# UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, DC 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 e	event reported) December 8, 2004	
LanVis	sion Systems, Inc.	
(Exact Name of Registrant as Specified in Its Charter)		
Delaware		
(State or Other Jurisdiction of Incorporation)		
0-28132	31-1455414	
(Commission File Number)	(IRS Employer Identification No.)	
5481 Creek Road, Cincinna	i, Ohio 45242-4001	
(Address of Principal Execut:		
(513) 794-7100		
(Registrant's Telephone Number, Including Area Code)		
(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 (see General Instruction A.2. below):		
[ ] Written communications Act (17 CFR 230.425)	s pursuant to Rule 425 under the Securities	
[ ] Soliciting material po (17 CFR 240.14a-12)	ursuant to Rule 14a-12 under the Exchange Act	
[ ] Pre-commencement commu the Exchange Act (17 (	unications pursuant to Rule 14d-2(b) under CFR 240.14d-2(b))	
[ ] Pre-commencement commu the Exchange Act (17 (	unications pursuant to Rule 13e-4(c) under CFR 240.13e-4(c))	

## ITEM 1.02 - TERMINATION OF A MATERIAL DEFINITIVE AGREEMENT

ITEM 5.02(b) AND (c) - DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF PRINCIPAL OFFICERS

On December 8, 2004, Eric S. Lombardo, a Director and Executive Vice President of LanVision Systems, Inc., resigned from those positions and all other positions held by him with various subsidiaries of the registrant. LanVision Systems, Inc. also announced that William A. Geers, Vice President of Product Development, has been elevated effective immediately to the post of Chief Operating Officer of LanVision Systems, Inc. The registrant issued the press release attached hereto as Exhibit 99.1 on December 9, 2004 announcing these executive management changes

In connection with the resignation of Mr. Lombardo, the registrant and Mr. Lombardo entered into the Agreement attached hereto as Exhibit 10.1. The material terms of this Agreement provide that: Mr. Lombardo's resignation constituted a mutual agreement of the parties to terminate his existing employment agreement; Mr. Lombardo will be available through October 31, 2005 to provide consulting services to the registrant, for which he will be paid the aggregate amount of \$200,000; the registrant granted Mr. Lombardo piggyback registration rights through October 31, 2005 for up to 100,000 shares of LanVision Systems, Inc. common stock owned by Mr. Lombardo upon certain events in which the registrant would register common stock for sale to the public; and, other than pursuant to a piggyback registration, Mr. Lombardo agreed not to sell any of his shares of LanVision Systems, Inc. common stock through April 30, 2005 and to limit any sale of shares to no more than 30,000 shares from May 1, 2005 through October 31, 2005. The Agreement also provides that Mr. Lombardo's existing employment agreement is cancelled as of December 8, 2004 other than for those provisions which by their terms continue beyond the termination date of the agreement.

Mr. Geers, age 51, assumed the position of Chief Operating Officer of the registrant on December 8, 2004. Prior to being named to this position, Mr. Geers served as Vice President of Product Development and Consulting Services of LanVision Systems, Inc. since February 2000. Prior thereto, he was Senior Director, Indirect Operations, Sales and Marketing since September 1996. Mr. Geers has no family relationship with any other executive officer or director of the registrant.

On December 8, 2004, Mr. Geers entered into an amendment to his employment agreement with LanVision Systems, Inc., which employment agreement and amendment are attached hereto as Exhibits 10.2 and 10.3, respectively. Under the terms of the amended agreement, Mr. Geers will receive a \$15,000 bonus immediately upon assuming his new responsibilities and to increase his salary to \$190,000 during the period February 1, 2005 compensated through January 31, 2006, and will be eligible to participate in the executive bonus plan and stock option plan, which are administered by the Compensation Committee of the Board of Directors. Mr. Geers will be eligible to participate in all other employee fringe benefit plans to the same extent and at the same levels as other officers. The agreement contains customary provisions relating to confidential information, change of control and non-competition. The agreement will automatically renew on an annual basis unless LanVision notifies Mr. Geers at least 90 days prior to the applicable renewal date of the then current term of the agreement that the agreement will not be renewed.

# ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

# (c) Exhibits

Exhibit	Description
10.1	Agreement dated December 8, 2004 among Eric S. Lombardo,
	LanVision Systems, Inc. and LanVision, Inc.*
10.2	Employment Agreement dated February 1, 2004 among William A.Geers, LanVision Systems, Inc. and LanVision, Inc.*
10.3	Amendment No. 1 dated December 8, 2004 to Employment Agreement among William A. Geers, LanVision Systems, Inc. and LanVision, Inc.*
99.1	Press release dated December 9, 2004.

<sup>\*</sup> Denotes management contract.

# SIGNATURES

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.

LANVISION SYSTEMS, INC.

By: /s/ Paul W. Bridge, Jr.

Paul W. Bridge, Jr. Chief Financial Officer

Date: December 9, 2004

Exhibit 10.1 LanVision Systems, Inc.

Agreement dated December 8, 2004 among Eric S. Lombardo, LanVision Systems, Inc. and LanVision, Inc. $^{\star}$ 

## **AGREEMENT**

This Agreement is entered into this 8th day of December, 2004, by and among Eric S. Lombardo ("Executive"), LanVision Systems, Inc. ("LANV") and LanVision, Inc. ("Subsidiary," and together with LANV and their respective subsidiaries, divisions, past and current affiliated companies, and their respective successors and assigns, sometimes hereinafter collectively referred to as "LanVision" or "Company").

WHEREAS, Executive currently is employed as an executive officer pursuant to the terms of that certain Employment Agreement effective February 1, 2004 by and among Executive, LANV and Subsidiary as attached hereto as Exhibit A ("Employment Agreement"); and

WHEREAS, Executive has submitted his written resignation to LanVision whereby he has resigned from all positions he currently holds with LanVision, including but not limited to his positions as a director and an executive officer of each of LANV and Subsidiary, effective as of the date hereof; and

WHEREAS, Executive and LanVision mutually desire that Executive continue to be available to provide consulting services to LanVision and to take other actions as may be necessary or appropriate to effect a smooth transition of Executive's active involvement in the operations of LanVision.

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. RESIGNATION; MUTUAL TERMINATION OF EMPLOYMENT AGREEMENT. Executive has submitted his resignation from all positions held by him with LanVision, including but not limited to his positions as a director and Executive Vice President, Sales and Marketing of each of LANV and Subsidiary, and LanVision has accepted such resignation, effective as of the date of this Agreement (the "Effective Date"). Executive and LanVision agree that Executive's resignation as a director, as distinct from his position as an executive officer, is not related to any disagreement between them. Executive and LanVision further agree that as of the Effective Date, Executive's resignation of his employment with LanVision results in the termination of the Employment Agreement upon their mutual agreement, and is not a termination under any of the provisions of Section 11 of the Employment Agreement. Accordingly, the Employment Agreement shall have no further force or effect except for those provisions that by their terms survive termination and continue in effect, including but not limited to Section 7 (Confidential Information), Section 8 (Property of Parent and the Company), Section 9 (Non-Competition Agreement) and Section 14 (Acknowledgements). Executive and LanVision agree to abide by all such continuing terms, which terms are incorporated herein by reference.

- 2. CONSULTING SERVICES. Executive and LanVision agree that for the time period commencing November 1, 2004 and ending October 31, 2005 (the "Consulting Period"), Executive shall provide consulting services as an independent contractor to LanVision on an as needed basis as may be requested from time to time by LanVision's Board of Directors, Chief Executive Officer or Chief Operating Officer. Such consulting services shall include, without limitation, any assistance that LanVision may request of Executive in transitioning client relationships and in providing information about existing, past and prospective customers of LanVision with whom Executive was involved. Executive and LanVision agree that no minimum or maximum number of times or hours for which Executive may be asked to provide his consulting services has been established. Executive agrees to use his good faith efforts to be available to LanVision when his consulting services are requested and to perform such services conscientiously. LanVision agrees to use its best efforts to provide reasonable advance notice to Executive of the times that his consulting services will be required and to be reasonable as to the frequency and number of hours that Executive will be asked to consult. LanVision further agrees that Executive shall not be required to provide consulting services at any time that would conflict or interfere with Executive's employment by any third party or his efforts in obtaining such new employment.
- 3. COMPENSATION; EXPENSES; BENEFITS. During the Consulting Period, LanVision will pay Executive in exchange for his consulting services a consulting fee in an aggregate amount of Two Hundred Thousand Dollars (\$200,000.00). Such compensation will be paid in twelve monthly installments as follows: for the month of November, 2004, the compensation paid to Executive pursuant to his Employment Agreement for November shall constitute the consulting fee for that month; and for the eleven remaining months of the Consulting Period beginning with a monthly payment on December 15, 2004 and each subsequent payment on the 15th day of each month thereafter, the Company shall pay Executive the consulting fee in the amount of Sixteen Thousand Six Hundred Sixty Six Dollars and Sixty Seven Cents (\$16,666.67). As an independent contractor, Executive shall be responsible for and shall pay any and all amounts required to be paid to any federal, state or local government as a result of consulting services performed pursuant to this Agreement, including but not limited to amounts due for income tax, social security, unemployment insurance and workers' compensation. During the Consulting Period, LanVision shall continue to provide Executive with a car allowance in the amount and on the same terms and conditions as currently provided to him and shall reimburse Executive for all travel and out-of-pocket expenses reasonably incurred or paid by Executive in connection with the performance of Executive's consulting services upon compliance with LanVision's procedures for expense reimbursements, including the presentation of expense statements, receipts or such other supporting documentation as LanVision may reasonably require. LanVision shall further provide to Executive through October 31, 2006, at no cost to Executive, continued health care and dental care insurance coverage under LanVision's plans as currently exist, subject to any changes in such plans or replacement plans which may be offered to LanVision's officers from time to time hereafter. In addition, LanVision agrees that: (a) it will reimburse Executive in an amount up to \$6,500 for his legal expenses incurred in connection with the preparation, negotiation and execution of this Agreement; (b) it will pay to Executive through the Company's payroll payments on December 15, 2004 an amount equal to the value of all accrued but unused vacation time to which Executive was entitled as of October 31, 2004; and (c) in the event that LanVision elects to extend the non-competition period as set forth in Section 9 of the Employment Agreement from October 31, 2005 to October 31, 2006, then

LanVision shall provide Executive with written notice of such extension no later than April 30, 2005 and, in consideration thereof, LanVision shall pay to Executive the amount of Two Hundred Thousand Dollars (\$200,000.00) in a lump sum payment on or before October 31, 2005.

4. LANVISION PROPERTY. Immediately upon the execution of this Agreement, Executive will cease to use any LanVision credit cards, and will return all LanVision property which Executive has in his possession or control whether at LanVision, at home or elsewhere, including without limitation any and all LanVision records, files, and documents (whether on computer or not), software, keys, cellular/digital telephones, or parking passes. Notwithstanding the foregoing, LanVision agrees that: (a) Executive may keep the photograph in his office relating to LanVision's initial public offering; (b) Executive may purchase his laptop computer and/or desktop computer consistent with LanVision's existing practice of allowing employees to purchase such used items for a nominal price (approximately \$50 for each such computer that Executive elects to purchase); and (c) Executive may retain all personal information and all non-technical information contained on such computers, provided, however, that no information retained by Executive shall constitute material, non-public information about LanVision, its products or its services. In order to effect the transfer of files pursuant to the standards in Section 4(c), LanVision personnel will remove all information from the computers desired to be purchased by Executive and will transfer the information to be retained by Executive onto a disk, which disk will be provided to Executive, Executive shall be permitted to observe and participate in this file transfer procedure, and both Executive and LanVision agree to cooperate with each other in good faith to accomplish the orderly transfer of such information.

## 5. PIGGYBACK REGISTRATION RIGHTS.

- 5.1. Right to Piggyback. At any time during the Consulting Period, if LanVision proposes to register any LANV common stock for sale pursuant to a registration statement filed with the Securities and Exchange Commission ("SEC") under the Securities Act of 1933, as amended (the "Act"), including any registration statement filed by LanVision upon the exercise by Blue Chip Capital Fund Limited Partnership ("Blue Chip") of its demand registration right pursuant to that certain Stock Purchase and Shareholder Agreement dated as of December 1, 1994, as amended February 8, 1996 (the "Blue Chip Agreement"), then LanVision promptly will give written notice to Executive of such intention. Upon the written request of Executive given with 20 calendar days after such notice is given (the "Piggyback Notice"), LanVision shall use its best efforts to cause up to 100,000 shares of LANV common stock owned by Executive (or such lesser number of shares as may be requested by Executive or as permitted to be registered by Executive pursuant to Section 5.2 hereof) to be included under the proposed registration statement. The right of Executive to exercise his piggyback registration rights under this Section 5.1 shall continue beyond the end of the Consulting Period with respect to any proposed registration by LanVision initiated prior to October 31, 2005. Notwithstanding the foregoing, LanVision shall not be required to offer piggyback registration rights to Executive in connection with a registration of LANV common stock on Form S-4 relating to any merger or similar transaction for which such form of registration statement is permitted nor on Form S-8 relating to any employee benefit or incentive plans offered by LanVision for its employees.
- $5.2.\ Coordination$  with Blue Chip Registration Rights. Executive acknowledges and agrees that LanVision previously has granted similar piggyback registration rights to Blue Chip

pursuant to the Blue Chip Agreement. Executive hereby agrees that his right to exercise piggyback registration rights pursuant to Section 5.1 above shall arise only with respect to any proposed registration by LanVision in which Blue Chip elects to exercise either its demand registration right or its piggyback registration rights. In the event that Blue Chip does exercise its registration rights and thereafter, in the case of an underwritten registration, the managing underwriters advise LanVision in writing that in their opinion, the number of shares of common stock requested to be included in such registration by all selling shareholders (including but not limited to Blue Chip and Executive) exceeds the number which can be sold in an orderly manner within a price range acceptable to LanVision, then (a) in the case of Blue Chip exercising its piggyback registration rights, LanVision will include in such registration (i) first, all the securities LanVision proposes to sell, (ii) second, all the shares of common stock requested to be included in such registration by Blue Chip and Executive, pro rata among them on the basis of the number of shares requested for inclusion in such registration by each of them and the total number of shares which each of them could have requested for inclusion in the registration (currently, 746,000 shares for Blue Chip and 100,000 shares for Executive), and (iii) third, any other shares of common stock requested to be included in such registration by shareholders to whom LanVision may make such opportunity available in its sole discretion, pro rata among the holders of such other shares on the basis of the number of securities requested for inclusion in such registration by each such holder; or (b) in the case of Blue Chip exercising its demand registration right, LanVision will include in such registration (i) first, all the securities Blue Chip proposes to sell, (ii) second, all the shares of common stock requested to be included in such registration by Executive, up to 100,000 shares, (iii) third, all of the securities that LanVision proposes to sell, and (iv) fourth, any other shares of common stock requested to be included in such registration by shareholders to whom LanVision may make such opportunity available in its sole discretion, pro rata among the holders of such other shares on the basis of the number of securities requested for inclusion in such registration by each such holder.

- 5.3. Withdrawal of Registration Statement; Delay or Postponement of Effectiveness. If, at any time after the Piggyback Notice and prior to the effective date of the registration statement filed in connection with such registration, LanVision shall determine for any reason not to register common stock in connection with such registration statement, LanVision may, in its sole discretion, give written notice of such determination to Executive and thereupon LanVision shall be relieved of its obligation to register any of Executive's shares in connection with such registration. LanVision further may delay or postpone seeking the effectiveness of the registration statement in its sole discretion.
- 5.4. Registration Procedures. Subject to the other provisions of this Section 5 including without limitation the provisions of Section 5.3, whenever Executive has requested that any of his shares be registered in connection with a piggyback registration pursuant to this Agreement, LanVision will use reasonable efforts to effect the registration and facilitate the sale and distribution of all such shares specified in such registration request, subject to any reduction required pursuant to Sections 5.1 or 5.2 (the "eligible shares") in accordance with the intended method of disposition thereof and pursuant thereto LanVision will as expeditiously as possible:
- (a) prepare and file with the SEC a registration statement which includes the Executive's eligible shares and use reasonable efforts to cause such registration statement to become effective and to comply as to form in all material respects with the requirements of the applicable form and include all financial statements required by the SEC to be filed therewith;

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- (b) prepare and file with the SEC such amendments, post-effective amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement continuously effective for the period required by the intended method of disposition, and comply with the provisions of the Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such registration statement, provided, however, that LanVision shall not be required to file, cause to become effective or maintain the effectiveness of any registration statement that contemplates a distribution of securities on a delayed or continuous basis pursuant to Rule 415 under the Act;
- (c) furnish to Executive, without charge, such number of copies of such registration statement, each amendment, post-effective amendment and supplement thereto, the prospectus included in such registration statement (including each preliminary prospectus) and such other documents as Executive may reasonably request in order to facilitate the disposition of the eligible shares owned by him;
- (d) use reasonable efforts to register or qualify Executive's eligible shares under such other securities or blue sky laws of such jurisdictions as Executive reasonably requests and do any and all other acts and things which may be reasonably necessary or advisable to enable Executive to consummate the disposition in such jurisdictions of the eligible shares (provided that LanVision will not be required to (i) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph, (ii) subject itself to taxation in any such jurisdiction, (iii) consent to general service of process in any such jurisdiction (unless LanVision is subject to service in such jurisdiction and except as may be required by the Act), or (iv) qualify such eligible shares in a given jurisdiction where expressions of investment intent are not sufficient in such jurisdiction to reasonably justify the expense of qualification in that jurisdiction or where such qualification would require LanVision to register as a broker or dealer in such jurisdiction);
- (e) promptly notify Executive, at any time when a prospectus relating to the eligible shares is required to be delivered under the Act, of the happening of any event as a result of which the prospectus included in such registration statement contains an untrue statement of a material fact or omits any material fact necessary to make the statements therein not misleading;
- (f) cause all such eligible shares to be listed on each securities exchange on which LANV common stock is then listed and to be qualified for trading on each system on which similar securities issued by LANV are from time to time qualified; and
- (g) in the event of the issuance of any stop order suspending the effectiveness of a registration statement, or of any order suspending or preventing the use of any related prospectus or suspending the qualification of any shares of common stock included in such registration statement for sale in any jurisdiction, LanVision will promptly notify Executive and use reasonable efforts to promptly obtain the withdrawal of such order.

Executive agrees that, upon receipt of any notice from LanVision of the happening of any event of the kind described in paragraphs 5.4(e) or (g) hereof, he will forthwith discontinue disposition of his eligible shares until his receipt of copies of an appropriate supplement or

amendment to the prospectus under paragraph 5.4(e) or until the withdrawal of such order under paragraph 5.4(g). Executive further agrees that he will cooperate with LanVision, Blue Chip and the managing underwriter to facilitate the timely preparation and delivery of certificates representing the eligible shares to be sold, and along with Blue Chip, enter into such agreements (including underwriting agreements and lock up agreements) with the managing underwriter of such offering as such managing underwriter may request.

- 5.5. Participation in Registrations. Executive agrees that he may not participate in any registration hereunder which is underwritten unless he: (a) agrees to sell his eligible shares on the basis provided in any underwriting arrangements approved by LanVision and Blue Chip; (b) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents as may be reasonably requested by LanVision, Blue Chip or the managing underwriters of the offering or as required under the terms of such underwriting arrangements, provided that Executive shall not be required to make any representations or warranties to LanVision, Blue Chip or the underwriters other than representations and warranties regarding Executive and Executive's intended method of distribution. Executive further agrees that, in connection with any registration of eligible shares, he will provide such information to LanVision as is requested by LanVision and is necessary and/or desirable to ensure full compliance by LanVision with federal and state securities laws and that Executive will have no right to withdraw any of his eligible shares included in such offering subsequent to the distribution of any preliminary prospectus by LanVision and/or the managing underwriter of such offering absent the written approval by LanVision, which approval may be withheld in LanVision's sole discretion.
- 5.6. Registration Expenses. All expenses incurred by LanVision in complying with this Section 5, including without limitation all registration and filing fees, printing expenses, expenses of complying with securities or blue sky laws, fees and disbursements of counsel for LanVision and counsel for any underwriters of the offering and any accountant's fees and expenses incident to or required by any such registration, will be borne by LanVision to the maximum extent permitted by law. Executive agrees that he will bear his own legal fees and expenses and all underwriting fees, commissions, discounts and expenses applicable to the shares sold by him.

## 5.7. Indemnification.

(a) LanVision agrees to indemnify, to the extent permitted by law, Executive against all losses, claims, damages, liabilities and reasonable expenses, including any of the foregoing, and reasonable fees and expenses of counsel, incurred in investigating, preparing or defending against, and aggregate amounts paid in settlement of, any litigation, action, investigation or proceeding by any governmental agency or body, commenced or threatened, in each case whether or not a party, based upon, caused by or arising out of any untrue or alleged untrue statement of material fact contained in any registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto required to be filed or prepared hereunder on behalf of Executive or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as the same are caused by or contained in any information furnished in writing to LanVision by Executive (or on behalf of Executive) expressly for use therein.

- (b) In connection with any registration statement in which Executive is participating, Executive will furnish to LanVision in writing such information relating to him as LanVision reasonably requests for use in connection with any such registration statement or prospectus and, to the extent permitted by law, will indemnify LanVision, its directors, stockholders, employees and officers and each person who controls (within the meaning of the Act) LanVision against any losses, claims, damages, liabilities and reasonable expenses as incurred, including any of the foregoing, and reasonable fees and expenses of counsel incurred in investigating, preparing or defending against, and aggregate amounts paid in settlement of, any litigation, action, investigation or proceeding by any governmental agency or body, commenced or threatened, in each case whether or not a party, or any claim whatsoever, based upon, caused by or arising out of any untrue or alleged untrue statement of material fact contained in the registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or omission is contained in any information so furnished in writing by Executive expressly for such purpose.
- (c) Any person entitled to indemnification hereunder will (i) give reasonably prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party will not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim.
- (d) The indemnification provided for under this Agreement will remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director, manager, agent or controlling person of such indemnified party and will survive the transfer of securities. LanVision also agrees to make such provisions, as are reasonably requested by any indemnified party, for contribution to such party in the event LanVision's indemnification is unavailable for any reason. Such right to contribution shall be in such proportion as is appropriate to reflect the relative fault of LanVision on the one hand and Executive on the other (in such proportions that Executive is severally, not jointly, responsible for the balance), in connection with the statements or omissions which resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and indemnified parties shall be determined by reference to, among other things, whether the action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, has been made by, or relates to information supplied by, such indemnifying party or the indemnified parties, and the parties relative intent, knowledge, access to information and opportunity to correct or prevent such action.

The parties hereto agree that it would not be just or equitable if contribution pursuant hereto were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the immediate preceding paragraph, provided, however, that in no event shall the aggregate liability, if any, of Executive pursuant to this Section 5.7 exceed the net proceeds from his sale of eligible shares. No person found guilty of any fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not found guilty of such fraudulent misrepresentation.

- 5.8. Selection of Underwriters. In the case of an underwritten registration, LanVision will have the sole right to select the investment banker(s) and manager(s) to underwrite the offering notwithstanding Executive's exercise of his right to request a piggyback registration pursuant to this Section 5.
- 6. LIMITATION ON SALE OF SHARES. Commencing upon the execution of this Agreement and terminating upon the close of trading of the common stock of LANV on October 31, 2005 (the "Lock-Up" Period), Executive hereby agrees that he will not offer to sell, contract to sell, or otherwise sell, dispose of, loan or grant any rights to do any such actions (collectively, a "Disposition") with respect to any shares of LANV common stock now owned or hereafter acquired directly or indirectly by Executive or with respect to which Executive has or hereafter acquires the power of disposition, otherwise than (a) as a bona fide gift or gifts, provided the donee or donees thereof agree in writing to be bound by this restriction, (b) with respect to purchases of common stock acquired in the public securities markets after the date hereof, (c) with the prior written consent of LanVision upon the approval of the board of directors of LANV, (d) in connection with the exercise by Executive of piggyback registration rights under Section 5 of this Agreement, or (e) the sale by Executive of up to 30,000 shares of LANV common stock during the period commencing on May 1, 2005 through the end of the Lock-Up Period.

The foregoing restrictions have been expressly agreed to preclude Executive from engaging in any transaction which is designed to or reasonably expected to lead to or result in a Disposition of shares of common stock during the Lock-up Period, even if such shares would be disposed of by someone other than such holder. Such prohibited transactions would include, without limitation, any short sale (whether or not against the box) or any purchase, sale or grant of any right (including, without limitation, any put or call option) with respect to any shares. Executive also agrees and consents to the entry of stop transfer instructions with LanVision's transfer agent and registrar against the transfer of shares of common stock held by Executive except in compliance with this Section 6.

7. REPORTS OF SECURITIES TRANSACTIONS. Executive and LanVision agree that notwithstanding Executive's resignation hereunder from all positions held by Executive with LanVision, Executive shall continue to be a Section 16 reporting person for purposes of Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder until such time as Executive would own less than 10% of the outstanding shares of common stock of LANV. Accordingly, Executive agrees to timely file with the SEC and with LanVision's chief financial officer the reports required pursuant to Section 16 of the Exchange Act of any and all transactions involving shares of LANV common stock in which Executive has a pecuniary interest. Moreover, during the Lock-Up Period

Executive further agrees to notify LanVision of any intention on the part of Executive to sell or otherwise trade in shares of LanVision Systems common stock prior to engaging in such transaction, which notification may include, but not be limited to, providing LanVision's chief financial officer with a copy of any and all Form 144's filed by Executive with the SEC to the extent that Executive may be deemed an affiliate of LanVision for purposes of Rule 144 under the Act.

- 8. NO INSIDER STATUS. Executive and LanVision agree that effective upon the execution of this Agreement, Executive will no longer be privy to material, non-public information regarding LanVision. Accordingly, LanVision agrees that Executive hereafter shall not be subject to the LanVision policy on insider trading, provided, however, that to the extent that Executive may from time to time acquire knowledge of material, non-public information regarding LanVision, Executive acknowledges and agrees that he may not trade based upon such information and must comply with all applicable laws prohibiting insider trading. LanVision further agrees that it will not intentionally provide material, non-public information to Executive except in connection with such events, actions or circumstances that would require shareholder approval and LanVision has made a good faith determination that it is necessary and appropriate to disclose such information to Executive given his then current ownership of shares of LANV common stock, and that LanVision will use its best efforts to prevent any inadvertent disclosures of material, non-public information to Executive.
- 9. MUTUAL RELEASE. In consideration of the payments and benefits set forth in this Agreement, such payments and benefits being good and valuable consideration:
- 9.1 Release by Executive. Subject to Sections 9.2 and 9.5, Executive, and on behalf of Executive's heirs, administrators, executors, successors, assigns and personal representatives, covenants not to sue and hereby fully and forever releases, acquits and discharges LanVision, its shareholders, directors, officers, employees, agents, representatives, insurance carriers, and their successors and assigns (collectively the "Releasees"), from any and all claims, demands, actions and causes of action of every kind, nature or description (collectively "claims") that Executive may have had, may now have, or may hereafter have against Releasees, including without limitation any and all claims in any way related to or based upon Executive's employment with and/or the cessation of Executive's employment with LanVision, including without limitation any claims for breach of contract, implied contract, promissory estoppel, tortious conduct or claims arising under any federal or state statute or law or local ordinance, including but not limited to: the Age Discrimination in Employment Act as amended ("ADEA"); Older Workers' Benefit Protection Act ("OWBPA"); Americans with Disabilities Act ("ADA") as amended; the Family and Medical Leave Act ("FMLA"); Title VII of the Civil Rights Act of 1964; the Civil Rights Acts of 1991; the Employee Retirement Income Security Act ("ERISA"); 42 U.S.C. Section 1981; 29 U.S.C. Section 206(d)(1); Section 503 and 504 of the Rehabilitation Disabilities Act; the WARN Act; Ohio's fair employment practices statutes; any other federal, state or local law dealing with employment discrimination; and any federal or state "Whistleblower" law, existing as of the date of this Agreement. Provided, however, that if LanVision were to breach this Agreement, this release would not bar an action by Executive against LanVision to enforce its term(s). In addition, this Section 9.1 shall not affect adversely any claims arising out of any social security, workers' compensation or unemployment laws, or under the terms of any employee pension or welfare or benefit plans or programs of LanVision, which may be payable now or in the future to Executive.

- 9.2. Acknowledgements by Executive. Executive specifically acknowledges and agrees that: (a) Executive is waiving claims under the foregoing laws, including specifically the ADEA and the OWBPA; (b) this waiver of any rights or claims is knowing and voluntary; (c) this Agreement is written in a manner that Executive understands; (d) LanVision has hereby advised Executive to consult with an attorney before executing this Agreement and that Executive has so consulted; (e) the waiver of rights under Section 9.1 does not waive rights or claims arising after the date of this Agreement; (f) Executive has been given a period of 21 days within which to consider this Agreement; (g) for a period of seven days following Executive's execution of this Agreement, Executive may revoke this Agreement and this Agreement will not become enforceable or effective until the revocation period expires; and (h) the waiver of rights in Section 9.1 is in exchange for consideration in addition to anything of value to which Executive was already entitled to receive.
- 9.3. Release by LanVision. LanVision, on behalf of itself, its successors and assigns, covenants not to sue and hereby fully and forever releases, acquits and discharges Executive and his successors and assigns, from any and all claims, demands, actions and causes of action of every kind, nature or description (collectively "claims") that LanVision may have had, may now have, or may hereafter have against Executive, including without limitation any and all claims in any way related to or based upon Executive's employment with and/or the cessation of Executive's employment with LanVision, including without limitation any claims for breach of contract, implied contract, promissory estoppel, tortious conduct or claims arising under any federal or state statute or law or local ordinance, existing as of the date of this Agreement. Provided, however, that if Executive were to breach this Agreement, this release would not bar an action by LanVision against Executive to enforce its term(s).
- 9.4. Unknown Claims. This Agreement covers both claims that Executive and/or LanVision know about and those that Executive and/or LanVision may not know about. The parties hereto expressly waive all rights afforded by any statute that limits the effect of a release with respect to unknown claims. Each of Executive and LanVision understand the significance of its respective release of unknown claims and the waiver of statutory protection against a release of unknown claims.
- 9.5. Future Claims Related to Shareholder Status. Notwithstanding any provision of this Section 9 that may be construed to the contrary, Executive and LanVision agree that neither Executive nor LanVision waive or release the other party hereto from any claim that may arise based on events occurring after the Effective Date and that are based upon Executive's status as a shareholder of LanVision.
- 10. DISCLOSURES; STATEMENTS. Executive acknowledges and agrees that LanVision is required by federal securities laws and regulations to promptly and publicly disclose Executive's resignation as a director and executive officer of LanVision through both a press release and filing of a Form 8-K, which announcement and filing shall be mutually and reasonably satisfactory to both parties and which fully complies with the disclosure requirements of the Exchange Act. Executive further acknowledges and agrees that LanVision will be required to file a copy of this Agreement with the SEC, and from time to time hereafter to make disclosures regarding Executive in LanVision's annual proxy statement and as may be required from time to time in other filings by LanVision pursuant to the Act or the Exchange Act. Both LanVision and Executive agree not to intentionally make any future statements, in public and in private, regarding Executive's resignation as a director of LanVision that would be materially

inconsistent with the public disclosures made by LanVision in such press release and Form 8-K, unless otherwise agreed in writing by LanVision and Executive, and further agree to use their respective best efforts to prevent any inadvertent future public or private statements that would be materially inconsistent with such public disclosures.

Neither LanVision nor Executive shall make any negative statements concerning, or take any action that disparages or derogates the other party. Executive further agrees not to disparage or derogate any of LanVision's operations, products, services, reputation, financial status, directors, officers, employees or other Releasees, or otherwise damage or interfere with any of LanVision's business relationships.

- 11. FUTURE EMPLOYMENT OR DIRECTORSHIP. Executive agrees that should he seek in the future re-employment with LanVision, that LanVision shall have no obligation whatsoever to rehire Executive. Similarly, if Executive seeks to be nominated for election as a director of LANV, neither LanVision nor the Board of Directors of LANV shall have any obligation to so nominate Executive, provided, however, that upon the request of Executive, the Board of Directors will consider the potential candidacy of Executive in connection with its then existing policies and procedures for consideration of new board members. Executive agrees that if he does apply for such employment and is not hired or seeks a position on the LANV Board of Directors and is not nominated, Executive will not bring a claim against LanVision or any of its Releasees for refusal to so hire or nominate.
- 12. NO ADMISSION. The parties agree that nothing contained in this Agreement, or the offering of this Agreement, is to be considered or in any way construed as an admission by Executive, LanVision or any Releasee of wrongdoing, of liability or of a violation of any applicable law, contract provision or any rule or regulation. The parties hereto expressly deny any such wrongdoing, liability or violation.
- 13. NO RELIANCE. Executive and LanVision agree that he or it, respectively, has not relied on any representations or inducements in entering into this Agreement, other than as specifically stated herein.
- 14. REMEDIES; DISPUTE RESOLUTION. (a) Executive and LanVision recognize that a material breach of any of the covenants or agreements set forth in this Agreement (including without limitation the provisions of Section 7, 8 and 9 of the Employment Agreement incorporated into this Agreement) will cause irreparable harm to the other party and that actual damages may be difficult to ascertain and in any event may be inadequate. Accordingly, each party agrees that in the event of such breach, the other party hereto shall be entitled to injunctive relief in addition to such other legal or equitable remedies as may be available and the other party, at his or its option, may seek to enforce his or its remedies through any court of competent jurisdiction. Executive also agrees that if Executive materially breaches this Agreement, other than for a breach of Section 2 hereof, LanVision may immediately terminate any payments or other obligations remaining due to Executive under this Agreement, provided that Executive may contest such termination in accordance with the arbitration procedures set forth in Section 14(b) below, and provided, further, that all of the other provisions of this Agreement shall remain in full force and effect according to their terms notwithstanding any such termination of payments or other obligations or submission of any dispute to arbitration.

- (b) Except as set forth in Section 14(a) above and in Section 14 of the Employment Agreement (with respect to Sections 7, 8 and 9 of the Employment Agreement), any and all disputes arising out of or in connection with the execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration clause), shall be submitted to and resolved by arbitration. The arbitration shall be conducted pursuant to the terms of the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association. Either party may notify the other party at any time of the existence of an arbitrable controversy by certified mail and shall attempt in good faith to resolve their differences within fifteen days after the receipt of such notice. If the dispute cannot be resolved within the fifteen-day period, either party may file a written demand for arbitration with the American Arbitration Association. The place of arbitration shall be Cincinnati, Ohio. Each party shall pay his or its own expenses, including legal fees, in connection with any dispute arising under this Agreement.
- 15. AMENDMENT. This Agreement cannot be amended or modified in except by mutual written agreement of the parties.
- 16. SEVERABILITY. If any provision, or portion thereof, of this Agreement is held invalid or unenforceable under applicable statute or rule of law, only that provision or portion shall be deemed omitted from this Agreement, and only to the extent to which it is held invalid, and the remainder of this Agreement shall remain in full force and effect.
- 17. GOVERNING LAW; JURISDICTION. All disputes arising from this Agreement and otherwise between Executive and LanVision shall be governed by the laws of the State of Ohio, excluding its conflict of laws provisions. The exclusive jurisdiction and venue for any dispute between the parties arising from this Agreement or otherwise shall be in Hamilton County, Ohio.
- 18. COMPLETE AGREEMENT. This Agreement represents the complete agreement between Executive and LanVision and supersedes all previous agreements between Executive and LanVision, provided, however that the Employment Agreement shall remain in full force and effect with respect to those portions of the Employment Agreement that survive the termination of Executive's employment as set forth in Section 1 of this Agreement, and provided, further, that the Indemnification Agreement dated as of January 15, 1997 by and between LanVision and Executive shall also remain in full force and effect in its entirety. It is further understood and acknowledged that the terms of this Agreement are contractual and not a mere recital and that there are no agreements, understandings or representations made by Executive or LanVision, its directors, officers, employees, agents, or representatives, except as expressly stated herein.

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

LANVISION SYSTEMS, INC.

By: /s/ Paul W. Bridge, Jr.

Paul W. Bridge, Jr., Chief Financial Officer

LANVISION, INC.

/s/ Melissa J. Vincent By: /s

By: /s/ Paul W. Bridge, Jr.

Witness

Paul W. Bridge, Jr., Chief Financial Officer

EXECUTIVE

/s/ Eric S. Lombardo

Eric S. Lombardo

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Exhibit 10.2 LanVision Systems, Inc.

Employment Agreement dated February 1, 2004 among William A. Geers, LanVision Systems, Inc. and LanVision, Inc.\*

## EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT ("Agreement") is entered into effective as of the 1st of February, 2004, by and among LanVision Systems, Inc., a Delaware corporation ("Parent"), LanVision, Inc., an Ohio corporation ("Company") and William A. Geers ("Employee").

#### **RECITALS:**

- A. Parent and the Company mutually desire to employ Employee as Vice President of Product Development to perform Product Development and related services for Parent and the Company; and
- B. Employee possesses certain skills and expertise and desires to provide services to Parent and the Company as Vice President of Product Development.

NOW, THEREFORE, in consideration of the premises and the agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which the parties hereby acknowledge, the parties agree as follows:

## 1. EMPLOYMENT

Parent and the Company hereby agree to employ Employee, and Employee, in consideration of such employment and other consideration set forth herein, hereby accepts employment, upon the terms and conditions set forth herein.

## 2. POSITION AND DUTIES

During the term of this Agreement, Employee shall be employed in the position of Vice President of Product Development of each of Parent and the Company. While employed hereunder, Employee shall do all things necessary, legal and incident to the above position, and otherwise shall perform such functions as the President of Parent or the Company may establish from time to time. Without limiting the foregoing, Employee shall be the Vice President of Product Development of each of Parent and the Company and will be responsible for, perform and direct all duties consistent therewith. Employee shall report to the Company's President and/or such other officers as designated by Parent in its discretion.

## 3. COMPENSATION

Subject to such modifications as may be approved from time to time by the Board of Directors or officers of Parent, the Employee shall receive the compensation and benefits listed on the attached Exhibit A. Such compensation shall be paid by Parent or the Company, at the discretion of Parent.

#### 4. EXPENSES

Parent or the Company shall pay or reimburse Employee for all travel and out-of-pocket expenses reasonably incurred or paid by Employee in connection with the performance of Employee's duties as an employee of Parent or the Company, respectively, upon compliance with the Company's procedures for expense reimbursement including the presentation of expense statements or receipts or such other supporting documentation as the Company may reasonably require.

## 5. PRIOR EMPLOYMENT

The Employee warrants and represents to Parent and the Company (i) that the Employee will take no action in violation of any employment agreement or arrangement with any prior employer, (ii) that the Employee has disclosed to Parent and the Company all such prior written agreements, (iii) that any employment agreement or arrangement with any prior employer is null and void and of no effect, and (iv) that the Employee has the full right and authority to enter into this Agreement and to perform all of the Employee's obligations hereunder. The Employee agrees to indemnify and hold Parent and the Company harmless from and against any and all claims, liabilities or expenses incurred by Parent and/or the Company as a result of any claim made by any prior employer arising out of this Agreement or the employment of the Employee by Parent and the Company.

## 6. OUTSIDE EMPLOYMENT

Employee shall devote Employee's full time and attention to the performance of the duties incident to Employee's position with Parent and the Company, and shall not have any other employment with any other enterprise or substantial responsibility for any enterprise which would be inconsistent with Employee's duty to devote Employee's full time and attention to Parent and Company matters, provided that, the foregoing shall not prevent the Employee from participating in any charitable or civic organization that does not interfere with Employee's performance of the duties and responsibilities to be performed by Employee under this Agreement.

## 7. CONFIDENTIAL INFORMATION

Employee shall not, during the term of this Agreement or at any time thereafter, disclose, or cause to be disclosed, in any way Confidential Information, or any part thereof, to any person, firm, corporation, association, or any other operation or entity, or use the Confidential Information on Employee's own behalf, for any reason or purpose. Employee further agrees that, during the term of this Agreement or at any time thereafter, Employee will not distribute, or cause to be distributed, Confidential Information to any third person or permit the reproduction of the Confidential Information, except on behalf of Parent or the Company in Employee's capacity as an employee of Parent and the Company. Employee shall take all reasonable care to avoid unauthorized disclosure or use of the Confidential Information. Employee hereby assumes responsibility for and shall indemnify and hold Parent and/or the Company harmless from and against any disclosure or use of the Confidential Information in violation of this Agreement.

For the purpose of this Agreement, "Confidential Information" shall mean any written or unwritten information which specifically relates to and or is used in Parent's or the Company's business (including without limitation, Parent's or the Company's services, processes, patents, systems, equipment, creations, designs, formats, programming, discoveries, inventions, improvements, computer programs, data kept on computer, engineering, research, development, applications, financial information, information regarding services and products in development, market information including test marketing or localized marketing, other information regarding processes or plans in development, trade secrets, training manuals, know-how of the Company, and the customers, clients, suppliers and others with whom Parent and/or the Company does or has in the past done, business, regardless of when and by whom such information was developed or acquired) which Parent or the Company deems confidential and proprietary which is generally not known to others outside Parent or the Company and which gives or tends to give Parent or the Company a competitive advantage over persons who do not possess such information or the secrecy of which is otherwise of value to Parent and/or the Company in the conduct of its business -- regardless of when and by whom such information was developed or acquired, and regardless of whether any of these are described in writing, reduced to practice, copyrightable or considered copyrightable, patentable or considered patentable. Provided, however, that "Confidential Information" shall not include general industry information or information which is publicly available or is otherwise in the public domain without breach of this Agreement, information which Employee has lawfully acquired from a source other than Parent or the Company, or information which is required to be disclosed pursuant to any law, regulation, or rule of any governmental body or authority or court order. Employee acknowledges that the Confidential Information is novel, proprietary to and of considerable value to Parent and the Company.

Employee agrees that all restrictions contained in this Section 7 are reasonable and valid under the circumstances and hereby waives all defenses to the strict enforcement thereof by Parent and/or the Company.

Employee agrees that, upon the request of Parent or the Company, Employee will immediately deliver up to the requesting entity all Confidential Information in Employee's possession and/or control, and all notes, records, memoranda, correspondence, files and other papers, and all copies, relating to or containing Confidential Information. Employee does not have, nor can Employee acquire any property or other right in the Confidential Information.

## 8. PROPERTY OF PARENT AND THE COMPANY

All ideas, inventions, discoveries, proprietary information, know-how, processes and other developments and, more specifically improvements to existing inventions, conceived by the Employee, alone or with others, during the term of the Employee's employment, whether or not during working hours and whether or not while working on a specific project, that are within the scope of Parent's or the Company's business operations or that relate to any work or projects of Parent or the Company, are and shall remain the exclusive property of Parent and the Company. Inventions, improvements and discoveries relating to the business of Parent or the Company conceived or made by the Employee, either alone or with others, while employed with Parent and the Company are conclusively and irrefutably presumed to have been made during the period of employment and are the sole property of Parent and the Company. The Employee shall promptly disclose in writing any such matters to Parent and the Company but to no other person without the consent of Parent. The Employee hereby assigns and agrees to assign all right, title, and interest in and to such matters to the Company. The Employee will, upon request of Parent, execute such assignments or other instruments and assist Parent and the Company in the obtaining, at the Company's sole expense, of any patents, trademarks or similar protection, if available, in the name of the Company.

## 9. NON-COMPETITION AGREEMENT

- (A) During the term of this Agreement and for a period of one year after the termination date of this Agreement (whether such termination be with or without cause), Employee agrees that he will not directly or indirectly, own, operate or otherwise work for or participate in any competitive business in the United States which designs, develops, manufactures or markets any product or service that in any way competes with Parent's or the Company's business, products or services as conducted, or planned to be conducted, on the date of termination (a "Competitive Business").
- (B) During the term of this Agreement and for a period ending one year from the termination of Employee's employment with Parent and the Company, whether by reason of the expiration of the term of this Agreement, resignation, discharge by Parent and the Company or otherwise, Employee hereby agrees that Employee will not, directly or indirectly:
- (i) solicit, otherwise attempt to employ or contract with any current or future employee of Parent or the Company for employment or otherwise in any Competitive Business or otherwise offer any inducement to any current or future employee of Parent or the Company to leave Parent's or the Company's employ; or
- (ii) contact or solicit any customer or client of Parent or the Company (an "Existing Customer"), contact or solicit any individual or business entity with whom Parent or the Company has directly communicated for the purpose of rendering services prior to the effective date of such termination (a "Potential Customer"), or otherwise provide any other products or services for any Existing Customer or Potential Customer of Parent or the Company, on behalf of a Competitive Business or in a manner that is competitive to the Parent's or the Company's business; or

- (iii) Use or divulge to anyone any information about the identity of Parent's or the Company's customers or suppliers (including without limitation, mental or written customer lists and customer prospect lists), or information about customer requirements, transactions, work orders, pricing policies, plans, or any other Confidential Information.
- (C) For the purpose of this Agreement, Competitive Business shall mean any business operation (including a sole proprietorship) in the United States which designs, develops, manufactures or markets any product or service that in any way competes with Parent's or the Company's health information access system business, products or services as conducted, or contemplated to be conducted, on the date of termination.

#### 10. TERM

Unless earlier terminated pursuant to Section 11 hereof, the term of this Agreement shall be for the time period beginning February 1, 2004, the date hereof, and continuing through January 31, 2005 (the "Term"), unless, during the Term of this agreement, or any extension thereof, there is a change in control as defined in Section 13 herein, at which time the then current Expiration Date will be extended to be one year form the date of the change in control. On January 31, 2005, or the Expiration Date resulting from a change in control, whichever is later, and on each annual Expiration Date thereafter, ( each such date being hereinafter referred to as the "Renewal Date"), the term of employment hereunder shall automatically renew for an additional one (1) year period unless the Company notifies Employee in writing at lease 90 days prior to the applicable Renewal Date that the Company does not wish to renew this agreement beyond the expiration of the then current term. Unless waived in writing by the Company, the requirements of Sections 7 (Confidential Agreement), 8 (Property of Parent and the Company) and 9 (Non-Competition Agreement) shall survive the expiration or termination of this Agreement for any reason.

## 11. TERMINATION.

- (A) Death. This Agreement and Employee's employment thereunder shall be terminated on the death of Employee, effective as of the date of Employee's death.
- (B) Continued Disability. This Agreement and Employee's employment thereunder may be terminated, at the option of Parent, upon a Continued Disability of Employee, effective as of the date of the determination of Continued Disability as that term is hereinafter defined. For the purposes of this Agreement, "Continued Disability" shall be defined as the inability or incapacity (either mental or physical) of Employee to continue to perform Employee's duties hereunder for a continuous period of one hundred twenty (120) working days, or if, during any calendar year of the Term hereof because of disability, Employee shall have been unable to perform Employee's duties hereunder for a total period of one hundred eighty (180) working days regardless of whether or not such days are consecutive. The determination as to whether Employee is unable to perform the essential functions of Employee's job shall be made by Parent's Board of Directors in its reasonable discretion; provided, however, that if Employee is not satisfied with the decision of the Board, Employee will submit to examination by three competent physicians who practice in the metropolitan area in which the Employee then resides, one of whom shall be selected by Parent, another of whom shall be selected by Employee, with the third to be selected by the

physicians so selected. The decision of a majority of the physicians so selected shall supersede the decision of the Board and shall be final and conclusive.

- (C) Termination For Good Cause. Notwithstanding any other provision of this Agreement, Parent may at any time immediately terminate this Agreement and Employee's employment thereunder for Good Cause. For this purpose, "Good Cause" shall include the following: the current use of illegal drugs; indictment for any crime involving moral turpitude, fraud or misrepresentation; commission of any act which would constitute a felony and which would adversely impact the business or reputation of Parent or the Company; fraud; misappropriation or embezzlement of Parent or Company funds or property; willful conduct which is materially injurious to the reputation, business or business relationships of Parent or the Company; or material violation of any of the provisions of this Agreement. Any alleged cause for termination shall be delivered in writing to Employee stating the full basis for such cause along with any notice of such termination.
- (D) Termination Without Good Cause. Parent or the Company may terminate Employee's employment prior to the Expiration Date at any time, whether or not for Good Cause (as "Good Cause" is defined in Section 11(C) above). In the event Parent or the Company terminates Employee without cause, Parent or the Company will pay Employee a lump sum amount equal to sixty percent (60%) times the Employee's then current annual salary [to include 60% of the then current base compensation and 60% of the higher of the bonuses paid to Employee during that prior fiscal year or earned in the then current fiscal year to date] at the time of termination. Such severance payment shall be paid within 90 days following the date of Employee's termination.

## 12. CHANGE IN CONTROL; ACCELERATED VESTING SCHEDULES

In the event that, within twelve months of a change in control of Parent, Employee's employment by Parent and the Company is terminated prior to the end of the Term or Employee terminates his employment due to a material reduction in his duties or compensation, (1) all stock options granted to Employee shall immediately vest in full, and (2) Parent or the Company will pay Employee a lump sum amount equal to sixty percent (60%) times the Employee's then current annual salary at the time of termination. For purposes of this Agreement, "change in control" means any of the following events:

- (a) A change in control of the direction and administration of Parent's business of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended (the "1934 Act"), as in effect on the date hereof and any successor provision of the regulations under the 1934 Act, whether or not Parent is then subject to such reporting requirements; or
- (b) Any "person" (as such term is used in Section 13(d) and Section 14(d)(2) of the 1934 Act but excluding any employee benefit plan of Parent) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, of securities of Parent representing more than one half of the combined voting power of Parent's outstanding securities then entitled to vote for the election of directors; or

- (c) Parent shall sell all or substantially all of the assets of Parent; or  $% \left\{ 1\right\} =\left\{ 1\right\}$
- (d) Parent shall participate in a merger, reorganization, consolidation or similar business combination that constitutes a change in control as defined in the 1996 LanVision Systems, Inc. Employee Stock Option Plan and/or results in the occurrence of any event described in clause (a), (b) or (c) above.

#### 13. ACKNOWLEDGEMENTS

Parent, the Company and Employee each hereby acknowledge and agree as follows:

- (A) The covenants, restrictions, agreements and obligations set forth herein are founded upon valuable consideration, and, with respect to the covenants, restrictions, agreements and obligations set forth in Sections 7, 8 and 9 hereof, are reasonable in duration and geographic scope;
- (B) In the event of a breach or threatened breach by Employee of any of the covenants, restrictions, agreements and obligations set forth in Section 7, 8 and/or 9, monetary damages or the other remedies at law that may be available to Parent and/or the Company for such breach or threatened breach will be inadequate and, without prejudice to Parent's or the Company's right to pursue any other remedies at law or in equity available to it for such breach or threatened breach, including, without limitation, the recovery of damages from Employee, Parent and/or the Company will be entitled to injunctive relief from a court of competent jurisdiction; and
- (C) The time period and geographical area set forth in Section 9 hereof are each divisible and separable, and, in the event that the covenants not to compete contained therein are judicially held invalid or unenforceable as to such time period and/or geographical area, they will be valid and enforceable in such geographical area(s) and for such time period(s) which the court determines to be reasonable and enforceable. The Employee agrees that in the event any court of competent jurisdiction determines that the above covenants are invalid or unenforceable to join with Parent and the Company in requesting that court to construe the applicable provision by limiting or reducing it so as to be enforceable to the extent compatible with the then applicable law. Furthermore, any period of restriction or covenant herein stated shall not include any period of violation or period of time required for litigation to enforce such restriction or covenant.

# 14. NOTICES

Any notice or communication required or permitted hereunder shall be given in writing and shall be sufficiently given if delivered personally or sent by telecopier to such party addressed as follows:

(A) In the case of Parent or the Company, if addressed to it as follows:

LanVision Systems, Inc. 5481 Creek Road Cincinnati, Ohio 45242 Attn: J. Brian Patsy (B) In the case of Employee, if addressed to Employee at:

William A. Geers 5870 Salem Road Cincinnati, Ohio 45230

Any such notice delivered personally or by telecopier shall be deemed to have been received on the date of such delivery. Any address for the giving of notice hereunder may be changed by notice in writing.

## 15. ASSIGNMENT, SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives, successors and assigns. Parent and the Company may assign or otherwise transfer their rights under this Agreement to any successor or affiliated business or corporation (whether by sale of stock, merger, consolidation, sale of assets or otherwise), but this Agreement may not be assigned, nor may the duties hereunder be delegated by Employee. In the event that Parent and the Company assign or otherwise transfer their rights under this Agreement to any successor or affiliated business or corporation (whether by sale of stock, merger, consolidation, sale of assets or otherwise), for all purposes of this Agreement, "Parent" and the "Company" shall then be deemed to include the successor or affiliated business or corporation to which Parent and the Company, respectively, assigned or otherwise transferred their rights hereunder.

## 16. MODIFICATION

This Agreement may not be released, discharged, abandoned, changed, or modified in any manner, except by an instrument in writing signed by each of the parties hereto.

#### 17. SEVERABILITY

The invalidity or unenforceability of any particular provision of this Agreement shall not affect any other provisions hereof, and this Agreement shall be construed in all respects as if any such invalid provision were omitted herefrom.

## 18. COUNTERPARTS

This Agreement may be signed in counterparts and each of such counterpart shall constitute an original document and such counterparts, taken together, shall constitute one in the same instrument.

## 19. DISPUTE RESOLUTION

Except as set forth in Section 13 above, any and all disputes arising out of or in connection with the execution, interpretation, performance, or non-performance of this Agreement or any agreement or other instrument between, involving or affecting the parties

(including the validity, scope and enforceability of this arbitration clause), shall be submitted to and resolved by arbitration. The arbitration shall be conducted pursuant to the terms of the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association. Either party may notify the other party at any time of the existence of an arbitrable controversy by certified mail and shall attempt in good faith to resolve their differences within fifteen (15) days after the receipt of such notice. If the dispute cannot be resolved within the fifteen-day period, either party may file a written demand for arbitration with the American Arbitration Association. The place of arbitration shall be Cincinnati, Ohio.

## 20. GOVERNING LAW

The provisions of this Agreement shall be governed by and interpreted in accordance with the laws of the State of Ohio and the laws of the United States applicable therein. The Employee acknowledges and agrees that Employee is subject to personal jurisdiction in state and federal courts in Hamilton County, Ohio.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto effective as of the date first above written.

LANVISION SYSTEMS, INC.

By: /s/ J. Brian Patsy

Its: Chairman and CEO

LANVISION, INC.

By: /s/ J. Brian Patsy

Its: Chairman and CEO

**EMPLOYEE** 

/s/ William A. Geers

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William A. Geers

## EXHIBIT A - COMPENSATION AND BENEFITS

EMPLOYEE: William A. Geers

TERM: 2/1/04 to 1/31/05

SALARY: Minimum Annual Base Salary - \$170,775.00

Thereafter, the Parent's Board of Directors, or Compensation Committee thereof, may annually adjust Employee's base salary upward and Employee will be eligible to participate in any bonus plan implemented by the Parent's Board of Directors, or Compensation Committee thereof, at such level as the Board or Committee deems appropriate.

#### STOCK OPTIONS:

Parent agrees that Employee shall be eligible to participate in the LanVision Systems, Inc. Employee Stock Option Plan and to receive additional grants as the Parent's Board of Directors may determine appropriate from time to time hereafter.

## **BENEFITS:**

Employee shall be eligible to participate in all other employee fringe benefit plans of Parent or the Company (but not both if Parent and Company have separate plans providing benefits that may be similar in nature), to the same extent and at the same levels as other officers of Parent or the Company are then participating.

Exhibit 10.3 LanVision Systems, Inc.

Amendment No. 1 dated December 8, 2004 to Employment Agreement among William A. Geers, LanVision Systems, Inc. and LanVision, Inc.\*

## AMENDMENT NO. 1 TO EMPLOYMENT AGREEMENT

This AMENDMENT NO. 1 is entered into as of this 8 day of December, 2004 by and among LanVision Systems, Inc., a Delaware corporation ("Parent"), LanVision, Inc., an Ohio corporation ("Company") and William A. Geers ("Employee").

WHEREAS, the Company and Employee entered into an Employment Agreement dated as of February 1, 2004 ("Employment Agreement"), whereby Parent and the Company agreed to employ the Employee, and the Employee agreed to serve, as Vice President of Product Development; and

WHEREAS, Parent, the Company and Employee desire to amend the Employment Agreement as set forth herein;

NOW, THEREFORE, in consideration of the premises and the agreements contained herein, and other good and valuable consideration, the receipt and adequacy of which the parties hereby acknowledge, the parties agree as follows:

- 1. DEFINED TERMS. All capitalized terms used herein but not defined herein shall have the same meaning as set forth in the Employment Agreement.
- 2. POSITION AND DUTIES. The parties hereby agree that effective as of the date hereof, Employee shall be employed by Parent and the Company in the additional position of Chief Operating Officer. Accordingly, the Employment Agreement is hereby amended to change the Employee's title to "Vice President of Product Development and Chief Operating Officer" in each and every instance where such title appears, including without limitation in the Recitals to the Employment Agreement and in Section 2 thereof.
- 3. COMPENSATION. In consideration of the Employee's new and additional responsibilities and roles, Parent and the Company agree to pay Employee a one time lump sum bonus on the date hereof in the aggregate amount of Fifteen Thousand Dollars (\$15,000). Such bonus shall be in addition to, and not in lieu of, any bonus that Employee may otherwise become entitled to for the fiscal year ending January 31, 2005. The parties further agree that effective February 1, 2005, Employee's salary for the period commencing on such date through January 31, 2006 shall be One Hundred Ninety Thousand Dollars (\$190,000).
- 4. CONTINUING AGREEMENT. Except for the changes set forth in this Amendment No.1, the Employment Agreement remains in full force and effect without modification.
- 5. COUNTERPARTS. This Amendment No. 1 may be signed in counterparts by Parent, the Company and Employee.

[Signatures follow on next page]

IN WITNESS WHEREOF, the parties have executed this Amendment No. 1 as of the date set forth above.

LANVISION SYSTEMS, INC.

By: /s/ Paul W. Bridge, Jr.

Paul W. Bridge, Jr. Chief Financial Officer

LANVISION, INC.

By: /s/ Paul W. Bridge, Jr.

Paul W. Bridge, Jr. Chief Financial Officer

**EMPLOYEE** 

/s/ William A Geers

William A. Geers

Exhibit 99.1 LanVision Systems, Inc.

Press release dated December 9, 2004.

[LANVISION LOGO]

**NEWS RELEASE** 

VISIT OUR WEB SITE AT: WWW.LANVISION.COM

COMPANY CONTACT: PAUL W. BRIDGE, JR. CHIEF FINANCIAL OFFICER (513) 794-7100

## FOR IMMEDIATE RELEASE

## LANVISION ANNOUNCES EXECUTIVE MANAGEMENT CHANGES

Cincinnati, Ohio, December 9, 2004 --- LanVision Systems, Inc. (NASDAQ: LANV) today announced a reorganization of its executive management team and a change to its Board of Directors. On December 8, 2004, Eric S. Lombardo resigned as Executive Vice President and as a member of the Board of Directors of LanVision Systems, Inc. Mr. Lombardo has agreed to continue as a consultant to the Company through October 31, 2005.

Also on December 8, 2004, William A. Geers, Vice President of Product Development has been appointed Chief Operating Officer of LanVision Systems, Inc. Mr. Geers will focus on managing the day-to-day operations and improving the Company's overall operational efficiencies. J. Brian Patsy, President and Chief Executive Officer, will continue in those roles but will increase his focus on sales growth, partnerships and strategic business opportunities to further strengthen the Company's position in the marketplace.

Mr. Patsy, commenting on the reorganization said, "Eric has made a tremendous contribution to LanVision over the past 15 years. He has been an integral part of our executive management team and Board of Directors since the Company's founding, and was instrumental in growing the Company from its initial entrepreneurial roots to a publicly traded company."

Regarding Mr. Geers, Mr. Patsy continued, "In order to position the Company for future growth, Bill will assume responsibility for LanVision's overall operations, allowing me to focus on new sales growth opportunities in the areas of workflow business process re-engineering and remote hosting services. Bill has a thorough understanding of our business and his strong leadership will ensure that our operations are efficient and effective as we expand our presence in healthcare services markets."

## ABOUT LANVISION SYSTEMS

LanVision is a healthcare information technology company focused on digitally streamlining healthcare by providing solutions that improve document-centric information flows while complementing and enhancing existing transaction-

centric healthcare information systems. The Company's workflow and document management solutions bridge the gap between current, inefficient paper-based processes and transaction-based healthcare information systems by 1) electronically capturing document-centric information from disparate sources, 2) electronically directing that information through vital business processes, and 3) providing access to the information for authenticated users (such as physicians, nurses, administrative and financial personnel and payers) across the continuum of care.

The company's workflow-based products and services offer unique solutions to specific healthcare business process bottlenecks within the Medical Record life cycle and the revenue cycle. The Company offers process improvement solutions such as remote coding, abstracting and chart completion, remote physician order processing, pre-admission registration scanning, insurance verification, financial screening, secondary billing services, explanation of benefits processing and release of information processing.

LanVision's products and services also create an integrated document-centric repository of historical health information that is complementary and can be seamlessly "bolted on" to existing transaction-centric clinical, financial and management information systems, allowing healthcare providers to aggressively move toward fully Electronic Medical Record (EMR) processes while improving service levels and convenience for all stakeholders. These integrated systems allow providers and administrators to dramatically improve the availability of patient information while decreasing direct costs associated with document retrieval, work-in-process, chart completion, document retention and archiving.

LanVision's systems can be provided on a subscription basis via remote hosting services or installed locally. LanVision provides ASPeN, ASP-based remote hosting services to The University Hospital, a member of The Health Alliance of Greater Cincinnati, M. D. Anderson Cancer Center and Children's Medical Center of Columbus, Ohio among others. In addition, LanVision has installed its workflow and document management solutions at leading healthcare providers including Stanford Hospital and Clinics, the Albert Einstein Healthcare Network, Parkview Health System, ProMedica Health System, Inc., the University of Pittsburgh Medical Center, Medical University Hospital Authority of South Carolina, and Memorial Sloan-Kettering Cancer Center.

For additional information on LanVision, please visit our website at http://www.lanvision.com.

"SAFE HARBOR" STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Statements made by LanVision that are not historical facts are forward-looking statements that are subject to risks and uncertainties. LanVision's future financial performance could differ materially from expectations of management and from results reported now or in the past. Factors that could cause LanVision's financial performance to so differ include, but are not limited to, the impact of competitive products and pricing, product development, reliance on strategic alliances, availability of products procured from third party vendors, the healthcare regulatory environment, fluctuations in operating results, and other risks detailed from time to time in LanVision's filings with the U.S. Securities and Exchange Commission.

(C) 2004 LanVision Systems, Inc., Cincinnati, OH 45242.