
**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): **September 20, 2018**

MEDICAL TRANSCRIPTION BILLING, CORP.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-36529
(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement

On September 20, 2018 (the “Issue Date”), Medical Transcription Billing, Corp. and its wholly owned subsidiaries MTBC Acquisition, Corp., MTBC Health, Inc. and MTBC Practice Management, Corp. (the “Company”) entered into a Joinder and First Loan Modification Agreement (the “Agreement”) with Silicon Valley Bank (“SVB”) whereby the Company increased its \$5,000,000 revolving line of credit from SVB to \$10,000,000 (“Amendment”).

The interest on the outstanding portion of the line of credit will equal the prime rate plus one and one half of one percent (1.50%), plus a fee of 0.5% for the unused availability of the line. The Amendment has a fee equal to 1% payable at closing. The Company also issued SVB a warrant exercisable for \$150,000 shares of the Company’s common stock, with a strike price based on actual prices during the fifteen (15) consecutive trading days before and after the Issue Date.

The proceeds will be used for the Company’s growth and general working capital purposes.

The Company’s obligations to SVB are secured by substantially all of the Company’s assets.

The foregoing description of the Agreement and related loan documents does not purport to be complete and is qualified entirely by reference to the complete text of such documents, copies of which are attached as exhibits to this Form 8-K and are incorporated herein by reference.

The above description and the loan documents have been included to provide investors and security holders with information regarding the terms thereof. Investors and security holders are not third-party beneficiaries under the credit agreement and should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of the thereto or any of their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of representations and warranties may change after the date of the loan agreement, which subsequent information may or may not be fully reflected in the Company’s disclosures.

Item 9.01 Financial Statements and Exhibits

(d)

<u>Exhibit No.</u>	<u>Description</u>
10.1	<u>Joinder and First Loan Modification Agreement dated as of September 20, 2018 between the Company and Silicon Valley Bank.</u>
10.2	<u>Warrant to Purchase Common Stock dated as of September 20, 2018 issued by the Company to Silicon Valley Bank.</u>

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.

Date: September 20, 2018

By: /s/ Stephen Snyder

Stephen Snyder
Chief Executive Officer

JOINDER AND FIRST LOAN MODIFICATION AGREEMENT

This Joinder and First Loan Modification Agreement (this "Agreement") is entered into as of September 20, 2018, by and among (a) **SILICON VALLEY BANK**, a California corporation, with its principal place of business at 3003 Tasman Drive, Santa Clara, California 95054 and with a loan production office located at 275 Grove Street, Suite 2-200, Newton, Massachusetts 02466 ("**Bank**"), (b) **MEDICAL TRANSCRIPTION BILLING, CORP.**, a Delaware corporation with its principal place of business at 7 Clyde Road, Somerset, New Jersey 08873 ("**Parent Borrower**"), and **MTBC ACQUISITION, CORP.**, a Delaware corporation with its principal place of business at 7 Clyde Road, Somerset, New Jersey 08873 ("**Acquisition**") and, together with Parent Borrower, jointly and severally, individually and collectively, "**Existing Borrower**", and (c) **MTBC HEALTH, INC.**, a Delaware corporation with its principal place of business at 7 Clyde Road, Somerset, New Jersey 08873 ("**Health**"), and **MTBC PRACTICE MANAGEMENT, INC.**, a Delaware corporation with its principal place of business at 7 Clyde Road, Somerset, New Jersey 08873 ("**Management**") and, together with Health, jointly and severally, individually and collectively, "**New Borrower**", and New Borrower, together with Existing Borrower, jointly, severally, individually and collectively, the "**Borrower**").

1 . **DESCRIPTION OF EXISTING INDEBTEDNESS AND OBLIGATIONS.** Among other indebtedness and obligations which may be owing by Existing Borrower to Bank, Existing Borrower is indebted to Bank pursuant to a loan arrangement dated as of October 13, 2017, evidenced by, among other documents, a certain Loan and Security Agreement dated as of October 13, 2017, between Existing Borrower and Bank (as amended, the "Loan Agreement"). Capitalized terms used but not otherwise defined herein shall have the same meaning as in the Loan Agreement.

2. **JOINDER TO LOAN AGREEMENT.** New Borrower hereby joins the Loan Agreement and each of the Loan Documents, and agrees to comply with and be bound by all of the terms, conditions and covenants of the Loan Agreement and Loan Documents, as if it were originally named a "Borrower" therein. Without limiting the generality of the preceding sentence, New Borrower agrees that it will be jointly and severally liable, together with Existing Borrower, for the payment and performance of all obligations and liabilities of Borrower under the Loan Agreement, including, without limitation, the Obligations. Each Borrower hereby appoints each other Borrower as its agent for all purposes hereunder. Each Borrower hereunder shall be obligated to repay all Credit Extensions made pursuant to the Loan Agreement, regardless of which Borrower actually receives said Credit Extension, as if each Borrower hereunder directly received all Credit Extensions.

3 . **SUBROGATION AND SIMILAR RIGHTS.** Each Borrower waives any suretyship defenses available to it under the Code or any other applicable law until all Obligations are indefeasibly paid in full (except for inchoate indemnification obligations). Each Borrower waives any right to require Bank to: (i) proceed against any other Borrower or any other person; (ii) proceed against or exhaust any security; or (iii) pursue any other remedy. Bank may exercise or not exercise any right or remedy it has against any Borrower or any security it holds (including the right to foreclose by judicial or non-judicial sale) without affecting any Borrower's liability. Notwithstanding any other provision of this Agreement, the Loan Agreement or other Loan Documents, each Borrower irrevocably fully subordinates and defers, until all Obligations are indefeasibly paid in full (except for inchoate indemnification obligations) all rights that it may have at law or in equity (including, without limitation, any law subrogating Borrower to the rights of Bank under the Loan Agreement) to seek contribution, indemnification or any other form of reimbursement from any other Borrower, or any other Person now or hereafter primarily or secondarily liable for any of the Obligations, for any payment made by Borrower with respect to the Obligations in connection with the Loan Agreement or otherwise and all rights that it might have to benefit from, or to participate in, any security for the Obligations as a result of any payment made by Borrower with respect to the Obligations in connection with the Loan Agreement or otherwise. Any agreement providing for indemnification, reimbursement or any other arrangement prohibited under this Section 3 shall be null and void. If any payment is made to a Borrower in contravention of this Section 3, such Borrower shall hold such payment in trust for Bank and such payment shall be promptly delivered to Bank for application to the Obligations, whether matured or unmatured.

4. GRANT OF SECURITY INTEREST. To secure the prompt payment and performance of all of the Obligations, New Borrower hereby grants to Bank a continuing lien upon and security interest in all of New Borrower's now existing or hereafter arising rights and interest in the Collateral, whether now owned or existing or hereafter created, acquired, or arising, and wherever located, including, without limitation, all of New Borrower's assets, and all New Borrower's books relating to the foregoing and any and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accessions and improvements to and replacements, products, proceeds and insurance proceeds of any or all of the foregoing. New Borrower further covenants and agrees that by its execution hereof it shall provide all such information, complete all such forms, and take all such actions, and enter into all such agreements, in form and substance reasonably satisfactory to Bank that are reasonably deemed necessary by Bank in order to grant a valid, perfected first priority security interest to Bank in the Collateral (subject only to Permitted Liens that are permitted pursuant to the terms of the Loan Agreement to have superior priority to Bank's lien under the Loan Agreement). New Borrower hereby authorizes Bank to file financing statements, without notice to Borrower, with all appropriate jurisdictions in order to perfect or protect Bank's interest or rights hereunder, including a notice that any disposition of the Collateral, by either Borrower or any other Person, shall be deemed to violate the rights of Bank under the Code. Any such financing statement may indicate the Collateral as "all assets of Debtor" or words of similar effect, or as being of an equal or lesser scope, or with greater detail, all in Bank's discretion.

5. REPRESENTATIONS AND WARRANTIES. New Borrower hereby represents and warrants to Bank that all representations and warranties in the Loan Documents made on the part of Existing Borrower are true and correct on the date hereof with respect to New Borrower, with the same force and effect as if New Borrower was named as "Borrower" in the Loan Documents in addition to Existing Borrower.

6. DESCRIPTION OF COLLATERAL. Repayment of the Obligations is secured by, among other property, the Collateral as defined in the Loan Agreement (together with any other collateral security granted to Bank, the "Security Documents"). Hereinafter, the Security Documents, together with all other documents evidencing or securing the Obligations shall be referred to as the "Existing Loan Documents".

7. DELIVERY OF DOCUMENTS. Each Borrower hereby agrees that the following documents shall be delivered to Bank prior to or contemporaneously with delivery of this Agreement, each in form and substance satisfactory to Bank:

- a. duly executed original signatures to the Warrant to Purchase Stock dated as of the date of this Agreement, together with a capitalization table for Parent Borrower;
- b. a secretary's corporate borrowing certificate for each Borrower with respect to such Borrower's certificate of incorporation, by-laws, incumbency and resolutions authorizing the execution and delivery of this Agreement and the other documents required by Bank in connection with this Agreement;
- c. consent of the shareholders of each Borrower authorizing the execution and delivery of this Agreement and the other documents required by Bank in connection with this Agreement (if required by such Borrower's corporate documents);
- d. a long-form Certificate of Good Standing for each New Borrower from the State of Delaware;
- e. certificates of Good Standing/Foreign Qualification for each New Borrower, from each state in which such New Borrower is qualified to do business;
- f. the results of a UCC search for each New Borrower indicating that there are no Liens other than Permitted Liens, and otherwise in form and substance satisfactory to Bank;
- g. a Perfection Certificate for each New Borrower;
- h. such other documents as Bank may reasonably request.

8. DESCRIPTION IN CHANGE IN TERMS.

A. Modifications to Loan Agreement.

1 Borrower hereby acknowledges and agrees that, on or before the date that is thirty (30) days from the date of this Agreement, Borrower will deliver to Bank, in form and substance satisfactory to Bank, evidence of insurance (on Acord 28 and Acord 25 certificates, together with endorsements to the liability and property policies) for each Borrower. Borrower acknowledges and agrees that the failure of Borrower to satisfy the requirements set forth in the immediately preceding sentence on or before the date that is thirty (30) days from the date of this Agreement shall result in an immediate Event of Default under the Loan Agreement for which there shall be no grace or cure period.

2 The Loan Agreement shall be amended by deleting the defined terms “Borrower” and “Subsidiary Borrower”, where they appear in the preamble thereof.

3 The Loan Agreement shall be amended by deleting the following text, appearing in Section 2.3(a) thereof:

“The aggregate Dollar Equivalent of the face amount of outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve) may not exceed the lesser of (i) (A) Two Hundred Fifty Thousand Dollars (\$250,000.00), minus (B) amounts used for Cash Management Services, and minus (C) the FX Reduction Amount and (ii) (A) the lesser of the Revolving Line or the Borrowing Base, minus (B) the sum of all outstanding principal amounts of any Advances (including any amounts used for Cash Management Services), and minus (C) the FX Reduction Amount.”

and inserting in lieu thereof the following:

“The aggregate Dollar Equivalent of the face amount of outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve) may not exceed the lesser of (i) (A) Five Hundred Thousand Dollars (\$500,000.00), minus (B) amounts used for Cash Management Services, and minus (C) the FX Reduction Amount and (ii) (A) the lesser of the Revolving Line or the Borrowing Base, minus (B) the sum of all outstanding principal amounts of any Advances (including any amounts used for Cash Management Services), and minus (C) the FX Reduction Amount.”

4 The Loan Agreement shall be amended by deleting the following text, appearing in Section 2.4 thereof:

“The aggregate FX Reduction Amount at any one time may not exceed the lesser of (i) (A) Two Hundred Fifty Thousand Dollars (\$250,000.00), minus (B) the sum of all amounts used for Cash Management Services, and minus (C) the aggregate Dollar Equivalent of the face amount of any outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve) and (ii) (A) the lesser of the Revolving Line or the Borrowing Base, minus (B) the sum of all outstanding principal amounts of any Advances (including any amounts used for Cash Management Services), and minus (C) the aggregate Dollar Equivalent of the face amount of any outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve).”

and inserting in lieu thereof the following:

“The aggregate FX Reduction Amount at any one time may not exceed the lesser of (i) (A) Five Hundred Thousand Dollars (\$500,000.00), minus (B) the sum of all amounts used for Cash Management Services, and minus (C) the aggregate Dollar Equivalent of the face amount of any outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve) and (ii) (A) the lesser of the Revolving Line or the Borrowing Base, minus (B) the sum of all outstanding principal amounts of any Advances (including any amounts used for Cash Management Services), and minus (C) the aggregate Dollar Equivalent of the face amount of any outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve).”

- 5 The Loan Agreement shall be amended by deleting the following text, appearing in Section 2.5 thereof:

“Borrower may use the Revolving Line in an aggregate amount not to exceed the lesser of (i) (A) Two Hundred Fifty Thousand Dollars (\$250,000.00), minus (B) the aggregate Dollar Equivalent of the face amount of any outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve), and minus (C) the FX Reduction Amount and (ii) (A) the lesser of the Revolving Line or the Borrowing Base, minus (B) the sum of all outstanding principal amounts of any Advances, minus the aggregate Dollar Equivalent of the face amount of any outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve), and minus (C) the FX Reduction Amount for Bank’s cash management services, which may include merchant services, direct deposit of payroll, business credit card, and check cashing services identified in Bank’s various cash management services agreements (collectively, the “**Cash Management Services**”).”

and inserting in lieu thereof the following:

“Borrower may use the Revolving Line in an aggregate amount not to exceed the lesser of (i) (A) Five Hundred Thousand Dollars (\$500,000.00), minus (B) the aggregate Dollar Equivalent of the face amount of any outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve), and minus (C) the FX Reduction Amount and (ii) (A) the lesser of the Revolving Line or the Borrowing Base, minus (B) the sum of all outstanding principal amounts of any Advances, minus the aggregate Dollar Equivalent of the face amount of any outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit and any Letter of Credit Reserve), and minus (C) the FX Reduction Amount for Bank’s cash management services, which may include merchant services, direct deposit of payroll, business credit card, and check cashing services identified in Bank’s various cash management services agreements (collectively, the “**Cash Management Services**”).”

- 6 The Loan Agreement shall be amended by deleting the following text, appearing in Section 2.7 thereof:

“(a) Interest Rate. Subject to Section 2.7(b), the principal amount outstanding under the Revolving Line shall accrue interest at a floating per annum rate equal to one and three-quarters of one percent (1.75%) above the Prime Rate, which interest shall be payable monthly in accordance with Section 2.7(d) below.”

and inserting in lieu thereof the following:

“ (a) Interest Rate. Subject to Section 2.7(b), the principal amount outstanding under the Revolving Line shall accrue interest at a floating per annum rate equal to the greater of (i) one and one-half of one percent (1.50%) above the Prime Rate and (ii) six and one-half of one percent (6.50%), which interest shall be payable monthly in accordance with Section 2.7(d) below.”

- 7 The Loan Agreement shall be amended by (i) renumbering subsection (j) of Section 6.2 as subsection (k) and (ii) inserting the following new text, to appear as subsection (j) of Section 6.2:

“ (j) prompt written notice of any changes to the beneficial ownership information set out in Section 14 of the Perfection Certificate. Borrower understands and acknowledges that Bank relies on such true, accurate and up-to-date beneficial ownership information to meet Bank’s regulatory obligations to obtain, verify and record information about the beneficial owners of its legal entity customers; and”

- 8 The Loan Agreement shall be amended by deleting the following text, appearing in Section 6.6 thereof:

“In the event Borrower and Bank schedule an audit more than ten (10) days in advance, and Borrower cancels or seeks to or reschedules the audit with less than ten (10) days written notice to Bank, then (without limiting any of Bank’s rights or remedies) Borrower shall pay Bank a fee of One Thousand Dollars (\$1,000.00) plus any out-of-pocket expenses incurred by Bank to compensate Bank for the anticipated costs and expenses of the cancellation or rescheduling.”

and inserting in lieu thereof the following:

“In the event Borrower and Bank schedule an audit more than eight (8) days in advance, and Borrower cancels or seeks to or reschedules the audit with less than eight (8) days written notice to Bank, then (without limiting any of Bank’s rights or remedies) Borrower shall pay Bank a fee of Two Thousand Dollars (\$2,000.00) plus any out-of-pocket expenses incurred by Bank to compensate Bank for the anticipated costs and expenses of the cancellation or rescheduling.”

- 9 The Loan Agreement shall be amended by deleting the following text, appearing in Section 6.8(a) thereof:

“Maintain its and all of its Subsidiaries’ operating and other deposit accounts, the Cash Collateral Account and securities/investment accounts with Bank and Bank’s Affiliates, provided, however that, (i) for a period of up to one hundred eighty (180) days from the Effective Date, Borrower shall be permitted to maintain its accounts with Opus Bank existing as of the Effective Date that are disclosed on the Perfection Certificate so long as the aggregate amount maintained in such accounts (for all such accounts together) does not exceed Ten Thousand Dollars (\$10,000.00), (ii) Borrower shall be permitted to maintain its accounts with TD Bank, Boenning & Scattergood, Inc. and PayPal existing as of the Effective Date that are disclosed on the Perfection Certificate so long as the aggregate amount maintained in such accounts (for all such accounts together) does not exceed Ten Thousand Dollars (\$10,000.00) and (iii) Borrower’s Foreign Subsidiaries shall be permitted to maintain accounts with financial institutions other than Bank located outside of the United States so long as the aggregate amount maintained in the accounts in this subsection (iii) (for all such accounts together) does not exceed Two Hundred Fifty Thousand Dollars (\$250,000.00), provided, however, that the aggregate amount in such accounts may exceed the foregoing amount for a period of up to fourteen (14) consecutive Business Days in any month so long as the excess amount is solely due to the monthly transfer of funds from Borrower for such Subsidiaries’ payroll and business expenses or due to foreign currency exchange fluctuation.”

and inserting in lieu thereof the following:

“Maintain its and all of its Subsidiaries’ operating and other deposit accounts, the Cash Collateral Account and securities/investment accounts with Bank and Bank’s Affiliates, provided, however that, (i) Borrower shall be permitted to maintain (A) its accounts with TD Bank, Boenning & Scattergood, Inc. and PayPal existing as of the First LMA Effective Date that are disclosed on the Perfection Certificate so long as the aggregate amount maintained in such accounts (for all such accounts together) does not exceed Ten Thousand Dollars (\$10,000.00) and (B) accounts maintained by Borrower in its capacity as agent for its customers so long as such accounts do not hold any cash or other assets of Borrower at any time and (ii) Borrower’s Foreign Subsidiaries shall be permitted to maintain accounts with financial institutions other than Bank located outside of the United States so long as the aggregate amount maintained in the accounts in this subsection (ii) (for all such accounts together) does not exceed Two Hundred Fifty Thousand Dollars (\$250,000.00), provided, however, that the aggregate amount in such accounts may exceed the foregoing amount for a period of up to fourteen (14) consecutive Business Days so long as the excess amount is solely due to the monthly transfer of funds from Borrower for such Subsidiaries’ payroll and business expenses or due to foreign currency exchange fluctuation.”

10 The Loan Agreement shall be amended by deleting the following text, appearing in Section 6.8(b) thereof:

“The provisions of the previous sentence shall not apply to (i) for a period of one hundred eighty (180) days from the Effective Date, Borrower’s existing accounts with Opus Bank described in Section 6.8(a) above, (ii) Borrower’s existing accounts with TD Bank, Boenning & Scattergood and PayPal described in Section 6.8(a) above and (iii) deposit accounts exclusively used for payroll, payroll taxes, and other employee wage and benefit payments to or for the benefit of Borrower’s employees and identified to Bank by Borrower as such.”

and inserting in lieu thereof the following:

“The provisions of the previous sentence shall not apply to (i) Borrower’s existing accounts with TD Bank, Boenning & Scattergood and PayPal and accounts maintained by Borrower in its capacity as agent for its customers, in each case, as described in Section 6.8(a) above and (ii) deposit accounts exclusively used for payroll, payroll taxes, and other employee wage and benefit payments to or for the benefit of Borrower’s employees and identified to Bank by Borrower as such.”

11 The Loan Agreement shall be amended by deleting the following text, appearing in Section 6.9(b) thereof:

“and (iii) Five Hundred Thousand Dollars (\$500,000.00) for the three (3) month period ending June 30, 2018 and for the three (3) month period ending on the last day of each month thereafter.”

and inserting in lieu thereof the following:

“(iii) Five Hundred Thousand Dollars (\$500,000.00) for the three (3) month period ending June 30, 2018, (iv) One Hundred Thousand Dollars (\$100,000.00) for the three (3) month period ending July 31, 2018, (v) One Hundred Twenty Five Thousand Dollars (\$125,000.00) for the three (3) month period ending August 31, 2018, (vi) One Hundred Fifty Thousand Dollars (\$150,000.00) for the three (3) month period ending September 30, 2018, (vii) Two Hundred Fifty Thousand Dollars (\$250,000.00) for the three (3) month period ending October 31, 2018, (viii) Three Hundred Fifty Thousand Dollars (\$350,000.00) for the three (3) month period ending November 30, 2018, (ix) Four Hundred Thousand Dollars (\$400,000.00) for the three (3) month period ending December 31, 2018, (x) Five Hundred Thousand Dollars (\$500,000.00) for the three (3) month period ending January 31, 2019, (xi) Six Hundred Thousand Dollars (\$600,000.00) for the three (3) month period ending February 28, 2019, (xii) Seven Hundred Fifty Thousand Dollars (\$750,000.00) for the three (3) month period ending March 31, 2019, (xiii) Eight Hundred Fifty Thousand Dollars (\$850,000.00) for the three (3) month period ending April 30, 2018, (xiv) Nine Hundred Fifty Thousand Dollars (\$950,000.00) for the three (3) month period ending May 31, 2019, (xv) One Million Dollars (\$1,000,000.00) for the three (3) month period ending June 30, 2019, (xvi) One Million One Hundred Thousand Dollars (\$1,100,000.00) for the three (3) month period ending July 31, 2019, (xvii) One Million Two Hundred Thousand Dollars (\$1,200,000.00) for the three (3) month period ending August 31, 2019 and (xviii) One Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00) for the three (3) month period ending September 30, 2019 and for the three (3) month period ending on the last day of each month thereafter.”

12 The Loan Agreement shall be amended by deleting the following text, appearing in Section 6.12 thereof:

“ (b) Comply with the terms of the “Banking Terms and Conditions” and ensure that all persons utilizing the online banking platform are duly authorized to do so by an Administrator. Bank shall be entitled to assume the authenticity, accuracy and completeness on any information, instruction or request for a Credit Extension submitted via the online banking platform and to further assume that any submissions or requests made via the online banking platform have been duly authorized by an Administrator.”

and inserting in lieu thereof the following:

“ (b) Comply with the terms of Bank’s Online Banking Agreement as in effect from time to time and ensure that all persons utilizing Bank’s online banking platform are duly authorized to do so by an Administrator. Bank shall be entitled to assume the authenticity, accuracy and completeness on any information, instruction or request for a Credit Extension submitted via Bank’s online banking platform and to further assume that any submissions or requests made via Bank’s online banking platform have been duly authorized by an Administrator.”

- 13 The Loan Agreement shall be amended by inserting the following new text, to appear at the end of Section 7.2 thereof:
- “If Borrower intends to add any new offices or business locations, including warehouses, containing in excess of Fifty Thousand Dollars (\$50,000.00) of Borrower’s assets or property, then Borrower will first receive the written consent of Bank, and the landlord of any such new offices or business locations, including warehouses, shall execute and deliver a landlord consent in form and substance satisfactory to Bank.”
- 14 The Loan Agreement shall be amended by deleting the following text, appearing in the definition of “Permitted Indebtedness” in Section 13.1 thereof:
- “ (f) Indebtedness consisting of the financing of insurance premiums not exceeding Three Hundred Fifty Thousand Dollars (\$350,000.00) in the aggregate outstanding at any time; and”
- and inserting in lieu thereof the following:
- “ (f) Indebtedness consisting of the financing of insurance premiums not exceeding Four Hundred Fifty Thousand Dollars (\$450,000.00) in the aggregate outstanding at any time; and”
- 15 The Loan Agreement shall be amended by inserting the following new definitions, appearing alphabetically in Section 13.1 thereof:
- “ **“Acquisition”** is MTBC Acquisition, Corp., a Delaware corporation.”
- “ **“First LMA Effective Date”** is _____, 2018.” [DATE OF THIS AGREEMENT. TO BE COMPLETED AT CLOSING]
- “ **“Health”** is MTBC Health, Inc., a Delaware corporation.”
- “ **“Management”** is MTBC Practice Management, Corp., a Delaware corporation.”
- 16 The Loan Agreement shall be amended by deleting the following definitions, appearing in Section 13.1 thereof:
- “ **“Administrator”** is an individual that is named:
- (a) as an “Administrator” in the “SVB Online Services” form completed by Borrower with the authority to determine who will be authorized to use SVB Online Services (as defined in the “Banking Terms and Conditions”) on behalf of Borrower; and

(b) as an Authorized Signer of Borrower in an approval by the Board.”

“ **“Borrower”** is defined in the preamble hereof.”

“ **“Repeatable Revenue”** is the difference of (a) Borrower’s committed repeatable revenue determined in accordance with GAAP attributable to ongoing medical billing fees for electronic health records, platform management software and revenue cycle management services and any other repeatable revenue billed in arrears based on usage that is earned during the prior month pursuant to a binding, written agreements which arise in the ordinary course of Borrower’s business that (i) meet all of Borrower’s representations and warranties described in Section 5.3, (ii) are payable on a monthly, quarterly or annual basis and (iii) are or may be due and owing from Account Debtors deemed acceptable to Bank in its sole discretion minus (b) any discounts, credits, reserves for bad debt, customer adjustments, or other offsets; provided that Bank reserves the right at any time and from time to time to exclude and/or remove any Account, or portion thereof, from the definition of Repeatable Revenue, in its sole discretion.”

“ **“Revolving Line”** is an aggregate principal amount equal to Five Million Dollars (\$5,000,000.00).”

“ **“Revolving Line Maturity Date”** is the date that is three (3) years from the Effective Date; provided, on any date that is more than one (1) year prior to the Revolving Line Maturity Date (taking into account any extensions of the Revolving Line Maturity Date agreed to by Bank after the Effective Date), Bank may elect in its sole and absolute discretion to extend the Revolving Line Maturity Date for an additional year.”

“ **“Warrant”** is that certain Warrant to Purchase Stock dated as of the Effective Date between Borrower and Bank, as amended, modified, supplemented and/or restated from time to time.”

and inserting in lieu thereof the following:

“ **“Administrator”** is an individual that is named:

(a) as an “Administrator” in the “SVB Online Services” form completed by Borrower with the authority to determine who will be authorized to use SVB Online Services (as defined in the Bank’s Online Banking Agreement as in effect from time to time) on behalf of Borrower; and

(b) as an Authorized Signer of Borrower in an approval by the Board.”

“ **“Borrower”** means, individually and collectively, jointly and severally, Parent Borrower, Acquisition, Health and Management.”

“ **“Repeatable Revenue”** is the difference of (a) Borrower’s committed repeatable revenue determined in accordance with GAAP attributable to ongoing medical billing fees for electronic health records, practice management software and services, revenue cycle management services, group purchasing organization referral fees and any other repeatable revenue billed in arrears based on usage that is earned during the prior month pursuant to a binding, written agreements which arise in the ordinary course of Borrower’s business that (i) meet all of Borrower’s representations and warranties described in Section 5.3, (ii) are payable on a monthly, quarterly or annual basis and (iii) are or may be due and owing from Account Debtors deemed acceptable to Bank in its sole discretion minus (b) any discounts, credits, reserves for bad debt, customer adjustments, or other offsets; provided that Bank reserves the right at any time and from time to time to exclude and/or remove any Account, or portion thereof, from the definition of Repeatable Revenue, in its sole discretion.”

“ **“Revolving Line”** is an aggregate principal amount equal to Ten Million Dollars (\$10,000,000.00).”

“ **“Revolving Line Maturity Date”** October 13, 2021.”

“ **“Warrant”** is, collectively, (a) that certain Warrant to Purchase Stock dated as of the Effective Date between Borrower and Bank and (b) that certain Warrant to Purchase Stock dated as of the First LMA Effective Date between Borrower and Bank, in each case as amended, modified, supplemented and/or restated from time to time.”

17 The Compliance Certificate appearing as **Exhibit B** to the Loan Agreement is hereby replaced with the Compliance Certificate attached as **Schedule 1** hereto.

9. **FEES AND EXPENSES.** Borrower shall pay to Bank a modification fee equal to Fifty Thousand Dollars (\$50,000.00), which fee shall be fully earned, due and payable on the date hereof. Borrower shall also reimburse Bank for all legal fees and expenses incurred in connection with this amendment to the Existing Loan Documents.

10. **PERFECTION CERTIFICATES.**

(a) Parent Borrower hereby ratifies, confirms and reaffirms, all and singular, the terms and disclosures contained in a certain Perfection Certificate dated as of _____, 2018 delivered by Parent Borrower to Bank (the **“Parent Borrower Perfection Certificate”**), and acknowledges, confirms and agrees that the disclosures and information Parent Borrower provided to Bank in the Parent Borrower Perfection Certificate have not changed, as of the date hereof.

(b) Acquisition hereby ratifies, confirms and reaffirms, all and singular, the terms and disclosures contained in a certain Perfection Certificate dated as of _____, 2018 (the **“Acquisition Perfection Certificate”**), and acknowledges, confirms and agrees that the disclosures and information Acquisition provided to Bank in the Acquisition Perfection Certificate have not changed, as of the date hereof.

(c) In connection with this Agreement, Health delivered to Bank a Perfection Certificate signed by Health dated as of the date of this Agreement (the **“Health Perfection Certificate”**). Health represents and warrants to Bank that: (i) Health’s exact legal name is that indicated on the Health Perfection Certificate and on the signature page hereof; and (ii) Health is an organization of the type, and is organized in the jurisdiction, set forth in the Health Perfection Certificate; and (iii) the Health Perfection Certificate accurately sets forth Health’s organizational identification number or accurately states that Health has none; (iv) the Health Perfection Certificate accurately sets forth Health’s place of business, or, if more than one, its chief executive office as well as Health’s mailing address if different, and (v) all other information set forth on the Health Perfection Certificate pertaining to Health is accurate and complete.

(d) In connection with this Agreement, Management delivered to Bank a Perfection Certificate signed by Management dated as of the date of this Agreement (the "Management Perfection Certificate"). Management represents and warrants to Bank that: (i) Management's exact legal name is that indicated on the Management Perfection Certificate and on the signature page hereof; and (ii) Management is an organization of the type, and is organized in the jurisdiction, set forth in the Management Perfection Certificate; and (iii) the Management Perfection Certificate accurately sets forth Management's organizational identification number or accurately states that Management has none; (iv) the Management Perfection Certificate accurately sets forth Management's place of business, or, if more than one, its chief executive office as well as Management's mailing address if different, and (v) all other information set forth on the Management Perfection Certificate pertaining to Management is accurate and complete.

Borrower hereby acknowledges and agrees that all references in the Loan Agreement to the "Perfection Certificate" shall mean and include, collectively, the Parent Borrower Perfection Certificate, the Acquisition Perfection Certificate, the Health Perfection Certificate and the Management Perfection Certificate.

11. CONSISTENT CHANGES. The Existing Loan Documents are hereby amended wherever necessary to reflect the changes described above.

12. RATIFICATION OF LOAN DOCUMENTS. Borrower hereby ratifies, confirms, and reaffirms all terms and conditions of all security or other collateral granted to Bank, and confirms that the indebtedness secured thereby includes, without limitation, the Obligations.

13. [Reserved].

14. CONTINUING VALIDITY. Borrower understands and agrees that in modifying the existing Obligations, Bank is relying upon Borrower's representations, warranties, and agreements, as set forth in the Existing Loan Documents. Except as expressly modified pursuant to this Agreement, the terms of the Existing Loan Documents remain unchanged and in full force and effect. Bank's agreement to modifications to the existing Obligations pursuant to this Agreement in no way shall obligate Bank to make any future modifications to the Obligations. Nothing in this Agreement shall constitute a satisfaction of the Obligations. It is the intention of Bank and Borrower to retain as liable parties all makers of Existing Loan Documents, unless the party is expressly released by Bank in writing. No maker will be released by virtue of this Agreement.

15. COUNTERSIGNATURE. This Agreement shall become effective only when it shall have been executed by Borrower and Bank.

[The remainder of this page is intentionally left blank]

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

EXISTING BORROWER:

MEDICAL TRANSCRIPTION BILLING, CORP.

By: /s/ Bill Korn
Name: Bill Korn
Title: CFO

BANK:

SILICON VALLEY BANK

By: /s/ Nathan Meaux
Name: Nathan Meaux
Title: Vice President

MTBC ACQUISITION, CORP.

By: /s/ Bill Korn
Name: Bill Korn
Title: CFO

NEW BORROWER:

MTBC HEALTH, INC.

By: /s/ Bill Korn
Name: Bill Korn
Title: CFO

MTBC PRACTICE MANAGEMENT, CORP.

By: /s/ Bill Korn
Name: Bill Korn
Title: CFO

SCHEDULE 1

EXHIBIT B
COMPLIANCE CERTIFICATE

TO: SILICON VALLEY BANK
FROM: MEDICAL TRANSCRIPTION BILLING, CORP.,
MTBC ACQUISITION, CORP., MTBC HEALTH, INC.
and MTBC PRACTICE MANAGEMENT, CORP.

Date: _____

The undersigned authorized officer of MEDICAL TRANSCRIPTION BILLING, CORP., MTBC ACQUISITION, CORP., MTBC HEALTH, INC. and MTBC PRACTICE MANAGEMENT, CORP. (jointly and severally, individually and collectively, "**Borrower**") certifies that under the terms and conditions of the Loan and Security Agreement between Borrower and Bank (the "**Agreement**"), (1) Borrower is in complete compliance for the period ending _____ with all required covenants except as noted below, (2) there are no Events of Default, (3) all representations and warranties in the Agreement are true and correct in all material respects on this date except as noted below; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date, (4) Borrower, and each of its Subsidiaries, has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except as otherwise permitted pursuant to the terms of Section 5.9 of the Agreement, and (5) no Liens have been levied or claims made against Borrower or any of its Subsidiaries, if any, relating to unpaid employee payroll or benefits of which Borrower has not previously provided written notification to Bank. Attached are the required documents supporting the certification. The undersigned certifies that these are prepared in accordance with GAAP consistently applied from one period to the next except as explained in an accompanying letter or footnotes. The undersigned acknowledges that no borrowings may be requested at any time or date of determination that Borrower is not in compliance with any of the terms of the Agreement, and that compliance is determined not just at the date this certificate is delivered. Capitalized terms used but not otherwise defined herein shall have the meanings given them in the Agreement.

Please indicate compliance status by circling Yes/No under "Complies" column.

<u>Reporting Covenants</u>	<u>Required</u>	<u>Complies</u>
Monthly financial statements with Compliance Certificate	Monthly within 30 days	Yes No
Annual financial statements (CPA Audited) on Form 10-K	Within 5 days after filing with SEC	
10-Q and 8-K	Within 5 days after filing with SEC	Yes No
A/R & A/P Agings	Monthly within 30 days	Yes No
Repeatable Revenue Reports	Monthly within 30 days	Yes No
Board-approved projections	FYE within 30 days, and as updated/ amended	Yes No

<u>Financial Covenants</u>	<u>Required</u>	<u>Actual</u>	<u>Complies</u>
Maintain as indicated:			
Liquidity Ratio (at all times; tested monthly)	≥ 1.0 : 1.0	_____ : 1.0	Yes No
Adjusted EBITDA (trailing three-month; tested monthly)	≥ _____ *	_____ : 1.0	Yes No

* As set forth in Section 6.9(b) of the Agreement

The following financial covenant analyses and information set forth in Schedule 1 attached hereto are true and accurate as of the date of this Certificate.

The following are the exceptions with respect to the certification above: (If no exceptions exist, state "No exceptions to note.")

MEDICAL TRANSCRIPTION BILLING, CORP.
MTBC ACQUISITION, CORP.
MTBC HEALTH, INC.
MTBC PRACTICE MANAGEMENT, CORP.

By: _____
Name: _____
Title: _____

BANK USE ONLY

Received by: _____
authorized signer

Date: _____

Verified: _____
authorized signer

Date: _____

Compliance Status: Yes No

Schedule 1 to Compliance Certificate

Financial Covenants of Borrower

In the event of a conflict between this Schedule and the Loan Agreement, the terms of the Loan Agreement shall govern.

Dated: _____

I. Liquidity Ratio (at all times) (tested monthly) (Section 6.9(a))

Required: $\geq 1.0 : 1.0$

Actual: ____ : 1:0

- | | | |
|----|--|----------|
| A. | Aggregate value of Borrower's unrestricted and unencumbered cash and Cash Equivalents maintained with Bank and Bank's Affiliates | \$ _____ |
| B. | Aggregate value of Borrower's net billed accounts receivable | \$ _____ |
| C. | The sum of lines A and B | \$ _____ |
| D. | All obligations and liabilities of Borrower to Bank (other than any obligations related to Bank Services that are secured by specifically pledged and segregated cash on terms and in amounts satisfactory to Bank in its sole discretion) | \$ _____ |
| E. | Liquidity Ratio (line C divided by line D) | _____ |

Is line E equal to or greater than 1.0 : 1.0?

_____ No, not in compliance

_____ Yes, in compliance

II. Adjusted EBITDA (trailing three-month) (tested monthly) (Section 6.9(b))

Required: \$ _____*

*As set forth in Section 6.9(b) of the Agreement.

Actual: \$ _____

A.	Net Income	\$ _____
B.	To the extent included in the determination of Net Income	
1.	Interest Expense	\$ _____
2.	Income tax expense	\$ _____
3.	Depreciation	\$ _____
4.	Amortization expense	\$ _____
5.	Non-cash stock-based compensation expense	\$ _____
6.	Stock-based compensation payable in cash (not to exceed \$250,000 per fiscal year)	\$ _____
7.	Foreign currency gains and losses	\$ _____
8.	Gain or loss resulting from the change in the value of contingent consideration and non-recurring transaction and integration costs related to acquisitions that occurred prior to the Effective Date	\$ _____
9.	Gain or loss resulting from the change in the value of contingent consideration and non-recurring transaction and integration costs related to acquisitions occurring on or after the Effective Date to the extent approved by Bank on a case-by-case basis in its sole discretion	\$ _____
10.	The sum of lines 1 through 9	\$ _____
C.	Unfinanced capital expenditures	\$ _____
D.	Capitalized software expenses	\$ _____
E.	The sum of lines C and D	
F.	Adjusted EBITDA (line A plus line B.10 minus line E)	\$ _____

Is line F equal to or greater than the required amount set forth above?

_____ No, not in compliance

_____ Yes, in compliance

THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**ACT**”), OR THE SECURITIES LAWS OF ANY STATE AND, EXCEPT AS SET FORTH IN SECTIONS 5.3 AND 5.4 BELOW, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND LAWS OR, IN THE OPINION OF LEGAL COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER, SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

WARRANT TO PURCHASE STOCK

Company: Medical Transcription Billing, Corp., a Delaware corporation

Number of Shares: As set forth in Paragraph A below

Type/Series of Stock: Common Stock, \$0.001 par value per share

Warrant Price: As set forth in Paragraph A below

Issue Date: September __, 2018

Expiration Date: September __, 2023 See also Section 5.1(b).

Credit Facility: This Warrant to Purchase Stock (“**Warrant**”) is issued in connection with that certain Joinder and First Loan Modification Agreement, of even date herewith, to that certain Loan and Security Agreement dated October 13, 2017, between Silicon Valley Bank and the Company (collectively, and as may be further amended and/or modified and in effect from time to time, the “**Loan Agreement**”).

THIS WARRANT CERTIFIES THAT, for good and valuable consideration, SILICON VALLEY BANK (together with any successor or permitted assignee or transferee of this Warrant or of any shares issued upon exercise hereof, “**Holder**”) is entitled to purchase up to the number of fully paid and non-assessable shares of the above-stated Type/Series of Stock (the “**Class**”) of the above-named company (the “**Company**”) determined pursuant to Paragraph A below, at a purchase price per Share equal to the Warrant Price (as defined below) all as set forth above and as adjusted pursuant to Section 2 of this Warrant, subject to the provisions and upon the terms and conditions set forth in this Warrant. Reference is made to Section 5.4 of this Warrant whereby Silicon Valley Bank shall transfer this Warrant to its parent company, SVB Financial Group.

A. Number of Shares; Warrant Price.

(1) Number of Shares. This Warrant shall be exercisable for up to such number of shares of the Class (the “**Shares**”) as shall equal (a) \$150,000, divided by (b) the Warrant Price, subject to adjustment from time to time in accordance with the provisions of this Warrant.

(2) Warrant Price. The purchase price per Share hereunder (the “**Warrant Price**”) shall equal the highest VWAP of a share of the Class computed from data reported on NASDAQ for any five (5) consecutive trading days during the thirty (30) consecutive trading-day period commencing on the fifteenth (15th) trading day immediately preceding the Issue Date hereof and ending on the fifteenth (15th) trading day immediately following the Issue Date hereof (inclusive of the Issue Date), subject to adjustment thereafter from time to time in accordance with the provisions of this Warrant. As used herein, “**VWAP**” means volume-weighted average price and shall be determined as follows:

$$P_{VWAP} = \frac{\sum_j P_j \cdot Q_j}{\sum_j Q_j}$$

Where:

P_{VWAP} = volume-weighted average price

P_j = price of trade j

Q_j = quantity of trade j

j = each individual trade that takes place during each 5-consecutive trading-day period of the above-mentioned 30-trading-day period, excluding cross trades and basket cross trades.

Within five (5) Business Days (as hereinafter defined) following the expiration of the aforementioned 30-trading day period, the Company shall deliver to Holder the certificate described in Section 2.4 setting forth in reasonable detail the Company's calculation of the Warrant Price in accordance with the provisions of this Paragraph A, which calculation shall be conclusive for all purposes of this Warrant (i) except in the case of manifest error, or (ii) unless Holder objects thereto in writing to the Company within five (5) Business Days following its receipt of such Company calculation, in which case the parties shall work together in good faith to promptly resolve such objection and agree on the Warrant Price.

SECTION 1. EXERCISE.

1.1 Method of Exercise. Holder may at any time and from time to time exercise this Warrant, in whole or in part, by delivering to the Company the original of this Warrant together with a duly executed Notice of Exercise in substantially the form attached hereto as Appendix 1 and, unless Holder is exercising this Warrant pursuant to a cashless exercise set forth in Section 1.2, a check, wire transfer of same-day funds (to an account designated by the Company), or other form of payment acceptable to the Company for the aggregate Warrant Price for the Shares being purchased.

1.2 Cashless Exercise. On any exercise of this Warrant, in lieu of payment of the aggregate Warrant Price in the manner as specified in Section 1.1 above, but otherwise in accordance with the requirements of Section 1.1, Holder may elect to receive Shares equal to the value of this Warrant, or portion hereof as to which this Warrant is being exercised. Thereupon, the Company shall issue to the Holder such number of fully paid and non-assessable Shares as are computed using the following formula:

$$X = Y(A-B)/A$$

where:

X = the number of Shares to be issued to the Holder;

Y = the number of Shares with respect to which this Warrant is being exercised (inclusive of the Shares surrendered to the Company in payment of the aggregate Warrant Price);

A = the Fair Market Value (as determined pursuant to Section 1.3 below) of one Share; and

B = the Warrant Price.

1.3 Fair Market Value. For purposes of this Section 1.2, if shares of the Class are then traded or quoted on a nationally recognized securities exchange, inter-dealer quotation system or over-the-counter market (a "**Trading Market**"), the fair market value of a Share shall be the closing price or last sale price of a share of the Class reported for the Business Day immediately before the date on which Holder delivers this Warrant together with its Notice of Exercise to the Company. If shares of the Class are not then traded in a Trading Market, the Board of Directors of the Company shall determine the fair market value of a Share in its reasonable good faith judgment.

1.4 Delivery of Certificate and New Warrant. Within a reasonable time after Holder exercises this Warrant in the manner set forth in Section 1.1 or 1.2 above, the Company shall deliver to Holder a certificate representing the Shares issued to Holder upon such exercise and, if this Warrant has not been fully exercised and has not expired, a new warrant of like tenor representing the Shares not so acquired.

1.5 Replacement of Warrant. On receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form, substance and amount to the Company or, in the case of mutilation, on surrender of this Warrant to the Company for cancellation, the Company shall, within a reasonable time, execute and deliver to Holder, in lieu of this Warrant, a new warrant of like tenor and amount.

1.6 Treatment of Warrant Upon Acquisition of Company.

(a) Acquisition. For the purpose of this Warrant, "**Acquisition**" means any transaction or series of related transactions involving: (i) the sale, lease, exclusive license, or other disposition of all or substantially all of the assets of the Company; (ii) any merger or consolidation of the Company into or with another person or entity (other than a merger or consolidation effected exclusively to change the Company's domicile), or any other corporate reorganization, in which the stockholders of the Company in their capacity as such immediately prior to such merger, consolidation or reorganization, own less than a majority of the Company's (or the surviving or successor entity's) outstanding voting power immediately after such merger, consolidation or reorganization (or, if such Company stockholders beneficially own a majority of the outstanding voting power of the surviving or successor entity as of immediately after such merger, consolidation or reorganization, such surviving or successor entity is not the Company); or (iii) any sale or other transfer by the stockholders of the Company of shares representing at least a majority of the Company's then-total outstanding combined voting power.

(b) Treatment of Warrant at Acquisition. In the event of an Acquisition in which the consideration to be received by the Company's stockholders consists solely of cash, solely of Marketable Securities or a combination of cash and Marketable Securities (a "**Cash/Public Acquisition**"), and the fair market value of one Share as determined in accordance with Section 1.3 above would be greater than the Warrant Price in effect on such date immediately prior to such Cash/Public Acquisition, and Holder has not exercised this Warrant pursuant to Section 1.1 above as to all Shares, then this Warrant shall automatically be deemed to be Cashless Exercised pursuant to Section 1.2 above as to all Shares effective immediately prior to and contingent upon the consummation of a Cash/Public Acquisition. In connection with such Cashless Exercise, Holder shall be deemed to have restated each of the representations and warranties in Section 4 of the Warrant as of the date thereof and the Company shall promptly notify the Holder of the number of Shares (or such other securities) issued upon exercise. In the event of a Cash/Public Acquisition where the fair market value of one Share as determined in accordance with Section 1.3 above would be less than the Warrant Price in effect immediately prior to such Cash/Public Acquisition, then this Warrant will expire immediately prior to the consummation of such Cash/Public Acquisition.

(c) Upon the closing of any Acquisition other than a Cash/Public Acquisition, the acquiring, surviving or successor entity shall assume the obligations of this Warrant, and this Warrant shall thereafter be exercisable for the same securities and/or other property as would have been paid for the Shares issuable upon exercise of the unexercised portion of this Warrant as if such Shares were outstanding on and as of the closing of such Acquisition, subject to further adjustment from time to time in accordance with the provisions of this Warrant.

(d) As used in this Warrant, "**Marketable Securities**" means securities meeting all of the following requirements: (i) the issuer thereof is then subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and is then current in its filing of all required reports and other information under the Act and the Exchange Act; (ii) the class and series of shares or other security of the issuer that would be received by Holder in connection with the Acquisition were Holder to exercise this Warrant on or prior to the closing thereof is then traded in a Trading Market, and (iii) following the closing of such Acquisition, Holder would not be restricted from publicly re-selling all of the issuer's shares and/or other securities that would be received by Holder in such Acquisition were Holder to exercise this Warrant in full on or prior to the closing of such Acquisition, except to the extent that any such restriction (x) arises solely under federal or state securities laws, rules or regulations, and (y) does not extend beyond six (6) months from the closing of such Acquisition.

SECTION 2. ADJUSTMENTS TO THE SHARES AND WARRANT PRICE

2.1 Stock Dividends, Splits, Etc. If the Company declares or pays a dividend or distribution on the outstanding shares of the Class payable in additional shares of the Class or other securities or property (other than cash), then upon exercise of this Warrant, for each Share acquired, Holder shall receive, without additional cost to Holder, the total number and kind of securities and property which Holder would have received had Holder owned the Shares of record as of the date the dividend or distribution occurred. If the Company subdivides the outstanding shares of the Class by reclassification or otherwise into a greater number of shares, the number of Shares purchasable hereunder shall be proportionately increased and the Warrant Price shall be proportionately decreased. If the outstanding shares of the Class are combined or consolidated, by reclassification or otherwise, into a lesser number of shares, the Warrant Price shall be proportionately increased and the number of Shares shall be proportionately decreased.

2.2 Reclassification, Exchange, Combinations or Substitution. Upon any event whereby all of the outstanding shares of the Class are reclassified, exchanged, combined, substituted, or replaced for, into, with or by Company securities of a different class and/or series, then from and after the consummation of such event, this Warrant will be exercisable for the number, class and series of Company securities that Holder would have received had the Shares been outstanding on and as of the consummation of such event, and subject to further adjustment thereafter from time to time in accordance with the provisions of this Warrant. The provisions of this Section 2.2 shall similarly apply to successive reclassifications, exchanges, combinations substitutions, replacements or other similar events.

2.3 No Fractional Share. No fractional Share shall be issuable upon exercise of this Warrant and the number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional Share interest arises upon any exercise of the Warrant, the Company shall eliminate such fractional Share interest by paying Holder in cash the amount computed by multiplying the fractional interest by (i) the fair market value (as determined in accordance with Section 1.3 above) of a full Share, less (ii) the then-effective Warrant Price.

2.4 Notice/Certificate as to Adjustments. Upon each adjustment of the Warrant Price, Class and/or number of Shares, the Company, at the Company's expense, shall notify Holder in writing within a reasonable time setting forth the adjustments to the Warrant Price, Class and/or number of Shares and facts upon which such adjustment is based. The Company shall, upon written request from Holder, furnish Holder with a certificate of its Chief Financial Officer, including computations of such adjustment and the Warrant Price, Class and number of Shares in effect upon the date of such adjustment.

SECTION 3. REPRESENTATIONS AND COVENANTS OF THE COMPANY.

3.1 Representations and Covenants. The Company represents and warrants to, and agrees with, the Holder as follows:

(a) All Shares which may be issued upon the exercise of this Warrant shall, upon issuance, be duly authorized, validly issued, fully paid and non-assessable, and free of any liens and encumbrances except for restrictions on transfer provided for herein or under applicable federal and state securities laws.

(b) The Company covenants that it shall at all times cause to be reserved and kept available out of its authorized and unissued capital stock such number of shares of the Class and other securities as will be sufficient to permit the exercise in full of this Warrant.

3.2 Notice of Certain Events. If the Company proposes at any time to:

(a) declare any dividend or distribution upon the outstanding shares of the Class, whether in cash, property, stock, or other securities and whether or not a regular cash dividend;

(b) offer for subscription or sale pro rata to the holders of the outstanding shares of the Class any additional shares of any class or series of the Company's stock (other than pursuant to contractual pre-emptive rights);

(c) effect any reclassification, exchange, combination, substitution, reorganization or recapitalization of the outstanding shares of the Class; or

(d) effect an Acquisition or to liquidate, dissolve or wind up;

then, in connection with each such event, the Company shall give Holder notice thereof at the same time and in the same manner as given to holders of the outstanding shares of the Class.

SECTION 4. REPRESENTATIONS, WARRANTIES OF THE HOLDER.

The Holder represents and warrants to the Company as follows:

4.1 Purchase for Own Account. This Warrant and the Shares to be acquired upon exercise of this Warrant by Holder are being acquired for investment for Holder's account, not as a nominee or agent, and not with a view to the public resale or distribution within the meaning of the Act. Holder also represents that it has not been formed for the specific purpose of acquiring this Warrant or the Shares.

4.2 Disclosure of Information. Holder is aware of the Company's business affairs and financial condition and has received or has had full access to all the information it considers necessary or appropriate to make an informed investment decision with respect to the acquisition of this Warrant and its underlying securities. Holder further has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of this Warrant and its underlying securities and to obtain additional information (to the extent the Company possessed such information or could acquire it without unreasonable effort or expense) necessary to verify any information furnished to Holder or to which Holder has access.

4.3 Investment Experience. Holder understands that the purchase of this Warrant and its underlying securities involves substantial risk. Holder has experience as an investor in securities of companies in the development stage and acknowledges that Holder can bear the economic risk of such Holder's investment in this Warrant and its underlying securities and has such knowledge and experience in financial or business matters that Holder is capable of evaluating the merits and risks of its investment in this Warrant and its underlying securities and/or has a preexisting personal or business relationship with the Company and certain of its officers, directors or controlling persons of a nature and duration that enables Holder to be aware of the character, business acumen and financial circumstances of such persons.

4.4 Accredited Investor Status. Holder is an "accredited investor" within the meaning of Regulation D promulgated under the Act.

4.5 The Act. Holder understands that this Warrant and the Shares issuable upon exercise hereof have not been registered under the Act in reliance upon a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of the Holder's investment intent as expressed herein. Holder understands that this Warrant and the Shares issued upon any exercise hereof must be held indefinitely unless subsequently registered under the Act and qualified under applicable state securities laws, or unless exemption from such registration and qualification are otherwise available. Holder is aware of the provisions of Rule 144 promulgated under the Act.

4.6 No Voting Rights. Holder, as a Holder of this Warrant, will not have any voting rights until the exercise of this Warrant.

SECTION 5. MISCELLANEOUS.

5.1 Term; Automatic Cashless Exercise Upon Expiration.

(a) Term. Subject to the provisions of Section 1.6 above, this Warrant is exercisable in whole or in part at any time and from time to time on or before 6:00 PM, Pacific time, on the Expiration Date and shall be void thereafter.

(b) Automatic Cashless Exercise upon Expiration. In the event that, upon the Expiration Date, the fair market value of one Share as determined in accordance with Section 1.3 above is greater than the Warrant Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be exercised pursuant to Section 1.2 above as to all Shares for which it shall not previously have been exercised, and the Company shall, within a reasonable time, deliver a certificate representing the Shares issued upon such exercise to Holder.

5.2 Legends. Each certificate evidencing Shares shall be imprinted with a legend in substantially the following form:

THE SHARES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE AND, EXCEPT AS SET FORTH IN THAT CERTAIN WARRANT TO PURCHASE STOCK ISSUED BY THE ISSUER TO SILICON VALLEY BANK DATED AUGUST __, 2018, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND LAWS OR, IN THE OPINION OF LEGAL COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER, SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

5.3 Compliance with Securities Laws on Transfer. This Warrant and the Shares issued upon exercise of this Warrant may not be transferred or assigned in whole or in part except in compliance with applicable federal and state securities laws by the transferor and the transferee (including, without limitation, the delivery of investment representation letters and legal opinions reasonably satisfactory to the Company, as reasonably requested by the Company). The Company shall not require Holder to provide an opinion of counsel if the transfer is to SVB Financial Group (Silicon Valley Bank's parent company) or any other affiliate of Holder, provided that any such transferee is an "accredited investor" as defined in Regulation D promulgated under the Act. Additionally, the Company shall also not require an opinion of counsel if there is no material question as to the availability of Rule 144 promulgated under the Act.

5.4 Transfer Procedure. After receipt by Silicon Valley Bank of the executed Warrant, Silicon Valley Bank will transfer all of this Warrant to its parent company, SVB Financial Group. By its acceptance of this Warrant, SVB Financial Group hereby makes to the Company each of the representations and warranties set forth in Section 4 hereof and agrees to be bound by all of the terms and conditions of this Warrant as if the original Holder hereof. Subject to the provisions of Section 5.3 and upon providing the Company with written notice, SVB Financial Group and any subsequent Holder may transfer all or part of this Warrant or the Shares issued upon exercise of this Warrant to any transferee, provided, however, in connection with any such transfer, SVB Financial Group or any subsequent Holder will give the Company notice of the portion of the Warrant and/or Shares being transferred with the name, address and taxpayer identification number of the transferee and Holder will surrender this Warrant to the Company for reissuance to the transferee(s) (and Holder if applicable); and provided further, that any subsequent transferee other than SVB Financial Group shall agree in writing with the Company to be bound by all of the terms and conditions of this Warrant.

5.5 Notices. All notices and other communications hereunder from the Company to the Holder, or vice versa, shall be deemed delivered and effective (i) when given personally, (ii) on the third (3rd) Business Day after being mailed by first-class registered or certified mail, postage prepaid, (iii) upon actual receipt if given by facsimile or electronic mail and such receipt is confirmed in writing by the recipient, or (iv) on the first Business Day following delivery to a reliable overnight courier service, courier fee prepaid, in any case at such address as may have been furnished to the Company or Holder, as the case may be, in writing by the Company or such Holder from time to time in accordance with the provisions of this Section 5.5. All notices to Holder shall be addressed as follows until the Company receives notice of a change of address in connection with a transfer or otherwise:

SVB Financial Group
Attn: Treasury Department
3003 Tasman Drive, HC 215
Santa Clara, CA 95054
Telephone: (408) 654-7400
Facsimile: (408) 988-8317
Email address: derivatives@svb.com

Notice to the Company shall be addressed as follows until Holder receives notice of a change in address:

Medical Transcription Billing, Corp.
Attn: General Counsel
7 Clyde Road
Somerset, NJ 08873
Telephone: (732) 873-5133
Email: spatel@mtbc.com

5.6 Waiver. This Warrant and any term hereof may be changed, waived, discharged or terminated (either generally or in a particular instance and either retroactively or prospectively) only by an instrument in writing signed by the party against which enforcement of such change, waiver, discharge or termination is sought.

5.7 Attorneys' Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorneys' fees.

5.8 Counterparts; Facsimile/Electronic Signatures. This Warrant may be executed in counterparts, all of which together shall constitute one and the same agreement. Any signature page delivered electronically or by facsimile shall be binding to the same extent as an original signature page with regards to any agreement subject to the terms hereof or any amendment thereto.

5.9 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of New Jersey, without giving effect to its principles regarding conflicts of law.

5.10 Headings. The headings in this Warrant are for purposes of reference only and shall not limit or otherwise affect the meaning of any provision of this Warrant.

5.11 Business Days. "**Business Day**" is any day that is not a Saturday, Sunday or a day on which Silicon Valley Bank is closed.

[Remainder of page left blank intentionally]
[Signature page follows]

IN WITNESS WHEREOF, the parties have caused this Warrant to Purchase Stock to be executed by their duly authorized representatives effective as of the Issue Date written above.

“COMPANY”

MEDICAL TRANSCRIPTION BILLING, CORP.

By: /s/ Bill Korn
Name: Bill Korn
(Print)
Title: Chief Financial Officer

“HOLDER”

SILICON VALLEY BANK

By: /s/ Nathan Meaux
Name: Nathan Meaux
(Print)
Title: Vice President

APPENDIX 1

NOTICE OF EXERCISE

1. The undersigned Holder hereby exercises its right to purchase _____ shares of the Common/Series _____ Preferred [circle one] Stock of _____ (the "**Company**") in accordance with the attached Warrant To Purchase Stock, and tenders payment of the aggregate Warrant Price for such shares as follows:

- check in the amount of \$ _____ payable to order of the Company enclosed herewith
- Wire transfer of immediately available funds to the Company's account
- Cashless Exercise pursuant to Section 1.2 of the Warrant
- Other [Describe] _____

2. Please issue a certificate or certificates representing the Shares in the name specified below:

Holder's Name

(Address)

3. By its execution below and for the benefit of the Company, Holder hereby restates each of the representations and warranties in Section 4 of the Warrant to Purchase Stock as of the date hereof.

HOLDER:

By: _____

Name: _____

Title: _____

(Date): _____

Schedule 1
