specifically set forth in Section 1 of this Agreement upon the terms and conditions hereinafter set forth; and

WHEREAS, PLLC is a New York professional limited liability company authorized to operate a dental practice in the State of New York and desires to acquire, and Seller desires to sell, certain Professional Assets (as defined herein) of the Seller, as more specifically set forth in Section 1 of this Agreement.

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter set forth, and other valuable consideration, the receipt and sufficiency of which hereby is acknowledged, the parties hereto agree as follows:

1. Purchase and Sale of Assets.

a. Subject to, and in accordance with, the terms and conditions of this Agreement, at the Closing, Seller shall sell, transfer and deliver to Purchaser, and Purchaser shall purchase and receive from Seller, all right, title and interest in and to the assets, properties, improvements and business owned or leased by Seller, located at the Premises and utilized in the Practice, other than the Excluded Assets (defined herein), and other than the Professional Assets (defined herein) that are simultaneously being transferred to the PLLC at the Closing, free and clear of all liens, claims and encumbrances, including, without limitation, and subject to Seller's contractual rights and obligations with respect to such assets, properties, improvements and

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business as disclosed in Sellers Disclosure Schedules hereunder (collectively, the "Business Assets"), the following:

i. All tangible fixed assets, security deposits, prepaid expenses (including prepaid real estate taxes and assessments, prepaid rent and the security deposit under the Office Lease (as defined on Schedule 1.a. hereto), water and sewer charges, taxes and rentals, telephone, gas, water, electric, steam and all other utility charges (to be based upon actual reading of meters where reasonably feasible), and heating fuel, if any, in each case as adjusted as of the Closing Date), furniture, fixtures, machinery, equipment, leasehold improvements, computers and computer systems utilized in the Practice;

ii. All of the inventory of dental supplies and dental instruments (collectively, the "*Inventory*"), which Inventory shall be in amounts and at such levels as are consistent with past practices of Seller;

iii. All contract rights, leases and commitments of the Seller with respect to the Practice and, to the extent assignable, all customer contracts, equipment leases, manufacturer's warranties and any licenses or license agreements relating to patents, trademarks or other intangibles, if any, utilized in the Practice, but only to the extent that all of the foregoing are set forth in Schedule 1.a. hereto (collectively, the "Assumed Contracts"); provided, however, that Purchaser does not assume any liabilities under the Assumed Contracts arising from any payment obligations attributable to the period prior to the Closing Date or which arise from any acts or omissions related to such Assumed Contracts by the Seller, or the Seller's employees or agents which took place prior to the Closing Date;

iv. All licenses and permits utilized in the Practice and issued to or controlled by Seller (as compared to the Dentists), to the extent transferable;

v. All transferable rights in and to all warranties of any manufacturer, supplier or vendor with respect to any of the Business Assets; and

vi. Seller's goodwill, including, without limitation, all patient lists, referral lists, supplier lists, trade secrets, marketing information, and other such knowledge and information constituting the "know-how" used in the Practice; the following telephone numbers: (845) 986-8846; signs used in the office and any trade names, business names and service marks (if any) used in Seller's practice; Seller's website (including hosting information and passwords) <http://www.gallowaydental.biz>; the Seller's paid advertisement materials including but not limited to any "Zocdoc" listings; social media pages, domain names (<http://www.gallowaydental.biz>) or general administrative email addresses (not personal email addresses) owned by the Seller; and all other intangible intellectual property related to the Practice, as set forth in Exhibit A, Business Assets; and

vii. All other rights and assets of any kind, tangible or intangible, owned or leased by Seller and utilized in the Practice, whether or not reflected in Seller's financial statements or in its books and records, except as otherwise provided herein.

b. Subject to, and in accordance with, the terms and conditions of this Agreement, at the Closing, Seller shall sell, transfer and deliver to PLLC, and PLLC shall



acquire and receive from Seller, free and clear of all liens, claims and encumbrances, all right, title and interest in and to the following professional assets of Seller, to the extent in Seller's possession and control and except to the extent included among the Excluded Assets: (i) custodianship of the originals (or true and correct copies in cases in which Seller is required by law to retain originals) of all professional records of the Practice (collectively, the "**Records**"), including but not limited to the following: (w) all dental patient books, records and manuals, including without limitation, all operating practices and procedures; (x) all Patient Records (defined below) (consistent with applicable legal and ethical requirements), including without limitation, all charts, documents, notes, and radiographs pertaining to patients of the Practice; (y) all computer databases containing patient information or referral sources, including without limitation, all primary and back-up tapes and disks (Seller shall be entitled to retain at its sole cost and expense an archival copy for its records); and (z) all books, records and other data owned by Seller relating to the professional business of the Practice, including any information maintained by Seller on computer disc or other electronic media; and (ii) other professional assets of Seller as set forth in Exhibit A, Professional Assets (the "**Professional Assets**" and, collectively with the Business Assets, the "**Assets**").

c. The Parties agree that only certain assets of Seller are included in this purchase as Assets described in Section 1.a. and Section 1.b, above. The following shall be specifically excluded from the Assets and shall not be sold to the Purchaser or PLLC hereunder (collectively, the "**Excluded Assets**"):

- i. all accounts receivable or any other funds owed to the Seller by patients of the Practice prior to the Closing Date;
- ii. personal effects of Seller and/or the Dentists, including but not limited to artwork and "mother's desk";
- iii. any cash or cash equivalents held by or on behalf of the Seller;
- iv. the corporate seals, certificates of incorporation, minute books, stock books, tax returns, books of account and/or other records having to do with the organization of the Practice; and
- v. all cash and bank accounts.

2. **Purchase Price.** The Purchase Price to be paid by Purchaser is Eight Hundred Thousand Dollars and 00/100 (\$800,000.00) (the "**Purchase Price**"), payable to Seller, or Seller's designee, at Closing by wire transfer or one or more bank or certified checks.

3. **Allocation of Purchase Price.**

a. The Purchase Price is comprised of the following components:

Goodwill:	\$ 625,000
Furniture and Fixtures:	\$ 60,000
Equipment:	\$ 15,000
<u>Restrictive Covenant</u>	<u>\$ 100,000</u>



Total Purchase Price: \$800,000.00

b. The Parties agree to use the foregoing allocation, which was the result of arm's length negotiations, for purposes of all federal, state and local tax returns. This Section 3 shall survive the Closing. None of the Parties hereto shall take any position on any Tax Return (including IRS Form 8594), before any governmental entity or in any judicial proceeding which is inconsistent with such allocation of the Purchase Price. Purchaser shall be responsible to pay New York Sales Tax, Orange County at 8.125 %, in the amount of \$6,093.75.

c. In addition to payment of the Purchase Price, any sales tax payable as a result of this sale shall be paid by Purchaser at Closing by check payable to "New York Sales Tax," and delivered to the attorney for Seller, together with the appropriate state sales tax reporting form. Any additional sales tax which may be determined by the State tax department to be due hereon shall be paid by Purchaser, together with interest and penalties, if any.

4. Assumed Liabilities; Excluded Liabilities.

a. Subject to the terms and conditions of this Agreement, Seller is assigning to Purchaser, and Purchaser is assuming and agreeing to pay and perform when due, from and after the Closing, only the following liabilities and obligations of the Practice (collectively, the "***Assumed Liabilities***"): (i) all accounts payable to the extent expressly set forth in **Schedule 4.a** hereto, (ii) obligations under the Assumed Contracts, and (iii) equipment leases relating to the dental equipment or other equipment used in connection with the Practice, equipment maintenance and service agreements, supplies agreements, information technology agreements, and circuit and telephone agreements, but only to the extent such leases and agreements are expressly included in the definition of Assumed Contracts (collectively, the "***Assumed Liabilities***").

b. Notwithstanding anything to the contrary contained in Sections 1 or 4.a above, except as otherwise expressly provided in this Agreement, Purchaser does not assume, or become in any way liable for, the payment or performance of any debts, liabilities or obligations (absolute or contingent) of Seller to third parties to the extent that such debts, liabilities or obligations exist immediately prior to the Closing with respect to the Practice, including but not limited to, the following excluded liabilities (collectively, the "***Excluded Liabilities***"): (i) in respect of any indebtedness for money borrowed, (ii) under or in respect of any contracts, agreements or leases, other than in respect of those specifically set forth as Assumed Liabilities, but in no event shall Purchaser or PLLC be responsible for any transfer fees assessed by the equipment lessors/lenders in connection with the transfer of any equipment leases which are part of the Assumed Liabilities, (iii) relating to any federal, state or local income taxes or sales taxes or any other taxes which may be assessable against Seller for any activities of Seller prior to Closing, (iv) relating to or arising out of any pending claims, actions, arbitrations and/or other proceedings against Seller, (v) in respect of any accrued payroll, accrued vacation time, or matching funding obligations by Seller to any 401(k) plans maintained by or on behalf of Seller prior to the Closing Date for the benefit of any past or present employees, or (vi) relating to professional liability an malpractice claims, and any repayment or refund obligations related to any payments from any payors, plus any and all interest and penalties related to any of the foregoing, or (vii) relating to any business operations of Seller, other than the Assumed



Liabilities which arose prior to the Closing and which are expressly assumed pursuant to this Agreement.

5. **Closing.** "**Closing**" shall mean the settlement of the obligations of Seller, Purchaser and PLLC to each other under this Agreement, including payment of the Purchase Price and delivery of Closing documents provided for in Section 6 hereof. Closing shall be held as of 12:01 a.m. on September 4, 2018 (the "**Closing Date**"). The Parties shall conduct the Closing by the electronic exchange of executed documents on the Closing Date, followed by the exchange or original documents by mail.

6. **Closing Documents.**

a. At Closing, Seller shall deliver to Purchaser and PLLC, as the case may be:

i. Two (2) Bills of Sale (the "**Bills of Sale**"), substantially in the form attached as **Exhibit C**; one for the benefit of Purchaser with respect to the Business Assets and one for the benefit of PLLC with respect to the Professional Assets;

ii. Consent to transfer the business telephone numbers of the Practice, in acceptable form to the carrier (and any advertising associating therewith) to Purchaser; and

iii. Such other documents and instruments reasonably necessary or proper for Purchaser or PLLC to receive title and all other ownership interests in the Practice transferred under this Agreement.

b. At Closing, Purchaser and PLLC, as the case may be, shall deliver to Seller the following:

i. The amount of the Purchase Price due at Closing pursuant to Section 2 hereof;

ii. Executed counterparts to the Bills of Sale; and

iii. Such other documents and instruments as Seller or Seller's counsel shall deem necessary or proper for Seller to convey title and all other ownership interests in the Assets transferred under this Agreement.

7. **Accounts Receivable.** Seller shall collect, and be solely entitled to, any and all reimbursements for services rendered by Seller prior to the Closing Date, as set forth in **Schedule 7**, Seller's accounts receivable. Any monies collected by the Purchaser attributable to services rendered by Seller prior to the Closing Date shall be the property of Seller and shall be promptly endorsed and/or paid over to Seller, or as collected by check, mailed to the P.O. Box designated by Seller. Any monies collected on account of any accounts receivable for services rendered after the Closing Date which are made payable to and/or received by Seller shall be promptly endorsed and/or paid over to Purchaser. At Seller's request, Purchaser shall assist Seller in collection of monies attributable to services rendered by Seller prior to the Closing Date for a fee of three percent (3%) of gross receipts to be paid to Purchaser on a weekly basis in arrears.



Purchaser shall provide Seller a monthly report of accounts receivable collection and outstanding for three (3) months following Closing, and upon reasonable request thereafter.

8. **Partially Completed Work/Work In Progress.** If, at the time of Closing, there is Work In Progress, the Parties agree to apportion the value of said performed services as follows: (i) 33% for preparation work; (ii) 33% for impression; and (iii) 34% at cementation/insertion. PLLC agrees that when completing any of the dental Work In Progress transferred by Seller, PLLC shall perform such completions for the same fee and payment schedule that has been agreed to by Seller's former patients and in accordance with the terms as set forth by any insurance company pre-determination. A list of Work In Progress shall be attached hereto as **Exhibit D** as of the Closing Date. The Parties acknowledge and agree that, in the event that any of Seller's previous work or Work In Progress must be re-done, such work or Work In Progress shall be re-done by Dentist. This provision shall survive Closing. Notwithstanding the foregoing, PLLC agrees to provide professional courtesy by way of dentistry free of charge for services subsequent to Closing for Edwin and Sally Wiley, their three daughters, and Dr. Wiley's mother, David Wiley (Dr. Wiley's brother) and his wife and three daughters, also, Dr. Klein, his wife and issue; provided, however, each patient aforementioned shall be financially responsible for any out of pocket expense, including labs, materials and supply costs.

9. **Closing Adjustments.** The Parties have agreed to the following Closing Adjustments, each of which shall be determined as of midnight of the day immediately preceding the Closing Date:

a. Work In Progress adjustments of any prepaid accounts for procedures that have not been completed to be set forth on a schedule to be delivered by Seller to PLLC at Closing. Any errors or omissions in computing such apportionment at Closing shall be corrected by the Parties after Closing. This provision shall survive Closing.

b. Seller's professional liability insurance premium applicable to the period post-Closing.

c. All prepaid expenses (including but not limited to, prepaid real estate taxes and assessments, water and sewer charges, taxes and rentals, equipment and real estate lease payments to the extent the same are part of the Assumed Liabilities, telephone, gas, water, electric, steam and all other utility charges (to be based upon actual reading of meters where reasonably feasible), and heating fuel, if any).

d. Any security deposits being held under any of the Assumed Contracts shall be credited in full to Seller.

10. **Representations And Warranties Of Seller.** Seller and each Dentist represents and warrants to Purchaser and PLLC on Seller's and each Dentist's respective own behalf and except as otherwise expressly provided below, to the best of Seller's and each Dentist's knowledge as follows:

a. Seller has full capacity, power and authority to enter into and perform this Agreement in accordance with its terms and to carry out the transactions contemplated thereby



without approval or consent of any third party. Seller represents and warrants that no other person holds any interest in the Practice other than each Dentist and/or the Seller. The execution and delivery of this Agreement by Seller and the consummation of the transactions contemplated hereby have been duly authorized and approved by all necessary legal and/or corporate action required of Seller, as the case may be. Neither execution nor delivery of this Agreement, nor performance or compliance with any term or condition of this Agreement will violate any law or regulation, or order of any court or other governmental agency or authority, or certificate of incorporation or by-laws (if applicable) of Seller, or result in any breach or violation of any license, note, commitment, contract, agreement, lease, arrangement or other document to which Seller is a party or is otherwise bound, or result in the creation of any lien, charge or encumbrance on any Assets being sold by Seller. Upon execution and delivery by all Parties hereto, this Agreement will be the valid and legally binding obligation of Seller, enforceable in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally from time to time in effect or general principles of equity. To Seller's knowledge, no action, approval, consent or authorization of any governmental authority is necessary for Seller to consummate the transactions contemplated hereby.

b. Seller has the authority and is the owner of and has good and marketable title to the Assets that Seller is purporting to sell hereunder, except those Assets which are leased. Seller shall pay-off any and all liens existing on any of the Assets prior to Closing and other than any Assets which are leased and the subject of an Assumed Contract, the Assets shall be free and clear of all mortgages, security interests, leases, liens, encumbrances, restrictions, conditions, encroachments, and other defects or claims. No third party has any rights or interests in any such Assets, business or goodwill being conveyed hereunder.

c. There are no known violations of any law or governmental rule or regulation pending against Seller or the Assets Seller is purporting to transfer hereunder or the Premises, and Seller has, to the best of Seller's knowledge, complied with all laws and governmental rules and regulations applicable to the business or the Assets.

d. Seller's filed tax returns and production sheets concerning the Practice provided to Purchaser are true and are an accurate representation of the financial status of the Practice as of the date at which they were prepared. The information and business records, including patient records, which have been furnished to Purchaser and PLLC for examination, are correct in all material respects and present fairly the financial condition and operations of the Practice as of the dates of such information and records, all in conformity with generally accepted accounting principles, consistently applied. All federal, state, local and foreign income, profits, franchise, sales, use, occupation, property and excise tax returns and tax returns and reports required to be filed with respect to or chargeable against the Practice and/or Assets (including penalties, if any) have been filed with the appropriate governmental agencies in all jurisdictions in which such returns and tax reports are required to be filed or will be filed within the time permitted by statute or regulation, as the case may be. Such returns and/or reports are true, correct and complete and all amounts shown as owing thereon have been paid. To the extent any of the foregoing is untrue, incorrect or incomplete, Seller covenants to undertake cure of same and fully indemnify and hold Purchaser and PLLC harmless therefrom.

e. Seller further warrants as of the Closing Date that:

i. Seller has paid in full, or filed for appropriate extensions, related to all taxes including but not limited to all State and Federal employee income tax, Federal Social Security tax, employment taxes and Unemployment Insurance.

ii. Seller has retained, maintained and stored all Patient Records (defined below) in accordance with all local, state and federal laws, statutes, regulations or other requirements governing the maintenance and protection of Patient Records, including, but not limited to, the requirements of the Standards for Privacy of Individually Identifiable Health Information published by the U.S. Department of Health and Human Services at 45 C.F.R. part 160 and part 164, subpart E, under the Health Insurance Portability and Accountability Act of 1996 (collectively, the "*Applicable Laws*"). Seller has rightful custody of the Patient Records free and clear of all liens, claims and encumbrances, has the right and authority to enter into this Agreement and transfer the Patient Records to Purchaser (subject to rights of patients thereto under Applicable Laws), and the transfer of the Patient Records by Seller shall not violate the terms of any contract, arrangement or agreement to which Seller and Dentist is a party.

iii. Seller has no written or oral contracts or agreements with any of Seller's employees which cannot be terminated by the Seller at any time at will.

iv. During the twelve (12) month period prior to the Closing Date, Seller has maintained the Practice in the ordinary course, has maintained the usual amount of supplies, and has scheduled and treated patients on a regular basis, all consistent with Seller's past practices.

v. Seller has not altered or modified the usual and customary fee schedules or payment plans outside the ordinary course of its business in an effort to encourage any patient to undergo treatment in anticipation of the sale of the Practice.

b. Seller shall make all reasonable efforts, in cooperation with Purchaser, to have all of Seller's business telephone numbers set forth in Paragraph 1.a.vi transferred to Purchaser on the Closing Date. This shall include Seller preparing and/or signing any documents required by the local telephone company to effectuate the provisions of this subparagraph. If any fees are charged by the telephone company for such transfer, said charges are to be borne by Purchaser.

c. To Seller's knowledge, the Practice has been and is being operated in substantial compliance with all federal, state and local laws, ordinances and rules affecting the practice of dentistry, and with all applicable federal, state and local environmental laws, and zoning, building and use codes.

d. Seller and/or the Dentists have maintained appropriate licensure to practice the profession of dentistry in the State of New York and shall continue to be fully licensed to the Closing Date, and have and will continue to have in force professional liability insurance in standard coverage as required by New York State covering work performed by the Seller prior to the Closing.

e. To Seller's and/or each Dentist's knowledge, Seller has complied and is currently in compliance with all environmental and safety requirements applicable to the Practice.

f. There is no contractual or other restriction on Seller's right to sell the Assets that Seller is purporting to sell under this agreement.

g. During the twelve (12) month period prior to the Closing Date, Seller has not: (i) conducted the Practice except in the regular and ordinary course of business; (ii) increased the amount of compensation currently being paid to any employee or agent (unless same is in the ordinary course consistent with past practices); (iii) entered into any transactions other than in the ordinary course of business; or (iv) violated the terms of any lease or contract connected with the Practice.

h. The business of Seller has been, and is being, conducted up to the Closing in accordance with the rules and regulations of all applicable local, state and federal governments and the appropriate professional licensing authorities and in compliance with Health Insurance Portability and Accountability Act requirements. Seller does not have as of the Closing Date any substantial liabilities to any dental insurance or other third party payor for recoupment of previously paid amounts. Seller is not aware of any pending or threatened actions by any insurer or third party payor to suspend payments to Seller.

i. Seller shall terminate the employment of all employees immediately prior to Closing, except for Mrs. Wiley. All accrued but unpaid bonuses, vacation or sick days shall be paid by the Seller to the employees of the Seller prior to Closing. Seller will have paid or will pay when due, all payroll taxes and other withholding obligations for the employees to the date of their termination. Purchaser and PLLC shall have sole discretion to hire all, some or none of Seller's employees. Neither Purchaser nor PLLC shall be liable or responsible for any obligation, contribution, debt, withdrawal or other liability of Seller under any pension, profit-sharing or other retirement plans, loans, bonus, or deferred compensation plans; health, accident, life insurance, or other benefit plans or arrangements. Seller shall be liable under such plans for all claims due and unpaid at Closing and for all claims incurred before Closing, whether or not paid or presented before Closing and all claims which may arise at or after Closing.

j. Seller is not aware of any material fact or circumstance related to the Practice which on the basis of good faith has not been disclosed in writing and might if so disclosed be reasonably expected to affect the decision of an intending purchaser of the Assets. The representations and warranties of Seller herein do not knowingly contain any untrue statement of fact or omit to state facts necessary to make such representations and warranties and information, in light of the circumstances under which they have been made, not misleading, and Seller has not knowingly withheld knowledge of any fact or event that has occurred or is about to occur regarding the Practice which has had or will have an adverse effect on the Assets or Practice.

k. There is currently, and within the past five years there has been, no pending or, to Seller's knowledge, threatened, litigation, administrative proceeding, investigation or claim relating to the Practice, and Seller is not aware of any facts or circumstances which

could result in any material adverse change in the financial condition, business, property, operations or prospects of the Practice. Seller is unaware of any facts which might form a basis for such litigation, executive or administrative proceeding, investigation or claim relating to the Practice. Seller has received no notice of condemnation or notice of unconfirmed or confirmed assessments affecting the office or Practice. No workers' compensation or other labor or employment claims are pending against Seller, and no past workers' compensation claims against them remain unpaid.

1. Seller has performed and observed and is performing and observing, in each case in all material respects all material obligations and conditions to be performed or observed by Seller and is not in default under any material contract or other document relating to the Assets to which Seller is a party or is otherwise bound.

The foregoing representations and warranties shall be true as of the Closing Date as if made on that date, and shall survive Closing.

11. Representations And Warranties Of Purchaser and PLLC. Purchaser and PLLC, severally and not jointly, represent and warrant to Seller and Dentist that on the date of execution hereof and on the Closing Date as follows:

a. Purchaser and PLLC each have full capacity, power and authority to enter into and perform this Agreement in accordance with its terms and to carry out the transactions contemplated thereby without approval or consent of any third party. The execution and delivery of this Agreement by Purchaser and PLLC and the consummation of the transactions contemplated hereby have been duly authorized and approved by all necessary legal and/or corporate action required of Purchaser and PLLC, as the case may be. Neither execution nor delivery of this Agreement, nor performance or compliance with any term or condition of this Agreement will violate any law or regulation, or order of any court or other governmental agency or authority, or certificate of incorporation or by-laws applicable to Purchaser and/or PLLC, or result in any breach or violation of any license, note, commitment, contract, agreement, lease, arrangement or other document to which any of Purchaser or PLLC is a party or is otherwise bound. This Agreement and all its provisions are legally enforceable and binding upon Purchaser and PLLC in accordance with their terms. No action, approval, consent or authorization of any governmental authority is necessary for the Purchaser and the PLLC to consummate the transactions contemplated hereby.

b. No agent, broker, finder, or investment or commercial banker, or other person or firm engaged by or acting on behalf of the Purchaser and/or the PLLC in connection with the negotiation, execution or performance of this Agreement or the transactions contemplated by this Agreement, is or will be entitled to any broker's or finder's or similar fee or other commission arising in connection with this Agreement or such transactions.

c. The Purchaser and the PLLC have the financial ability to perform their obligations hereunder, and no fact, issue, concern or other such matter, either past or present, exists or shall exist which would adversely affect their ability, either financially or otherwise, to consummate this Agreement.

d. None of the Purchaser or the PLLC and, to the best knowledge of the Purchaser and the PLLC, any officer, director, shareholder, subsidiary or controlling person of any of the Purchaser or the PLLC or any officer, director, shareholder, subsidiary or controlling person of any entity affiliated with any of the Purchaser or the PLLC, is and has at no time been excluded from participation in any federal health care program, including Medicare and Medicaid.

e. The Purchaser and PLLC recognize and agree that the Seller makes no representations concerning the past or future performance of the Practice. The Purchaser and the PLLC have completed all due diligence of the Practice to their satisfaction.

The foregoing representations and warranties shall survive Closing.

12. Obligations Prior to Closing.

a. Seller shall, from and after the date hereof through the Closing, use its commercially reasonable efforts to preserve the Practice's business organization and patient base; keep available to Purchaser and PLLC the services of Seller's present non-related employees, and preserve for Purchaser and PLLC the goodwill of the Practice's patients and others having business relations with Seller. Seller does not have as of the date hereof any substantial liabilities to any dental insurance or other third party payor for recoupment of previously paid amounts. Seller is not aware of any pending or threatened actions by any insurer or third party payor to suspend payments to Seller.

b. Seller shall terminate the employment of all employees of Seller immediately prior to Closing. The business of Seller, from and after the date hereof through the Closing, shall be conducted in accordance with the rules and regulations of all applicable local, state and federal governments and the appropriate professional licensing authorities and shall comply with Health Insurance Portability and Accountability Act requirements. All accrued and earned but unpaid bonuses, vacation or sick days owed to such employees shall be paid by Seller to the employees prior to Closing. Seller will have paid or will pay when due, all payroll taxes and other withholding obligations for Seller's employees to the date of their termination. Purchaser and PLLC shall have sole discretion to hire all, some or none of Seller's employees, and will not be required to hire any of Seller's employees. Purchaser and PLLC shall not be liable or responsible for any obligation, contribution, debt, withdrawal or other liability of Seller under any pension, profit-sharing or other retirement plans, loans, bonus, or deferred compensation plans; health, accident, life insurance, or other benefit plans or arrangements of the Practice. Seller shall be liable under such plans of the Practice for all claims due and unpaid at Closing and for all claims incurred before Closing, whether or not paid or presented before Closing and all claims which may arise at or after Closing.

13. Indemnification.

a. Indemnification by Purchaser and PLLC. Purchaser and PLLC shall, jointly and severally, indemnify, defend and hold harmless Seller and Dentist against any and all claims, losses, costs, expenses, fees, liabilities and damages, including interest, penalties and reasonable attorneys' fees and disbursements, collectively referred to as "Losses" and



individually referred to as a "Loss") arising out of, in connection with or otherwise relating to any of the following:

i. the claim of any third party arising out of any events occurring during, or related to, the ownership or operation of the Practice and/or the Assets following the Closing Date;

ii. the material breach by Purchaser or PLLC, as the case maybe, of any representation, warranty, covenant or agreement made by Purchaser or PLLC, respectively, in this Agreement;

iii. the claim of any broker, finder, investment advisor (or any person or entity performing any similar role) engaged by or dealing with Purchaser or PLLC, as the case may be;

iv. the costs of investigation, defense and settlement of any of the foregoing; and

v. Any dental services performed by PLLC subsequent to Closing Date, provided that with respect to dental services provided by Dentist subsequent to Closing, such indemnification shall be limited by professional liability policies required to be maintained by Dentist subsequent to Closing.

b. Indemnification by Seller and Dentist. Seller and Dentist shall, jointly and severally, indemnify and hold harmless Purchaser and PLLC and their respective officers, directors, employees and agents, against any and all Losses arising out of, in connection with or otherwise relating to any of the following items:

i. the claim of any third party arising out of any events occurring during, or related to, the ownership or operation of the Assets or the Practice on or before the Closing Date;

ii. the material breach by Seller of any representation, warranty, covenant or agreement made by Seller in this Agreement;

iii. the claim of any broker, finder, investment advisor (or any person or entity performing any similar role) engaged by or dealing with Seller;

iv. the costs of investigation, defense and settlement of any of the foregoing; and

v. Any dental services performed by Seller or Dentist prior to Closing Date.

14. Further Assurances Post-Closing.

Each Party agrees to execute and deliver all instruments and take action as the other Party may reasonably request from time to time after Closing, in order to effectuate the

transactions provided for herein. In addition, the Parties shall cooperate in taking such action as reasonably necessary in order to ensure compliance with, and full participation by Dentist and the Practice as an eligible provider or participant in the PLLC's insurance or other managed care or third-party reimbursement plans.

15. Covenants Not To Compete, Restrictive Covenants.

a. Except for on behalf of PLLC or as otherwise agreed to by the PLLC and as set forth in Section 15.h and Section 28 of this Agreement herein, for a period of two (2) years commencing from the Closing Date (the "Restricted Period"), neither Seller nor either Dentist, jointly or severally (collectively, "Restricted Party"), shall, either directly or indirectly practice dentistry as an employee, independent contractor, officer, director, owner or otherwise provide services of a nature similar to the services performed by the PLLC, or provide administrative or management services with respect to any dental practice or dental group, in any capacity, within a seven (7) mile radius of 66 Galloway Road, Warwick, New York 10990, unless on behalf of PLLC, or otherwise in accordance with the terms of this Agreement.

b. Restricted Party further agrees that it or he will not during the Restricted Period, directly or indirectly, other than on behalf of the PLLC:

i. attempt to contact, recruit or solicit any patients of record of the Practice;

ii. request any patient of record of the Practice to curtail or cancel his/her/its treatment with Seller.;

iii. solicit employees of the Practice or PLLC, to leave employment;

iv. solicit any referral sources of the Practice or PLLC; or

v. engage in or participate in, be employed by or assist in any manner or in any capacity, or have any interest in or make any loans to any person, firm or business which engages in any profession, practice, activity and/or business which is similar to or competitive with the Practice within a seven (7) mile radius from 66 Galloway Road, Warwick, New York 10990, provided, however, that this shall not prohibit the Seller and/or Dentist from investing in a publically traded stock of any such firm, business or company.

c. Any breach of the warranties, agreements and covenants contained herein shall be subject to specific performance by a temporary as well as permanent injunction or other equitable remedies by a court of competent jurisdiction. Successfully obtaining an injunction shall not prevent such Party from also seeking and obtaining damages incurred as a result of a breach of this covenant and/or agreement, either prior to or after obtaining such injunction. If any court of competent jurisdiction determines that a Restricted Party has breached any of the foregoing covenants, then Restricted Party shall pay all reasonable costs of enforcement of the foregoing covenants including, but not limited to, court costs and reasonable attorneys' fees, as may be determined as reasonable by the court. The prevailing party in any litigation shall be entitled to reimbursement of reasonable expenses, including attorney fees, as may be determined as reasonable by the court.

d. Each of the provisions of this Section 15 shall be treated as a separate and independent clause, and the unenforceability of any one clause or term shall in no way impair the enforceability of any of the other clauses or terms herein. If one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to scope and/or duration so as to be unenforceable at law, such provision or provisions shall be construed by the appropriate judicial body by limiting and reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear.

e. Restricted Party acknowledges and agrees that the covenants contained in this Section 15 are reasonable and necessary for the protection of the legitimate business interests of Purchaser and PLLC, and that Restricted Party freely enters into these covenants.

f. Restricted Party acknowledges and agrees that any violation of the covenants of this Section 15 would cause substantial, irreparable damage to Purchaser and PLLC, and that it is impossible to measure in money the damages that would be caused to Purchaser and PLLC by such violation. Accordingly, Restricted Party agrees that in the event of a violation of any of the covenants of this Section 15, Purchaser and PLLC will be entitled to obtain injunctive relief to enjoin Restricted Party from violating, or to compel specific performance of, the obligations set forth in this Section 15. Nothing herein stated shall be construed as prohibiting either Purchaser or PLLC from pursuing any other remedy or remedies available for such breach or threatened breach, including recovery of damages from Restricted Party, jointly or severally.

g. The covenants and agreements contained in this Section 15 shall survive the consummation of the transactions contemplated under this Agreement.

16. **Access to Prior Records.** PLLC agrees to give to Seller and to Seller's counsel, accountants, representatives and professional liability insurance carrier, reasonable access upon written request, and reasonable advance written notice, to all records of Seller's delivered to PLLC under this Agreement whenever, in the reasonable opinion of Seller based upon a bona fide claim relating to such records, such access is reasonably necessary in connection with the prosecution and/or defense of any claim or proceeding by or against Seller. In connection with any such examination, Seller shall be permitted to duplicate any such records at Seller's expense and remove same from the premises or (if necessary to produce original documents) remove the originals thereof solely for the period of such proceeding. This Section 16 shall survive the Closing Date.

17. **Patient Records.** Upon Closing, Seller shall deliver to PLLC, and PLLC shall be the sole custodian of, all dental records, charts and/or models of patients serviced by Seller at the Practice, as reflected in the patient records delivered by Seller to PLLC (the "***Patient Records***").

a. The PLLC shall maintain, in their current condition, all Patient Records for a period from the Closing Date of not less than seven (7) years or, if longer, seven (7) years after any patient or former patient who was a minor on the Closing Date, reaches majority. This covenant must be contained in any subsequent sale or transfer of the PLLC's dental practice (or the portion thereof to which the Patient Records relate). Seller shall, at times to be mutually agreed upon by the Parties, provide reasonable assistance to PLLC to interpret or clarify the

Patient Records delivered hereunder for the period PLLC is required to maintain such records and charts as stated herein. Such assistance shall be given by Seller during normal business hours and at times convenient to Seller, with prior written notification and mutual agreement.

b. The PLLC, as custodian of the Patient Records, shall accept, retain and store such Patient Records in accordance with all local, state and federal laws, statutes, regulations or other requirements governing the maintenance and protection of medical records, including, but not limited to, the requirements of the Standards for Privacy of Individually Identifiable Health Information published by the U.S. Department of Health and Human Services at 45 C.F.R. Part 160 and Part 164, subpart E, under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). The PLLC shall access and use or disclose the Patient Records to the extent permitted by applicable patient confidentiality and other laws including without limitation HIPAA.

c. The PLLC acknowledges that the Patient Records being transferred hereunder are confidential. In the event a patient, or other appropriate person under state and federal law (including, without limitation, a parent or guardian of an infant, a committee for an incompetent, a conservator, or other person pursuant to court order), requests that a copy of a patient's Patient Records be provided to such person or to another health care provider, the PLLC shall promptly forward a copy of the patient's records; provided, however, that in all instances, the PLLC shall comply with all provisions of state and federal law with respect to the confidentiality of such Patient Records.

18. **Notice to Patients; Patient Records.** Purchaser or PLLC shall, at their sole cost and expense, notify all of Seller's patients of changes to the Seller's Practice and in the custody of the patients' dental records in accordance with a letter in form and substance as set forth in **Exhibit E** annexed hereto and subject to reasonable input of Seller.

19. **Assignment.** No Party shall assign this Agreement, or its rights and obligations hereunder, without the prior written consent of the other Parties. Any attempted assignment in violation hereof shall be null and void. Notwithstanding the foregoing, Purchaser or PLLC may assign this Agreement to a business or professional business entity, as the case may be, owned or controlled by Scott Asnis, D.D.S.

20. **Notices.** All notices, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been properly given if delivered by hand or sent by overnight or certified mail, return receipt requested, with postage prepaid, at a Party's respective address first written above, or at such other addresses as they may designate by notice given hereunder. Any such notice shall be deemed given upon receipt, if delivered by hand, one business day after mailing if sent by overnight mail, or two (2) business days after mailing if mailed by certified mail, return receipt requested.

21. **Survival of Representations, Warranties and Covenants.** The representations, warranties, covenants, or other obligations of the parties hereunder shall survive Closing for the applicable statute of limitations.

9/11/20
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22. **Entire Agreement.** This Agreement contains all of the terms agreed upon among Seller, Dentist, Purchaser and PLLC with respect to the subject matter hereof. All prior oral or written statements, representations, promises, understandings and agreements of the Parties with respect to the subject matter hereof, are merged into and superseded by this Agreement, which alone fully and completely expresses their agreement.

23. **Changes Must Be In Writing.** No delay or omission by any Party in exercising any right shall operate as a waiver of such right or any other right. This Agreement may not be altered, amended, changed, modified, waived or terminated in any respect or particular unless the same shall be in writing signed by the Party to be bound. No waiver by any Party of any breach hereunder shall be deemed a waiver of any other or subsequent breach.

24. **Captions And Exhibits.** The captions in this Agreement are for convenience only and are not to be considered in construing this Agreement. The Exhibits annexed to this Agreement are an integral part of this Agreement.

25. **Governing Law, Severability.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York without giving effect to principles of conflict or choice of law with the Courts of Nassau County having sole and exclusive jurisdiction to hear and/or decide any disputes that may directly or indirectly under, out of, or in relation to this Agreement, or any document referenced herein. If any provisions of this Agreement shall be unenforceable or invalid, such non-enforceability or invalidity shall not affect the remaining provisions of this Agreement.

26. **Binding Effect.** This Agreement shall not be considered an offer or an acceptance of an offer by Purchaser and PLLC, and shall not be binding upon the Parties hereto until executed and delivered by all the Parties hereto. Upon such execution and delivery, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, successors and permitted assigns subject to Paragraph 19.

27. **Counterparts.** This Agreement may be executed in any number of counterparts, by facsimile or electronic signature, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

[Signature page to follow.]

PN

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


Seller:

Galloway Dental, P.C.

By: 
Edwin O. Wiley, D.M.D., Shareholder

By: 
Greg Klein, D.M.D., Shareholder

Dentist:


Greg Klein, D.M.D.

Purchaser:

Premier Care Dental Management, LLC

By: _____
Scott Asnis, D.D.S., Managing Member

PLLC:

Asnis Dental, PLLC

By: _____
Scott Asnis, D.D.S., Managing Member

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

Seller:

Galloway Dental, P.C.

By: _____
Edwin O. Wiley, D.M.D., Shareholder

By: _____
Greg Klein, D.M.D., Shareholder

Dentist:

Greg Klein, D.M.D.

Purchaser:

Premier Care Dental Management, LLC

By: 
Scott Asnis (Aug 2, 2018)

Scott Asnis, D.D.S., Managing Member

PLLC:

Asnis Dental, PLLC

By: 
Scott Asnis (Aug 2, 2018)

Scott Asnis, D.D.S., Managing Member

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

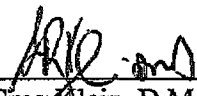
Seller:

Galloway Dental, P.C.

By: 
Edwin O. Wiley, D.M.D., Shareholder

By: 
Greg Klein, D.M.D., Shareholder

Dentist:


Greg Klein, D.M.D.

Purchaser:

Premier Care Dental Management, LLC

By: _____
Scott Asnis, D.D.S., Managing Member

PLLC:

Asnis Dental, PLLC

By: _____
Scott Asnis, D.D.S., Managing Member