

ALLSCRIPTS HEALTHCARE SOLUTIONS INC
Form DEFM14A
August 21, 2008
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-01)

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement. Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2)).
 Definitive Proxy Statement.
 Definitive Additional Materials.
 Soliciting Material Pursuant to §240.14a-12.

ALLSCRIPTS HEALTHCARE SOLUTIONS, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
 Fee computed below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- 1) Title of each class of securities to which transaction applies:
Allscripts Healthcare Solutions, Inc. common stock, par value \$0.01 per share

2) Aggregate number of securities to which transaction applies: 84,800,000, representing the maximum number of shares of common stock, par value \$0.01 per share, of Allscripts Healthcare Solutions, Inc., a Delaware corporation (Allscripts), estimated to be issuable upon completion of the merger of Patriot Merger Company, LLC, a wholly-owned subsidiary of Allscripts, with and into Misys Healthcare Systems, LLC, an indirect wholly-owned subsidiary of Misys plc (Misys), added to 18,957,142, representing the maximum number of shares of common stock of Allscripts that are issuable to Misys in consideration for Misys purchase of such additional shares.

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): \$12.72, based upon, pursuant to Rules 457(c) and 457(f) under the Securities Act of 1933, as amended, the average of the high and low sales prices of Allscripts common stock as reported on the Nasdaq National Market on June 9, 2008

4) Proposed maximum aggregate value of transaction: \$1,169,271,154

5) Total fee paid: \$45,952.36

x Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

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222 Merchandise Mart Plaza, Suite 2024

Chicago, IL 60654

Telephone: (866) 358-6869

Facsimile: (312) 506-1201

August 21, 2008

Fellow Stockholder:

Allscripts Healthcare Solutions, Inc. (Allscripts), Misys plc (Misys), and Misys Healthcare Systems, LLC, a wholly-owned subsidiary of Misys (MHS), have entered into a merger agreement pursuant to which (i) Patriot Merger Company, LLC, a wholly-owned subsidiary of Allscripts, will merge with and into MHS, with MHS surviving as a wholly-owned subsidiary of Allscripts (which is referred to as the Merger) and with Misys or one of its subsidiaries receiving shares of Allscripts common stock in consideration thereof and (ii) Misys or one of its subsidiaries will purchase either, at Misys election as described in the accompanying proxy statement, 18,957,142 shares of Allscripts common stock for \$331,750,000 or 18,857,142 shares of Allscripts common stock for \$330,000,000 (the Share Purchase and, together with the Merger, the Transactions). As a result, Misys will hold 54.5% of Allscripts common stock, with existing Allscripts equityholders, which includes holders of our convertible debentures and in-the-money options, holding 45.5% of Allscripts common stock immediately after the Merger and Share Purchase, in each case on a fully diluted basis. Allscripts common stock is listed on the NASDAQ National Market under the symbol MDRX. **Our existing stockholders will not receive any new shares in the Merger and will continue to hold their existing shares of Allscripts common stock after the Merger. Additionally, Allscripts will pay a special cash dividend in connection with the foregoing transactions of between approximately \$4.84 per share (assuming that, prior to the record date for the special cash dividend, all holders of our convertible debentures exercise their conversion right and all in-the-money options are exercised), or approximately \$5.68 per share (assuming that prior to the record date for the special cash dividend no convertible debenture holders exercise their conversion right and no in-the-money options are exercised). If the special cash dividend is \$5.68 per share, pre-Merger stockholders (which would exclude holders of our convertible debentures and in-the-money options) would own approximately 40.8% of Allscripts common stock on an actual outstanding basis or approximately 37.2% of Allscripts common stock on a fully diluted basis immediately after consummation of the transactions.**

We cordially invite you to attend the annual meeting of Allscripts stockholders to be held on Monday, September 22, 2008 at One South Dearborn Street, Chicago, Illinois, 60603, at 10:00 a.m., local time. At the annual meeting, we will ask you to consider and vote on the proposal to approve the issuance of shares of Allscripts common stock in connection with the Transactions and an amendment and restatement of the certificate of incorporation of Allscripts required in connection with the Transactions, both of which are required to complete the Transactions. We will also ask you to consider and vote on additional amendments and a restatement of Allscripts certificate of incorporation and by-laws and the other proposals set forth in the accompanying notice of annual meeting.

On March 17, 2008, our board of directors approved, adopted and declared advisable and in the best interests of Allscripts and its stockholders Allscripts entering into the merger agreement, the Merger, the amendment and restatement and additional amendments and a restatement of the certificate of incorporation and by-laws of Allscripts and the other Transactions.

The accompanying proxy statement will provide you with information regarding the Transactions and information about Misys Healthcare Systems, LLC. **Please review the proxy statement carefully. The Merger and the other Transactions involve risks, some of which may be significant, and their completion is subject**

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to several conditions that either must be satisfied or waived. We discuss these risks and conditions in greater detail in the accompanying proxy statement and urge you to read the sections entitled Risk Factors beginning on page 23 and The Merger Agreement Conditions to the Consummation of the Transactions beginning on page 84.

On behalf of our board of directors, I thank you for your support and appreciate your consideration of this matter.

Sincerely,

Glen E. Tullman

Chairman and Chief Executive Officer

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the Transactions, including the Merger, the Allscripts share issuance or any other transaction described in the accompanying proxy statement or passed upon the adequacy or accuracy of this proxy statement. Any representation to the contrary is a criminal offense.

The accompanying proxy statement is dated August 21, 2008 and is first being mailed to Allscripts stockholders on or about August 22, 2008.

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD SEPTEMBER 22, 2008

To the Stockholders of Allscripts Healthcare Solutions, Inc.:

This Proxy Statement is being furnished to holders of shares of Allscripts Healthcare Solutions, Inc. (Allscripts) common stock in connection with the solicitation of proxies by the board of directors of Allscripts for use at the annual meeting of stockholders to be held on Monday, September 22, 2008 at One South Dearborn Street, Chicago, IL 60603, at 10:00 a.m., local time. The annual meeting is being held for the following purposes:

1. to approve the issuance of shares of Allscripts common stock in connection with (i) the merger (which is referred to as the Merger) of Patriot Merger Company, LLC (Merger Sub), a newly-created, wholly-owned subsidiary of Allscripts, with and into Misys Healthcare Systems, LLC (MHS), an indirect wholly-owned subsidiary of Misys plc (Misys), with MHS continuing as a surviving wholly-owned subsidiary of Allscripts, and (ii) the purchase by Misys or one of its subsidiaries of either, at Misys election as described in the accompanying proxy statement, 18,957,142 shares of Allscripts common stock for \$331,750,000 or 18,857,142 shares of Allscripts common stock for \$330,000,000 (the issuance of shares described in clauses (i) and (ii) collectively the Share Issuance);
2. to approve, effective upon the consummation of the Merger, the amendment and restatement of the certificate of incorporation of Allscripts as set forth in Annex B (the Required Amendments);
3. to approve, effective upon the consummation of the Merger, the additional amendment and restatement of the certificate of incorporation and by-laws of Allscripts as set forth in Annex C (the Additional Amendments);
4. to elect two directors, each to serve a term expiring at the third annual meeting of stockholders following their election;
5. to ratify the appointment of Grant Thornton LLP as our independent registered public accounting firm for 2008;
6. to adjourn the annual meeting to solicit additional proxies if there are not sufficient votes at the time of the annual meeting to approve the Share Issuance and the Required Amendments; and
7. to transact any and all other business that may properly come before the annual meeting or any adjourned or postponed session of the annual meeting.

Approval of Proposals 1 and 2 are required for completion of the Merger and the other transactions (collectively, the Transactions) contemplated by the Agreement and Plan of Merger dated as of March 17, 2008 between Allscripts, Misys, MHS and Merger Sub (the Merger Agreement).

Only stockholders who owned shares of Allscripts common stock at the close of business on August 15, 2008, the record date for the annual meeting, are entitled to notice of, and to vote at, the annual meeting and any adjournment of it. As of the record date for the annual meeting, there were 57,337,112 shares of Allscripts common stock outstanding.

The Merger Agreement and the Merger, along with the other Transactions, are described more fully in the accompanying proxy statement. A copy of the Merger Agreement is attached to the proxy statement as Annex A. We urge you to read the entire proxy statement and Merger Agreement carefully. Allscripts stockholders will have no appraisal rights under Delaware law in connection with the Merger or the other

Transactions.

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The Allscripts board of directors has approved the Merger Agreement, the Merger, the Required Amendments, the Additional Amendments and the other Transactions and recommends that Allscripts stockholders vote FOR the Share Issuance (Proposal 1) and FOR the Required Amendments (Proposal 2), which are necessary to effect the Merger and the other Transactions, and vote FOR the Additional Amendments (Proposal 3) and FOR Proposals 4 through 6 in this notice.

Holders of one-third of the outstanding shares must be present in person or by proxy in order for the meeting to be held. Therefore, whether or not you expect to attend the annual meeting in person, you are urged to have your shares voted by submitting your proxy by telephone or electronically via the Internet or completing and returning the accompanying proxy in the enclosed envelope. Instructions for transmitting your voting instructions by telephone or via the Internet are contained in the accompanying proxy card.

Any executed but unmarked proxy cards will be voted in accordance with the recommendations of the Allscripts board of directors, including FOR the approval of the Share Issuance, Required Amendments and Additional Amendments and proposals four through six in this notice. Allscripts stockholders may revoke their proxy in the manner described in the accompanying proxy statement before their shares have been voted at the annual meeting.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be Held on September 22, 2008:

This Proxy Statement and the 2007 Annual Report on Form 10-K are Available at: <http://www.proxyvote.com>

By Order of the Board of Directors,

Lee Shapiro

President and Secretary

August 21, 2008

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We have enclosed with this proxy statement a copy of our Annual Report to Stockholders, which includes our Annual Report on Form 10-K for the year ended December 31, 2007, without exhibits. You may access the exhibits described in the Form 10-K through our website at www.allscripts.com or obtain a copy of the exhibits for a fee upon request. Please contact Lee Shapiro, Secretary, Allscripts Healthcare Solutions, Inc., 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654.

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CHAPTER ONE

THE INTRODUCTION

QUESTIONS AND ANSWERS ABOUT THE TRANSACTIONS

AND THE ALLSCRIPTS ANNUAL MEETING

The following are some of the questions that stockholders of Allscripts Healthcare Solutions, Inc. (Allscripts) may have regarding the transactions (the Transactions) contemplated by the Merger Agreement (as defined below), and answers to those questions. These questions and answers, as well as the following summary, are not meant to be a substitute for the information contained in the remainder of this proxy statement, and this information is qualified in its entirety by the more detailed descriptions and explanations contained elsewhere in this proxy statement. Allscripts urges its stockholders to read this proxy statement in its entirety prior to making any decision.

Q: What are the Transactions?

A: Allscripts and Misys plc (Misys) are proposing to combine Misys Healthcare Systems, LLC (MHS), Misys' electronic health record and practice management business, with Allscripts' businesses and the purchase of additional shares of Allscripts common stock by Misys for cash. Allscripts, Patriot Merger Company, LLC (Merger Sub), Misys and MHS have entered into an Agreement and Plan of Merger (the Merger Agreement) pursuant to which Merger Sub will merge with and into MHS (the Merger), and thereby become a wholly owned subsidiary of Allscripts, and Misys will purchase either, at Misys' election as described under the heading The Merger Agreement Structural Changes on page 82, 18,957,142 shares of Allscripts common stock for \$331,750,000 or 18,857,142 shares of Allscripts common stock for \$330,000,000 (collectively, the Share Issuance).

Q: What is Allscripts proposing?

A: In connection with the entry into the Merger Agreement and the consummation of the Transactions, Allscripts is seeking certain stockholder approvals necessary to complete the Transactions. Allscripts cannot complete the Transactions unless each of the following proposals is approved by the requisite vote of stockholders:

The proposal relating to the Share Issuance must be approved by the affirmative vote of a majority of the shares of Allscripts common stock entitled to vote thereon represented in person or by proxy (provided that a quorum is present in person or by proxy).

The proposal related to the amendment and restatement of the certificate of incorporation of Allscripts as set forth in Annex B (the Required Amendments) must be approved by the affirmative vote of a majority of the outstanding shares of Allscripts common stock entitled to vote thereon.

In addition, while not a condition to the Transactions, stockholder approval of the proposal related to approval of additional amendment and restatement of the certificate of incorporation and by-laws of Allscripts as set forth in Annex C (the Additional Amendments) by the affirmative vote of at least eighty percent (80%) of the outstanding shares of Allscripts common stock entitled to vote thereon is also being sought in connection with the Transactions.

Allscripts is also seeking your approval of the ratification of Grant Thornton LLP as our independent registered public accounting firm for 2008, the adjournment of the annual meeting to solicit additional proxies if there are not sufficient votes at the time of the annual meeting to approve the Share Issuance and the Required Amendments and the election of two directors, each to serve a term expiring at the third

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annual meeting of stockholders following their election. Approval of these proposals requires the affirmative vote of a majority of the shares of common stock entitled to vote thereon, present in person or by proxy.

This document includes important information about the Transactions and the annual meeting of the stockholders of Allscripts. Allscripts stockholders should read this information carefully and in its entirety.

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A copy of the Merger Agreement is attached as Annex A to this document, a copy of the Required Amendments is attached to this document as Annex B and a copy of the Additional Amendments is attached to this document as Annex C.

Q: What will Allscripts stockholders receive in the Transactions?

A: Pursuant to the Merger Agreement, Allscripts will declare and pay a special cash dividend of \$330,000,000, in the aggregate, which dividend will be contingent upon the consummation of the Transactions. The special cash dividend will be paid on the fifth business day following the closing date of the Transactions to holders of record of Allscripts common stock (other than Misys and its affiliates) as of the close of business on the business day prior to such closing date. The special cash dividend is anticipated to be between approximately \$4.84 per share assuming that, prior to the record date for the special cash dividend, all holders of our convertible debentures exercise their conversion right and all in-the-money options are exercised or approximately \$5.68 per share if prior to the record date for the special cash dividend no convertible debenture holders exercise their right and no in-the-money options are exercised. The actual per share amount of the special cash dividend will not be determinable until the close of business on the record date therefor because the number of shares of Allscripts common stock outstanding and entitled thereto will not be fixed until such time. Allscripts stockholders will also continue to own their shares of Allscripts common stock after completion of the Transactions and need not exchange or tender their shares of common stock.

The anticipated per share value to Allscripts stockholders of the special cash dividend and retaining their shares of Allscripts common stock represents a premium to the market price of Allscripts common stock prior to announcement of the Transactions.

Q: What percentage of the combined entity will Allscripts stockholders own after consummation of the Transactions and why is the per share amount of the special cash dividend not known now?

A: The percentage of the combined entity that stockholders will own and the per share amount of the special cash dividend are dependent upon the number of shares of Allscripts common stock outstanding on the record date for the special cash dividend and the closing date of the Transactions, respectively. The actual number of outstanding shares of Allscripts common stock on such dates depends on whether holders of options to acquire Allscripts common stock exercise such options and whether holders of our 3.50% convertible senior debentures exercise their right to convert into shares of Allscripts common stock.

The following table presents illustrative scenarios and the resulting approximate per share amount of the special cash dividend and the approximate percentage ownership of pre-Merger stockholders (which excludes holders of our convertible debentures and stock options unless they convert or exercise prior to the record date for the special cash dividend) of Allscripts both on an actually outstanding and fully-diluted basis:

Scenario	Per share amount of the special cash dividend	Percentage ownership on an actually outstanding basis	Percentage ownership on a fully-diluted basis*
No debenture conversion, no options exercised	\$5.68	40.8%	37.2%
No debenture conversion, all in-the-money options exercised for cash	\$5.42	41.5%	38.7%
All debentures convert, no options exercised	\$5.04	44.7%	43.7%
All debentures convert, all in-the-money options exercised for cash	\$4.84	45.4%	45.3%

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- * The difference between the fully-diluted ownership percentage shown in this column and the 45.5% fully-diluted ownership that pre-Merger equityholders of Allscripts will have in the combined company immediately after consummation of the Transactions results from the fact that holders of unexercised stock options and unvested restricted stock units and holders of unconverted convertible debentures continue to dilute our stockholders' fully-diluted ownership in Allscripts.

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Q: What will Misys receive in the Transactions?

A: In consideration for the Merger and the cash used to purchase additional shares of Allscripts common stock we will issue to Misys shares of our common stock equal to 54.5% of Allscripts on a fully diluted basis. Misys' actual percentage ownership of Allscripts' outstanding common stock upon consummation of the Transactions may be equal to as much as 59.2% in the event that, prior to such consummation, no holders of our 3.50% convertible senior debentures elect to convert their debentures into our common stock and holders of our stock options do not exercise such options.

As used within this document, the calculation of share amounts on a fully diluted basis includes (i) all issued and outstanding shares of Allscripts common stock, (ii) all shares of Allscripts common stock that are or may become issuable upon conversion or exchange of any security outstanding, other than options to purchase shares of Allscripts common stock, taking into account any adjustments for the special cash dividend, and (iii) an amount of shares in respect of in-the-money stock options equal to (x) the number of shares subject to such options minus, in the case of each stock option, (y) the number of shares of Allscripts common stock equal to (A) the exercise price of such stock option (as may be adjusted for the special dividend) multiplied by the number of shares of Allscripts common stock subject to such stock option divided by (B) the average closing price of Allscripts common stock as reported on NASDAQ (adjusted not to include the per share amount of the special dividend) during the 15 business day period ending on the fifth business day prior to the closing date of the Transactions.

Set forth below are diagrams that graphically illustrate, in simplified form, the existing corporate structures of Misys and Allscripts, respectively, and the corporate structure immediately following the consummation of the Transactions.

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Existing Structures

* Ownership percentages are approximate, on a fully diluted basis and actual percentages may differ.

Q: When and where is the annual meeting?

A: The annual meeting of Allscripts stockholders will be held on Monday, September 22, 2008, at 10:00 a.m., local time, at One South Dearborn Street, Chicago, Illinois, 60603.

Q: Why is my vote important?

A: Allscripts stockholders are being asked to approve the Share Issuance and Required Amendments, each as required pursuant to the Merger Agreement, and Additional Amendments, as contemplated by the Merger Agreement, and to take action on the other proposals set forth in the notice of the annual meeting. If you do not submit your proxy by telephone, the Internet or mail or vote in person at the annual meeting, it will be more difficult for Allscripts to obtain the quorum necessary to hold the annual meeting and to obtain stockholder approval of the Required Amendments (which requires the approval of the holders of a majority of the outstanding shares entitled to vote thereon) and the Additional Amendments (which requires the approval of the holders of at least eighty percent (80%) of the outstanding shares entitled to vote thereon).

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Q: What will Misys shareholders receive in the Transactions?

A: Misys shareholders will not receive any consideration in the Merger. They will continue to hold their existing ordinary shares of Misys.

Q: Will Misys be permitted to purchase additional shares of Allscripts common stock after the Transactions?

A: Misys ability to purchase and sell shares of Allscripts common stock after consummation of the Transactions will be limited pursuant to the terms of the relationship agreement entered into by Misys and Allscripts on March 17, 2008, as amended on August 14, 2008 (the Relationship Agreement), which is discussed in more detail below under Additional Agreements; Post-Transaction Governance Relationship Agreement beginning on page 91. Pursuant to the Relationship Agreement, Misys is permitted to purchase, without audit committee approval, up to sixty percent (60%) of Allscripts number of fully diluted shares. Additionally, Misys may not sell, transfer or otherwise dispose of fifteen percent (15%) or more of the number of outstanding shares of Allscripts common stock without approval of the Allscripts board of directors.

Q: When will the Transactions be completed?

A: Allscripts expects to complete the Transactions during the third quarter of 2008. However, it is possible that factors outside Allscripts and Misys control could require the delay of the completion of the Transactions to a later time or result in the Transactions not being completed at all. For a discussion of the conditions to the Transactions, see The Merger Agreement Conditions to the Consummation of the Transactions beginning on page 84.

Q: Will Misys control Allscripts after completion of the Transactions?

A: Yes. Misys will have the right to nominate a majority of the board of directors and will, immediately after the Transactions, own in excess of fifty percent (50%) of the voting capital stock of Allscripts. Because Allscripts stockholders prior to the Transactions will, in the aggregate, become minority stockholders in Allscripts upon consummation of the Transactions, they will generally not thereafter have the ability to approve or block approval of proposals to be voted upon by Allscripts stockholders.

Q: What if an Allscripts stockholder does not vote on the proposals?

A:

If an Allscripts stockholder submits a signed proxy but does not indicate a vote for or against a proposal, it will be voted as the Allscripts board of directors recommends as to such proposal.

If an Allscripts stockholder submits a signed proxy and abstains from voting on a proposal, it will have the same effect as a vote against that proposal, except in the case of the Share Issuance, on which abstentions will have no effect.

If an Allscripts stockholder fails to respond, his or her shares, unless held in the name of a broker that exercises discretionary authority to vote such shares on any proposal, will not count towards the required quorum of one-third of the outstanding common stock entitled to vote at the annual meeting and, regardless of whether held in the name of a broker, will have the effect of a vote

against the Required Amendments and the Additional Amendments but will have no effect on the other proposals.

If an Allscripts stockholder holds shares registered in the name of a bank, broker, or other street name agent and you do not provide your bank, broker or other nominee with voting instructions, such shares may be considered to be represented at the annual meeting and will have the legal effect of a vote against the Required Amendments and the Additional Amendments but will have no effect on the other proposals.

Q: Do Misys shareholders have to vote to approve the Transactions?

A: Yes, under applicable rules in the United Kingdom, Misys is required to call an extraordinary general meeting of its shareholders and obtain the consent of a simple majority of such shareholders voting at the meeting (in person or by proxy) to the Merger Agreement and the transactions contemplated by it.

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Q: Have any Allscripts stockholders already agreed to vote for the issuance of Allscripts common stock or the approval of the amendment and restatement of the certificate of incorporation and by-laws in connection with the Merger?

A: No.

Q: How do Allscripts stockholders vote?

A: Allscripts stockholders may transmit their voting instructions before the annual meeting in one of the following ways:

use the toll-free number shown on the proxy card;

visit the website shown on the proxy card to submit a proxy via the Internet;

complete, sign, date and return the enclosed proxy card in the enclosed postage-paid envelope; or

attend the annual meeting and vote their shares.

Q: If I am not going to attend the annual meeting, should I return my proxy card(s) or otherwise vote my shares?

A: Yes. Having your shares voted by calling the toll-free number shown on the proxy card, visiting the website shown on the proxy card or returning the accompanying proxy card(s) ensures that the shares will be represented and voted at the annual meeting, even if a stockholder is unable to or does not attend.

Q: If my Allscripts shares are held in street name by my broker, will my broker vote my shares for me?

A: Brokers typically have the authority to vote on routine proposals, such as the uncontested election of directors and ratification of auditors, when they have not received instructions from beneficial owners. Absent specific instructions from the beneficial owner of the shares, however, brokers are not allowed to exercise their voting discretion with respect to the approval of non-routine matters. Therefore, if you are an Allscripts stockholder whose shares are held in street name by your broker, you must provide your broker with instructions on how to vote your shares; otherwise, your broker will not vote your shares on the proposals for the Share Issuance, Required Amendments or Additional Amendments.

Allscripts stockholders should follow the directions provided by their broker regarding voting their shares. Shares registered in the name of a bank, broker, or other street name agent, for which proxies are voted on some, but not all matters, will be considered to be represented at the annual meeting and voted only as to those matters marked on the proxy card.

Q: Can Allscripts stockholders change their vote after they mail their proxy card?

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A: Yes. If a holder of record of Allscripts common stock has properly completed and submitted his or her proxy card, the Allscripts stockholder can change his or her vote in any of the following ways:

by sending a written notice to the corporate secretary of Allscripts that is received prior to the annual meeting stating that the Allscripts stockholder revokes his or her proxy;

by voting again by the Internet or by telephone in accordance with the instructions on the enclosed proxy card prior to the annual meeting;

by properly completing a new proxy card bearing a later date and properly submitting it so that it is received prior to the annual meeting; or

by attending the annual meeting and voting in person.

Simply attending the annual meeting will not revoke a proxy.

However, if an Allscripts stockholder holds shares in street name by his or her broker and has directed such person to vote his or her shares, he or she should instruct such person to change his or her vote.

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For further details about how an Allscripts stockholder can change their vote see below Information About the Allscripts Annual Meeting Revocation of Proxies.

Q: What should Allscripts stockholders do now?

A: After carefully reading and considering the information contained in this document, Allscripts stockholders should vote their shares as soon as possible so that their shares will be represented and voted at the Allscripts annual meeting. Allscripts stockholders should follow the instructions set forth on the enclosed proxy card or on the voting instruction form provided by the record holder if their shares are held in the name of a broker or other nominee.

Q: Who can answer my questions?

A: If an Allscripts stockholder has any questions about the Transactions, please contact our proxy solicitor Innisfree M&A Incorporated at (877) 687-1871.

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SUMMARY TERM SHEET FOR THE TRANSACTIONS

*This summary highlights selected information from this proxy statement with respect to the proposed Transactions; it is not intended to be complete and may not contain all of the information that is important to you. To understand the Transactions fully and for a more complete description of the legal terms of the Merger Agreement, you should carefully read this entire proxy statement and the documents to which we refer you. A copy of the Merger Agreement is attached as Annex A to this proxy statement and is incorporated by reference into this proxy statement. See *Where You Can Find More Information* beginning on page 157.*

The Companies (see page 33)

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Allscripts is a leading provider of clinical software, connectivity and information solutions that physicians