
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **February 19, 2015**

MEDICAL TRANSCRIPTION BILLING, CORP.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

333-192989
(Commission File Number)

22-3832302
(IRS Employer Identification No.)

7 Clyde Road, Somerset, New Jersey, 08873
(Address of principal executive offices, zip code)

(732) 873-5133
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 **Entry into a Material Definitive Agreement**

On February 19, 2015, Medical Transcription Billing, Corp. (the “Company”) entered into settlement agreements with certain parties that the Company believed had violated (or tortiously interfered with) an agreement restricting them from directly or indirectly soliciting customers of the Company pursuant to the acquisition agreement between the Company and CastleRock Solutions, Inc. (“CastleRock”) dated August 23, 2013 and completed on July 28, 2014.

In accordance with the settlement agreements (the “Agreements”), the Company has agreed to release its claims in consideration for (i) the forfeiture of 53,797 shares of Company stock that were otherwise issuable to CastleRock in connection with the acquisition of the CastleRock businesses, (ii) the removal of a provision limiting the reduction of the CastleRock purchase price should revenues generated by the CastleRock businesses for the twelve (12) months after the acquisition be less than the 12 months’ revenue immediately preceding the acquisition, (iii) terminating the consulting agreement between the Company and CastleRock, and (iv) an agreement between the Company, EA Health Corporation, Inc. (“EA Health”) and Christopher F. Burns (“Burns”) prohibiting EA Health and Burns from soliciting or creating business relationships with any additional current or former customers of the Company for a period of six (6) months ending June 17, 2015. The obligations of the Company and CastleRock contained in the acquisition agreement remain intact aside from the modifications contained in the attached agreements.

The foregoing is a summary description of certain terms of the Agreements and is qualified in its entirety by reference to the full text of the Agreements, a copies of which are filed with this Current Report on Form 8-K as Exhibits 10.1, 10.2 and 10.3 and incorporated herein by reference.

Item 9.01 **Financial Statements and Exhibits.**

(d) Exhibits.

<i>Exhibit No.</i>	<i>Description</i>
10.1	Modification and Settlement Agreement between Medical Transcription Billing, Corp., CastleRock Solutions, Inc., Professional Accounts Management, Inc., Tekhealth Services, Inc., and Ravindran Ramoji, , dated February 19, 2015.
10.2	Modification and Settlement Agreement between Medical Transcription Billing, Corp., Physician Development Strategies, Inc. d/b/a Practice Development Strategies, Ravindran Ramoji, and Christopher F. Burns, dated February 19, 2015.
10.3	Settlement and Mutual Release between Medical Transcription Billing, Corp., EA Health Corporation and Christopher F. Burns dated February 25, 2015.

SIGNATURE(S)

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

Medical Transcription Billing, Corp.
(Registrant)

Date: February 25, 2015

By: /s/ Mahmud Haq
Mahmud Haq
Chairman of the Board and Chief Executive Officer

ASSET PURCHASE AGREEMENT MODIFICATION/SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Asset Purchase Agreement Modification/Settlement Agreement and Mutual Release (“Modification/Settlement Agreement”) is made as of the date set forth below by and between Medical Transcription Billing Corp. with a principal address of 7 Clyde Road, Somerset, New Jersey, 08873 (hereinafter sometimes referred to as “MTBC”); CastleRock Solutions, Inc. a California Corporation, with a principal address of 995 Montague Expressway, Suite 121, Milpitas, CA 95035, (hereinafter sometimes referred to as “CastleRock”); Professional Accounts Management, Inc., a California Corporation with its principal place of business located at Brea, California (hereinafter sometimes referred to as “PAM”); Tekhealth Services, Inc., a California Corporation, with a principal address of 995 Montague Expressway, Suite 120, Milpitas, CA 95035 (hereinafter sometimes referred to as “THS”) and Ravindran Ramoji an individual residing at 624 Angus Drive, Milpitas, CA 95035 (hereinafter sometimes referred to as “Ramoji”) (CastleRock, PAM, THS and Ramoji are collectively sometimes referred to as the “Castlerock Group”) who are more fully identified below and are sometimes hereinafter referred to collectively as the “Parties.”

RECITALS

WHEREAS, the Parties are parties to a certain Asset Purchase Agreement dated August 23, 2013, and as subsequently amended (the “APA”);

WHEREAS FURTHER, said APA contains certain representations, warranties and/or covenants regarding confidentiality and non-competition and solicitation, over which the Parties have had a particular dispute and which has caused MTBC to incur damages (the “Dispute”);

WHEREAS FURTHER, the Parties hereto have agreed to amicably resolve their dispute by entering into this Modification/Settlement Agreement; and

WHEREAS FURTHER, MTBC will or has entered into a separate Settlement Agreement with the remaining parties in the dispute: Christopher F. Burns (“Burns”), an Individual residing in San Diego California and EA Health Corporation, a California Corporation;

WHEREAS FURTHER, MTBC will or has entered into a separate Settlement Agreement with the remaining party to the APA, namely Physician Development Strategies Inc. d/b/a Practice Development Strategies (“PDS”) (including all of its shareholders), and Burns in resolution of those claims against PDS and/or Burns arising out of the Dispute.

NOW THEREFORE In consideration of the mutual covenants contained herein and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged and conclusively established, Parties agree as follows:

AGREEMENT

1. **Parties’ Settlement.** The Parties agree to the following:
 - (a) Payment of CastleRock Expenses. MTBC shall within 15 days of the execution of this Modification/Settlement Agreement, pay to CastleRock the amount of Sixty Thousand (\$60,000.00) Dollars as full and final settlement of any and all monies owed by MTBC to the CastleRock Group for or in connection with expenses associated with the APA, except as otherwise expressly set forth herein below.
 - (b) PAM February Rent. MTBC will pay the rent on the PAM offices for the month of February 2015 separately and this is not including in the \$60,000 listed above.
 - (c) PAM Lease. MTBC will assume the lease on the PAM offices for the duration of the term of the lease.
 - (d) Modifications to the APA. The following modifications apply to the THS and PAM portions of the APA.
 - (i) **Section 1.6, Exhibit D - Leaseback Expense Payments** With respect to those monies required to fund operations associated with the Leaseback Agreements (including the \$3500 per month for the contract of Gina Sampath to the extent MTBC wishes to use her services in the future) referred to in Section 1.6 (b) (v), the Parties agrees as follows. MTBC shall pay to the respective vendor directly each such expense in the exact amount that is invoiced or due under contract or other agreement. In the event that it is not administratively possible or convenient for MTBC to do so, then MTBC shall forward to the respective operational division funds in an amount certain and designated for the sole use of satisfying the particular expense. MTBC shall have no other payment obligations except as otherwise set forth above.

(ii) **Section 1.2 Purchase Price Waiver of Escrow Shares.** The CastleRock Group hereby waives all rights and interest to the 15% of shares of MTBC Stock that is currently held by the Escrow Agent and was scheduled to be released on January 24, 2015. The Parties agree that the Escrow Agent shall be directed to release the shares to MTBC for cancellation. Notwithstanding the foregoing, MTBC does not waive any rights to shares of MTBC Stock held in escrow that are subject to the Revenue Adjustment to Share Consideration in Section 1.3 of the APA and as amended by this Modification/Settlement Agreement.

(iii) **Section 1.3. Revenue Adjustment to Share Consideration.** With respect to the Revenue Adjustment to Share Consideration, Section 1.3 of the APA, the Parties agree that said section is hereby deleted in its entirety and replaced with the following language:

- (a) Within 45 days after the last day of the Revenue Measurement Period, the Purchaser will prepare or cause to be prepared, and delivered to the Seller a statement of the revenues generated by the Purchaser from the customers of Seller who are a party to a Medical Billing Agreement and are in good standing as of the last day of the Revenue Measurement Period (the "Achieved Revenue"), including a written statement setting forth in reasonable detail its determination of such amount (the "Revenue Adjustment Statement"). For the avoidance of doubt, the Achieved Revenue shall include revenue generated from the customers of Seller under the Medical Billing Agreements as they may be amended or modified following the Closing Date, as well as revenue generated from the customers of Seller under any other agreements entered into by the Purchaser with such customers following the Closing Date under which the Purchaser provides Medical Billing Services to such customers. The Purchaser will make available to the Seller, as reasonably requested by the Seller, the books and records of Purchaser reasonably necessary for the Seller's verification of the Revenue Adjustment Statement.

- (b) The Revenue Adjustment Statement will be final, conclusive and binding on the Seller and the Shareholders unless the Seller delivers a written notice (the "Dispute Notice") disputing the Revenue Adjustment Statement within 30 days after delivery of the Revenue Adjustment Statement to the Seller, setting forth in reasonable detail the basis for its dispute. In the event the Seller provides a Dispute Notice, the Seller and the Purchaser shall negotiate for a period of up to 30 days (the "Negotiation Period") in good faith to resolve such dispute as expeditiously as possible. In the event any dispute under this Section 1.3(b) remains unresolved following the Negotiation Period, the Seller and the Purchaser shall engage an accounting firm mutually acceptable to them (the "Accounting Firm") to resolve such dispute. The Accounting Firm shall act as an arbitrator and shall resolve, solely on the basis of any presentations submitted by the Seller and the Purchaser, the final amount of the Achieved Revenue. Each of the Purchaser and the Seller shall make its complete submission to the Accounting Firm within thirty days following the engagement of the Accounting Firm. The failure by either party to make a complete submission prior to the expiration of such 30 day period shall be deemed a waiver of such party's right to make a submission to the Accounting Firm. The parties shall instruct the Accounting Firm to resolve the disputes and to determine the Achieved Revenue in a manner consistent with GAAP. The Accounting Firm shall resolve the dispute on the basis of an independent review, but only within the disputed range of Achieved Revenue. Such resolution shall be set forth in a written statement delivered to the Seller and the Purchaser, and shall be final, binding and conclusive absent manifest error. The fees and any expenses of the Accounting Firm shall be shared equally by the Seller and the Shareholders on the one hand, and the Purchaser on the other hand.

- (c) If the Achieved Revenue, as finally determined in accordance with this Section 1.3, is less than the Minimum Revenue Amount, then a number of the shares of MTBC Stock held in escrow by the Escrow Agent equal to the Revenue Shortfall Amount, multiplied by the 1.5, divided by the IPO Price will be released by the Escrow Agent to the Purchaser for cancellation. If the Achieved Revenue, as finally determined in accordance with this Section 1.3, is more than the Minimum Revenue Amount, then Purchaser shall provide Seller with a number of shares of MTBC Stock equal to the Revenue Increase Amount, multiplied by 1.5, divided by the IPO Price.

- 2. **Mutual Release.** With the exception of the Parties' obligations hereunder and those obligations remaining under APA, in consideration for the commitments contained within this Settlement Agreement, each Party forever releases and discharges the other Party and all of their stockholders, employees, agents, successors, assigns, employees, legal representatives, affiliates, directors, and officers from and against any and all actions, claims, suits, demands, payment obligations or other obligations or liabilities of any nature whatsoever, accrued and unaccrued, known or unknown, which such Party or any of its stockholders, employees, agents, successors, assigns, legal representatives, affiliates, directors, or officers have had, now have, or may in the future have, directly or indirectly, arising out of or in connection with:

1. MTBC's claims against CastleRock and Ramoji pertaining to a certain Agreement Regarding Modification to Non-Competition and Non-Solicitation Provisions between CastleRock, PDS, Ramoji and Burns and an entity known as EA Health Corporation dated December 12, 2014 including any breach or alleged breach of the "Non-Competition and Non-Solicitation Provisions" as defined therein.; and
2. The Indemnification of MTBC by CastleRock and Ramoji under the APA, for their participation in the negotiation and execution of the Agreement Regarding Modification to Non-Competition and Non-Solicitation Provisions referenced above, including any breach or alleged breach of the "Non-Competition and Non-Solicitation Provisions" as defined therein.

Notwithstanding anything else contained herein, MTBC reserves all rights under Section 1.3 of the APA, as amended, related to all revenue associated with all customers transferred as part of the APA provided however, that in no event shall the CastleRock Group be liable to MTBC for any negative calculations in the Revenue Adjustment to Share Considerations. For clarity under no circumstances shall the CastleRock Group be required to refund any consideration paid under the APA or the reimbursement amounts paid under the Agreement, to MTBC.

The Parties hereby declare that the terms of this Modification/Settlement Agreement have been completely read and are fully understood and voluntarily accepted for the purpose of making a full and final compromise, adjustment, and settlement of any and all known and unknown claims, disputed or otherwise, and for the express purpose of precluding forever any further or additional claims arising out of or in connection with the Agreement, or the Parties' relationship.

3. **Miscellaneous.** All of the Miscellaneous Provisions set forth in Section 11 of the APA shall apply to this Agreement *mutatis mutandis*, and such terms are incorporated herein by this reference.”

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have caused this Modification/Settlement Agreement to be duly executed as of the date set forth below.

Medical Transcription Billing, Corp.

BY: /s/ Stephen Snyder
Name/Title: Stephen Snyder/President
Date: February 19, 2015

CastleRock Solutions, Inc.

BY: /s/ Ravindran Ramoji
Name/Title: Ravindran Ramoji
Date: February 19, 2015

Ravindran Ramoji, an individual

/s/ Ravindran Ramoji
Date: February 19, 2015

Professional Accounts Management, Inc.

BY: /s/ Ravindran Ramoji
Name/Title: Ravindran Ramoji
Date: February 19, 2015

Tekhealth Services, Inc.

BY: /s/ Ravindran Ramoji
Name/Title: Ravindran Ramoji
Date: February 19, 2015

ASSET PURCHASE AGREEMENT MODIFICATION/SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Asset Purchase Agreement Modification/Settlement Agreement and Mutual Release (“Modification/Settlement Agreement”) is made as of the date set forth below by and between Medical Transcription Billing Corp. with a principal address of 7 Clyde Road, Somerset, New Jersey, 08873 (hereinafter sometimes referred to as “MTBC”) Ravindran Ramoji an individual residing at 624 Angus Drive, Milpitas, CA 95035 (“Ramoji”), Physician Development Strategies Inc. d/b/a Practice Development Strategies (“PDS”), and Christopher F. Burns (“Burns”), who are more fully identified below and are sometimes hereinafter referred to collectively as the “Parties.”

RECITALS

WHEREAS, the MTBC, Ramoji and PDS are parties to a certain Asset Purchase Agreement dated August 23, 2013, and as subsequently amended (the “APA”);

WHEREAS FURTHER, said APA contains certain representations, warranties and/or covenants regarding confidentiality and non-competition and solicitation, over which the Parties have had a particular dispute and which has caused MTBC to incur damages (the “Dispute”);

WHEREAS FURTHER, the Parties hereto have agreed to amicably resolve their dispute by entering into this Modification/Settlement Agreement; and

WHEREAS FURTHER, MTBC will or has entered into a separate Settlement Agreement with the remaining parties in the dispute: Burns and EA Health Corporation, a California Corporation;

WHEREAS FURTHER, MTBC will or has entered into a separate Settlement Agreements with the remaining parties to the APA, namely CastleRock Solutions, Inc. a California Corporation; Professional Accounts Management, Inc.; Tekhealth Services, Inc., and Ramoji.

NOW THEREFORE In consideration of the mutual covenants contained herein and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged and conclusively established, Parties agree as follows:

AGREEMENT

1. **Parties' Settlement.** The Parties agree to the following:
 - (a) Payment of PDS Expenses. MTBC shall within 30 days of the execution of this Modification/Settlement Agreement, pay to PDS the amount of Fifty Thousand (\$50,000.00) Dollars as full and final settlement of any and all monies owed by MTBC to PDS or CastleRock for or in connection with expenses associated with the APA, except as otherwise expressly set forth herein below.
 - (b) Modifications to the APA. The following modifications apply to the PDS portions of the APA.
 - (i) **Section 1.6, Exhibit D - Leaseback Expense Payments** With respect to those monies required to fund operations associated with the Leaseback Agreements referred to in Section 1.6 (b) (v), the Parties agrees as follows. MTBC shall pay to the respective vendor directly each such expense in the exact amount that is invoiced or due under contract or other agreement. In the event that it is not administratively possible or convenient for MTBC to do so, then MTBC shall forward to the respective operational division funds in an amount certain and designated for the sole use of satisfying the particular expense. MTBC shall have no other payment obligations except as otherwise set forth above.
 - (ii) **Section 1.2 Purchase Price Waiver of Escrow Shares.** PDS hereby waives all rights and interest to the 15% of shares of MTBC Stock that is currently held by the Escrow Agent and was scheduled to be released on January 24, 2015. The Parties agree that the Escrow Agent shall be directed to release the shares to MTBC for cancellation. Notwithstanding the foregoing, MTBC does not waive any rights to shares of MTBC Stock held in escrow that are subject to the Revenue Adjustment to Share Consideration in Section 1.3 of the APA and as amended by this Modification/Settlement Agreement.

(iii) Section 1.3. Revenue Adjustment to Share Consideration. With respect to the Revenue Adjustment to Share Consideration, Section 1.3 of the APA, the Parties agree that said section is hereby deleted in its entirety and replaced with the following language:

- (a) Within 45 days after the last day of the Revenue Measurement Period, the Purchaser will prepare or cause to be prepared, and delivered to the Seller a statement of the revenues generated by the Purchaser from the customers of Seller who are a party to a Medical Billing Agreement and are in good standing as of the last day of the Revenue Measurement Period (the "Achieved Revenue"), including a written statement setting forth in reasonable detail its determination of such amount (the "Revenue Adjustment Statement"). For the avoidance of doubt, the Achieved Revenue shall include revenue generated from the customers of Seller under the Medical Billing Agreements as they may be amended or modified following the Closing Date, as well as revenue generated from the customers of Seller under any other agreements entered into by the Purchaser with such customers following the Closing Date under which the Purchaser provides Medical Billing Services to such customers. The Purchaser will make available to the Seller, as reasonably requested by the Seller, the books and records of Purchaser reasonably necessary for the Seller's verification of the Revenue Adjustment Statement.

- (b) The Revenue Adjustment Statement will be final, conclusive and binding on the Seller and the Shareholders unless the Seller delivers a written notice (the "Dispute Notice") disputing the Revenue Adjustment Statement within 30 days after delivery of the Revenue Adjustment Statement to the Seller, setting forth in reasonable detail the basis for its dispute. In the event the Seller provides a Dispute Notice, the Seller and the Purchaser shall negotiate for a period of up to 30 days (the "Negotiation Period") in good faith to resolve such dispute as expeditiously as possible. In the event any dispute under this Section 1.3(b) remains unresolved following the Negotiation Period, the Seller and the Purchaser shall engage an accounting firm mutually acceptable to them (the "Accounting Firm") to resolve such dispute. The Accounting Firm shall act as an arbitrator and shall resolve, solely on the basis of any presentations submitted by the Seller and the Purchaser, the final amount of the Achieved Revenue. Each of the Purchaser and the Seller shall make its complete submission to the Accounting Firm within thirty days following the engagement of the Accounting Firm. The failure by either party to make a complete submission prior to the expiration of such 30 day period shall be deemed a waiver of such party's right to make a submission to the Accounting Firm. The parties shall instruct the Accounting Firm to resolve the disputes and to determine the Achieved Revenue in a manner consistent with GAAP. The Accounting Firm shall resolve the dispute on the basis of an independent review, but only within the disputed range of Achieved Revenue. Such resolution shall be set forth in a written statement delivered to the Seller and the Purchaser, and shall be final, binding and conclusive absent manifest error. The fees and any expenses of the Accounting Firm shall be shared equally by the Seller and the Shareholders on the one hand, and the Purchaser on the other hand.

- (c) If the Achieved Revenue, as finally determined in accordance with this Section 1.3, is less than the Minimum Revenue Amount, then a number of the shares of MTBC Stock held in escrow by the Escrow Agent equal to the Revenue Shortfall Amount, multiplied by the 1.5, divided by the IPO Price will be released by the Escrow Agent to the Purchaser for cancellation. If the Achieved Revenue, as finally determined in accordance with this Section 1.3, is more than the Minimum Revenue Amount, then Purchaser shall provide Seller with a number of shares of MTBC Stock equal to the Revenue Increase Amount, multiplied by 1.5, divided by the IPO Price.

2. **Mutual Release.** With the exception of the Parties' obligations hereunder and those obligations remaining under APA, in consideration for the commitments contained within this Settlement Agreement, each Party forever releases and discharges the other Party and all of their stockholders, employees, agents, successors, assigns, employees, legal representatives, affiliates, directors, and officers from and against any and all actions, claims, suits, demands, payment obligations or other obligations or liabilities of any nature whatsoever, accrued and unaccrued, known or unknown, which such Party or any of its stockholders, employees, agents, successors, assigns, legal representatives, affiliates, directors, or officers have had, now have, or may in the future have, directly or indirectly, arising out of or in connection with:

- 1. MTBC's claims against PDS, Ramoji and Burns pertaining to a certain Agreement Regarding Modification to Non-Competition and Non-Solicitation Provisions between CastleRock, PDS, Ramoji, Burns and an entity known as EA Health Corporation dated December 12, 2014, including any breach or alleged breach of the "Non-Competition and Non-Solicitation Provisions" as defined therein; and

2. The Indemnification of MTBC by PDS and Ramoji under the APA, for their participation in the negotiation and execution of the Agreement Regarding Modification to Non-Competition and Non-Solicitation Provisions referenced above, including any breach or alleged breach of the “Non-Competition and Non-Solicitation Provisions” as defined therein.

Notwithstanding anything else contained herein, MTBC reserves all rights under Section 1.3 of the APA, as amended, related to all revenue associated with all customers transferred as part of the APA provided however, that in no event shall PDS be liable to MTBC for any negative calculations in the Revenue Adjustment to Share Considerations. For clarity under no circumstances shall PDS be required to refund any consideration paid under the APA or the reimbursement amounts paid under the Agreement, to MTBC.

The Parties hereby declare that the terms of this Modification/Settlement Agreement have been completely read and are fully understood and voluntarily accepted for the purpose of making a full and final compromise, adjustment, and settlement of any and all known and unknown claims, disputed or otherwise, and for the express purpose of precluding forever any further or additional claims arising out of or in connection with the Agreement, or the Parties' relationship.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have caused this Modification/Settlement Agreement to be duly executed as of the date set forth below.

Medical Transcription Billing, Corp.

BY: /s/ Stephen Snyder
Name/Title: Stephen Snyder/President
Date: February 19, 2015

Physician Development Strategies Inc.

BY: /s/ Ravindran Ramoji
Name/Title: Ravindran Ramoji,
Director and as an individual
Date: February 19, 2015

BY: /s/ Christopher Burns
Name/Title: Christopher Burns,
Director and as an individual
Date: February 19, 2015

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (“Settlement Agreement” or “Agreement”) is entered into as of this 25th day of February, 2015 by and between (i) Medical Transcription Billing Corp. with a principal address of 7 Clyde Road, Somerset, New Jersey, 08873 (hereinafter sometimes referred to as “MTBC”); (ii) EA Health Corporation, a California corporation, with a principal place of business of 440 Stevens Avenue, Suite 150, Solana Beach, CA 92075, (hereinafter sometimes referred to as “EA Health”); and Christopher F. Burns (hereinafter sometimes referred to as “Burns”), an individual residing at 13171 Deron Avenue, San Diego, CA 92129; who are more fully identified below and are sometimes hereinafter referred to collectively as the “Parties.”

RECITALS

WHEREAS, the Parties are currently in a dispute regarding, *inter alia*, the alleged improper interference with and solicitation by EA Health and Burns of clients holding a business relationship with MTBC and their alleged infringement of certain trade secrets belonging to MTBC (the “Dispute”);

WHEREAS, EA Health and Burns deny any wrongdoing in connection with the Dispute and specifically deny the solicitation or interference with any clients with whom MTBC may have a business relationship, or any infringement of any trade secrets or other confidential information owned by MTBC.

WHEREAS FURTHER, the Parties have agreed to amicably resolve their dispute by entering into this Settlement Agreement;

NOW THEREFORE In consideration of the mutual covenants contained herein and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged and conclusively established, Parties agree as follows:

AGREEMENT

1. Parties’ Settlement. The Parties agree to the following:

(a) For a period of six (6) months commencing on December 17, 2014 and ending on June 17, 2015 (the “Restricted Period”), EA Health and Burns agree not to do any of the following: (i) induce or seek to influence any current or former customer of MTBC, including any former customer of Physician Development Strategies Inc. d/b/a Practice Development Strategies (“PDS”) to transact Business (as defined below) with them or another competitor of MTBC, or not to do Business with MTBC; or (ii) contract or enter into any business relationship concerning the Business with any current or former customer of MTBC including any former customer of Physician Development Strategies Inc. d/b/a Practice Development Strategies. For purposes of this Agreement, Business shall mean providing billing, collection and other revenue cycle management services to physicians and physician practices. The parties acknowledge that the term Business shall not prohibit any agreements between EA Health (or an affiliate of EA Health) and a current or former customer of PDS or MTBC in connection with EA Health’s specialty on-call coverage programs pursuant to which EA Health (or an affiliate of EA Health) provides coding, billing and collection services on behalf of EA Health client hospitals. MTBC acknowledges and agrees that the restrictions set forth in this Agreement shall expire upon the expiration of the Restricted Period.

(b) Notwithstanding the foregoing, the following customers shall be considered customers of EA Health, shall not be subject to the restrictions set forth in Section 1(a) above, and MTBC shall not have any rights against EA Health and Burns in connection with any services provided by EA Health to such customers (the "Existing EA Clients"). In addition, the termination date of any agreement between the Existing EA Client and MTBC ("MTBC Termination Date") is set forth below:

<u>Existing EA Client</u>	<u>MTBC Termination Date</u>
Chest Medicine and Critical Care Medical Group, Inc.	Jan. 1, 2015
Catherine Maywood, M.D.	Jan. 31, 2015
La Jolla Pulmonary & Critical Care, Inc.	Jan. 1, 2015
Eileen S. Natuzzi, A Medical Corp.	Feb. 1, 2015
Kamel L. Kamel, M.D., Inc.	Dec. 31, 2014
John A. Grimaldi, D.O., Inc.	Feb. 5, 2015
Prema Sai Medical PC (Dr. Rajpara)	Feb. 6, 2015
Samuel J. Clark, M.D., Inc.	Feb. 18, 2015
Peter Schultz, CRNP	Jan. 7, 2015
Gail T. Tominaga, M.D., Inc.	Jan. 1, 2015
Imad S. Dandan, M.D.	Jan. 18, 2015
James G. Schwendig, M.D., Inc.	Dec. 31, 2014
Fady S. Nasrallah, M.D.	Dec. 30, 2014
South Bay Surgical Associates	Jan. 15, 2015

(c) To the extent that an Existing EA Client requests EA Health to provide collection services in connection with claims for which MTBC provided the original billing services (an "MTBC Claim"), MTBC shall cooperate with EA Health in assigning or transferring to EA Health the MTBC Claim in order to permit EA Health to provide such services to the Existing EA Client, to the extent that MTBC has made an arrangement with the Existing EA Client to permit such assignment. Notwithstanding the foregoing, EA Health shall be entitled to assist the Existing EA Clients in connection with collections or any other aspect regarding any MTBC Claim on or after the date which is thirty (30) days following the MTBC Termination Date with respect to each Existing EA Client.

(d) MTBC and EA Health shall promptly deliver to each other any payment, explanation of benefits, or correspondence received (electronically, or otherwise), for any claim billed by the other party.

(c) Upon the expiration of any wind down period under an MTBC contract in connection with an Existing EA Client, MTBC shall promptly deliver to EA Health the following information in the following formats:

- i. Patient demographic file (in .CSV format) including primary and secondary payer info;
- ii. Transaction Report, sorted by patient, with all charge/payment/adjustment activity grouped by claim (billing #), in .pdf format;
- iii. Patient Ledger Report for all patients, excluding Paid Billings, with All References included;
- iv. Aged A/R Report by Insurance, sorted by payer, with claim details (preferably in .pdf format);
- v. Aged A/R Report by Patient, with claim details (in .pdf format);
- vi. Transaction Code List, omitting charge (CPT) codes (preferably in .CSV format);
- vii. A disc from eBridge containing all scanned billing documents (charges, paper EOBs, correspondence, etc.) upon receipt from the Existing EA Client of the \$150.00 fee charged by eBridge;
- viii. MTBC shall cooperate and execute any documents or consents as may be necessary to permit access to the Existing EA Client electronic claim and ERA files on Gateway EDI clearinghouse;
- ix. MTBC approval to transfer collection agency relationship (if any) from PDS/MTBC to client directly;
and
- x. An electronic copy on disc or via ftp file transfer of the Lytec database for each Existing EA Client.

2. Mutual Release. With the exception of the Parties' obligations hereunder in consideration for the commitments contained within this Settlement Agreement, each Party forever releases and discharges the other Party and all of their stockholders, employees, agents, successors, assigns, employees, legal representatives, affiliates, directors, and officers from and against any and all actions, claims, suits, demands, payment obligations or other obligations or liabilities of any nature whatsoever, accrued and unaccrued, known or unknown, which such Party or any of its stockholders, employees, agents, successors, assigns, legal representatives, affiliates, directors, or officers have had, now have, or may in the future have, directly or indirectly, arising out of or in connection with:

- (a) the Dispute;
- (b) any agreement between the Parties;

(c) any other matter between the Parties; and/or

(d) any claims under federal, state, or local law, rule or regulation of breach of contract, breach of confidentiality agreement, tortious interference with contract, unlawful interference with contractual relation unlawful interference with prospective economic advantage and misappropriation of confidential information or trade secret.

Notwithstanding anything contained in this Agreement to the contrary, this Agreement shall not be deemed to release Burns from any duties or obligations under that certain Asset Purchase Agreement Modification/Settlement Agreement and Mutual Release dated on or around February 18, 2015 among Burns, MTBC, Ravindran Ramoji, and Physician Development Strategies, d/b/a Practice Development Strategies (the "MTBC Ramoji Settlement Agreement"), and the MTBC Ramoji Settlement Agreement shall remain in full force and effect.

3. Acknowledgments. Each party hereby:

(a) states that it is not relying on, and has not relied on, any representation or statement made by the other party with respect to any facts, or with regard to the rights or asserted rights of the parties, except those that appear in this Settlement Agreement;

(b) assumes the risk of any mistake of the fact with regard to any claims or facts which are now unknown to it;

(c) expressly waives any and all rights that might be granted to it pursuant to Section 1542 of the California Civil Code. California Civil Code Section 1542 reads:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

(d) represents and warrants that it is the lawful owner of, and has not heretofore assigned or transferred any of, the claims against the other party released hereunder; and

(e) represents that it has the full and complete authority to execute this Settlement Agreement and to bind itself and its affiliates to the terms and provisions of this Settlement Agreement.

4. Miscellaneous.

a. **Acknowledgement.** Each Party hereby declares that the terms of this Agreement have been completely read and are fully understood and voluntarily accepted by such Party and each Party has had the opportunity to seek any necessary advice of counsel.

b . **Entire Agreement.** This is the entire agreement between the Parties concerning the subject matter contained herein. This Agreement shall not be modified or amended unless done so in a writing signed by the Parties themselves or their authorized representatives.

c. **Construction.** The Parties agree that this Agreement shall not be construed more strictly against any Party.

d . **Counterparts.** This Agreement may be executed in counterparts, and signatures may be exchanged by facsimile, and when so executed and exchanged such signatures shall be fully binding as if all Parties had signed the same original document and delivered it to the other.

e . **Further Actions.** Each Party shall take such further action (including, but not limited to, the execution, acknowledgment and delivery of documents, data or the like in such Party's possession) necessary to facilitate the implementation and performance of this Agreement.

f . **No Admissions.** This Agreement is entered into by the Parties as a compromise of disputed claims and shall not be construed as an admission of liability on the part of any Party, nor as an admission of the merit or lack of merit of any claim or defense asserted or which could have been asserted by any Party.

g. **Jurisdiction and Venue.** This Agreement shall be interpreted, construed and enforced in all respects in accordance with the laws of the State of New Jersey, excluding its conflict of laws principles. The Parties irrevocably agree that any action to enforce the provisions of this Settlement Agreement or arising under or by reason of this Settlement Agreement shall be brought solely in the Superior Court of New Jersey, Somerset County venue.

h . **Ownership of Claims.** Each of the parties represents and warrants that it owns all rights, title and interest in and to all claims, causes of action, demands and indebtedness provided to be settled, released or waived by it pursuant to this Agreement. Each party further represents and warrants that it has not assigned, hypothecated, transferred, sold or in any manner alienated any such claims, demands, causes of action or indebtedness, whether in whole or in part, whether individually or collectively. Each party agrees that it will indemnify and defend the other in the event any claim is asserted on the basis of any claim released, settled or waived pursuant to this Agreement.

i . **Covenant Not to Sue.** The parties hereto promise that they will not bring any action against any other party asserting any claim or liability that is released pursuant to section 2 of this Agreement.

j . **Non-disparagement.** During the period ending three (3) years after the execution of this Agreement, each Party agrees to refrain from making any disparaging, negative or uncomplimentary statements, whether public or private, regarding any Party or any of its stockholders, employees, agents, successors, assigns, employees, legal representatives, affiliates, directors or officers.

IN WITNESS WHEREOF, the Parties have caused this Termination Agreement to be duly executed as of the date set forth below.

Medical Transcription Billing, Corp.
a Delaware Corporation

BY: /s/ Stephen Snyder
Date: February 25, 2015
Name/Title: Stephen Snyder/President

EA Health Corporation,
a California Corporation

BY: /s/ Arthur L. Gruen
Date: February 25, 2015
Name/Title: Arthur L. Gruen, Chief Executive Officer

/s/ Christopher F. Burns
CHRISTOPHER F. BURNS, an individual
Date: February 25, 2015