

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): October 29, 2021

INTERPACE BIOSCIENCES, INC.

(Exact name of Registrant as specified in its charter)

DELAWARE
(State or other jurisdiction
of incorporation)

0-24249
(Commission
File Number)

22-2919486
(IRS Employer
Identification No.)

Morris Corporate Center 1, Building C
300 Interpace Parkway,
Parsippany, NJ 07054
(Address, including zip code, of Principal Executive Offices)

(855) 776-6419
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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A	N/A	N/A

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 October 29, 2021, the Company and its subsidiaries entered into a Loan and Security Agreement (the "BroadOak Loan Agreement") with BroadOak Fund V, L.P. ("BroadOak"), providing for a term loan in the aggregate principal amount of \$8,000,000 (the "Term Loan"). Funding of the Term Loan took place on November 1, 2021. The Company used the proceeds of the Term Loan to repay in full at their maturity all outstanding indebtedness under the promissory notes with Ampersand 2018 Limited Partnership ("Ampersand"), dated January 7, 2021 and as last amended on September 29, 2021, in the amount of \$4.5 million, and 1315 Capital II, L.P. ("1315 Capital"), dated January 7, 2021 and as last amended on September 29, 2021, in the amount of \$3 million, respectively. The Company, Ampersand, and 1315 Capital also terminated a related security agreement.

The Term Loan matures upon the earlier of (i) October 31, 2024 or (ii) the occurrence of a change in control, and bears interest at the rate of 9% per annum. The Term Loan is secured by a security interest in substantially all of the Company's and its subsidiaries' assets and is subordinate to the Company's recently established \$7,500,000 revolving credit facility with Comerica Bank. The Term Loan has an origination fee of 3% of the Term Loan amount, and a terminal payment equal to (i) 15% of the original principal amount of the Term Loan if the change of control occurs on or prior to the first anniversary of the funding of the Term Loan, (ii) 20% of the original principal amount of the Term Loan if the change of control occurs after the first anniversary but on or prior to the second anniversary of the funding of the Term Loan and (iii) 30% of the original principal amount of the Term Loan if the change of control occurs after the second anniversary of the funding of the Term Loan, or if the Term Loan is repaid on its maturity date.

The BroadOak Loan Agreement contains affirmative and negative restrictive covenants that are applicable from and after the date of the Term Loan advance. These restrictive covenants could adversely affect our ability to conduct our business. The BroadOak Loan Agreement also contains customary events of default.

The representations, warranties and covenants contained in the BroadOak Loan Agreement were made only for purposes of such agreement and as of specific dates, were solely for the benefit of the parties to such agreement, and may be subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures exchanged between the parties in connection with the execution of such agreement. The representations and warranties may have been made for the purposes of allocating contractual risk between the parties to such agreement instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. Investors are not third-party beneficiaries under such 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 Company or any of its subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations and warranties may change after the date of such agreement, and this subsequent information may or may not be fully reflected in the Company's public disclosure.

The foregoing summary of the BroadOak Loan Agreement is not complete and is subject to and qualified in its entirety by reference to the full text of the BroadOak Loan Agreement, a copy of which is filed hereto as Exhibit 10.1 and is incorporated herein by reference.

In connection with the BroadOak Loan Agreement, the Company and its subsidiaries entered into that certain First Amendment to Loan and Security Agreement and Consent with Comerica Bank ("Comerica"), dated as of November 1, 2021 (the "Comerica Amendment"), pursuant to which Comerica consented to the Company's and its subsidiaries' entry into the BroadOak Loan Agreement, and amended that certain Loan and Security Agreement among Comerica, the Company and its subsidiaries (the "Comerica Loan Agreement") to, among other things, permit the indebtedness, liens and encumbrances contemplated by the BroadOak Loan Agreement.

The foregoing summary of the Comerica Amendment is not complete and is subject to and qualified in its entirety by reference to the full text of the Comerica Amendment, a copy of which is filed hereto as Exhibit 10.2 and is incorporated herein by reference.

As a condition for BroadOak to extend the Term Loan to the Company and its subsidiaries, the Company's existing creditor, Comerica, and BroadOak entered into that certain Subordination and Intercreditor Agreement, dated as of November 1, 2021, pursuant to which BroadOak agreed to subordinate all of the indebtedness and obligations of the Company and its subsidiaries owing to BroadOak to all of the indebtedness and obligations of the Company and its subsidiaries owing to Comerica (the "Intercreditor Agreement"). BroadOak further agreed to subordinate all of its respective security interests in assets or property of the Company and its subsidiaries to Comerica's security interests in such assets or property. The Intercreditor Agreement provides that it is solely for the benefit of BroadOak and Comerica and is not for the benefit of the Company or any of its subsidiaries.

The foregoing summary of the Intercreditor Agreement is not complete and is subject to and qualified in its entirety by reference to the full text of the Intercreditor Agreement, a copy of which is filed hereto as Exhibit 10.3 and is incorporated herein by reference.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 1.01 above is incorporated by reference into this Item 2.03.

Item 8.01. Other Events.

The Company's press release, dated November 2, 2021, announcing the BroadOak Loan Agreement is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	<u>Loan and Security Agreement by and between BroadOak Fund V, L.P., Interpace Biosciences, Inc., Interpace Diagnostics Corporation, Interpace Diagnostics, LLC and Interpace Pharma Solutions, Inc., dated October 29, 2021</u>
10.2	<u>First Amendment to Loan and Security Agreement by and between Comerica Bank, Interpace Biosciences, Inc., Interpace Diagnostics Corporation, Interpace Diagnostics, LLC and Interpace Pharma Solutions, Inc., dated November 1, 2021</u>
10.3	<u>Subordination and Intercreditor Agreement by and between Comerica Bank, BroadOak Fund V, L.P., Interpace Biosciences, Inc., Interpace Diagnostics Corporation, Interpace Diagnostics, LLC and Interpace Pharma Solutions, Inc., dated as of November 1, 2021</u>
99.1	<u>Press Release dated November 2, 2021</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

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.

Interpace Biosciences, Inc.

By: /s/ Thomas W. Burnell

Name: Thomas W. Burnell

Title: President and Chief Executive Officer

Date: November 2, 2021

LOAN AND SECURITY AGREEMENT

THIS LOAN AND SECURITY AGREEMENT (this “**Agreement**”) dated as of October 29, 2021 (the “**Effective Date**”) among **BROADOAK FUND V, L.P.** (“**Lender**”), **INTERPACE BIOSCIENCES, INC.**, a Delaware corporation (“**Parent**”), **INTERPACE DIAGNOSTICS CORPORATION**, a Delaware corporation (“**Diagnostics Corporation**”), **INTERPACE DIAGNOSTICS, LLC**, a Delaware limited liability company (“**Diagnostics**”) and **INTERPACE PHARMA SOLUTIONS, INC.**, a Delaware corporation (“**Pharma Solutions**”, and together with Parent, Diagnostics Corporation, and Diagnostics, each and together, jointly and severally, “**Borrower**”), provides the terms on which Lender shall lend to Borrower and Borrower shall repay Lender. The parties agree as follows:

1 ACCOUNTING AND OTHER TERMS

Accounting terms not defined in this Agreement shall be construed following GAAP. Calculations and determinations must be made following GAAP. Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in Section 13. All other terms contained in this Agreement, unless otherwise indicated, shall have the meaning provided by the Code to the extent such terms are defined therein.

2 LOAN AND TERMS OF PAYMENT

2.1 Promise to Pay. Borrower hereby unconditionally promises to pay Lender, the outstanding principal amount of the Term Loan Advance and accrued and unpaid interest thereon as and when due in accordance with this Agreement.

2.1.1 Term Loan Advance.

(a) Availability. Subject to the terms and conditions of this Agreement, on the date that all of the conditions set forth in Section 3.1 have been met, Lender shall make one term loan advance to Borrower in an aggregate original principal amount equal to Eight Million Dollars (\$8,000,000.00) (the “**Term Loan Advance**”).

(b) Repayment. The Term Loan Advance shall be “interest-only” until the Term Loan Maturity Date, with interest due and payable in accordance with Section 2.2(c) hereof. The Term Loan Advance, including all outstanding principal and accrued and unpaid interest with respect to the Term Loan Advance, the Terminal Payment and all other outstanding Obligations under the Term Loan Advance, shall be due and payable on the Term Loan Maturity Date. After repayment or prepayment, the Term Loan Advance may not be reborrowed.

(c) Prepayment.

(i) Voluntary. Borrower shall have the option to prepay all or any part of the Term Loan Advance, provided Borrower (i) delivers written notice to Lender of its election to prepay the Term Loan Advance at least ten (10) days prior to such prepayment, and (ii) pays, on the date of such prepayment (A) the outstanding principal to be prepaid plus accrued and unpaid interest with respect to the Term Loan Advance, (B) solely if such prepayment is in connection with a Change of Control, the Terminal Payment and (C) all other sums, if any, that shall have become due and payable with respect to the Term Loan Advance, including interest at the Default Rate with respect to any past due amounts.

(ii) Involuntary. If the Term Loan Advance is accelerated by Lender following the occurrence and during the continuance of an Event of Default, Borrower shall immediately pay to Lender an amount equal to the sum of (i) all outstanding principal plus accrued and unpaid interest with respect to the Term Loan Advance, (ii) solely if such acceleration is following a Change of Control, the Terminal Payment and (iii) all other sums, if any, that shall have become due and payable with respect to the Term Loan Advance, including interest at the Default Rate with respect to any past due amounts.

2.2 Payments of Interest

(a) Interest Rates. The principal amount outstanding under the Term Loan Advance shall accrue interest at a fixed rate equal to the Interest Rate, which interest shall be payable monthly in accordance with Section 2.2(c) below.

(b) Default Rate. Notwithstanding the foregoing, immediately upon the occurrence and during the continuance of an Event of Default, Obligations shall bear interest at a rate per annum which is three percent (3.00%) above the rate that is otherwise applicable thereto (the “**Default Rate**”) unless Lender, in its sole and absolute discretion, elects to impose a smaller increase. Fees and expenses which are required to be paid by Borrower pursuant to the Loan Documents (including, without limitation, Lender Expenses) but are not paid when due shall bear interest until paid at a rate equal to the highest rate applicable to the Obligations. Payment or acceptance of the increased interest rate provided in this Section 2.2(b) is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of Lender.

(c) Payment; Interest Computation. Interest is payable monthly on each Payment Date and shall be computed on the basis of a three hundred sixty (360) day year for the actual number of days elapsed. In computing interest, (i) all payments received after 12:00 p.m. Eastern time on any day shall be deemed received at the opening of business on the next Business Day, and (ii) the date of the making of the Term Loan Advance shall be included and the date of payment shall be excluded; provided, however, that if the Term Loan Advance is repaid on the same day on which it is made, such day shall be included in computing interest on such Term Loan Advance.

2.3 Fees. Borrower shall pay to Lender:

(a) Terminal Payment. The Terminal Payment, when due hereunder.

(b) Origination Fee. In consideration of Lender making of the Term Loan Advance, the Borrower hereby agrees that Lender shall be entitled to receive an origination fee equal to 3.0% of the amount of the Term Loan, which origination fee shall be earned on the Term Loan Advance Date and paid by the Borrower by deduction from the proceeds of the Term Loan Advance.

(c) Lender Expenses. All Lender Expenses (including reasonable attorneys’ fees and expenses for documentation and negotiation of this Agreement) incurred through and after the Term Loan Advance Date, when due (or, if no stated due date, upon demand by Lender).

2.4 Payments; Application of Payments.

(a) All payments (including prepayments) to be made by Borrower under any Loan Document shall be made in immediately available funds in U.S. Dollars, without setoff or counterclaim, before 12:00 p.m. Eastern time on the date when due. Payments of principal received after 12:00 p.m. Eastern time are considered received at the opening of business on the next Business Day. When a payment is due on a day that is not a Business Day, the payment shall be due the next Business Day, and additional fees shall continue to accrue until paid.

(b) Lender has the exclusive right to determine the order and manner in which all payments with respect to the Obligations may be applied. Borrower shall

have no right to specify the order or the accounts to which Lender shall allocate or apply any payments required to be made by Borrower to Lender or otherwise received by Lender under this Agreement when any such allocation or application is not specified elsewhere in this Agreement.

2.5 Withholding. Payments received by Lender from Borrower under this Agreement will be made free and clear of and without deduction for any and all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority (including any interest, additions to tax or penalties applicable thereto). Specifically, however, if at any time any Governmental Authority, applicable law, regulation or international agreement requires Borrower to make any withholding or deduction from any such payment or other sum payable hereunder to Lender, Borrower hereby covenants and agrees that the amount due from Borrower with respect to such payment or other sum payable hereunder will be increased to the extent necessary to ensure that, after the making of such required withholding or deduction, Lender receives a net sum equal to the sum which it would have received had no withholding or deduction been required, and Borrower shall pay the full amount withheld or deducted to the relevant Governmental Authority. Borrower will, upon request, furnish Lender with proof reasonably satisfactory to Lender indicating that Borrower has made such withholding payment; provided, however, that Borrower need not make any withholding payment if the amount or validity of such withholding payment is contested in good faith by appropriate and timely proceedings and as to which payment in full is bonded or reserved against by Borrower. The agreements and obligations of Borrower contained in this Section 2.5 shall survive the termination of this Agreement.

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3 CONDITIONS OF LOANS

3.1 Conditions Precedent to the Term Loan Advance. Lender's obligation to make Term Loan Advances is subject to the condition precedent that Lender shall have received, in form and substance satisfactory to Lender, such documents, and completion of such other matters, as Lender may reasonably deem necessary or appropriate, including, without limitation:

- (a) duly executed signatures to the Loan Documents;
- (b) the Operating Documents and long-form good standing certificates of each Borrower certified by the Secretary of State (or equivalent agency) of Borrower's jurisdiction of organization or formation and each jurisdiction in which Borrower is qualified to conduct business, each as of a date no earlier than thirty (30) days prior to the Effective Date;
- (c) a secretary's certificate of each Borrower with respect to such Borrower's Operating Documents, incumbency, specimen signatures and resolutions authorizing the execution and delivery of this Agreement and the other Loan Documents to which it is a party;
- (d) certified copies, dated as of a recent date, of financing statement searches, as Lender shall request, accompanied by written evidence (including any UCC termination statements) that the Liens indicated in any such financing statements either constitute Permitted Liens or have been or, in connection with the Term Loan Advance, will be terminated or released;
- (e) a duly executed payoff letter from (i) Ampersand 2018 Limited Partnership and (ii) 1315 Capital II, L.P.;
- (f) the Perfection Certificate(s) of Borrower, together with the duly executed original signatures thereto;
- (g) the Subordination Agreement, in form and substance acceptable to Lender, pursuant to which the Obligations hereunder are subordinated in both lien priority and right of payment to the Senior Debt;
- (h) an amendment to, or consent under, the Senior Debt, in form and substance acceptable to Lender;
- (i) payment of the fees and Lender Expenses then due as specified in Section 2.3 hereof; provided that Borrower shall not be responsible for Lender Expenses incurred through the Term Loan Advance Date in excess of Forty Thousand Dollars (\$40,000);
- (j) timely receipt of an executed Advance Form;
- (k) the representations and warranties in this Agreement shall be true, accurate, and complete in all material respects on the date of the Advance Form and on the Term Loan Advance Date; 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, and no Event of Default shall have occurred and be continuing or result from the Term Loan Advance; and
- (l) Lender determines in its sole discretion, there has not been a Material Adverse Change.

3.2 Covenant to Deliver. Borrower agrees to deliver to Lender each item required to be delivered to Lender under this Agreement as a condition precedent to the Term Loan Advance. Borrower expressly agrees that a Term Loan Advance made prior to the receipt by Lender of any such item shall not constitute a waiver by Lender of Borrower's obligation to deliver such item, and the making of the Term Loan Advance in the absence of a required item shall be in Lender's sole discretion.

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3.3 Procedures for Borrowing. Subject to the prior satisfaction of all other applicable conditions to the making of the Term Loan Advance set forth in this Agreement, to obtain the Term Loan Advance, Borrower shall notify Lender (which notice shall be irrevocable) by electronic mail, facsimile, or telephone by 12:00 p.m. Eastern time on the Funding Date of the Term Loan Advance. Together with any such electronic or facsimile notification, Borrower shall deliver to Lender by electronic mail or facsimile a completed Advance Form executed by a Responsible Officer or his or her designee. Lender may rely on any telephone notice given by a person whom Lender believes is a Responsible Officer or designee. Lender shall credit the Term Loan Advance to an account designated by the Borrower in the Advance Form. Lender may make the Term Loan Advance under this Agreement based on instructions from a Responsible Officer or his or her designee.

3.4 Post-Closing Obligations. Within 30 days after the Effective Date, Borrower shall deliver to Lender:

- (a) evidence satisfactory to Lender that the insurance policies required by Section 6.4 hereof are in full force and effect, together with appropriate evidence showing lender loss payable and/or additional insured clauses or endorsements in favor of Lender;
- (b) the Pledged Collateral (as defined in the Pledge Agreement); and
- (c) evidence satisfactory to Lender that the assignment in favor of Silicon Valley Bank over the patents owned by Cancer Genetics, Inc. has been terminated.

4 CREATION OF SECURITY INTEREST

4.1 Grant of Security Interest. Borrower hereby grants Lender, effective as of the Term Loan Advance Date, for the benefit of Lender, to secure the payment and

performance in full of all of the Obligations, a continuing security interest in, and pledges to Lender, for the benefit of Lender, the Collateral, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof.

4.2 Priority of Security Interest. Borrower represents, warrants, and covenants that the security interest granted herein is and shall at all times continue to be a first priority perfected security interest in the Collateral (subject only to Permitted Liens that may have superior priority to Lender's Lien under this Agreement). If Borrower shall acquire a commercial tort claim valued in excess of \$250,000, Borrower shall promptly notify Lender in a writing signed by Borrower of the general details thereof and grant to Lender in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to Lender.

If this Agreement is terminated, Lender's Lien in the Collateral shall continue until the Obligations (other than inchoate indemnity obligations) are repaid in full in cash. Upon payment in full in cash of the Obligations and at such time as Lender's obligation to make Term Loan Advances has terminated, Lender shall, at Borrower's sole cost and expense, release its Liens in the Collateral and all rights therein shall revert to Borrower.

4.3 Authorization to File Financing Statements. Borrower hereby authorizes Lender to file financing statements, without notice to Borrower, with all appropriate jurisdictions to perfect or protect Lender'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 Lender under the Code. Such financing statements may indicate the Collateral as "all assets of the Debtor" or words of similar effect, or as being of an equal or lesser scope, or with greater detail, all in Lender's discretion.

4.4 Lien Subordination. Lender agrees that the Liens granted to them hereunder shall be subordinate to the Liens securing the Senior Debt pursuant to the Subordination Agreement.

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5 REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants as follows:

5.1 Due Organization, Authorization; Power and Authority. Borrower is duly existing and in good standing as a Registered Organization in its jurisdiction of formation and is qualified and licensed to do business and is in good standing in any jurisdiction in which the conduct of its business or its ownership of property requires that it be qualified except where the failure to do so could not reasonably be expected to have a material adverse effect on Borrower's business. In connection with this Agreement, Borrower has delivered to Lender a completed certificate signed by Borrower, entitled "Perfection Certificate". Borrower represents and warrants to Lender that (a) Borrower's exact legal name is that indicated on the Perfection Certificate and on the signature page hereof; (b) Borrower is an organization of the type and is organized in the jurisdiction set forth in the Perfection Certificate; (c) the Perfection Certificate accurately sets forth Borrower's organizational identification number or accurately states that Borrower has none; (d) the Perfection Certificate accurately sets forth Borrower's place of business, or, if more than one, its chief executive office as well as Borrower's mailing address (if different than its chief executive office); (e) Borrower (and each of its predecessors) has not, in the past five (5) years, changed its jurisdiction of formation, organizational structure or type, or any organizational number assigned by its jurisdiction; and (f) all other information set forth on the Perfection Certificate pertaining to Borrower and each of its Subsidiaries is accurate and complete (it being understood and agreed that Borrower may from time to time update certain information in the Perfection Certificate after the Effective Date to the extent permitted by one or more specific provisions in this Agreement).

The execution, delivery and performance by Borrower of the Loan Documents to which it is a party have been duly authorized, and do not (i) conflict with any of Borrower's organizational documents, (ii) contravene, conflict with, constitute a default under or violate any material Requirement of Law, (iii) contravene, conflict or violate any applicable order, writ, judgment, injunction, decree, determination or award of any Governmental Authority by which Borrower or any of its Subsidiaries or any of their property or assets may be bound or affected, (iv) require any action by, filing, registration, or qualification with, or Governmental Approval from, any Governmental Authority (except such Governmental Approvals which have already been obtained and are in full force and effect or are being obtained pursuant to Section 6.1(b)) or (v) constitute an event of default under any material agreement by which Borrower is bound. Borrower is not in default under any agreement to which it is a party or by which it is bound in which the default could reasonably be expected to have a Material Adverse Change.

5.2 Collateral. Borrower has good title to, has rights in, and the power to transfer each item of the Collateral upon which it purports to grant a Lien hereunder, free and clear of any and all Liens except Permitted Liens. Borrower has no deposit accounts other than the deposit accounts described in the Perfection Certificate delivered to Lender in connection herewith, or of which Borrower has given Lender notice and taken such actions as are necessary to give Lender a perfected security interest therein to the extent required by Section 6.5.

The Collateral is not in the possession of any third party bailee (such as a warehouse) except as otherwise provided in the Perfection Certificate. None of the components of the Collateral shall be maintained at locations other than as provided in the Perfection Certificate or as permitted pursuant to Section 7.2.

Borrower is the sole owner of the Intellectual Property which it owns or purports to own except for (a) non-exclusive licenses granted to its customers in the ordinary course of business, (b) over-the-counter software that is commercially available to the public, and (c) material Intellectual Property licensed to Borrower and noted on the Perfection Certificate. Each Patent which it owns or purports to own and which is material to Borrower's business is valid and enforceable, and no part of the Intellectual Property which Borrower owns or purports to own and which is material to Borrower's business has been judged invalid or unenforceable, in whole or in part. To the best of Borrower's knowledge, no claim has been made that any part of the Intellectual Property violates the rights of any third party except to the extent such claim would not reasonably be expected to have a material adverse effect on Borrower's business.

Except as noted on the Perfection Certificate, Borrower is not a party to, nor is it bound by, any Restricted License.

5.3 Litigation. There are no actions or proceedings pending or, to the knowledge of the Responsible Officers, threatened in writing by or against Borrower or any of its Subsidiaries that could reasonably be expected to result in a Material Adverse Change.

5.4 Financial Statements; Financial Condition. All consolidated financial statements for Borrower and any of its Subsidiaries delivered to Lender fairly present in all material respects Borrower's consolidated financial condition and Borrower's consolidated results of operations. There has not been any Material Adverse Change since the date of the most recent financial statements submitted to Lender.

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5.5 Solvency. The fair salable value of the assets of Parent and its Subsidiaries, taken as a whole, (including goodwill minus disposition costs) exceeds the fair value of their liabilities; Parent and its Subsidiaries, taken as a whole, are not left with unreasonably small capital after the transactions in this Agreement; and Parent and its Subsidiaries, taken as a whole, are able to pay their debts (including trade debts) as they mature.

5.6 Regulatory Compliance. Borrower is not an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act of 1940, as amended. Borrower is not engaged as one of its important activities in extending credit for margin stock (under Regulations X, T and U of the Federal Reserve Board of Governors). Borrower has complied in all material respects with the Federal Fair Labor Standards Act. Neither Borrower nor any of its Subsidiaries is a "holding company" or an "affiliate" of a "holding company" or a "subsidiary company" of a "holding company" as each term is defined and used in the Public Utility Holding Company

Act of 2005. Borrower has not violated any applicable laws, ordinances or rules, the violation of which could reasonably be expected to result in a Material Adverse Change. None of Borrower's or any of its Subsidiaries' properties or assets has been used by Borrower or any Subsidiary or, to the best of Borrower's knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than legally. Borrower and each of its Subsidiaries have obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all Governmental Authorities that are necessary to continue their respective businesses as currently conducted.

5.7 Subsidiaries; Investments. Borrower does not own any stock, partnership interest or other equity securities except for Permitted Investments.

5.8 Tax Returns and Payments; Pension Contributions. Borrower 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. Borrower may defer payment of any contested taxes, provided that Borrower (a) in good faith contests its obligation to pay the taxes by appropriate proceedings promptly and diligently instituted and conducted, (b) notifies Lender in writing of the commencement of, and any material development in, the proceedings, (c) posts bonds or takes any other steps required to prevent the governmental authority levying such contested taxes from obtaining a Lien upon any of the Collateral that is other than a "Permitted Lien". Borrower is unaware of any claims or adjustments proposed for any of Borrower's prior tax years which could result in additional taxes becoming due and payable by Borrower. Borrower has paid all amounts necessary to fund all present pension, profit sharing and deferred compensation plans in accordance with their terms, and Borrower has not withdrawn from participation in, and has not permitted partial or complete termination of, or permitted the occurrence of any other event with respect to, any such plan which could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

5.9 Use of Proceeds. Borrower shall use the proceeds of the Term Loan Advance solely to repay existing Indebtedness and as working capital and to fund its general business requirements and not for personal, family, household or agricultural purposes.

5.10 Full Disclosure. No written representation, warranty or other statement of Borrower in any certificate or written statement given to Lender, as of the date such representation, warranty, or other statement was made, taken together with all such written certificates and written statements given to Lender, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained in the certificates or statements not materially misleading (it being recognized by Lender that the projections and forecasts provided by Borrower in good faith and based upon reasonable assumptions are not viewed as facts and that actual results during the period or periods covered by such projections and forecasts may differ from the projected or forecasted results).

5.11 Definition of "Knowledge." For purposes of the Loan Documents, whenever a representation or warranty is made to Borrower's knowledge or awareness, to the "best of" Borrower's knowledge, or with a similar qualification, knowledge or awareness means the actual knowledge, after reasonable investigation, of the Responsible Officers.

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6 AFFIRMATIVE COVENANTS

From and after the Term Loan Advance Date, Borrower shall do all of the following:

6.1 Government Compliance.

(a) Maintain its and all its Subsidiaries' legal existence and good standing in their respective jurisdictions of formation and maintain qualification in each jurisdiction in which the failure to so qualify would reasonably be expected to have a Material Adverse Change. Borrower shall comply, and have each Subsidiary comply, with all laws, ordinances and regulations to which it is subject, noncompliance with which could have a material adverse effect on Borrower's business.

(b) Obtain all of the Governmental Approvals necessary for the performance by Borrower of its obligations under the Loan Documents to which it is a party and the grant of a security interest to Lender in all of its property. Borrower shall promptly provide copies of any such obtained Governmental Approvals to Lender.

6.2 Financial Statements, Reports, Certificates. Deliver to Lender:

(a) Monthly Financial Statements. As soon as available, but no later than thirty (30) days after the last day of each month, a company prepared consolidated balance sheet and income statement covering Parent's consolidated operations for such month, certified by a Responsible Officer and in a form acceptable to Lender;

(b) Other Statements. Within five (5) days of delivery, copies of all statements, reports and notices made available to Borrower's security holders or to any holders of Subordinated Debt or Senior Debt;

(c) SEC Filings. Within five (5) days of filing, copies of all periodic and other reports, proxy statements and other materials filed by Parent with the SEC, any Governmental Authority succeeding to any or all of the functions of the SEC or with any national securities exchange, or distributed to its shareholders, as the case may be. Documents required to be delivered pursuant to the terms hereof (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which Parent posts such documents, or provides a link thereto, on Parent's website on the Internet at Parent's website address;

(d) Legal Action Notice. A prompt report of any legal actions pending or threatened in writing against Borrower or any of its Subsidiaries that could result in damages or costs to Borrower or any of its Subsidiaries of, individually or in the aggregate, One Hundred Thousand Dollars (\$100,000) or more;

(e) Intellectual Property Notice. Prompt written notice of (i) any material change in the composition of the Intellectual Property, (ii) the registration of any copyright, including any subsequent ownership right of Borrower in or to any copyright, patent or trademark not shown in the IP Security Agreement, and (iii) Borrower's knowledge of an event that could reasonably be expected to materially and adversely affect the value of the Intellectual Property;

(f) Annual Budgets. As soon as available but at least 45 calendar days after to the commencement of each fiscal year of Parent, Parent's annual board-approved budget for such fiscal year, in form and detail satisfactory to the Lender;

(g) Tax Returns. Within thirty (30) days after filing, copies of Parent's income tax returns, together with all schedules, exhibits and statements to such returns; and

(h) Other Financial Information. Promptly, copies of any notices required to be delivered pursuant to the Senior Debt and other financial information reasonably requested by Lender from time to time.

6.3 Taxes; Pensions. Timely file, and require each of its Subsidiaries to timely file, all required tax returns and reports and timely pay, and require each of its Subsidiaries to timely pay, all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower and each of its Subsidiaries, except for deferred payment of any taxes contested pursuant to the terms of Section 5.8 hereof, and shall deliver to Lender, on demand, appropriate certificates attesting to such payments, and pay all amounts necessary to fund all present pension, profit sharing and deferred compensation plans in accordance with their terms.

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6.4 Insurance. Keep its business and the Collateral insured for risks and in amounts standard for companies in Borrower's industry and location and as Lender may reasonably request. Insurance policies shall be in a form, with companies, and in amounts that are satisfactory to Lender. All property policies shall have a lender's loss payable endorsement showing Lender as lender loss payee and waive subrogation against Lender. All liability policies shall show, or have endorsements showing, Lender as an additional insured. All policies (or the loss payable and additional insured endorsements) shall provide that the insurer shall give Lender at least thirty (30) days' notice (or ten (10) days in the case of nonpayment of premium) before canceling, amending, or declining to renew its policy. At Lender's request, Borrower shall deliver certified copies of policies and evidence of all premium payments. Proceeds payable under any policy shall, at Lender's option, be payable to Lender on account of the Obligations. If Borrower fails to obtain insurance as required under this Section 6.4 or to pay any amount or furnish any required proof of payment to third persons and Lender, Lender may make all or part of such payment or obtain such insurance policies required in this Section 6.4, and take any action under the policies Lender deems prudent.

6.5 Operating Accounts. Upon Lender's request following the occurrence and during the continuance of an Event of Default, for each Collateral Account that Borrower or Guarantors at any time maintains, Borrower or Guarantors, as applicable, shall cause the applicable bank or financial institution (other than Lender) at or with which any Collateral Account is maintained to execute and deliver a Control Agreement or other appropriate instrument with respect to such Collateral Account to perfect Lender's Lien in such Collateral Account in accordance with the terms hereunder which Control Agreement may not be terminated without the prior written consent of Lender. The provisions of the previous sentence shall not apply to deposit accounts exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Borrower's or each Guarantor's employees and identified to Lender by Borrower or Guarantors, as applicable, as such.

6.6 Protection and Registration of Intellectual Property Rights.

(a) (i) Protect, defend and maintain the validity and enforceability of its material Intellectual Property; (ii) promptly advise Lender in writing of material infringements of its material Intellectual Property; and (iii) not allow any Intellectual Property material to Borrower's or any Guarantor's business to be abandoned, forfeited or dedicated to the public without Lender's written consent.

(b) If Borrower or any Guarantor (i) obtains any Patent, registered Trademark, registered Copyright, registered mask work, or any pending application for any of the foregoing, whether as owner, licensee or otherwise, or (ii) applies for any Patent or the registration of any Trademark, then Borrower or such Guarantor, as applicable, shall, together with the next set of monthly financial statements delivered pursuant to Section 6.2(a), provide written notice thereof to Lender and shall execute such intellectual property security agreements and other documents and take such other actions as Lender shall reasonably request in its good faith business judgment to perfect and maintain a second priority perfected security interest in favor of Lender in such property. If Borrower or any Guarantor decides to register any Copyrights or mask works in the United States Copyright Office, such Borrower or Guarantor shall: (x) provide Lender with at least fifteen (15) days prior written notice of Borrower's or such Guarantor's intent to register such Copyrights or mask works together with a copy of the application it intends to file with the United States Copyright Office (excluding exhibits thereto); (y) execute an intellectual property security agreement and such other documents and take such other actions as Lender may reasonably request in its good faith business judgment to perfect and maintain a second priority perfected security interest in favor of Lender in the Copyrights or mask works intended to be registered with the United States Copyright Office; and (z) record such intellectual property security agreement with the United States Copyright Office contemporaneously with filing the Copyright or mask work application(s) with the United States Copyright Office. Borrower or Guarantor, as applicable, shall promptly provide to Lender copies of all applications that it files for Patents or for the registration of Trademarks, Copyrights or mask works, together with evidence of the recording of the intellectual property security agreement necessary for Lender to perfect and maintain a second priority perfected security interest in such property.

(c) Provide written notice to Lender within ten (10) days of entering or becoming bound by any Restricted License (other than over-the-counter software that is commercially available to the public). Borrower and Guarantors shall take such steps as Lender reasonably requests to obtain the consent of, or waiver by, any person whose consent or waiver is necessary for (i) any Restricted License to be deemed "Collateral" and for Lender to have a security interest in it that might otherwise be restricted or prohibited by law or by the terms of any such Restricted License, whether now existing or entered into in the future, and (ii) Lender to have the ability in the event of a liquidation of any Collateral to dispose of such Collateral in accordance with Lender's rights and remedies under this Agreement and the other Loan Documents.

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6.7 Litigation Cooperation. From the Term Loan Advance Date and continuing through the termination of this Agreement, make available to Lender, without expense to Lender, Borrower, Guarantors and their officers, employees and agents and Borrower's and each Guarantor's books and records, to the extent that Lender may deem them reasonably necessary to prosecute or defend any third-party suit or proceeding instituted by or against Lender with respect to any Collateral or relating to Borrower or Guarantors.

6.8 Access to Collateral; Books and Records. Allow Lender, or its agents, at reasonable times, on one (1) Business Days' notice (provided no notice is required if an Event of Default has occurred and is continuing), to inspect the Collateral and audit and copy Borrower's or each Guarantor's Books. The foregoing inspections and audits shall be at Borrower's expense; provided, that Lender shall not conduct more than one such inspection at borrower's expense during any calendar year unless an Event of Default has occurred and is continuing.

6.9 Formation or Acquisition of Subsidiaries. Notwithstanding and without limiting the negative covenants contained in Sections 7.3 and 7.7 hereof, at the time that Borrower or any Guarantor forms any direct or indirect Subsidiary or acquires any direct or indirect Subsidiary after the Effective Date, Borrower and such Guarantor shall, upon Lender's request, (a) cause such new Subsidiary to provide to Lender a joinder to this Agreement to become a co-borrower hereunder or a Guaranty to become a Guarantor hereunder, together with such appropriate financing statements and/or Control Agreements (at Lender's request), all in form and substance reasonably satisfactory to Lender (including being sufficient to grant Lender a second priority Lien (subject to Permitted Liens) in and to the assets of such newly formed or acquired Subsidiary), (b) provide to Lender appropriate certificates and powers and financing statements, pledging all of the direct or beneficial ownership interest in such new Subsidiary, in form and substance satisfactory to Lender; and (c) provide to Lender all other documentation in form and substance satisfactory to Lender, including one or more opinions of counsel satisfactory to Lender, which in its opinion is appropriate with respect to the execution and delivery of the applicable documentation referred to above; provided that, any Person who guarantees any Indebtedness incurred by Borrower pursuant to any Senior Debt shall be required to become a Guarantor hereunder. Any document, agreement, or instrument executed or issued pursuant to this Section 6.9 shall be a Loan Document.

6.10 Further Assurances. Execute any further instruments and take further action as Lender reasonably requests to perfect or continue Lender's Lien in the Collateral or to effect the purposes of this Agreement. Deliver to Lender, within five (5) days after the same are sent or received, copies of all correspondence, reports, documents and other filings with any Governmental Authority regarding compliance with or maintenance of Governmental Approvals or Requirements of Law or that could reasonably be expected to have a material adverse effect on any of the Governmental Approvals or otherwise on the operations of Borrower or any of its Subsidiaries.

7 NEGATIVE COVENANTS

From and after the Term Loan Advance Date, Borrower shall not do any of the following without Lender's prior written consent:

7.1 Dispositions. Convey, sell, lease, transfer, assign, or otherwise dispose of (collectively, "Transfer"), or permit any of its Subsidiaries to Transfer, all or any part of its business or property, except for Permitted Transfers

7.2 Changes in Business, Management, Control, or Business Locations. (a) Engage in or permit any of its Subsidiaries to engage in any business other than the businesses currently engaged in by Borrower and such Subsidiary, as applicable, or reasonably related or incidental thereto and reasonable extensions thereof; (b) liquidate or dissolve (provided, that any Subsidiary of Parent may liquidate or dissolve into Parent); or (c) fail to provide notice to Lender of any Key Person departing from or ceasing to be employed by Borrower within ten (10) Business Days after his or her departure from Borrower; or (d) permit or suffer any Change in Control.

Borrower shall not, without at least thirty (30) days prior written notice to Lender: (1) add any new offices or business locations, including warehouses (unless such new offices or business locations contain less than One Hundred Thousand Dollars (\$100,000) in Borrower's assets or property) or deliver any portion of the Collateral valued, individually or in the aggregate, in excess of One Hundred Thousand Dollars (\$100,000) to a bailee at a location other than to a bailee and at a location already disclosed in the Perfection Certificate, (2) change its jurisdiction of organization, (3) change its organizational structure or type, (4) change its legal name, or (5) change any organizational number (if any) assigned by its jurisdiction of organization. Upon Lender's request, if Borrower intends to add any new offices or business locations, including warehouses, containing in excess of One Hundred Thousand Dollars (\$100,000) of Borrower's assets or property, then Borrower the landlord of any such new offices or business locations, including warehouses, shall execute and deliver a landlord consent in form and substance reasonably satisfactory to Lender. Upon Lender's request, if Borrower intends to deliver any portion of the Collateral valued, individually or in the aggregate, in excess of One Hundred Thousand Dollars (\$100,000) to a bailee, and Lender and such bailee are not already parties to a bailee agreement governing both the Collateral and the location to which Borrower intends to deliver the Collateral, then such bailee shall execute and deliver a bailee agreement in form and substance reasonably satisfactory to Lender.

7.3 Mergers or Acquisitions. Merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with any other Person (other than Parent), or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person, except where (i) the transactions meet the definition of a Permitted Acquisition and such transactions do not in the aggregate exceed One Million Dollars (\$1,000,000) during any fiscal year, (ii) no Event of Default has occurred, is continuing or would exist after giving effect to such transactions, (iii) such transactions do not result in a Change in Control, and (iv) a Borrower is the surviving entity; provided, that a Subsidiary may merge or consolidate into another Subsidiary or into Borrower or acquire the assets of another Subsidiary.

7.4 Indebtedness. Create, incur, assume, or be liable for any Indebtedness, or permit any Subsidiary to do so, other than Permitted Indebtedness.

7.5 Encumbrance. Create, incur, allow, or suffer any Lien on any of its property, or assign or convey any right to receive income, including the sale of any Accounts, or permit any of its Subsidiaries to do so, except for Permitted Liens, permit any Collateral not to be subject to the first priority security interest granted herein (subject only to Permitted Liens that may have superior priority to Lender's Lien under this Agreement), or enter into any agreement, document, instrument or other arrangement (except with or in favor of Lender) with any Person which directly or indirectly prohibits or has the effect of prohibiting Borrower or any Subsidiary from assigning, mortgaging, pledging, granting a security interest in or upon, or encumbering any of Borrower's or any Subsidiary's Intellectual Property, except as is otherwise permitted in Section 7.1 hereof and the definition of "Permitted Liens" herein.

7.6 Reserved.

7.7 Distributions; Investments. (a) Pay any dividends or make any distribution or payment or redeem, retire or purchase any capital stock provided that (i) Borrower may convert any of its convertible securities into other securities pursuant to the terms of such convertible securities or otherwise in exchange thereof, and (ii) Borrower may pay dividends solely in common stock; except that such Borrower may (x) repurchase the Equity Interests of former employees pursuant to equity repurchase agreements as long as an Event of Default does not exist prior to such repurchase or would not exist after giving effect to such repurchase, and (y) repurchase the Equity Interests of former employees pursuant to equity repurchase agreements by the cancellation of indebtedness owed by such former employees to such Borrower regardless of whether an Event of Default exists; or (b) directly or indirectly make any Investment other than Permitted Investments, or permit any of its Subsidiaries to do so. Nothing in this Section 7.7 shall restrict the conversion of preferred Equity Interests to common Equity Interests, notwithstanding any deemed dividend which may arise in connection therewith. Nothing in this Section 7.7 shall restrict or otherwise prohibit dividends or distributions from any Subsidiary to a Borrower

7.8 Transactions with Affiliates. Directly or indirectly enter into or permit to exist any material transaction with any Affiliate of Borrower, except for transactions that are in the ordinary course of Borrower's business, upon fair and reasonable terms that are no less favorable to Borrower than would be obtained in an arm's length transaction with a non-affiliated Person.

7.9 Subordinated Debt. (a) Make or permit any payment on any Subordinated Debt, except under the terms of the subordination, intercreditor, or other similar agreement to which such Subordinated Debt is subject, or (b) amend any provision in any document relating to the Subordinated Debt which would increase the amount thereof or adversely affect the subordination thereof to Obligations owed to Lender.

7.10 Compliance. Become an "investment company" or a company controlled by an "investment company", under the Investment Company Act of 1940, as amended, or undertake as one of its important activities extending credit to purchase or carry margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System), or use the proceeds of any Term Loan Advance for that purpose; fail to meet the minimum funding requirements of ERISA, permit a Reportable Event or Prohibited Transaction, as defined in ERISA, to occur; fail to comply with the Federal Fair Labor Standards Act or violate any other law or regulation, if the violation could reasonably be expected to have a material adverse effect on Borrower's business, or permit any of its Subsidiaries to do so; withdraw or permit any Subsidiary to withdraw from participation in, permit partial or complete termination of, or permit the occurrence of any other event with respect to, any present pension, profit sharing and deferred compensation plan which could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

8 EVENTS OF DEFAULT

Any one of the following shall constitute an event of default (an "**Event of Default**") under this Agreement:

8.1 Payment Default. Borrower fails to (a) make any payment of principal on the Term Loan Advance on its due date or (b) pay any other Obligations within five (5) Business Days after such Obligations are due and payable. During the cure period, the failure to make or pay any payment specified under clause (b) hereunder is not an Event of Default;

8.2 Covenant Default. Borrower fails or neglects to perform, keep, or observe any other term, provision, condition, covenant or agreement contained in this Agreement or any Loan Documents, and as to any default (other than those specified in this Section 8) under such other term, provision, condition, covenant or agreement that can be cured, has failed to cure the default within fifteen (15) days after the occurrence thereof; provided, however, that if the default cannot by its nature be cured within the fifteen (15) day period or cannot after diligent attempts by Borrower be cured within such fifteen (15) day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional period (which shall not in any case exceed thirty (30) days) to attempt to cure such default, and within such reasonable time period the failure to cure the default shall not be deemed an Event of Default.

8.3 Material Adverse Change. Lender determines that a Material Adverse Change has occurred.

8.4 Attachment; Levy; Restraint on Business.

(a) (i) The service of process seeking to attach, by trustee or similar process, any funds of Borrower or of any entity under the control of Borrower (including a Subsidiary) on deposit or otherwise maintained with Lender or any Lender Affiliate, or (ii) a notice of lien or levy is filed against any of Borrower's assets by any government agency, and the same under subclauses (i) and (ii) hereof are not, within ten (10) days after the occurrence thereof, discharged or stayed (whether through the posting of a bond

or otherwise); or

(b) (i) any material portion of Borrower's assets is attached, seized, levied on, or comes into possession of a trustee or receiver, or (ii) any court order enjoins, restrains, or prevents Borrower from conducting any material part of its business;

8.5 Insolvency (a) Borrower is unable to pay its debts (including trade debts) as they become due or otherwise becomes insolvent; (b) Borrower begins an Insolvency Proceeding; or (c) an Insolvency Proceeding is begun against Borrower and not dismissed or stayed within sixty (60) days;

8.6 Other Agreements. There is, under any agreement to which Borrower or any Guarantor is a party with a third party or parties, (a) any default resulting in a right by such third party or parties, whether or not exercised, to accelerate the maturity of any Indebtedness in an amount individually or in the aggregate in excess of Five Hundred Thousand Dollars (\$500,000); (b) any default by Borrower or Guarantor, the result of which could have a material adverse effect on Borrower's or any Guarantor's business or (c) any default under the Senior Debt;

8.7 Judgments. One or more final judgments, orders, or decrees for the payment of money in an amount, individually or in the aggregate, of at least Two Hundred Fifty Thousand Dollars (\$250,000) (not covered by independent third-party insurance as to which liability has been accepted by such insurance carrier) shall be rendered against Borrower and the same are not, within thirty (30) days after the entry thereof, discharged or execution thereof stayed or bonded pending appeal, or such judgments are not discharged prior to the expiration of any such stay;

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8.8 Misrepresentations. Borrower or any Person acting for Borrower makes any representation, warranty, or other statement now or later in this Agreement, any Loan Document or in any writing delivered to Lender to induce Lender to enter this Agreement or any Loan Document, and such representation, warranty, or other statement is incorrect in any material respect when made;

8.9 Subordinated Debt. Any document, instrument, or agreement evidencing any Subordinated Debt shall for any reason be revoked or invalidated or otherwise cease to be in full force and effect, any Person shall be in breach thereof or contest in any manner the validity or enforceability thereof or deny that it has any further liability or obligation thereunder, or the Obligations shall for any reason be subordinated or shall not have the priority contemplated by this Agreement or any applicable subordination or intercreditor agreement;

8.10 Guaranty. (a) Any guaranty of any Obligations terminates or ceases for any reason to be in full force and effect; (b) any Guarantor does not perform any obligation or covenant under any guaranty of the Obligations; (c) any circumstance described in Sections 8.3, 8.4, 8.5, 8.7, or 8.8 occurs with respect to any Guarantor, (d) the liquidation, winding up, or termination of existence of any Guarantor; or (e) (i) a material impairment in the perfection or priority of Lender's Lien in the collateral provided by Guarantor or in the value of such collateral or (ii) a material adverse change in the general affairs, management, results of operation, condition (financial or otherwise) or the prospect of repayment of the Obligations occurs with respect to any Guarantor; or

8.11 Governmental Approvals. Any Governmental Approval shall have been (a) revoked, rescinded, suspended, modified in an adverse manner or not renewed in the ordinary course for a full term or (b) subject to any decision by a Governmental Authority that designates a hearing with respect to any applications for renewal of any of such Governmental Approval or that could result in the Governmental Authority taking any of the actions described in clause (a) above, and such decision or such revocation, rescission, suspension, modification or non-renewal (i) has, or could reasonably be expected to have, a Material Adverse Change, or (ii) adversely affects the legal qualifications of Borrower or any of its Subsidiaries to hold such Governmental Approval in any applicable jurisdiction and such revocation, rescission, suspension, modification or non-renewal could reasonably be expected to affect the status of or legal qualifications of Borrower or any of its Subsidiaries to hold any Governmental Approval in any other jurisdiction.

9 LENDER'S RIGHTS AND REMEDIES

9.1 Rights and Remedies. While an Event of Default occurs and continues, Lender, in accordance with the Subordination Agreement, may, without notice or demand, do any or all of the following:

(a) declare all Obligations immediately due and payable (but if an Event of Default described in Section 8.5 occurs all Obligations are immediately due and payable without any action by Lender);

(b) stop advancing money or extending credit for Borrower's benefit under this Agreement or under any other agreement between Borrower and Lender;

(c) settle or adjust disputes and claims directly with Account Debtors for amounts on terms and in any order that Lender considers advisable, notify any Person owing Borrower money of Lender's security interest in such funds, and verify the amount of such account;

(d) make any payments and do any acts it considers necessary or reasonable to protect the Collateral and/or its security interest in the Collateral. Borrower shall assemble the Collateral if Lender requests and make it available as Lender designates. Lender may enter premises where the Collateral is located, take and maintain possession of any part of the Collateral, and pay, purchase, contest, or compromise any Lien which appears to be prior or superior to its security interest and pay all expenses incurred. Borrower grants Lender a license to enter and occupy any of its premises, without charge, to exercise any of Lender's rights or remedies;

(e) apply to the Obligations any (i) balances and deposits of Borrower it holds, or (ii) any amount held by Lender owing to or for the credit or the account of Borrower;

(f) ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell the Collateral. Lender is hereby granted a non-exclusive, royalty-free license or other right to use, without charge, Borrower's labels, Patents, Copyrights, mask works, rights of use of any name, trade secrets, trade names, Trademarks, and advertising matter, or any similar property as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Lender's exercise of its rights under this Section, Borrower's rights under all licenses and all franchise agreements inure to Lender's benefit;

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(g) place a "hold" on any account maintained with Lender and/or deliver a notice of exclusive control, any entitlement order, or other directions or instructions pursuant to any Control Agreement or similar agreements providing control of any Collateral;

(h) demand and receive possession of Borrower's Books; and

(i) exercise all rights and remedies available to Lender under the Loan Documents or at law or equity, including all remedies provided under the Code (including disposal of the Collateral pursuant to the terms thereof).

9.2 Power of Attorney. Borrower hereby irrevocably appoints Lender as its lawful attorney-in-fact, exercisable upon the occurrence and during the continuance of an Event of Default, to: (a) endorse Borrower's name on any checks or other forms of payment or security; (b) sign Borrower's name on any invoice or bill of lading for any

Account or drafts against Account Debtors; (c) settle and adjust disputes and claims about the Accounts directly with Account Debtors, for amounts and on terms Lender determines reasonable; (d) make, settle, and adjust all claims under Borrower's insurance policies; (e) pay, contest or settle any Lien, charge, encumbrance, security interest, and adverse claim in or to the Collateral, or any judgment based thereon, or otherwise take any action to terminate or discharge the same; and (f) transfer the Collateral into the name of Lender or a third party as the Code permits. Borrower hereby appoints Lender as its lawful attorney-in-fact to sign Borrower's name on any documents necessary to perfect or continue the perfection of Lender's security interest in the Collateral regardless of whether an Event of Default has occurred until all Obligations have been satisfied in full and Lender is under no further obligation to make Term Loan Advances hereunder. Lender's foregoing appointment as Borrower's attorney in fact, and all of Lender's rights and powers, coupled with an interest, are irrevocable until all Obligations have been fully repaid and performed and Lender's obligation to provide Term Loan Advances terminates.

9.3 Protective Payments. If Borrower fails to obtain the insurance called for by Section 6.4 or fails to pay any premium thereon or fails to pay any other amount which Borrower is obligated to pay under this Agreement or any other Loan Document, Lender may obtain such insurance or make such payment, and all amounts so paid by Lender are Lender Expenses and immediately due and payable and secured by the Collateral. Lender will make reasonable efforts to provide Borrower with notice of Lender obtaining such insurance at the time it is obtained or within a reasonable time thereafter. No payments by Lender are deemed an agreement to make similar payments in the future or Lender's waiver of any Event of Default.

9.4 Application of Payments and Proceeds Upon Default. If an Event of Default has occurred and is continuing, Lender may apply any funds in its possession, whether from Borrower account balances, payments, proceeds realized as the result of any collection of Accounts or other disposition of the Collateral, or otherwise, to the Obligations in such order as Lender shall determine in its sole discretion. Any surplus shall be paid to Borrower or other Persons legally entitled thereto; Borrower shall remain liable to Lender for any deficiency. If Lender, in its good faith business judgment, directly or indirectly enters into a deferred payment or other credit transaction with any purchaser at any sale of Collateral, Lender shall have the option, exercisable at any time, of either reducing the Obligations by the principal amount of the purchase price or deferring the reduction of the Obligations until the actual receipt by Lender of cash therefor.

9.5 Lender's Liability for Collateral. So long as Lender complies with reasonable practices regarding the safekeeping of the Collateral in the possession or under the control of Lender, Lender shall not be liable or responsible for: (a) the safekeeping of the Collateral; (b) any loss or damage to the Collateral; (c) any diminution in the value of the Collateral; or (d) any act or default of any carrier, warehouseman, bailee, or other Person. Borrower bears all risk of loss, damage or destruction of the Collateral.

9.6 No Waiver; Remedies Cumulative. Lender's failure, at any time or times, to require strict performance by Borrower of any provision of this Agreement or any other Loan Document shall not waive, affect, or diminish any right of Lender thereafter to demand strict performance and compliance herewith or therewith. No waiver hereunder shall be effective unless signed by the party granting the waiver and then is only effective for the specific instance and purpose for which it is given. Lender's rights and remedies under this Agreement and the other Loan Documents are cumulative. Lender has all rights and remedies provided under the Code, by law, or in equity. Lender's exercise of one right or remedy is not an election and shall not preclude Lender from exercising any other remedy under this Agreement or other remedy available at law or in equity, and Lender's waiver of any Event of Default is not a continuing waiver. Lender's delay in exercising any remedy is not a waiver, election, or acquiescence.

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9.7 Demand Waiver. Borrower waives demand, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees held by Lender on which Borrower is liable.

10 NOTICES

All notices, consents, requests, approvals, demands, or other communication by any party to this Agreement or any other Loan Document must be in writing and shall be deemed to have been validly served, given, or delivered: (a) upon the earlier of actual receipt and three (3) Business Days after deposit in the U.S. mail, first class, registered or certified mail return receipt requested, with proper postage prepaid; (b) upon transmission, when sent by electronic mail or facsimile transmission; (c) one (1) Business Day after deposit with a reputable overnight courier with all charges prepaid; or (d) when delivered, if hand-delivered by messenger, all of which shall be addressed to the party to be notified and sent to the address, facsimile number, or email address indicated below. Lender or Borrower may change its mailing or electronic mail address or facsimile number by giving the other party written notice thereof in accordance with the terms of this Section 10.

If to Borrower: c/o Interpace Biosciences, Inc.
Morris Corporate Center 1, Building C
300 Interpace Parkway
Parsippany, NJ 07054
Attn: Thomas Freeburg, CFO
Email: tfreeburg@interpace.com

If to Lender: BroadOak Fund V, L.P.
4800 Montgomery Lane, Suite 230
Bethesda, MD 20814
Attention: Manager
Email: compliance@broadoak.com

11 CHOICE OF LAW, VENUE, JURY TRIAL WAIVER, AND JUDICIAL REFERENCE

New York law governs the Loan Documents without regard to principles of conflicts of law. Borrower, Lender each submit to the exclusive jurisdiction of the State and Federal courts in New York, New York; provided, however, that nothing in this Agreement shall be deemed to operate to preclude Lender from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the Obligations, or to enforce a judgment or other court order in favor of Lender. Borrower expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and Borrower hereby waives any objection that it may have based upon lack of personal jurisdiction, improper venue, or forum non conveniens and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Borrower hereby waives personal service of the summons, complaints, and other process issued in such action or suit and agrees that service of such summons, complaints, and other process may be made by registered or certified mail addressed to Borrower at the address set forth in, or subsequently provided by Borrower in accordance with, Section 10 of this Agreement and that service so made shall be deemed completed upon the earlier to occur of Borrower's actual receipt thereof or three (3) days after deposit in the U.S. mails, proper postage prepaid.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BORROWER AND LENDER EACH WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE LOAN DOCUMENTS OR ANY CONTEMPLATED TRANSACTION, INCLUDING CONTRACT, TORT, BREACH OF DUTY AND ALL OTHER CLAIMS. THIS WAIVER IS A MATERIAL INDUCEMENT FOR BOTH PARTIES TO ENTER INTO THIS AGREEMENT. EACH PARTY HAS REVIEWED THIS WAIVER WITH ITS COUNSEL.

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12 GENERAL PROVISIONS

12.1 Successors and Assigns. This Agreement binds and is for the benefit of the successors and permitted assigns of each party. Borrower may not assign this

Agreement or any rights or obligations under it without Lender's prior written consent (which may be granted or withheld in Lender's discretion). Lender has the right, with the consent of Borrower (provided, that no such notice or consent shall be required if an Event of Default has occurred and is continuing), to sell, transfer, assign, negotiate, or grant participation in all or any part of, or any interest in, Lender's obligations, rights, and benefits under this Agreement and the other Loan Documents.

12.2 Indemnification. Borrower agrees to indemnify, defend and hold Lender and its directors, officers, employees, agents, attorneys, or any other Person affiliated with or representing Lender (each, an "**Indemnified Person**") harmless against: (a) all obligations, demands, claims, and liabilities (collectively, "**Claims**") claimed or asserted by any other party in connection with the transactions contemplated by the Loan Documents; and (b) all losses or expenses (including Lender Expenses) in any way suffered, incurred, or paid by such Indemnified Person as a result of, following from, or arising from transactions between Lender and Borrower (including reasonable attorneys' fees and expenses), except for Claims and/or losses directly caused by such Indemnified Person's gross negligence or willful misconduct.

12.3 Time of Essence. Time is of the essence for the performance of all Obligations in this Agreement.

12.4 Severability of Provisions. Each provision of this Agreement is severable from every other provision in determining the enforceability of any provision.

12.5 Reserved.

12.6 Amendments in Writing; Waiver; Integration. No purported amendment or modification of any Loan Document, or waiver, discharge or termination of any obligation under any Loan Document, shall be enforceable or admissible unless, and only to the extent, expressly set forth in a writing signed by the party against which enforcement or admission is sought. Without limiting the generality of the foregoing, no oral promise or statement, nor any action, inaction, delay, failure to require performance or course of conduct shall operate as, or evidence, an amendment, supplement or waiver or have any other effect on any Loan Document. Any waiver granted shall be limited to the specific circumstance expressly described in it, and shall not apply to any subsequent or other circumstance, whether similar or dissimilar, or give rise to, or evidence, any obligation or commitment to grant any further waiver. The Loan Documents represent the entire agreement about this subject matter and supersede prior negotiations or agreements. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of the Loan Documents merge into the Loan Documents.

12.7 Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, is an original, and all taken together, constitute one Agreement.

12.8 Survival. All covenants, representations and warranties made in this Agreement continue in full force until this Agreement has terminated pursuant to its terms and all Obligations (other than inchoate indemnity obligations and any other obligations which, by their terms, are to survive the termination of this Agreement) have been paid in full and satisfied. The obligation of Borrower in Section 12.2 to indemnify Lender shall survive until the statute of limitations with respect to such claim or cause of action shall have run.

12.9 Confidentiality. In handling any confidential information, Lender shall exercise the same degree of care that it exercises for its own proprietary information, but disclosure of information may be made: (a) to Lender's Subsidiaries or Affiliates; (b) to prospective transferees or purchasers of any interest in the Term Loan Advance (provided, however, Lender shall obtain any prospective transferee's or purchaser's agreement to the terms of this provision); (c) as required by law, regulation, subpoena, or other order (provide, that in any such instance, Lender will provide Borrower with notice as soon as reasonably practicable of such requirement so that Borrower may seek a protective order or other appropriate remedy, at the Borrower's expense, and if such protective order or other remedy is not obtained, Lender agrees that it will disclose only that portion of the confidential information which it is advised by counsel is legally required to be disclosed); (d) to Lender's regulators or as otherwise required in connection with Lender's examination or audit; (e) as required in exercising remedies under the Loan Documents; and (f) to third-party service providers of Lender so long as such service providers have executed a confidentiality agreement with Lender with terms no less restrictive than those contained herein. Confidential information does not include information that is either: (i) in the public domain or in Lender's possession when disclosed to Lender, or becomes part of the public domain after disclosure to Lender; or (ii) disclosed to Lender by a third party if Lender does not know that the third party is prohibited from disclosing the information.

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Lender may use confidential information for the development of databases, reporting purposes, and market analysis so long as such confidential information is aggregated and anonymized prior to distribution unless otherwise expressly permitted by Borrower. The provisions of the immediately preceding sentence shall survive the termination of this Agreement.

12.10 Attorneys' Fees, Costs and Expenses. In any action or proceeding between Borrower and Lender arising out of or relating to the Loan Documents, the prevailing party shall be entitled to recover its reasonable attorneys' fees and other costs and expenses incurred, in addition to any other relief to which it may be entitled.

12.11 Electronic Execution of Documents. The words "execution," "signed," "signature" and words of like import in any Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act.

12.12 Captions. The headings used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

12.13 Construction of Agreement. The parties mutually acknowledge that they and their attorneys have participated in the preparation and negotiation of this Agreement. In cases of uncertainty this Agreement shall be construed without regard to which of the parties caused the uncertainty to exist.

12.14 Relationship. The relationship of the parties to this Agreement is determined solely by the provisions of this Agreement. The parties do not intend to create any agency, partnership, joint venture, trust, fiduciary or other relationship with duties or incidents different from those of parties to an arm's-length contract.

12.15 Third Parties. Nothing in this Agreement, whether express or implied, is intended to: (a) confer any benefits, rights or remedies under or by reason of this Agreement on any persons other than the express parties to it and their respective permitted successors and assigns; (b) relieve or discharge the obligation or liability of any person not an express party to this Agreement; or (c) give any person not an express party to this Agreement any right of subrogation or action against any party to this Agreement.

13 DEFINITIONS

13.1 Definitions. As used in the Loan Documents, the word "shall" is mandatory, the word "may" is permissive, the word "or" is not exclusive, the words "includes" and "including" are not limiting, the singular includes the plural, and numbers denoting amounts that are set off in brackets are negative. As used in this Agreement, the following capitalized terms have the following meanings:

"**Account**" is any "account" as defined in the Code with such additions to such term as may hereafter be made, and includes, without limitation, all accounts receivable and other sums owing to Borrower.

"**Account Debtor**" is any "account debtor" as defined in the Code with such additions to such term as may hereafter be made.

"**Advance Form**" is that certain form attached hereto as Exhibit B.

“**Affiliate**” is, with respect to any Person, each other Person that owns or controls directly or indirectly the Person, any Person that controls or is controlled by or is under common control with the Person, and each of that Person’s senior executive officers, directors, partners and, for any Person that is a limited liability company, that Person’s managers and members.

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

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

“**Borrower’s Books**” are all Borrower’s books and records including ledgers, federal and state tax returns, records regarding Borrower’s assets or liabilities, the Collateral, business operations or financial condition, and all computer programs or storage or any equipment containing such information.

“**Business Day**” is any day that is not a Saturday, Sunday or federal holiday.

“**Cash Equivalents**” means (a) marketable direct obligations issued or unconditionally guaranteed by the United States or any agency or any State thereof having maturities of not more than one (1) year from the date of acquisition; (b) commercial paper maturing no more than one (1) year after its creation and having the highest rating from either Standard & Poor’s Ratings Group or Moody’s Investors Service, Inc.; (c) Lender’s certificates of deposit issued maturing no more than one (1) year after issue; and (d) money market funds at least ninety-five percent (95%) of the assets of which constitute Cash Equivalents of the kinds described in clauses (a) through (c) of this definition.

“**Change in Control**” means any event, transaction, or occurrence as a result of which (a) any “person” (as such term is defined in Sections 3(a)(9) and 13(d)(3) of the Exchange Act), a trustee or other fiduciary holding securities under an employee benefit plan of Borrower, is or becomes a beneficial owner (within the meaning Rule 13d-3 promulgated under the Exchange Act), directly or indirectly, of securities of Parent, representing more than fifty percent (50%) of the combined voting power of Parent’s then outstanding securities; (b) Borrower ceases to own 100% of the voting securities of its Subsidiaries, except in a transaction permitted hereunder; or (c) any sale of all or substantially all of the assets of Parent, except in a transaction permitted hereunder.

“**Code**” is the Uniform Commercial Code, as the same may, from time to time, be enacted and in effect in the State of New York; provided, that, to the extent that the Code is used to define any term herein or in any Loan Document and such term is defined differently in different Articles or Divisions of the Code, the definition of such term contained in Article or Division 9 shall govern; provided further, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, or priority of, or remedies with respect to, Lender’s Lien on any Collateral is governed by the Uniform Commercial Code in effect in a jurisdiction other than the State of New York, the term “**Code**” shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies and for purposes of definitions relating to such provisions.

“**Collateral**” is any and all properties, rights and assets of Borrower described on Exhibit A.

“**Collateral Account**” is any Deposit Account, Securities Account, or Commodity Account.

“**Commodity Account**” is any “commodity account” as defined in the Code with such additions to such term as may hereafter be made.

“**Contingent Obligation**” is, for any Person, any direct or indirect liability, contingent or not, of that Person for (a) any indebtedness, lease, dividend, letter of credit or other obligation of another such as an obligation, in each case, directly or indirectly guaranteed, endorsed, co-made, discounted or sold with recourse by that Person, or for which that Person is directly or indirectly liable; (b) any obligations for undrawn letters of credit for the account of that Person; and (c) all obligations from any interest rate, currency or commodity swap agreement, interest rate cap or collar agreement, or other agreement or arrangement designated to protect a Person against fluctuation in interest rates, currency exchange rates or commodity prices; but “Contingent Obligation” does not include endorsements in the ordinary course of business. The amount of a Contingent Obligation is the stated or determined amount of the primary obligation for which the Contingent Obligation is made or, if not determinable, the maximum reasonably anticipated liability for it determined by the Person in good faith; but the amount may not exceed the maximum of the obligations under any guarantee or other support arrangement.

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“**Control Agreement**” is any control agreement entered into among the depository institution at which Borrower maintains a Deposit Account or the securities intermediary or commodity intermediary at which Borrower maintains a Securities Account or a Commodity Account, Borrower, and Lender pursuant to which Lender obtains control (within the meaning of the Code) over such Deposit Account, Securities Account, or Commodity Account.

“**Copyrights**” are any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret.

“**Credit Party**” means the Borrower, the Guarantors and their respective successors and permitted assigns.

“**Default Rate**” is defined in Section 2.2(b).

“**Deposit Account**” is any “deposit account” as defined in the Code with such additions to such term as may hereafter be made.

“**Dollars**,” “**dollars**” or use of the sign “\$” means only lawful money of the United States and not any other currency, regardless of whether that currency uses the “\$” sign to denote its currency or may be readily converted into lawful money of the United States.

“**Effective Date**” is defined in the preamble hereof.

“**Equipment**” is all “equipment” as defined in the Code with such additions to such term as may hereafter be made, and includes without limitation all machinery, fixtures, goods, vehicles (including motor vehicles and trailers), and any interest in any of the foregoing.

“**Equity Interests**” mean, with respect to any Person, the capital stock, partnership, membership or limited liability company interest, or other equity securities or equity ownership interest of such Person.

“**ERISA**” is the Employee Retirement Income Security Act of 1974, and its regulations.

“**Event of Default**” is defined in Section 8.

“**Exchange Act**” is the Securities Exchange Act of 1934, as amended.

“Funding Date” is any date on which a Term Loan Advance is made to or for the account of Borrower which shall be a Business Day.

“GAAP” is generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other Person as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination.

“General Intangibles” is all “general intangibles” as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation, all Intellectual Property, claims, income and other tax refunds, security and other deposits, payment intangibles, contract rights, options to purchase or sell real or personal property, rights in all litigation presently or hereafter pending (whether in contract, tort or otherwise), insurance policies (including without limitation key man, property damage, and business interruption insurance), payments of insurance and rights to payment of any kind.

“Governmental Approval” is any consent, authorization, approval, order, license, franchise, permit, certificate, accreditation, registration, filing or notice, of, issued by, from or to, or other act by or in respect of, any Governmental Authority.

“Governmental Authority” is any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

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“Guarantor” is any Person providing a Guaranty in favor of Lender.

“Guaranty” is any guarantee of all or any part of the Obligations, as the same may from time to time be amended, restated, modified or otherwise supplemented.

“Indebtedness” is (a) indebtedness for borrowed money or the deferred price of property or services, such as reimbursement and other obligations for surety bonds and letters of credit, (b) obligations evidenced by notes, bonds, debentures or similar instruments, (c) capital lease obligations, and (d) Contingent Obligations.

“Indemnified Person” is defined in Section 12.2.

“Insolvency Proceeding” is any proceeding by or against any Person under the United States Bankruptcy Code, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief.

“Intellectual Property” means, with respect to any Person, all of such Person’s right, title, and interest in and to the following:

(a) its Copyrights, Trademarks and Patents;

(b) any and all trade secrets and trade secret rights, including, without limitation, any rights to unpatented inventions, know-how, operating manuals;

(c) any and all source code;

(d) any and all design rights which may be available to a Borrower;

(e) any and all claims for damages by way of past, present and future infringement of any of the foregoing, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the Intellectual Property rights identified above; and

(f) all amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents.

“Interest Rate” means nine percent (9.00%) per annum.

“Inventory” is all “inventory” as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation all merchandise, raw materials, parts, supplies, packing and shipping materials, work in process and finished products, including without limitation such inventory as is temporarily out of Borrower’s custody or possession or in transit and including any returned goods and any documents of title representing any of the above.

“Investment” is any beneficial ownership interest in any Person (including stock, partnership interest or other securities), and any loan, advance or capital contribution to any Person.

“IP Security Agreement” is that certain Intellectual Property Security Agreement executed and delivered by Borrower to Lender dated as of the Term Loan Advance Date.

“Key Person” is Borrower’s Chief Executive Officer.

“Lender” is defined in the preamble hereof.

“Lender Expenses” are all audit fees and expenses, costs, and expenses (including reasonable attorneys’ fees and expenses) for preparing, amending, negotiating, administering, defending and enforcing the Loan Documents (including, without limitation, those incurred in connection with appeals or Insolvency Proceedings) or otherwise incurred with respect to Borrower or any other Credit Party.

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“Lien” is a claim, mortgage, deed of trust, levy, charge, pledge, security interest or other encumbrance of any kind, whether voluntarily incurred or arising by operation of law or otherwise against any property.

“Loan Documents” are, collectively, this Agreement, the Perfection Certificate, each Advance Form, the Subordination Agreement, the IP Security Agreement, the Pledge Agreement, each Guaranty, any Control Agreement, any pledge agreement, any subordination agreement, any note, or notes or guaranties executed by Borrower or any Guarantor, and any other present or future agreement between Borrower any Guarantor and/or for the benefit of Lender in connection with this Agreement, all as amended, restated, or otherwise modified.

“Material Adverse Change” is (a) a material impairment in the perfection or priority of Lender’s Lien in the Collateral or in the value of such Collateral, taken as a whole; (b) a material adverse change in the business, operations, or financial condition of Parent and its Subsidiaries, taken as a whole; (c) a material impairment of the prospect of repayment of any portion of the Obligations by the Borrowers, taken as a whole, or (d) a material adverse effect on the enforceability or validity of this Agreement or the other Loan Documents.

“Obligations” are any Credit Party’s obligations to pay when due any debts, principal, interest, the Terminal Payment, Lender Expenses and other amounts any Credit Party owes Lender now or later, whether under this Agreement, the Loan Documents, or otherwise, including debts, liabilities, or obligations of any Credit Party assigned to Lender, and to perform any Credit Party’s duties under the Loan Documents.

“Operating Documents” are, for any Person, such Person’s formation documents, as certified with the Secretary of State of such Person’s state of formation on a date that is no earlier than 30 days prior to the Effective Date, and, (a) if such Person is a corporation, its bylaws in current form, (b) if such Person is a limited liability company, its limited liability company agreement (or similar agreement), and (c) if such Person is a partnership, its partnership agreement (or similar agreement), each of the foregoing with all current amendments or modifications thereto.

“Patents” means all patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same.

“Payment Date” means the first calendar date of each month.

“Perfection Certificate” is defined in Section 5.1.

“Permitted Acquisition” shall mean any acquisition by a Borrower or any of its Subsidiaries of all or substantially all of the assets of another Person, or of a division or line of business of another Person, or any Equity Interests of another Person which satisfies and/or is conducted in accordance with the following requirements:

(a) such acquisition is of a business that is in the same line of business as a Borrower;

(b) if such acquisition is structured as an acquisition of the Equity Interests of any Person, then the Person so acquired shall become a wholly-owned direct Subsidiary of such Borrower or of its Subsidiary and such Borrower or the applicable Subsidiary shall cause such acquired Person to comply with Section 6.9 hereof or be merged with and into such Borrower or such Subsidiary (and, in the case of such Borrower, with such Borrower being the surviving entity);

(c) if such acquisition is structured as the acquisition of assets, such assets shall be acquired directly by such Borrower or such Subsidiary and shall be free and clear of all liens;

(d) such Borrower shall have delivered to Lender not less than thirty (30) (or such shorter period of time agreed to by Lender) nor more than ninety (90) days prior to the closing date of such acquisition, notice of such acquisition together with true, correct and complete copies of: pro forma financial statements, copies of all material documents relating to such acquisition (including the acquisition agreement and all related documents), and historical financial information (including income statements, balance sheets and cash flows) covering at least three (3) complete fiscal years of the acquisition target, if available, and a quality of earnings report, in form and from a third party satisfactory to date; and

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(e) the board of directors (or other Person(s) exercising similar functions) of the seller of the assets or issuer of the Equity Interests being acquired shall not have disapproved such transaction or recommended that such transaction be disapproved.

“Permitted Divestiture” means the sale of all or substantially all of the assets or Equity Interests of Interpace Pharma Solutions, Inc.

“Permitted Indebtedness” is:

(a) Borrower’s Indebtedness to Lender under this Agreement and the other Loan Documents;

(b) Indebtedness existing on the Effective Date and shown on the Perfection Certificate (excluding, however, Indebtedness permitted under clause (g) of this definition);

(c) Subordinated Debt;

(d) the Senior Debt;

(e) unsecured Indebtedness to trade creditors incurred in the ordinary course of business;

(f) Indebtedness incurred as a result of endorsing negotiable instruments received in the ordinary course of business;

(g) Indebtedness secured by Liens permitted under clause (c) of the definition of “Permitted Liens” hereunder, provided that the principal amount outstanding of all Indebtedness under this clause (g) shall not exceed One Hundred Thousand Dollars (\$100,000) at any time outstanding;

(h) other unsecured Indebtedness not otherwise permitted by Section 7.4 not exceeding \$250,000 in the aggregate amount outstanding at any time; and

(i) extensions, refinancings, modifications, amendments and restatements of any items of Permitted Indebtedness (a) through (h) above, provided that the principal amount thereof is not increased or the terms thereof are not modified to impose more burdensome terms upon Borrower or its Subsidiary, as the case may be.

“Permitted Investments” are:

(a) Investments (including, without limitation, Subsidiaries) existing on the Effective Date and shown on the Perfection Certificate;

(b) Investments consisting of Cash Equivalents;

(c) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of Borrower;

(d) Investments consisting of Collateral Accounts;

(e) Investments accepted in connection with Transfers permitted by Section 7.1;

(f) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of business; and

(g) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the ordinary course of business.

“Permitted Liens” are:

- (a) Liens existing on the Effective Date and shown on the Perfection Certificate or arising under this Agreement and the other Loan Documents;
- (b) Liens for taxes, fees, assessments or other government charges or levies, either (i) not due and payable or (ii) being contested in good faith and for which Borrower maintains adequate reserves on its Books, provided that no notice of any such Lien has been filed or recorded under the Internal Revenue Code of 1986, as amended, and the Treasury Regulations adopted thereunder;
- (c) purchase money Liens and equipment Liens (including capitalized leases) (i) on Equipment acquired or held by Borrower incurred for financing the acquisition of the Equipment or (ii) existing on Equipment when acquired, if the Lien is confined to the property and improvements and the proceeds of the Equipment.
- (d) Liens of carriers, warehousemen, suppliers, or other Persons that are possessory in nature arising in the ordinary course of business so long as such Liens attach only to Inventory and which are not delinquent or remain payable without penalty or which are being contested in good faith and by appropriate proceedings which proceedings have the effect of preventing the forfeiture or sale of the property subject thereto;
- (e) Liens to secure payment of workers’ compensation, employment insurance, old-age pensions, social security and other like obligations incurred in the ordinary course of business (other than Liens imposed by ERISA);
- (f) leases or subleases of real property granted in the ordinary course of Borrower’s business (or, if referring to another Person, in the ordinary course of such Person’s business), and leases, subleases, non-exclusive licenses or sublicenses of personal property (other than Intellectual Property) granted in the ordinary course of Borrower’s business (or, if referring to another Person, in the ordinary course of such Person’s business), if the leases, subleases, licenses and sublicenses do not prohibit granting Lender a security interest therein;
- (g) non-exclusive license of Intellectual Property granted to third parties in the ordinary course of business;
- (h) Liens arising from attachments or judgments, orders, or decrees in circumstances not constituting an Event of Default under Sections 8.4 and 8.7;
- (i) Liens in favor of other financial institutions arising in connection with Borrower’s deposit and/or securities accounts held at such institutions;
- (j) Liens securing Senior Debt; and
- (k) other Liens securing obligations not to exceed One Hundred Thousand Dollars (\$100,000) at any time outstanding.

“Permitted Transfer” means the conveyance, sale, lease, transfer or disposition by a Borrower or any Subsidiary of:

- (a) Inventory in the ordinary course of business;
- (b) Non-exclusive licenses and similar arrangements for the use of the property of such Borrower or its Subsidiaries in the ordinary course of business;
- (c) Worn-out, obsolete, or surplus Equipment;
- (d) pursuant to the Permitted Divestiture;
- (e) in connection with Permitted Liens and Permitted Investments; or

- (f) other assets of a Borrower or its Subsidiaries that do not in the aggregate exceed One Hundred Thousand Dollars (\$100,000) during any fiscal year.

“Person” is any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity or government agency.

“Pledge Agreement” means that certain Pledge Agreement, dated as of the Term Loan Advance Date, by and among Borrower and Lender.

“Registered Organization” is any “registered organization” as defined in the Code with such additions to such term as may hereafter be made.

“Requirement of Law” is as to any Person, the organizational or governing documents of such Person, and any law (statutory or common), treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Responsible Officer” is any of the Chief Executive Officer, President, and Chief Financial Officer and of Borrower.

“Restricted License” is any material license or other agreement with respect to which Borrower is the licensee (a) that prohibits or otherwise restricts Borrower from granting a security interest in Borrower’s interest in such license or agreement or any other property, or (b) for which a default under or termination of could interfere with the Lender’s right to sell any Collateral.

“SEC” shall mean the Securities and Exchange Commission, any successor thereto, and any analogous Governmental Authority.

“Securities Account” is any “securities account” as defined in the Code with such additions to such term as may hereafter be made.

“Senior Debt” means all Indebtedness of the Borrower to (a) Comerica Bank, as evidenced by that certain Loan and Security Agreement, dated as of October 13, 2021, in an aggregate principal amount of up to Seven Million Five Hundred Thousand Dollars (\$7,500,000) (plus the amount of any protective advances made in accordance with the terms thereof) and (b) any refinancing or replacement Indebtedness, or any additional Indebtedness, that in each case is subject to a Subordination Agreement in form and substance reasonably satisfactory to Lender; provided that the aggregate principal amount of all Senior Debt, taken together with the aggregate principal amount of any Indebtedness incurred pursuant to clause (g) of the definition of “Permitted Indebtedness,” shall not exceed Seven Million Five Hundred Thousand Dollars (\$7,500,000) at any time outstanding (plus the amount of any protective advances made in accordance with the terms thereof).

“Subordinated Debt” is indebtedness incurred by Borrower subordinated to all of Borrower’s now or hereafter indebtedness to Lender (pursuant to a subordination, intercreditor, or other similar agreement in form and substance satisfactory to Lender entered into between Lender and the other creditor), on terms acceptable to Lender;

provided that the Obligations shall not constitute Subordinated Debt.

“**Subordination Agreement**” means collectively, that certain intercreditor agreement, dated as of the Term Loan Advance Date, by and between Lender and Comerica Bank, and any subsequent subordination, intercreditor or similar agreement by and between Lender and the representative(s) with respect to other Senior Debt, in each case as each may be amended from time to time in accordance with the provisions thereof.

“**Subsidiary**” is, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless the context otherwise requires, each reference to a Subsidiary herein shall be a reference to a Subsidiary of Borrower.

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“**Term Loan Advance**” is defined in Section 2.1.1(a).

“**Term Loan Advance Date**” means the date on which the Term Loan Advance is advanced to Borrower in accordance with Section 2.1.1.

“**Term Loan Maturity Date**” is the earlier to occur of (a) October 31, 2024 and (b) a Change in Control.

“**Terminal Multiple**” means, (a) if a Change in Control occurs on or prior to the first anniversary of the Term Loan Advance Date, fifteen hundredths (0.15), (b) if a Change in Control occurs after the first anniversary of the Term Loan Advance Date but on or prior to the second anniversary of the Term Loan Advance Date, two tenths (0.20) and (c) upon the earlier of the Term Loan Maturity Date or a Change in Control to occur after the second anniversary of the Term Loan Advance Date, three tenths (0.30).

“**Terminal Payment**” is a payment (in addition to and not in substitution for the regular monthly payments of principal plus accrued interest) due on the Term Loan Maturity Date, equal to the aggregate original principal amount of the Term Loan Advance made by Lender to Borrower *multiplied by* the Terminal Multiple.

“**Trademarks**” means any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Borrower connected with and symbolized by such trademarks.

“**Transfer**” is defined in Section 7.1.

[Signature page follows.]

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

BORROWER:

INTERPACE BIOSCIENCES, INC.

By: _____
Name: Thomas W. Burnell
Title: President

INTERPACE DIAGNOSTICS CORPORATION

By: _____
Name: Thomas W. Burnell
Title: President

INTERPACE DIAGNOSTICS, LLC

By: _____
Name: Thomas W. Burnell
Title: President

INTERPACE PHARMA SOLUTIONS, INC.

By: _____
Name: Thomas W. Burnell
Title: President

LENDER:

BROADOAK FUND V, L.P.

By: _____
Name: William Snider
Title: Manager

[Signature page to Loan and Security Agreement]

EXHIBIT A – COLLATERAL DESCRIPTION

The Collateral consists of all of Borrower’s right, title and interest in and to the following personal property:

All goods, Accounts (including health-care receivables), Equipment, Inventory, contract rights or rights to payment of money, leases, license agreements, franchise agreements, General Intangibles (including Intellectual Property) commercial tort claims, documents, instruments (including any promissory notes), chattel paper (whether tangible or electronic), cash, deposit accounts, certificates of deposit, fixtures, letters of credit rights (whether or not the letter of credit is evidenced by a writing), securities, and all other investment property, supporting obligations, and financial assets, whether now owned or hereafter acquired, wherever located; and

all 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.

EXHIBIT B – ADVANCE FORM

October 29, 2021

The undersigned, being the duly elected and acting Chief Executive Officer of INTERPACE BIOSCIENCES, INC., a Delaware corporation ("Parent"), INTERPACE DIAGNOSTICS CORPORATION, a Delaware corporation ("Diagnostics Corporation"), INTERPACE DIAGNOSTICS, LLC, a Delaware limited liability company ("Diagnostics") and INTERPACE PHARMA SOLUTIONS, INC., a Delaware corporation ("Pharma Solutions", and together with Parent, Diagnostics Corporation, and Diagnostics, each and together, jointly and severally, "Borrower"), does hereby certify to BROADOAK FUND V, L.P. ("Lender") in connection with that certain Loan and Security Agreement dated as of October 29, 2021, by and among Borrower and Lender (the "Loan Agreement"; with other capitalized terms used below having the meanings ascribed thereto in the Loan Agreement) that:

1. The representations and warranties in the Loan Agreement are true, accurate, and complete in all material respects on the date hereof and on the Term Loan Advance Date; 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 are be true, accurate and complete in all material respects as of such date.

2. No Event of Default has occurred and is continuing or will result from the Term Loan Advance.

3. There has not been a Material Adverse Change.

4. The aggregate net proceeds of the Term Loan Advance shall be transferred to the following account:

Account Name: _____
Bank Name: _____
Bank Address: _____
Account Number: _____
ABA Number: _____

[remainder of page intentionally left blank]

Dated of the date first set forth above.

BORROWER:

INTERPACE BIOSCIENCES, INC.

By: _____
Name: Thomas W. Burnell
Title: Chief Executive Officer

INTERPACE DIAGNOSTICS CORPORATION

By: _____
Name: Thomas W. Burnell
Title: Chief Executive Officer

INTERPACE DIAGNOSTICS, LLC

By: _____
Name: Thomas W. Burnell
Title: Chief Executive Officer

INTERPACE PHARMA SOLUTIONS, INC.

By: _____
Name: Thomas W. Burnell
Title: Chief Executive Officer

[Signature Page to Advance Form]

FIRST AMENDMENT TO LOAN AND SECURITY AGREEMENT AND CONSENT

This First Amendment to Loan and Security Agreement and Consent ("Amendment") is entered into as of November 1, 2021 between **Interpace Biosciences, Inc.**, a Delaware corporation ("Parent"), **Interpace Diagnostics Corporation**, a Delaware corporation ("Diagnostics Corporation"), **Interpace Diagnostics, LLC**, a Delaware limited liability company ("Diagnostics") and **Interpace Pharma Solutions, Inc.**, a Delaware corporation ("Pharma Solutions"), and together with Parent, Diagnostics Corporation, and Diagnostics, the "Borrowers" and each individually a "Borrower") and **Comerica Bank** ("Bank").

RECITALS

Borrowers and Bank are parties to that Loan and Security Agreement dated October 13, 2021, as it may be amended, restated or otherwise modified from time to time ("Agreement"). The parties desire to amend the Agreement in accordance with the terms of this Amendment. In addition, Borrowers have requested Bank's consent to the incurrence of certain Indebtedness and the prepayment of Subordinated Debt.

NOW, THEREFORE, the parties agree as follows:

1. Consents.

(a) Section 7.4 of the Agreement prohibits (i) the incurrence of certain Indebtedness and (ii) the prepayment of Subordinated Debt, without the Bank's prior written consent. Sections 7.9 and 8.7 of the Agreement prohibits any payment in respect of any Subordinated Debt, except in compliance with the terms of such Subordinated Debt and the terms of the subordination agreement relating to such Subordinated Debt, without the Bank's prior written consent. Borrowers have informed Bank that Borrowers desire to (i) incur certain Indebtedness in an aggregate original principal amount equal to Eight Million Dollars (\$8,000,000.00) ("BroadOak Transaction") payable to BroadOak Fund V, L.P. ("Subordinated Creditor"), under that certain Loan and Security Agreement dated as of the date hereof by and among Subordinated Creditor and Borrowers, a copy of which is attached hereto as Exhibit A ("BroadOak Loan Agreement") and (ii) payoff in its entirety the Subordinated Debt owing to Ampersand 2018 Limited Partnership, a Delaware limited partnership ("Ampersand") and 1315 Capital II, L.P., a Delaware limited partnership ("1315") ("Ampersand Payoff") and collectively with the BroadOak Transaction, the "Transactions"). Borrowers have requested that Bank consent to the Transactions.

(b) Bank hereby consents to the Transactions; provided that (i) on or before the consummation of the BroadOak Transaction, the Subordinated Creditor (1) executes and delivers to Bank a subordination and intercreditor agreement, in form and substance acceptable to Bank, and (2) within three (3) days after the consummation of the BroadOak Transaction, Borrower shall have delivered to Bank fully executed copies of the BroadOak Loan Agreement and all schedules and exhibits thereto and all related material documents, and (ii) within three (3) days after the Ampersand Payoff, Ampersand and 1315 deliver to Bank, in form and substance satisfactory to Bank, a UCC-3 termination related to any UCC financing statements filed in connection with any security interest in favor of Ampersand and 1315 and Borrowers (if any), and (iii) no default or Event of Default has occurred (and not been waived in writing by Bank) under any of the Loan Documents prior to the consummation of the Transactions or would result after giving effect thereto.

(c) Except as specifically set forth herein, the consents above shall not be deemed to amend or alter in any respect the terms and conditions of the Agreement or any of the other Loan Documents, or to constitute a waiver or release by Bank of any right, remedy, Collateral, default or Event of Default under the Agreement or any of the other Loan Documents, except to the extent specifically set forth herein. These consents shall not act as a consent to any other transaction, act or omission, whether related or unrelated thereto and shall not extend to or affect any obligation, covenant or agreement not expressly consented hereto. Furthermore, these consents shall not affect in any manner whatsoever any rights or remedies of Bank with respect to any other non-compliance by any Borrower with the Agreement or the other Loan Documents, whether in the nature of a default or Event of Default, and whether now in existence or subsequently arising, and shall not apply to any other transaction.

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2. Amendments to Agreement.

(a) Clause (g) of the definition of "Permitted Liens" in Exhibit A to the Agreement is amended and restated in its entirety as follows:

"(g) A Lien in favor of BroadOak Fund V, L.P., that is expressly subordinate in priority to any and all liens, security interests and mortgages in favor of Bank pursuant to the terms of a subordination and intercreditor agreement executed and delivered unto, and acceptable to, Bank; and"

(b) Section 7.5 is hereby amended and restated in its entirety to read as follows:

"7.5 Encumbrances. Create, incur, assume or allow any Lien with respect to any of its property, or assign or otherwise convey any right to receive income, including the sale of any Accounts, or permit any of its Subsidiaries so to do, except for Permitted Liens, or covenant to any other Person (other than Broad Oak, pursuant to the BroadOak Loan Agreement; provided that the BroadOak Loan Agreement does not prohibit Liens in favor of Bank) that such Borrower in the future will refrain from creating, incurring, assuming or allowing any Lien with respect to any of such Borrower's property."

(c) Section 7.6 is hereby amended to add the following sentence to the end thereof:

"Nothing in this Section 7.6 shall restrict or otherwise prohibit dividends or distributions from any Subsidiary to a Borrower."

(d) New Section 8.11 is added to the Agreement to read in its entirety as follows:

"8.11 BroadOak Agreement. If there is a default or other failure to perform by any Borrower under that certain Loan and Security Agreement dated as of October 29, 2021 (as amended, amended and restated, or modified from time to time, the "BroadOak Loan Agreement") by and among BroadOak Fund V, L.P. (together with its successors and assigns, "BroadOak") and Borrowers resulting in a right by BroadOak, whether or not exercised, to accelerate the maturity of any Indebtedness."

(e) The attached Schedule of Exceptions amends and restates the Schedule of Exceptions attached to the Agreement.

3. No course of dealing on the part of Bank or its officers, nor any failure or delay in the exercise of any right by Bank, shall operate as a waiver thereof, and any single or partial exercise of any such right shall not preclude any later exercise of any such right. Bank's failure at any time to require strict performance by Borrower of any provision shall not affect any right of Bank thereafter to demand strict compliance and performance. Any suspension or waiver of a right must be in writing signed by an officer of Bank.

4. Unless otherwise defined, all initially capitalized terms in this Amendment shall be as defined in the Agreement. The Agreement, as amended hereby, shall be and remains in full force and effect in accordance with its terms and hereby is ratified and confirmed in all respects. Except as expressly set forth herein, the execution, delivery, and performance of this Amendment shall not operate as a waiver of, or as an amendment of, any right, power, or remedy of Bank under the Agreement, as in effect prior to the date hereof.

5. Each Borrower represents and warrants that the representations and warranties contained in the Agreement are true and correct in all material respects as of the date of this Amendment, and that no Event of Default has occurred and is continuing.

6. As a condition to the effectiveness of this Amendment, Bank shall have received, in form and substance satisfactory to Bank, the following:

- (a) this Amendment, duly executed by each Borrower;
- (b) all reasonable Bank Expenses incurred through the date of this Amendment, which may be debited from any of any Borrower's accounts; and
- (c) such other documents, and completion of such other matters, as Bank may reasonably deem necessary or appropriate.

7. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

[Remainder of Page Intentionally Left Blank]

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IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the first date above written.

INTERPACE BIOSCIENCES, INC.

By: _____

Name: Thomas W. Burnell

Title: Chief Executive Officer

INTERPACE DIAGNOSTICS CORPORATION

By: _____

Name: Thomas W. Burnell

Title: Chief Executive Officer

INTERPACE DIAGNOSTICS, LLC

By: _____

Name: Thomas W. Burnell

Title: Chief Executive Officer

INTERPACE PHARMA SOLUTIONS, INC.

By: _____

Name: Thomas W. Burnell

Title: Chief Executive Officer

COMERICA BANK

By: _____

Name: Shane Merkord

Title: Vice President

[Signature Page to First to Loan and Security Agreement and Consent (18083894)]

EXHIBIT A

BROADOAK TRANSACTION

(see attached)

**SCHEDULE OF EXCEPTIONS
TO LOAN AND SECURITY AGREEMENT**

Permitted Indebtedness (Exhibit A)

<u>Lender</u>	<u>Aggregate Principal Amount</u>	<u>Maturity Date</u>	<u>Secured/Unsecured</u>
BroadOak Fund V, L.P.	\$ 8,000,000.00	October 31, 2024	Secured

Permitted Investments (Exhibit A)

<u>Borrower</u>	<u>Investment</u>	<u>Shares</u>	<u>Value</u>	<u>Shares Certificated?</u>
Interpace Biosciences, Inc.	Shares in Diamir Biosciences Corp.	42,280 shares of common stock	Approximately \$248,000 at the time of the transaction	Yes.

Permitted Liens (Exhibit A)

<u>Holder of Lien/Encumbrance</u>	<u>Description of Property Encumbered</u>	<u>Borrower/Subsidiary</u>
Thermo Fisher Financial Services, Inc.	T630 Server (A28563); AV (A39558); Oncomine Focus x 7 (A42008); 520 Chip x 4 (A27762); ION 510/520/530 KIT-CHEF x 4 (A24461); Superscript x 5 (11756050)	Interpace Biosciences, Inc.
Thermo Fisher Financial Services, Inc.	KF Apex 96 DW Head (5400930); KF Apex 96 Combi Head (24079920); SVC IQOQ KF Apex (A47012); Freight	Interpace Biosciences, Inc.
NFS Leasing, Inc.	Equipment or Software as described in the Schedule 1 to Master Lease Agreement 2021-0280	Interpace Biosciences, Inc.
People's United Bank, N.A NFS Leasing, Inc.	Equipment or Software as described in the Schedule 1 to Master Lease Agreement 2021-0280	Interpace Diagnostics Corporation
People's United Bank, N.A		

Dell Financial Services L.L.C.	Equipment or Software as described in Agreement Number 001-8083279-002	Interpace Diagnostics Corporation
Dell Financial Services L.L.C.	Equipment or Software as described in Agreement Number 001-9010536-001	Interpace Diagnostics Corporation
Thermo Fisher Financial Services Inc.	ION PGM DX INST System x 2 (A25511); PGM Trade In	Interpace Pharma Solutions, Inc.
NFS Leasing, Inc.	Equipment or Software as described in the Schedule 1 to Master Lease Agreement 2021-0281	Interpace Pharma Solutions, Inc.
People's United Bank, N.A		

Security Interests (Section 4.1)

<u>Holder of Lien/Encumbrance</u>	<u>Description of Property Encumbered</u>	<u>Borrower/Subsidiary</u>
Thermo Fisher Financial Services, Inc.	T630 Server (A28563); AV (A39558); Oncomine Focus x 7 (A42008); 520 Chip x 4 (A27762); ION 510/520/530 KIT-CHEF x 4 (A24461); Superscript x 5 (11756050)	Interpace Biosciences, Inc.
Thermo Fisher Financial Services, Inc.	KF Apex 96 DW Head (5400930); KF Apex 96 Combi Head (24079920); SVC IQOQ KF Apex (A47012); Freight	Interpace Biosciences, Inc.
NFS Leasing, Inc.	Equipment or Software as described in the Schedule 1 to Master Lease Agreement 2021-0280	Interpace Biosciences, Inc.
People's United Bank, N.A NFS Leasing, Inc.	Equipment or Software as described in the Schedule 1 to Master Lease Agreement 2021-0280	Interpace Diagnostics Corporation
People's United Bank, N.A Dell Financial Services L.L.C.	Equipment or Software as described in Agreement Number 001-8083279-002	Interpace Diagnostics Corporation
Dell Financial Services L.L.C.	Equipment or Software as described in Agreement Number 001-9010536-001	Interpace Diagnostics Corporation
Thermo Fisher Financial Services Inc.	ION PGM DX INST System x 2 (A25511); PGM Trade In	Interpace Pharma Solutions, Inc.
NFS Leasing, Inc.	Equipment or Software as described in the Schedule 1 to Master Lease Agreement 2021-0281	Interpace Pharma Solutions, Inc.
People's United Bank, N.A		

Collateral (Section 5.3)**Deposit or Securities Accounts**

<u>Institution Name</u>	<u>Account Number</u>	<u>Name of Account Owner</u>
-------------------------	-----------------------	------------------------------

Silicon Valley Bank	3302869016	Interpace Biosciences, Inc.
	3303131218	
	3302347153	
	3302544768	
	3302859599	
	3302544787	
	3302347168	
	6600003926	
	3302950600	
	3302870604	
	3302874674	
PNC Bank	1012785997	Interpace Diagnostics Corporation
Pacific Western Bank	0002002871	Interpace Diagnostics Corporation
	000109021	

Intellectual Property Collateral (Section 5.4)

Patents:

Interpace Diagnostics, LLC:

Country	Serial No.	Filing Date	Patent No.	Issue Date	Expiration Date
MICRO RNAs DIFFERENTIALLY EXPRESSED IN PANCREATIC DISEASE AND USES THEREOF					
US	60/826173	19-Sep-2006			
US (Abandoned)	11/857948	19-Sep-2007			
US (Abandoned)	15/917935	12-Mar-2018			
MIRNAS AS BIOMARKERS FOR DISTINGUISHING BENIGN FROM MALIGNANT THYROID NEOPLASMS					
US	61/414778	17-Nov-2010			
US	13/299226	17-Nov-2011	10150999	11-Dec-2018	17-Nov-2031
US	16/188769	13-Nov-2018	11118231	14-Sep-2021	17-Nov-2031
US	17/400660	12-Aug-2021			
METHODS AND COMPOSITIONS INVOLVING MIR-135B FOR DISTINGUISHING PANCREATIC CANCER FROM BENIGN PANCREATIC DISEASE					
US	61/534332	13-Sep-2011			
US	61/536486	19-Sep-2011			

US	13/615066	13-Sep-2012	9644241	09-May-2017	13-Sep-2032
US	15/491399	19-Apr-2017	10655184	19-May-2020	13-Sep-2032
US (Abandoned)	16/855469	22-Apr-2020			
MIRNAS AS DIAGNOSTIC BIOMARKERS TO DISTINGUISH BENIGN FROM MALIGNANT THYROID TUMORS					
US	61/552451	27-Oct-2011			
US	61/552762	28-Oct-2011			
US (Abandoned)	13/662450	27-Oct-2012			
US (Abandoned)	15/873067	17-Jan-2018			
DIAGNOSTIC MIRNAS FOR DIFFERENTIAL DIAGNOSIS OF INCIDENTAL PANCREATIC CYSTIC LESIONS					
US	61/709411	04-Oct-2012			
US	61/716396	19-Oct-2012			
US (Abandoned)	13/801737	13-Mar-2013			
US	15/826909	30-Nov-2017			
(Abandoned)					
US (Abandoned)	16/869405	07-May-2020			

Interpace Diagnostics Corporation:

Country	Serial No.	Filing Date	Patent No.	Issue Date	Expiration Date
METHODS FOR TREATING BARRETT'S METAPLASIA AND ESOPHAGEAL ADENOCARCINOMA					
US	62/267619	15-Dec-2015			
US (Abandoned)	15/378370	14-Dec-2016			
TOPOGRAPHIC GENOTYPING FOR DETERMINING THE DIAGNOSIS, MALIGNANT POTENTIAL, AND BIOLOGIC BEHAVIOR OF PANCREATIC CYSTS AND RELATED CONDITIONS					
US	60/620926	22-Oct-2004			
US	60/631240	29-Nov-2004			
US	60/644568	19-Jan-2005			
US	60/679968	12-May-2005			
US	60/679969	12-May-2005			
US (Abandoned)	11/255978	24-Oct-2005			
US (Abandoned)	11/256150	24-Oct-2005			
US (Abandoned)	11/256152	24-Oct-2005			
US (Abandoned)	11/255980	24-Oct-2005			

US (Abandoned)	14/305727	16-Jun-2014			
US	15/912654	06-Mar-2018	11143657	12-Oct-2021	23-Jul-2036
US	17/498365	11-Oct-2021			
METHODS FOR TREATING BARRETT'S METAPLASIA AND ESOPHAGEAL ADENOCARCINOMA					
US	61/565879	01-Dec-2011			
US	61/640527	30-Apr-2012			
US	61/661256	18-Jun-2012			
US	13/692727	03-Dec-2012	10255410	09-Apr-2019	23-Jan-2033
US	13/954247	30-Jul-2013	10131942	20-Nov-2018	19-Mar-2033
US (Abandoned)	16/166486	22-Oct-2018			
US	16/285604	26-Feb-2019			

METHODS FOR MEASURING CARCINOEMBRYONIC ANTIGEN

US	61/731725	30-Nov-2012			
US	61/824623	17-May-2013			
US	61/840963	28-Jun-2013			
US	14/092036	27-Nov-2013	9341628	17-May-2016	23-Mar-2034
US	15/147960	06-May-2016	10444239	15-Oct-2019	27-Nov-2033
US	16/558489	03-Sep-2019			

METHODS OF IDENTIFYING AND TREATING AGGRESSIVE THYROID TUMORS

US	62/573370	17-Oct-2017			
US	16/162883	17-Oct-2018			

Trademarks:

Interpace Diagnostics, LLC:

Word Mark	Serial No.	Filing Date	Registration No.	Registration Date
BARREGEN	86525982	05-Feb-2015	5142307	14-Feb-2017
BARAGEN (Abandoned)	86390390	10-Sep-2014		
BARREGEN ESOPHAGEAL CANCER RISK CLASSIFIER	86910938	17-Feb-2016	5210362	23-May-2017
BARREMIR (Abandoned)	87623146	26-Sep-2017		
INTERPACE DIAGNOSTICS (Abandoned)	86126455	22-Nov-2013		
INTERPACEDX (Abandoned)	86526999	06-Feb-2015		
INTERPACE DIAGNOSTICS	86130866	27-Nov-2013	4646544	25-Nov-2014
INTERPACE DIAGNOSTICS	86944287	17-Mar-2016	5072603	01-Nov-2016
INTERPACE BIOSCIENCES	88651133	11-Oct-2019	6092660	30-Jun-2020
INTERPACE PHARMA SOLUTIONS	88680696	05-Nov-2019	6092700	30-Jun-2020
INTERPACE BIOSCIENCES	90531881	17-Feb-2021		
[DESIGN ONLY]	86290079	23-May-2014	4882368	05-Jan-2016
[DESIGN ONLY]	86944266	17-Mar-2016	5067909	25-Oct-2016
MIRINFORM (Cancelled)	77447187	14-Apr-2008	3546361	16-Dec-2008
MIRINFORM	85067844	21-Jun-2010	4071426	13-Dec-2011
MIRINFORM	85067850	21-Jun-2010	4071427	13-Dec-2011
MANAGEMDX (Abandoned)	86434107	24-Oct-2014		
PANDNA	87178397	21-Sep-2016	5318439	24-Oct-2017
PANCRAGEN	86370325	19-Aug-2014	4796668	18-Aug-2015
PANCRAMIR (Abandoned)	86357914	05-Aug-2014		
POWER IN PERFORMANCE	86325980	01-Jul-2014	4729240	28-Apr-2015
RESPRIDX	87647404	16-Oct-2017	5504939	26-Jun-2018
THYMIRA (Abandoned)	86370332	19-Aug-2014		
THYGENX	86365003	13-Aug-2014	4729279	28-Apr-2015
THYRAMIR	86370328	19-Aug-2014	4882519	05-Jan-2016
THYGENEXT	87868479	09-Apr-2018	5651597	08-Jan-2019
WE OWN THE FUTURE	90539740	22-Feb-2021		

Interpace Diagnostics Corporation:

Word Mark	Serial No.	Filing Date	Registration No.	Registration Date
COVARIANT	88906872	08-May-2020	6343361	04-May-2021
COVARIANT DX	90086014	31-Jul-2020		
[DESIGN ONLY]	90452747	07-Jan-2021		
MARKERS THAT MATTER	90097773	06-Aug-2020	6407358	06-Jul-2021
PATHFINDERTG	78848127	28-Mar-2006	3208314	13-Feb-2007
SERACOV (Abandoned)	88906794	08-May-2020		
THYGRESSA	88532986	24-Jul-2019		

Interpace Biosciences, Inc.:

Word Mark	Serial No.	Filing Date	Registration No.	Registration Date
THYGRESSA	88532986	24-Jul-2019		

Prior Names (Section 5.5)

Borrower	Prior Name	Period of Use	Note whether legal name, fictitious name, d/b/a, trade name, etc.
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Interpace Biosciences, Inc.	Interpace Diagnostics Group Inc. PDI, Inc.	12/22/15 – 11/12/19 Prior to 12/22/15	Prior legal name Prior legal name
Interpace Pharma Solutions, Inc.	Interpace BioPharma, Inc.	06/28/19 – 11/12/19	Prior legal name

Inventory or Equipment Locations (Section 5.5)

Address	Borrower	Equipment/Inventory
2515 Liberty Avenue Pittsburgh, Pa 15222	Interpace Diagnostics Corporation	Lab equipment
2 Church Street Suite B-05 New Haven, Ct 06519	Interpace Diagnostics Lab, Inc.	Lab equipment
133 Southcenter Court, Suite 400, Morrisville, NC 27560	Interpace Pharma Solutions, Inc.	Lab equipment

Litigation (Section 5.6)

None.

Subsidiaries (Section 5.10)

Subsidiary	Jurisdiction	Shareholder(s)/Member(s)	Percentage of Equity Interests
Interpace Diagnostics, LLC	Delaware	Interpace Biosciences, Inc.	100%
Interpace Diagnostics Corporation	Delaware	Interpace Diagnostics, LLC	100%
Interpace Diagnostics Lab Inc.	Delaware	Interpace Diagnostics, LLC	100%
Interpace Pharma Solutions, Inc.	Delaware	Interpace Biosciences, Inc.	100%

Restricted Agreements (Section 5.12)

1. Loan and Security Agreement, dated as of October 29, 2021, among BroadOak Fund V, L.P. (“Lender”), Interpace Biosciences, Inc., Interpace Diagnostics Corporation, Interpace Diagnostics, LLC and Interpace Pharma Solutions, Inc. (as amended, modified, restated, replaced or supplemented from time to time).

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination and Intercreditor Agreement (the “Agreement”) is made as of November 1, 2021 by and between **BROADOAK FUND V, L.P.** (“**Creditor**”) and **COMERICA BANK** (“**Bank**”).

RECITALS

A. **INTERPACE BIOSCIENCES, INC.**, a Delaware corporation, **INTERPACE DIAGNOSTICS CORPORATION**, a Delaware corporation, **INTERPACE DIAGNOSTICS, LLC**, a Delaware limited liability company and **INTERPACE PHARMA SOLUTIONS, INC.**, a Delaware corporation (jointly and severally, “**Borrower**”), has requested and/or obtained certain loans or other credit accommodations from Bank which are or may be from time to time secured by assets and property of Borrower, under that certain Loan and Security Agreement, dated as of October 13, 2021 (as amended, restated, modified, supplemented, and/or replaced from time to time, the “**Senior Loan Agreement**”), between Borrower and Bank.

B. Creditor has extended loans or other credit accommodations to Borrower, and/or may extend loans or other credit accommodations to Borrower from time to time, under that certain Loan and Security Agreement, dated as of October 29, 2021 (as amended, restated, modified, supplemented, and/or replaced from time to time, the “**Subordinated Loan Agreement**”), between Borrower and Creditor.

C. In order to induce Bank to extend credit to Borrower and, at any time or from time to time, at Bank’s option, to make such further loans, extensions of credit, or other accommodations to or for the account of Borrower, or to purchase or extend credit upon any instrument or writing in respect of which Borrower may be liable in any capacity, or to grant such renewals or extension of any such loan, extension of credit, purchase, or other accommodation as Bank may deem advisable, Creditor is willing to subordinate: (i) all of Borrower’s indebtedness and obligations to Creditor, whether presently existing or arising in the future to all of Borrower’s indebtedness and obligations to Bank; and (ii) all of Creditor’s security interests, if any to all of Bank’s security interests in the Borrower’s property.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **Definitions.** Capitalized terms not otherwise defined herein shall have the same meaning as in the Senior Loan Agreement. In addition, the following capitalized terms have the meanings given below:

(a) “**Bank Services Debt**” means obligations of Borrower to Bank or any affiliate of Bank in connection with any products or services requested by Borrower and approved by Bank including, without limitation, ACH transactions (including overdrafts), foreign exchange transactions and contracts, letters of credit, corporate credit cards and other treasury and cash management products and services (including maintaining deposit or securities accounts), in all cases whether or not provided pursuant to the Senior Loan Agreement.

(b) “**Collateral**” means all of Borrower’s and any Guarantor’s rights, titles, property and interests in, any and all property and assets, of whatever nature and kind and wherever situated, both present and future, together with all proceeds (including, without limitation, proceeds of insurance) of or derived from any of the foregoing, and including without limitation, Collateral as such term is defined in each of the Lender Documents, including, without limitation, all properties and assets of Borrower or any Guarantor in which either Creditor or Bank may from time to time have a Lien.

(c) “**Creditor Default and Enforcement Notice**” means written notice delivered by Creditor to Bank (i) stating that an Event of Default has occurred and is continuing under the Subordinated Loan Documents and providing a detailed description of such Event of Default(s), (ii) stating that Creditor intends to take one or more Enforcement Actions with respect to Borrower and/or Collateral, and providing a detailed description of the specific Enforcement Actions Creditor proposes to take, and (iii) that such notice is delivered to Bank at least 30 days prior to the date of any proposed Enforcement Action by Creditor.

(d) “**Enforcement Action**” means any action by Bank or Creditor, whether judicial or non-judicial, to (i) exercise any remedy with respect to the Collateral or Borrower or any Guarantor, (ii) repossess, collect, accelerate, offset, recoup, give notification to third parties (including, without limitation, account debtor notices) with respect to, sell, dispose of, foreclose upon, give notice of sale, disposition, or foreclosure with respect to, or obtain legal, equitable or injunctive relief with respect to any indebtedness owing from Borrower or any Guarantor or with respect to any Collateral, including any sale or disposition after the occurrence of an Event of Default with the consent of or at the direction of Bank or Creditor, (iii) exercise any put option, (iv) redeem any equity securities, or (v) join in the filing by a Bank or Creditor of an involuntary bankruptcy or insolvency proceeding against Borrower or any Guarantor, provided, however, none of the following actions shall be deemed to be an Enforcement Action: (i) the imposition of a default rate or late fee as permitted pursuant to the provisions of the applicable loan documents, (ii) the cessation of lending pursuant to the provisions of the applicable loan documents, including upon the occurrence of an event of default, (iii) filing and defending any proof of claim in any Insolvency Proceeding, (iv) the customary operation of a lockbox and/or dominion of funds account, including application by Bank of collections therein to outstanding Senior Debt, and (v) application of pledged cash collateral by Bank to Bank Services Debt or Hedging Services Debt.

(e) “**Guarantor**” means any party or parties that becomes a guarantor of any of the Senior Debt or the Subordinated Debt.

(f) “**Hedging Services Debt**” means obligations of Borrower or any Guarantor to Bank in connection with any interest rate swap, forward rate, basis swap, cap or floor transaction requested by Borrower or any Guarantor and approved by Bank.

(g) “**Insolvency Proceeding**” means any case or proceeding commenced by or against any person or entity under any provision of the United States Bankruptcy Code, as amended, or under any other bankruptcy or insolvency law, including assignments for the benefit of creditors, formal or informal moratoria, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, the appointment of a receiver, interim receiver or receiver and manager, or other relief.

(h) “**Lender Documents**” means, collectively, the Senior Loan Documents and the Subordinated Loan Documents.

(i) “**Lenders**” means collectively, Bank and Creditor.

(j) “**Liens**” shall mean all liens, mortgages, security interests, pledges, charges, assignments, title retention agreements, leases, hypothecs, or other security or claims or encumbrances with respect to any assets or property.

(k) “**Paid in Full**” means, with respect to the Senior Debt or Subordinated Debt that: (i) all of such Senior Debt or Subordinated Debt (other than contingent indemnification, gross-up and make-whole obligations as to which, in each case, no claim has been asserted) have been irrevocably paid, performed, or discharged in full; (ii) no Person has any further right to obtain any loans, letters of credit, bankers’ acceptances, or other extensions of credit under the documents relating to such Senior Debt or Subordinated Debt; and (iii) any and all letters of credit, bankers’ acceptances or similar instruments issued under such documents have been cancelled and returned (or backed by standby letters of credit or cash collateralized in each case on terms and conditions satisfactory to Bank) in accordance with the terms of such documents.

(l) “**Permitted Payments**” means (a) scheduled repayments of principal when due under the Subordinated Loan Documents as in effect on the date hereof or amended in accordance with the terms hereof (but no prepayments, whether optional or mandatory); (b) scheduled payments of accrued interest (whether payable in cash or in

kind) when due under the Subordinated Loan Documents as in effect on the date hereof or as amended in accordance with the terms hereof (including as may accrue during any Insolvency Proceeding of Borrower or any Guarantor); (c) all reimbursable expenses, costs and professional fees and expenses as and when due under the Subordinated Loan Documents in an annual aggregate amount not to exceed One Hundred Fifty Thousand Dollars (\$150,000); and (d) other payments consented to in writing by Bank.

(m) “**Senior Debt**” means all indebtedness, liabilities and other obligations (including, without limitation, principal, premium (if any), interest, fees, charges, expenses, costs, professional fees and expenses, and reimbursement obligations) of Borrower to Bank now existing or hereafter arising under or in connection with the Senior Loan Documents, Bank Services Debt, and Hedging Services Debt, whether absolute or contingent, direct or indirect, joint or several, contemplated or unanticipated, secured or unsecured, together with all costs of collecting and enforcing such obligations (including reasonable attorneys’ fees), including, without limitation, (i) all principal, (ii) all interest accruing in respect of such principal amount under the Senior Loan Documents whether before or after the commencement by or against Borrower of any Insolvency Proceeding, and (iii) such other amounts as may accrue or be incurred in respect of Obligations owing under the Senior Loan Documents before or after default or workout or the commencement of any Insolvency Proceeding by or against Borrower (or, for purposes of the foregoing clauses (ii) or (iii), which would have accrued but for such Insolvency Proceeding and, in each case, whether or not a claim for all or any portion of such amounts is allowed or allowable in such Insolvency Proceeding).

(n) “**Senior Debt Cap**” means Senior Debt which shall not exceed an aggregate principal amount (other than in respect of Bank Services Debt and Hedging Services Debt) of Eight Million Two Hundred Fifty Thousand Dollars (\$8,250,000); provided that the Senior Debt Cap shall not limit that amount of interest, fees, charges, expenses, indemnification claims and payments, and other like amounts payable to Bank pursuant to the Senior Loan Documents.

(o) “**Senior Loan Documents**” means the Senior Loan Agreement and the other Loan Documents (as that term is defined in the Senior Loan Agreement), all instruments and agreements respecting Bank Services Debt or Hedging Services Debt and all other documents, instruments or agreements entered into in connection therewith or evidencing, guarantying, securing or otherwise documenting the whole or any part of the Senior Debt as the same may from time to time be amended, modified, supplemented, extended, renewed, restated, replaced or refinanced from time to time.

(p) “**Subordinated Debt**” means all indebtedness, obligations and liabilities (including, without limitation, principal, premium (if any), interest, fees, charges, expenses, costs, professional fees and expenses, and reimbursement obligations) now or hereafter owed by Borrower to Creditor now existing or hereafter arising under or in connection with the Subordinated Loan Documents, whether absolute or contingent, direct or indirect, joint or several, contemplated or unanticipated, secured or unsecured, together with all costs of collecting and enforcing such obligations (including attorneys’ fees) including but not limited to: (i) all principal, (ii) all interest accruing in respect of such principal amount under the Subordinated Loan Documents whether before or after the commencement by or against Borrower of any bankruptcy, reorganization or similar proceeding; (iii) all obligations or liabilities of Borrower in connection with the redemption or repurchase of any warrant issued under the Subordinated Loan Agreement or in connection with any redemption or repurchase of any equity securities issued or issuable upon exercise of the rights under any such warrant or upon conversion of or in exchange for such warrant or any equity securities issued or issuable thereunder; (iv) all obligations or liabilities of Borrower with respect to any put rights, put options, or dividends in favor of Creditor or under the Subordinated Loan Documents, and (v) such other amounts as may accrue or be incurred in respect of obligations owing under the Subordinated Loan Documents before or after default or workout or the commencement of any Insolvency Proceeding by or against Borrower (or, for purposes of the foregoing clauses (ii) or (v), which would have accrued but for such Insolvency Proceeding and, in each case, whether or not a claim for all or any portion of such amounts is allowed or allowable in such Insolvency Proceeding).

(q) “**Subordinated Debt Cap**” means Subordinated Debt shall not exceed an aggregate principal amount of Nine Million Dollars (\$9,000,000), minus all payments of principal in respect of Subordinated Debt; provided that the Subordinated Debt Cap shall not limit the amount of interest, fees, expenses, indemnification claims and payments, and other like amounts payable to Creditor pursuant to the Subordinated Loan Documents, and the aggregate outstanding amount of obligations under clause (p) (iii) and (p)(iv) above shall not at any time exceed Four Million Dollars (\$4,000,000) and at all times shall be unsecured.

(r) “**Subordinated Loan Documents**” means that certain Subordinated Loan Agreement, and all other documents, instruments or agreements entered into in connection therewith or evidencing, guarantying, securing or otherwise documenting the whole or any part of the Subordinated Debt, as the same may from time to time be amended, modified, supplemented, extended, renewed, restated, replaced or refinanced.

2. Creditor subordinates to Bank any Lien that Creditor may, from time to time, have in any Collateral. Notwithstanding any contrary priority established by (i) the manner, timing or order of attachment or perfection of the Liens granted to Creditor and Bank, including the filing dates of their respective financing statements, (ii) the recording dates of any other security perfection documents, or (iii) possession, or control, of any of the Collateral, the Liens of Bank in the Collateral, shall at all times be prior and senior to the Liens of Creditor. The relative priorities specified herein are absolute and unconditional and are expressly not conditioned upon the non-avoidability or perfection of the Lien to which another Lien is subordinated. Each of the parties hereto consents to the debt and Liens held by the other in accordance with the terms of this Agreement, provided, however, that, until the Senior Debt has been Paid in Full, the debt and Liens of the Creditor shall at all times be subordinated to the Senior Debt and Liens of the Bank and that the Collateral encumbered by any Liens in favor of the Creditor shall also be encumbered by Liens in favor of the Bank. Each Lender agrees, subject to the terms hereof, that it will not (and hereby waives any right to), directly or indirectly, contest or support any person in contesting, in any proceeding (including any Insolvency Proceeding), the priority, validity, or the enforceability of a Lien held by the other Lender in the Collateral, provided, however, that, notwithstanding the foregoing, each Lender shall be entitled to enforce its rights under this Agreement against the other Lender.

3. All Subordinated Debt is subordinated in right of payment and priority to all Senior Debt.

4. Creditor will not demand nor receive from Borrower or any Guarantor (and Borrower and any Guarantor will not pay to Creditor) all or any part of the Subordinated Debt, by way of payment, prepayment, setoff, lawsuit or otherwise, nor will Creditor take any Enforcement Action against any Collateral, Borrower, or any Guarantor, for so long as any portion of the Senior Debt remains outstanding or Bank has any obligation to extend credit to any Borrower, provided, however, that Creditor may, subject to this Section 4 and Section 5 hereof, receive Permitted Payments. Notwithstanding the foregoing, Creditor may take Enforcement Action after one hundred fifty (150) days has elapsed (the “**Standstill Period**”) since the date on which Bank received a Creditor Default and Enforcement Notice. In the event that during or after the Standstill Period Bank has commenced an Enforcement Action or an Insolvency Proceeding has been commenced, then such Standstill Period shall be extended or revived indefinitely during the continuation of such proceedings and actions until the Senior Debt is Paid in Full.

5. Notwithstanding anything to the contrary herein, upon (i) the occurrence and during the continuance of an Event of Default (under and as defined in the Senior Loan Agreement and (ii) written notice thereof to Creditor from Bank (a “**Payment Blockage Notice**”), Creditor shall not take any Enforcement Action or otherwise exercise any remedy with respect to Borrower, or any Guarantor or Collateral, nor receive any payment from Borrower or any Guarantor in respect of any Subordinated Debt during each period (each a “**Payment Blockage Period**”) commencing on the date of delivery of the Payment Blockage Notice and ending on the earliest to occur of the following events:

(a) such Event of Default has been cured or has been waived by Bank in writing, in its sole and absolute discretion;

(b) one hundred fifty (150) days have passed from the date of such Payment Blockage Notice; provided, however, that (i) if, prior to the expiration of such one hundred fifty (150) day period, (A) Bank has commenced an Enforcement Action, or (B) an Insolvency Proceeding is commenced by or against Borrower or Guarantor, the Payment Blockage Period shall be automatically extended during the continuance of such actions or proceedings or (ii) subject to clause (i) above, if there is a payment default relating to the Senior Debt, then such period shall be extended until Bank has confirmed in writing to Creditor that all past due payments (including accelerated payments) owed to Bank have been paid in full in cash or the waiver of such default; or

Immediately after expiration of a Payment Blockage Period, Creditor may accept and Borrower may make all Permitted Payments due and owing to Creditor, unless such payment would cause an Event of Default under the Senior Loan Documents. In no event shall Bank issue Payment Blockage Notices during the term of this Agreement for defaults which do not involve a failure to make a payment of Senior Debt for more than one hundred fifty (150) days in the aggregate for any consecutive period of three hundred sixty-five (365) days (provided that any Payment Blockage Notices sent as a result of (i) an Event of Default resulting from a payment default under the Senior Loan Documents, or (ii) Creditor delivering a Creditor Default and Enforcement Notice to Bank shall be excluded from such limitation); provided, however, that the foregoing limitation shall not apply in the event that prior to the expiration of any Payment Blockage Period or Standstill Period Bank has commenced an Enforcement Action or an Insolvency Proceeding is commenced, then such period shall be extended during the continuation of such proceedings and actions until the Senior Debt is Paid in Full.

6. Notwithstanding the imposition of any Standstill Period or Payment Blockage Period, Creditor may, during the existence and continuance of any Subordinated Event of Default, and in accordance with the terms thereof, (a) take action for non-payment of the Subordinated Debt for the purposes of obtaining a monetary judgment in respect thereof, provided that (i) no measure is taken to enforce any judgment granted in such action, (ii) such action would not have the effect of providing Creditor the right to receive payment of the Subordinated Debt prior to the Senior Debt being Paid in Full, and (iii) that such action shall not contest the priority set out in this Agreement or otherwise have the effect of providing the Creditor Liens priority over the Bank Liens, (b) take action as required to preserve the validity, efficacy or priority of the Subordinated Debt and the Creditor Liens, provided that such action shall not contest the priority set out in this Agreement or otherwise have the effect of providing the Creditor Liens priority over the Bank Liens, (c) take action for conversion of any non-fixed charge to a fixed charge to the extent applicable under the Creditor's security, and (d) give notice of default, demand for payment or acceleration of the Subordinated Debt or similar notices to Borrower.

7. Creditor shall promptly deliver to Bank in the form received (except for endorsement or assignment by Creditor where required by Bank) for application to the Senior Debt any payment, distribution, security or proceeds received by Creditor with respect to the Subordinated Debt other than in accordance with this Agreement.

8. (a) In the event of an Insolvency Proceeding of the Borrower, these provisions shall remain in full force and effect, and Bank's claims against Borrower and the estate of Borrower shall be Paid in Full before any payment is made to Creditor, and this Agreement shall be considered to be a "subordination agreement" under Section 510 of the United States Bankruptcy Code, as amended, and all references herein to Borrower shall apply to the trustee for the Borrower and any such Borrower as a debtor-in-possession.

(b) In the event and during the continuation of any Insolvency Proceeding, the Creditor shall not object to or oppose any cash collateral order approved by the Bank (or to which Bank does not object) or to the provision of any debtor-in-possession financing provided or approved by Bank ("**DIP Financing**"), even if secured (with or without any pre-petition Senior Debt) by senior Liens on the property of Borrower (and to the extent such debtor-in-possession financing Liens are senior to, or rank *pari-passu* with, the Lien securing the pre-petition Senior Debt, the Creditor will subordinate the Liens securing the Subordinated Debt to such Liens securing the DIP Financing and the pre-petition Senior Debt), provided (i) the interest rate, fees, advance rates and lending limits are commercially reasonable under the circumstances, (ii) such order or financing is not inconsistent with this Agreement, (iii) Creditor otherwise retains its Liens on the Collateral on substantially the same terms as in effect as of the date hereof, and (iv) the aggregate principal amount of loans and letter of credit obligations that could be outstanding under any such DIP Financing, together with the outstanding principal amount of the pre-petition Senior Debt that is outstanding (immediately after giving effect to any payment thereof with the proceeds of any such DIP Financing), shall not exceed 115% of the cap on the aggregate principal amount of the Senior Debt set forth in the definition of Senior Debt.

(c) The Creditor may seek adequate protection of its interest in Collateral securing the Subordinated Debt in the form of replacement Liens on post-petition collateral of the same type as the collateral securing the pre-petition Subordinated Debt so long as the Bank has been granted replacement Liens on such collateral securing the pre-petition Senior Debt (but the failure to obtain adequate protection shall not affect the agreements of the Creditor hereunder). The Creditor agrees that it shall not contest or support any other person contesting any request by Senior Creditor for such Liens. Nor shall the Creditor oppose any request by the Bank for relief from the automatic stay or any other stay in any Insolvency Proceeding, provided that if the stay is lifted with respect to the Senior Debt, then the Bank agrees not to oppose a motion by the Creditor to lift the automatic stay to take any action permitted to be taken by the Creditor hereunder.

9. Until such time as the Senior Debt is Paid in Full and Bank no longer has any obligation to extend credit to Borrower, Creditor irrevocably appoints Bank as Creditor's attorney in fact, and grants to Bank a power of attorney with full power of substitution, in the name of Creditor or in the name of Bank, for the use and benefit of Bank, without notice to Creditor, to perform at Bank's option the following acts in any Insolvency Proceeding involving Borrower:

(a) to file the appropriate claim or claims in respect of the Subordinated Debt on behalf of Creditor if Creditor does not do so prior to thirty (30) days before the expiration of the time to file claims in such proceeding and if Bank elects, in its sole discretion, to file such claim or claims; and

(b) To accept or reject any plan of reorganization or arrangement on behalf of Creditor and to otherwise vote Creditor's claims in respect of any Subordinated Debt if Creditor does not do so prior to thirty (30) days before the expiration of the time to do so, in any manner that Bank deems appropriate for the enforcement of its rights hereunder; provided that Creditor shall not accept or reject any plan of reorganization or arrangement or otherwise vote its claims in respect of any Subordinated Debt, unless such plan either (i) results in the Senior Debt being Paid in Full, or (ii) is agreed to by the Bank.

10. Until such time as the Senior Debt is Paid in Full and Bank no longer has any obligation to extend credit to Borrower, Creditor agrees that it will not object to or oppose (i) the sale of the Borrower, or any Guarantor or (ii) the sale or other disposition of any property of the Borrower or any Guarantor, if, in each case, Bank has consented to such sale of the Borrower or any Guarantor or sale or disposition of any property of the Borrower or any Guarantor, and whether or not such sale is conducted under Section 363 of the United States Bankruptcy Code as amended. If requested by Bank, Creditor shall affirmatively consent to such sale or disposition and shall take all necessary actions and execute such documents and instruments as Bank may reasonably request in connection with and to facilitate such sale or disposition including, but not limited to, releasing any security interests held by Creditor in such property and filing any terminations of security interests of Creditor in such property. If Creditor fails to take such actions within five (5) days of Bank's request, Creditor irrevocably appoints Bank as Creditor's attorney in fact, and grants to Bank a power of attorney with full power of substitution, in the name of Creditor or in the name of Bank, for the use and benefit of Bank, without notice to Creditor, to perform at Bank's option to take such actions. Furthermore, Creditor agrees to cooperate with Bank and to take all actions that Bank may reasonably require to enable Bank to realize the full benefits of this Agreement.

11. Creditor shall immediately affix a legend to the instruments evidencing the Subordinated Debt stating that the instruments are subject to the terms of this Agreement or otherwise include a statement to that effect in the Subordinated Loan Agreement. No amendment of the Subordinated Loan Documents shall directly or indirectly modify the provisions of this Agreement in any manner which might terminate or impair the subordination of the Subordinated Debt or the subordination of the Liens that Creditor may have in any Collateral. Creditor acknowledges and agrees that the provisions of the Subordinated Loan Agreement and any Subordinated Loan Documents may not be amended or modified if the effect of such amendment or substitution is to: (a) increase any rate of cash interest or applicable cash interest rate margin related to the Subordinated Debt other than an increase of not more than three percentage points (3.00%) from the rate or margin as in effect on the date hereof, except in connection with the imposition of a default rate of interest in accordance with the terms of the Subordinated Loan Documents as in effect on the date hereof and fluctuations in the base rate; (b) change the dates upon which payments of principal or interest are due on the Subordinated Debt other than to extend any such dates; (c) increase the outstanding principal

amount of the loans or such other credit accommodations under the Subordinated Debt to a principal amount that would exceed the Subordinated Debt Cap; (d) make the terms (other than changes in principal and/or interest payments to the extent expressly permitted under this section), provisions covenants and/or events of default materially more restrictive on the Borrower than those in effect on the date of this Agreement (other than modifications or additions to reflect conforming changes made with respect to the corresponding provisions contained in the Senior Loan Documents, so long as any applicable set back or cushion is maintained) or (e) add collateral.

12. This Agreement shall remain effective until such time that the Senior Debt is Paid in Full and Bank no longer has any obligation to extend credit to Borrower. If, at any time after the Senior Debt is Paid in Full any payments of the Senior Debt must be disgorged by Bank for any reason (including, without limitation, the bankruptcy of Borrower or any Guarantor), this Agreement and the relative rights and priorities set forth herein shall be reinstated as to all such disgorged payments as though such payments had not been made and Creditor shall immediately pay over to Bank all payments received with respect to the Subordinated Debt to the extent that such payments would have been prohibited hereunder. At any time and from time to time, without notice to Creditor, Bank may take such actions with respect to the Senior Debt as Bank, in its sole discretion, may deem appropriate, including, without limitation, terminating advances to Borrower, increasing the principal amount (not to exceed the Senior Debt Cap), extending the time of payment, renewing, compromising or otherwise amending the terms of any documents affecting the Senior Debt and any Collateral securing the Senior Debt, and enforcing or failing to enforce any rights against Borrower, Guarantor, or any other person. Notwithstanding anything to the contrary set forth herein, Bank acknowledges and agrees that the provisions of the Senior Loan Agreement and any Senior Loan Documents may not be amended or modified if the effect of such amendment or substitution is to increase any rate of cash interest or applicable cash interest rate margin related to the Senior Debt other than an increase of not more than three percentage points (3.00%) from the rate or margin as in effect on the date hereof, except in connection with the imposition of a default rate of interest in accordance with the terms of the Senior Loan Documents as in effect on the date hereof and fluctuations in the base rate. No such action or inaction shall impair or otherwise affect Bank's rights hereunder. Creditor waives the benefits, if any, of Civil Code sections 2799, 2808, 2809, 2810, 2815, 2819, 2820, 2821, 2822, 2838, 2839, 2845, 2847, 2848, 2849, 2850, 2899 and 3433.

13. Until the payment in full of Senior Debt, (i) the Bank shall have the sole and exclusive right to adjust and settle any claim under any insurance policy covering the Collateral and to approve any award granted in any condemnation or similar proceeding (or any deed in lieu of condemnation) affecting any Collateral, (ii) all proceeds of any such policy and any such award (or any payments with respect to a deed in lieu of condemnation) shall be paid to Bank pursuant to the terms of the Senior Loan Documents and after the payment in full of Senior Indebtedness has occurred, to Subordinated Creditor to the extent required under the Subordinated Loan Agreement, and (iii) if Creditor shall, at any time, receive any proceeds of any such insurance policy or any such award or payment in contravention of this Agreement, it shall pay such proceeds over to Bank.

14. (a) Subject to the limitations set forth herein, after the occurrence of any of the following: (i) acceleration by Bank of the Senior Debt in accordance with the terms of the Senior Loan Documents or (ii) an Insolvency Proceeding has commenced (each a "**Purchase Trigger Event**"), Creditor shall have the option (but not the obligation) to purchase all (but not less than all) of the Senior Debt (including any DIP Financing provided by Bank) (the "**Purchase Option**"); provided that such Purchase Option shall expire if Creditor fails to deliver a written notice exercising the Purchase Option pursuant to this Agreement (the "**Purchase Notice**") to Bank within twenty (20) days following the occurrence of a Purchase Trigger Event. The Purchase Notice, once delivered to Bank, shall be irrevocable. After the expiration of such twenty (20) day period (the "**Notice Period**"), Creditor shall not be entitled to send a Purchase Notice until the occurrence of a subsequent Purchase Trigger Event.

(b) Until (i) the delivery of a timely Purchase Notice within the Notice Period, (ii) after expiration of the Notice Period if Creditor has failed to deliver a Purchase Notice, and (iii) after Creditor has delivered a Purchase Notice within the Notice Period, but fails to consummate the purchase of the Senior Debt according to the terms hereof on or before the Purchase Date (as defined below), Bank shall be entitled to take an Enforcement Action. During the period commencing on the date a Purchase Notice is properly received by Bank and ending on the Purchase Date, Bank shall not take an Enforcement Action without the consent of Creditor (such consent not to be unreasonably withheld or delayed), except as Bank deems necessary, in the exercise of its good faith credit judgment, to protect and preserve the Senior Debt or Collateral.

(c) On the date (the "**Purchase Date**") specified in the Purchase Notice (which shall not be less than fifteen (15) business days, nor more than twenty (20) business days, after the receipt by Bank of the Purchase Notice), subject to any required approval of any court or other governmental authority, Bank shall sell to Creditor, and Creditor shall purchase from Bank, without recourse, representation or warranty, the Senior Debt and assume all financing commitments and other duties, liabilities, and obligations of Bank under the Senior Loan Documents. Such purchase and sale shall be made pursuant to Bank's standard sale and assignment agreement, but without recourse and without representation or warranty by Bank of any kind whatsoever, except that Bank shall represent and warrant: (i) the amount of the Senior Debt being purchased from Bank; (ii) that Bank owns the Senior Debt free and clear of any liens created by Bank; and (iii) Bank has the right to assign the Senior Debt; provided, however, that Bank shall retain its rights with respect to the indemnification obligations of Borrower under the Senior Loan Documents for all claims accrued or arising in respect of periods prior to the consummation of the purchase hereunder. Creditor shall have, and shall represent that it has, conducted, and that it shall be responsible for, its own independent due diligence necessary to evaluate the Senior Loan Documents and the Senior Debt, and such other due diligence, as it deems necessary or appropriate to complete the purchase of the Senior Debt.

(d) On the Purchase Date, Creditor shall:

(i) as the purchase price (the "**Purchase Price**"), pay to Bank, in immediately available funds, an amount equal to all outstanding Senior Debt as of the Purchase Date, at par, including, without limitation, principal (including principal above the Senior Debt Cap), end-of-term payments, prepayment premiums, break-funding or similar costs, interest, fees, costs and expenses (including, without limit, any attorneys' fees and costs), and other obligations, liabilities or charges that accrue in respect of the Senior Debt);

(ii) furnish cash collateral ("**Cash Collateral**") to Bank that is satisfactory to Bank (or make such other accommodations as are reasonably agreed between Bank and Creditor with respect to such obligations): (A) in an amount equal to one hundred fifteen percent (115.0%) of the face amount of all letters of credit issued by Bank upon the application of and/or for the account of Borrower or any Guarantor, plus all interest, reasonable fees, and costs due or to become due in connection therewith (as estimated by Bank in its good faith business judgment), and (B) in an amount equal to Bank's estimate (in its good faith business judgment) of the amount necessary to cover any credit exposure in respect of all treasury or cash management, ACH transactions or other bank services provided by it to Borrower or any Guarantor and any other contingent obligations (all of the foregoing in clause (A) and clause (B) being "**Reimbursement Obligations**"), to fully cash collateralize and secure such Reimbursement Obligations; and

(iii) remit the Purchase Price and Cash Collateral by wire transfer in immediately available funds to such bank account as Bank may specify.

(e) Creditor shall agree to pay or reimburse Bank for any loss, cost, damage or expense (including, without limitation, reasonable attorneys' fees and legal expenses) in connection with: any commissions, fees, costs or expenses related to any issued and outstanding letters of credit as described above and any checks or other payments provisionally credited to Bank and/or as to which Bank has not yet received final payment.

(f) If Creditor's purchase of the Senior Debt hereunder fails to be consummated by the Purchase Date for any reason other than a breach by Bank of its obligations under this Purchase Option pursuant to this Section 13 or the purchase documents, then, (i) this Purchase Option shall terminate and be of no further force and effect, and Bank shall have no further obligation to Creditor with respect to the Purchase Option, and (ii) Bank may take Enforcement Action with respect to the Senior Debt and the Collateral and take such further actions as it deems appropriate in its sole discretion in accordance with the Senior Loan Documents and this Agreement, and shall retain all rights and claims against Creditor resulting from such failure by Creditor to consummate the purchase of the Senior Debt.

(g) Creditor shall indemnify, defend and hold Bank and its officers, directors, shareholders, affiliates, agents, partners, members and employees (each an

“Indemnitee”) harmless from and against any liability, claim, cost, loss, judgment, damage or expense (including, without limitation, reasonable attorney fees and expenses) that any Indemnitee incurs or suffers as a result of or arising out of (i) Creditor’s exercise of the Purchase Option; (ii) any action taken by Creditor with respect to the Senior Debt following the consummation of the purchase of the Senior Debt hereunder; or (iii) the breach of any of Creditor’s representations, warranties, covenants or agreements in this Agreement or the purchase documents, in each case, except to the extent such liability claim, cost, loss, judgment, damage or expense is the result of the willful misconduct or gross negligence of such Indemnitee, as determined by a final non-appealable ruling by a court of competent jurisdiction or other tribunal.

(h) All Senior Debt in excess of the Senior Debt Cap shall continue to be secured by the Collateral in accordance with the terms of the Senior Loan Documents, and Bank shall retain all rights to receive payments (and to exercise its rights and remedies) in respect thereof, but only after the payment in full in cash of the Subordinated Debt.

(i) Borrower irrevocably consents to the existence of this Purchase Option and to any assignment effected pursuant thereto, and hereby agrees that no further consent from Borrower or any Guarantor or any other obligor shall be required. Furthermore, Borrower agrees to indemnify, release and hold Bank harmless from and against any and all liabilities, claims, costs, losses, judgments, damages or expenses (including, without limitation, reasonable attorney fees and expenses) incurred or suffered in connection with or as a result of any assignment or sale of the Senior Debt and/or any actions taken by Bank after exercise of the Purchase Option.

(j) Upon the consummation of a purchase and sale pursuant to the Purchase Option, Creditor (and not Bank) will thereafter be obligated pursuant to the terms of the Senior Loan Documents and responsible for the discharge and performance of all of the duties, responsibilities and obligations of Bank under the Senior Loan Documents, and Bank will thereafter be released from and discharged of its duties, responsibilities and obligations under or in connection with the Senior Debt and Senior Loan Documents.

15. This Agreement shall bind any successors or assignees of Creditor and shall benefit any successors or assigns of Bank, provided, however, Creditor agrees that, prior and as conditions precedent to Creditor assigning all or any portion of the Subordinated Debt: (a) Creditor shall give Bank prior written notice of such assignment, and (b) such successor or assignee, as applicable, shall execute a written agreement whereby such successor or assignee expressly agrees to assume and be bound by all terms and conditions of this Agreement with respect to Creditor. This Agreement is solely for the benefit of Creditor and Bank and not for the benefit of Borrower or any other party. Creditor further agrees that if Borrower is in the process of refinancing a portion of the Senior Debt with a new lender, and if Bank makes a request of Creditor, Creditor shall agree to enter into a new subordination agreement with the new lender on substantially the terms and conditions of this Agreement.

16. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by facsimile, emailed portable document format (“pdf”), or tagged image file format (“tiff”) or any other electronic means that reproduces an image of the actual executed signature of an authorized signer of such party shall be effective as delivery of an original executed counterpart of this certificate, and shall be equally as effective as delivery of a manually executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by facsimile, emailed portable document format (“pdf”), or tagged image file format (“tiff”) or any other electronic means that reproduces an image of the actual executed signature of an authorized signer of such party, also shall deliver a manually executed counterpart of this Agreement but the failure to deliver a manually executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

17. Unless otherwise provided in this Agreement, all notices or demands by any party relating to this Agreement or any other agreement entered into in connection herewith shall be in writing and shall be personally delivered or sent by a recognized overnight delivery service, certified mail, postage prepaid, return receipt requested, or by facsimile to Bank, Creditor, or Borrower, as the case may be, at the address set forth below each party in its respective signature block. The parties hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other parties.

18. THE PARTIES HEREBY AGREE THAT THIS AGREEMENT AND ALL OTHER LOAN DOCUMENTS, INSTRUMENTS AND AGREEMENTS RELATED TO THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO ITS CONFLICTS OF LAW PROVISIONS. CREDITOR, BORROWER AND BANK EACH HEREBY IRREVOCABLY AND UNCONDITIONALLY (I) CONSENTS AND SUBMITS TO THE SOLE AND EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE STATE OF CALIFORNIA, AND ANY APPELLATE COURT THEREOF, (II) AGREES THAT ALL ACTIONS AND PROCEEDINGS BASED UPON, ARISING OUT OF, RELATING TO OR OTHERWISE CONCERNING THIS AGREEMENT OR ANY OTHER DOCUMENT, INSTRUMENT OR AGREEMENT RELATED TO THIS AGREEMENT, INCLUDING ALL CLAIMS FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, SHALL SOLELY AND EXCLUSIVELY BE BROUGHT, HEARD, AND DETERMINED (LITIGATED) IN SUCH COURTS, (III) ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, THE SOLE AND EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS, (IV) WAIVES ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED UPON THE GROUNDS OF FORUM NON CONVENIENS, THAT IT MAY NOW OR HEREAFTER HAVE TO BRINGING OR MAINTAINING ANY SUCH ACTION OR PROCEEDING IN SUCH JURISDICTION, AND (V) AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT, OR ANY SUCH OTHER DOCUMENT, INSTRUMENT OR AGREEMENT. NOTHING HEREIN SHALL LIMIT THE RIGHT OF BANK TO BRING ANY ACTION OR PROCEEDING AGAINST, CREDITOR OR ITS PROPERTIES OR BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY OTHER JURISDICTION IN CONNECTION WITH THE ENFORCEMENT OF ANY LIENS OR SECURITY INTERESTS IN FAVOR OF BANK ON ANY OF CREDITOR’S PROPERTIES OR ASSETS OR BORROWER’S PROPERTIES OR ASSETS.

19. JURY TRIAL WAIVER. THE UNDERSIGNED ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED UNDER CERTAIN CIRCUMSTANCES. TO THE EXTENT PERMITTED BY LAW, EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS, HIS OR HER CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THE MUTUAL BENEFIT OF ALL PARTIES, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY OTHER DOCUMENT, INSTRUMENT OR AGREEMENT BETWEEN THE UNDERSIGNED PARTIES.

20. JUDICIAL REFERENCE PROVISION.

(i) In the event the Jury Trial Waiver set forth above is not enforceable, the parties elect to proceed under this Judicial Reference Provision.

(ii) With the exception of the items specified in Section 14(c), below, any controversy, dispute or claim (each, a “Claim”) between the parties arising out of or relating to this Agreement or any other document, instrument or agreement between the undersigned parties (collectively in this Section, the “Loan Documents”), will be resolved by a reference proceeding in California in accordance with the provisions of Sections 638 et seq. of the California Code of Civil Procedure (“CCP”), or their successor sections, which shall constitute the exclusive remedy for the resolution of any Claim, including whether the Claim is subject to the reference proceeding. Except as otherwise provided in the Loan Documents, venue for the reference proceeding will be in the state or federal court in the county or district where the real property involved in the action, if any, is located or in the state or federal court in the county or district where venue is otherwise appropriate under applicable law (the “Court”).

(iii) The matters that shall not be subject to a reference are the following: (i) foreclosure of any security interests in real or personal property, (ii) exercise of self-help remedies (including, without limitation, set-off), (iii) appointment of a receiver and (iv) temporary, provisional or ancillary remedies (including, without limitation, writs of attachment, writs of possession, temporary restraining orders or preliminary injunctions). This Judicial Reference Provision does not limit the right of any

party to exercise or oppose any of the rights and remedies described in clauses (i) and (ii) or to seek or oppose from a court of competent jurisdiction any of the items described in clauses (iii) and (iv). The exercise of, or opposition to, any of those items does not waive the right of any party to a reference proceeding pursuant to this Judicial Reference Provision as provided herein.

(iv) The referee shall be a retired judge or justice selected by mutual written agreement of the parties. If the parties do not agree within ten (10) days of a written request to do so by any party, then, upon request of any party, the referee shall be selected by the Presiding Judge of the Court (or his or her representative). A request for appointment of a referee may be heard on an ex parte or expedited basis, and the parties agree that irreparable harm would result if ex parte relief is not granted. Pursuant to CCP § 170.6, each party shall have one peremptory challenge to the referee selected by the Presiding Judge of the Court (or his or her representative).

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(v) The parties agree that time is of the essence in conducting the reference proceedings. Accordingly, the referee shall be requested, subject to change in the time periods specified herein for good cause shown, to (i) set the matter for a status and trial-setting conference within fifteen (15) days after the date of selection of the referee, (ii) if practicable, try all issues of law or fact within one hundred twenty (120) days after the date of the conference and (iii) report a statement of decision within twenty (20) days after the matter has been submitted for decision.

(vi) The referee will have power to expand or limit the amount and duration of discovery. The referee may set or extend discovery deadlines or cutoffs for good cause, including a party's failure to provide requested discovery for any reason whatsoever. Unless otherwise ordered based upon good cause shown, no party shall be entitled to "priority" in conducting discovery, depositions may be taken by either party upon seven (7) days written notice, and all other discovery shall be responded to within fifteen (15) days after service. All disputes relating to discovery which cannot be resolved by the parties shall be submitted to the referee whose decision shall be final and binding.

(vii) Except as expressly set forth herein, the referee shall determine the manner in which the reference proceeding is conducted including the time and place of hearings, the order of presentation of evidence, and all other questions that arise with respect to the course of the reference proceeding. All proceedings and hearings conducted before the referee, except for trial, shall be conducted without a court reporter, except that when any party so requests, a court reporter will be used at any hearing conducted before the referee, and the referee will be provided a courtesy copy of the transcript. The party making such a request shall have the obligation to arrange for and pay the court reporter. Subject to the referee's power to award costs to the prevailing party, the parties will equally share the cost of the referee and the court reporter at trial.

(viii) The referee shall be required to determine all issues in accordance with existing case law and the statutory laws of the State of California. The rules of evidence applicable to proceedings at law in the State of California will be applicable to the reference proceeding. The referee shall be empowered to enter equitable as well as legal relief, enter equitable orders that will be binding on the parties and rule on any motion which would be authorized in a court proceeding, including without limitation motions for summary judgment or summary adjudication. The referee shall issue a decision at the close of the reference proceeding which disposes of all claims of the parties that are the subject of the reference. Pursuant to CCP § 644, such decision shall be entered by the Court as a judgment or an order in the same manner as if the action had been tried by the Court and any such decision will be final, binding and conclusive. The parties reserve the right to appeal from the final judgment or order or from any appealable decision or order entered by the referee. The parties reserve the right to findings of fact, conclusions of laws, a written statement of decision, and the right to move for a new trial or a different judgment, which new trial, if granted, is also to be a reference proceeding under this provision.

(ix) If the enabling legislation which provides for appointment of a referee is repealed (and no successor statute is enacted), any dispute between the parties that would otherwise be determined by reference procedure will be resolved and determined by arbitration. The arbitration will be conducted by a retired judge or justice, in accordance with the California Arbitration Act §1280 through §1294.2 of the CCP as amended from time to time. The limitations with respect to discovery set forth above shall apply to any such arbitration proceeding.

(x) THE PARTIES RECOGNIZE AND AGREE THAT ALL CONTROVERSIES, DISPUTES AND CLAIMS RESOLVED UNDER THIS JUDICIAL REFERENCE PROVISION WILL BE DECIDED BY A REFEREE AND NOT BY A JURY. AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS, HIS OR HER OWN CHOICE, EACH PARTY KNOWINGLY AND VOLUNTARILY, AND FOR THE MUTUAL BENEFIT OF ALL PARTIES, AGREES THAT THIS JUDICIAL REFERENCE PROVISION WILL APPLY TO ANY CONTROVERSY, DISPUTE OR CLAIM BETWEEN OR AMONG THEM ARISING OUT OF OR IN ANY WAY RELATED TO, THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS.

21. In the event of any legal action to enforce the rights of a party under this Agreement, the party prevailing in such action shall be entitled, in addition to such other relief as may be granted, all reasonable costs and expenses, including reasonable attorneys' fees, incurred in such action.

22. This Agreement represents the entire agreement with respect to the subject matter hereof, and supersedes all prior negotiations, agreements and commitments. Creditor hereby assumes responsibility of keeping itself informed of the financial condition of Borrower, and any and all Guarantors of the Senior Debt and of all other circumstances bearing upon the risk of nonpayment of the Senior Debt or the Subordinated Debt that diligent inquiry would reveal, and Creditor hereby agrees that Bank shall not have any duty to advise Creditor of information known to Bank regarding such condition. Creditor is not relying on any representations by Bank or Borrower in entering into this Agreement. This Agreement may be amended only by written instrument signed by Creditors and Bank.

[Remainder of page left intentionally blank; Signature pages follow.]

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IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

"Bank"

COMERICA BANK

By:

Name: Shane Merkord

Title: Vice President

Comerica Bank
M/C 7578
39200 Six Mile Rd.
Livonia, MI 48152
Attn: National Documentation Services

With a copy to:
Comerica Bank
300 W. 6th Street, Suite 1950
Austin, TX 78701

Attn: Shane Merkord
Email: sgmerkord@comerica.com

“Creditor”

BROADOAK FUND V, L.P.

By: _____
Name: William Snider
Title: Manager

BroadOak Fund V, L.P.
4800 Montgomery Lane, Suite 230
Bethesda, MD 20814
Attention: Manager
Email: compliance@broadoak.com

[SIGNATURES CONTINUED ON NEXT PAGE]

[Signature Page to Subordination and Intercreditor Agreement (18083892)]

The undersigned approves of the terms of this Agreement.

INTERPACE BIOSCIENCES, INC.

By: _____
Name: Thomas W. Burnell
Title: Chief Executive Officer

INTERPACE DIAGNOSTICS CORPORATION

By: _____
Name: Thomas W. Burnell
Title: Chief Executive Officer

INTERPACE DIAGNOSTICS, LLC

By: _____
Name: Thomas W. Burnell
Title: Chief Executive Officer

INTERPACE PHARMA SOLUTIONS, INC.

By: _____
Name: Thomas W. Burnell
Title: Chief Executive Officer

c/o Interpace Biosciences, Inc.
Morris Corporate Center 1, Building C
300 Interpace Parkway
Parsippany, NJ 07054
Attn: Thomas Freeburg, CFO
Email: tfreeburg@interpace.com

[Signature Page to Subordination and Intercreditor Agreement (18083892)]



Interpace Biosciences Announces New \$8 Million Term Loan with BroadOak Capital Partners and Repayment of Private Equity Loans

PARSIPPANY, NJ, November 2, 2021 (GLOBE NEWSWIRE) — Interpace Biosciences, Inc. (“Interpace” or the “Company”) (OTCQX: IDXG) today announced that it, along with its subsidiaries, has entered into a new \$8 million term loan with BroadOak Fund V, L.P. (“BroadOak”) (the “BroadOak Loan”). The proceeds of the BroadOak Loan were used primarily to repay principal and interest on the \$7.5 million short-term promissory notes due to the Company’s two private equity stockholders, Ampersand 2018 Limited Partnership (“Ampersand”) and 1315 Capital II, L.P. (“1315 Capital”). The BroadOak Loan was designed to extend the Company’s debt structure and increase operating flexibility. In combination with the recently announced \$7.5 million revolving credit facility with Comerica Bank, the Company believes it has significantly improved its liquidity without equity dilution to shareholders.

Thomas Burnell, CEO of Interpace, commented: “We are extremely pleased that BroadOak, an investment and investment banking firm specializing in life sciences, has recognized the Company’s value and prospects and has shown confidence in the Company’s business growth strategy. We are most grateful to Ampersand and 1315 Capital, our two largest stockholders, for their continued support of the Company demonstrated by their willingness to provide short-term bridge financing.”

Bill Snider, Partner of BroadOak, added: “We are very excited to partner with Interpace and recognize the Company’s continued turnaround efforts and path towards profitability. We are delighted to extend the short-term financing previously provided to the Company by Ampersand and 1315 Capital.”

The BroadOak Loan has a maturity of three years. The BroadOak Loan is secured by a security interest in substantially all of Interpace’s and its subsidiaries’ assets and is subordinate to the Company’s recently established \$7.5 million revolving credit facility with Comerica Bank. The BroadOak Loan has additional terms which will be outlined in the Company’s Form 8-K when filed.

About Interpace Biosciences

Interpace Biosciences is an emerging leader in enabling personalized medicine, offering specialized services along the therapeutic value chain from early diagnosis and prognostic planning to targeted therapeutic applications.

Clinical services, through Interpace Diagnostics, provides clinically useful molecular diagnostic tests, bioinformatics and pathology services for evaluating risk of cancer by leveraging the latest technology in personalized medicine for improved patient diagnosis and management. Interpace has five commercialized molecular tests and one test in a clinical evaluation program (CEP): PancraGEN® for the diagnosis and prognosis of pancreatic cancer from pancreatic cysts; PanDNA, a “molecular only” version of PancraGEN® that provides physicians a snapshot of a limited number of factors; ThyGeNEXT® for the diagnosis of thyroid cancer from thyroid nodules utilizing a next generation sequencing assay; ThyraMIR® for the diagnosis of thyroid cancer from thyroid nodules utilizing a proprietary gene expression assay; and RespriDX® that differentiates lung cancer of primary versus metastatic origin. In addition, BarreGEN®, a molecular based assay that helps resolve the risk of progression of Barrett’s Esophagus to esophageal cancer, is currently in a CEP whereby the Company gathers information from physicians using BarreGEN® to assist it in gathering clinical evidence relative to the safety and performance of the test and also providing data that will potentially support payer reimbursement.

Pharma services, through Interpace Pharma Solutions, provides pharmacogenomics testing, genotyping, biorepository and other customized services to the pharmaceutical and biotech industries. Pharma services also advances personalized medicine by partnering with pharmaceutical, academic, and technology leaders to effectively integrate pharmacogenomics into their drug development and clinical trial programs with the goals of delivering safer, more effective drugs to market more quickly, while also improving patient care.

For more information, please visit Interpace Biosciences’ website at www.interpace.com.

About BroadOak Capital Partners

BroadOak Capital Partners is a life sciences focused, boutique financial institution that provides direct investment and investment banking services to companies in the research tools and consumables, diagnostics, and biopharma services sectors. BroadOak has led or participated in investments in more than 50 companies across multiple funds and investment vehicles. For more information visit www.broadoak.com.

Forward-looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995, relating to the Company’s future financial and operating performance. The Company has attempted to identify forward looking statements by terminology including “believes,” “estimates,” “anticipates,” “expects,” “plans,” “projects,” “intends,” “potential,” “may,” “could,” “might,” “will,” “should,” “approximately” or other words that convey uncertainty of future events or outcomes to identify these forward-looking statements. These statements are based on current expectations, assumptions and uncertainties involving judgments about, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the Company’s control. These statements also involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results to be materially different from those expressed or implied by any forward-looking statements including, but not limited to, the adverse impact of the COVID-19 pandemic on the Company’s operations and revenues, the substantial doubt about the Company’s ability to continue as a going concern, the possibility that the Company’s estimates of future revenue, cash flows and adjusted EBITDA may prove to be materially inaccurate, the Company’s history of operating losses, the Company’s ability to adequately finance its business, the Company’s ability to repay borrowings under its \$7.5 million credit facility with Comerica Bank and its \$8 million term loan with BroadOak; the Company’s dependence on sales and reimbursements from its clinical services, the Company’s ability to retain or secure reimbursement including its reliance on third parties to process and transmit claims to payers and the adverse impact of any delay, data loss, or other disruption in processing or transmitting such claims, the Company’s revenue recognition being based in part on estimates for future collections which estimates may prove to be incorrect, and the Company’s ability to remediate material weaknesses in internal controls. Additionally, all forward-looking statements are subject to the “Risk Factors” detailed from time to time in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020 filed with the Securities and Exchange Commission, Current Reports on Form 8-K and Quarterly Reports on Form 10-Q. Because of these and other risks, uncertainties and assumptions, undue reliance should not be placed on these forward-looking statements. In addition, these statements speak only as of the date of this press release and, except as may be required by law, the Company undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

Contacts:

Investor Relations
Interpace Biosciences, Inc.

