Risk Factors Comparison 2024-04-26 to 2023-03-31 Form: 10-K

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~~management services for entities owned by licensed physicians. Assure employs supervising practitioners and has created a structure deploying them as reading physicians. Providing the Professional Component of IONM subjects the Company to additional legal and government regulations as well as risk of billing and collecting for these services. The Termination of Managed Service Agreements. In instances in which the Professional Component is provided via MSA's with surgeons or through agreements with PEs, Assure engages in a revenue share based on our percentage ownership of the PE. Assure disclosed during its third quarter 2022 earnings call in November 2022 that the Company was moving away from the MSA model so that it can keep all collections from the Professional Component. Assure's goal is to entirely terminate its MSA relationships by the middle of 2023. This process may lead to the loss of some surgeon relationships and as a result our business, reputation, and financial results could be materially adversely affected. We face significant competition from other health care providers. We compete with other IONM service providers for patients, surgeons, neurologists and INPs. Some of our competitors have longstanding and well- established relationships with physicians and third- party payors in the community. Some of~~ our competitors are hospitals that provide IONM services for surgeries occurring within their hospital facilities. Some of our competitors are also significantly larger than us, may have access to greater marketing, financial and other resources and may be better known in the general community. The competition among service providers, facilities and hospitals for surgeons, neurologists, professional staff, and patients has intensified in recent years. We face competition from other providers that perform similar services, both inside and outside of our primary service areas. Some of our competitors are owned by non- profit or governmental entities, which may be supported by endowments and charitable contributions or by public or governmental support. These competitors can make capital expenditures without paying sales tax, may hold the property without paying property taxes and may pay for the equipment out of earnings not burdened by income taxes. This competitive advantage may affect our ability to compete effectively with these non- profit or governmental entities. There are several large, publicly traded companies, divisions or subsidiaries of large publicly held companies, and several private companies that develop and acquire specialty services, which may include neuromonitoring, and these companies compete with us in the acquisition of additional businesses. Further, many surgeon groups develop groups that provide ancillary services, using consultants who typically perform these services for a fee and who may take a small equity interest in the ongoing operations of a business. We can give no assurance that we can compete effectively in these areas. If we are unable to compete effectively to recruit new surgeons, neurologists, attract patients, enter into arrangements with managed care payors or acquire new facilities, our ability to implement our growth strategies successfully could be impaired. This may have an adverse effect on our business, results of operations and financial condition. ~~Reliance~~ **We rely** on key personnel, industry partners and our ability to hire experienced employees and professionals. **We** ~~Our development will~~ depend on the efforts of key management, key personnel and our relationships with medical partners in the surgical industry and our ability to hire experienced employees and professionals. Loss of any of these people and partnerships, particularly to competitors, could have a material adverse effect on our business. Further, with respect to the future development of our business, it is necessary to attract additional partners and personnel for such development. The marketplace for key skilled personnel is becoming more competitive, which means the cost of hiring, training **,** and retaining such personnel may increase. Our business ~~is dependent~~ **depends** on our ability to hire and retain employees who have advanced clinical and other technical skills. Employees who meet these high standards are in great demand and are likely to remain a limited resource in the foreseeable future. If we are unable to recruit and retain a sufficient number of these employees, the ability to maintain and grow the business could be negatively impacted. A limited supply of qualified applicants may also contribute to wage increases which outpace the rate of inflation. ~~22Factors --~~ **Factors** outside our control, including competition for human capital and the high level of technical expertise and experience required to execute this development, will affect our ability to employ the specific personnel required. Due to our relatively small size, the failure to retain or attract a sufficient number of key skilled personnel and partnerships could have a material adverse effect on our business, results of future operations and financial condition. The intraoperative neuromonitoring industry is relatively new and is subject to risk associated with public scrutiny and gaps in technician oversight and formal board reviews. The intraoperative neuromonitoring industry is relatively new and many of service providers are small privately held providers of intraoperative neuromonitoring that lack quality assurance programs. Our competitors may be more susceptible to adverse patient outcomes, thus raising public scrutiny of the industry as a whole. Such public scrutiny could impact our ability to maintain and grow the business. INPs within the intraoperative neuromonitoring industry are not subject to oversight or formal board reviews. Lack of oversight and reviews could lead to declining quality among providers who lack self- governed internal programs designed to ensure high- quality standards. Given the fragmented competitive landscape of the neuromonitoring industry, such gaps in appropriate clinical oversight could impact our ability to maintain or grow the business. ~~We~~ **26We** are subject to fluctuations in revenues and payor mix. We depend on payments from third- party payors, including private insurers, managed care organizations and government health care programs. We are dependent on private and, to a lesser extent, governmental third- party sources of payment for the managed cases performed in Procedure Facilities. Our competitive position has been, and will continue to be, affected by reimbursement and co- payment initiatives undertaken by third- party payors, including insurance companies, and, to a lesser extent, employers, and Medicare and Medicaid. As an increasing percentage of patients become subject to health care coverage arrangements with managed care payors, our success may depend in part on our ability to negotiate favorable contracts on behalf of Procedure Facilities with managed care organizations, employer groups and other

private third- party payors. There can be no assurances that we will be able to enter into these arrangements on satisfactory terms in the future. Also, to the extent that Procedure Facilities have managed care contracts currently in place, there can be no assurance that such contracts will be renewed, or the rates of reimbursement held at current levels. Managed care plans often set their reimbursement rates based on Medicare and Medicaid rates and consequently, although only a small portion of our revenues are from Medicare and Medicaid, the rates established by these payors may influence our revenues from private payors. As with most government reimbursement programs, the Medicare and Medicaid programs are subject to statutory and regulatory changes, possible retroactive and prospective rate adjustments, administrative rulings, freezes and funding reductions, all of which may adversely affect our revenues and results of operations. The Centers for Medicare and Medicaid Services introduced substantial changes to reimbursement and coverage related to ambulatory surgical centers (" ASC "). Under these ASC rules, reimbursement levels decreased and remain subject to change. Consequently, our operating margins may continue to be under pressure as a result of changes in payor mix and growth in operating expenses in excess of increases in payments by third- party payors. In addition, as a result of competitive burdens, our ability to maintain operating margins through price increases to privately insured patients is limited. This could have a material adverse effect on our business, operating results and financial condition. Net patient service revenue is reported at the estimated net realizable amounts from patients, third- party payors, and others for services rendered and is recognized upon performance of the patient service. In determining net patient service revenue, management periodically reviews and evaluates historical payment data, payor mix and current economic conditions and adjusts, as required, the estimated collections as a percentage of gross billings in subsequent periods based on final settlements and collections. Management continues to monitor historical collections and market conditions to manage and report the effects of a change in estimates. While we believe that the current reporting and trending software provides us with an accurate estimate of net patient service revenues, any changes in collections or market conditions that we fail to accurately estimate or predict could have a material adverse effect on our operating results and financial condition. ~~23We~~ **We** depend on reimbursement from a small group of third- party payors which could lead to delays and uncertainties in the reimbursement rate and process. Approximately ~~57~~ **83** % of our accrued revenue for the year ended December 31, ~~2022~~ **2023** relates to 30 third- party payors. The loss or disruption of any one of these payors could have an adverse effect on our business, results of operations and financial condition. Additionally, about ~~53~~ **79** % of our cash collections during the year ended December 31, ~~2022~~ **2023** was concentrated among these same third- party payors. Greater diversification of payors is dependent on expansion into new markets. Our **accounts receivable collection** performance is greatly dependent on decisions that Third- Party Payors make regarding their out- of- network benefits and alternatively, our ability to negotiate profitable contracts with Third- Party Payors. One of the complexities of our business is navigating the increasingly hostile environment for entities that are not participants in the health insurance companies' (" Third- Party Payors ") provider networks (also referred to as an out- of- network provider or facility). Third- Party Payors negotiate discounted fees with providers and facilities in return for access to the patient populations which those Third- Party Payors cover. The providers and facilities that contractually agree to ~~these~~ **27these** rates become part of the Third- Party Payor' s " network ". We are currently out- of- network as to most Third- Party Payors. There are several risks associated with not participating in Third- Party Payor networks. First, not all Third- Party Payors offer coverage to their patients for services rendered by non- participants in that Third- Party Payor' s network. Further, it is typically the case that patients with so- called " out- of- network benefits " will be obliged to pay higher co- pays, higher deductibles, and a larger percentage of co- insurance payments. In addition, because the out- of- network coverage often mandates payment at a " usual and customary rate ", the determination of the amounts payable by the Third- Party Payor can fluctuate. Health care providers and facilities that choose not to participate in a Third- Party Payor' s network often face longer times for their claims to be processed and paid. Further, many Third- Party Payors aggressively audit claims from out- of- network providers and facilities and continuously change their benefit policies in various ways that restrict the ability of beneficiaries to access out of network benefits, and to restrict out- of- network providers from treating their beneficiaries. Consequently, it may become necessary for us to change our out- of- network strategy and join Third- Party Payor networks. This may require us to negotiate and maintain numerous contracts with various Third- Party Payors. In either case, our performance is greatly dependent upon decisions that Third- Party Payors make regarding their out- of- network benefits and alternatively, our ability to negotiate profitable contracts with Third- Party Payors. If it becomes necessary for us to convert entirely to in- network, there is no guarantee that we will be able to successfully negotiate these contracts. Further, we may experience difficulty in establishing and maintaining relationships with health maintenance organizations, preferred provider organizations, and other Third- Party Payors. Out- of- network reimbursement rates are typically higher than in network reimbursement rates, so our revenue would likely decline if we move to an in- network provider strategy and fail to increase our volume of business sufficiently to offset reduced in- network reimbursement rates. These factors could adversely affect our revenues and our business. Historically, all privately insured cases were billed on an out- of- network basis. Over the past three years, the Company has shifted some of the business to direct and indirect contracts with the payors and related parties. However, as of December 31, ~~2022~~ **2023** , **virtually all** ~~approximately 85 %~~ of our privately insured cases remain out of network basis, without any reimbursement rate protection or consistent in- network patient enrollments typically seen from an in- network agreement. Accordingly, we are susceptible to changes in reimbursement policies and procedures by Third- Party Payors and patients' preference of using their out- of- network benefits which could have an adverse effect on our business, results of operations and financial condition. ~~24The~~ -- **The** industry trend toward value- based purchasing may negatively impact our revenues. We believe that value- based purchasing initiatives of both governmental and private payors tying financial incentives to quality and efficiency of care will increasingly affect the results of operations of Procedure Facilities and may negatively impact our revenues if we are unable to meet expected quality standards. We may be affected by the Patient Protection and Affordable Care Act (" ACA "), which contains several provisions intended to promote value- based purchasing in federal health care programs. Medicare now requires providers to report certain quality measures in order to receive full

reimbursement increases for inpatient and outpatient procedures that were previously awarded automatically. In addition, hospitals that meet or exceed certain quality performance standards will receive increased reimbursement payments, while hospitals that have " excess readmissions " for specified conditions will receive reduced reimbursement. There is a trend among private payors toward value- based purchasing of health care services, as well. Many large commercial health insurance payors require hospitals to report quality data, and several of these payors will not reimburse hospitals for certain preventable adverse events. We expect value based purchasing programs, including programs that condition reimbursement on patient outcome measures, to become more common, to involve a higher percentage of reimbursement amounts and to spread to reimbursement for ancillary services. Although we are unable to predict how this trend will affect our future results of operations, it could negatively impact our revenues if we are unable to meet quality standards established by both governmental and private payors. ~~State~~ **28State** and Federal surprise billing legislation could lead to lower reimbursement rates. In December 2020, federal legislation called the No Surprises Act was passed by Congress and signed by the President. Beginning in 2022, the law was implemented with the intended effect to prohibit surprise billing. Another feature of the No Surprise Act relevant to Assure is that it will for the first time allow companies like Assure to arbitrate disputed claims where we are not being paid in every state. While each arbitration case is treated like an individual lawsuit with unpredictable outcomes, we believe this dispute resolution process has the potential to help us get paid on a greater proportion of our claims. The majority of U. S. states have laws protecting consumers against out- of- network balance billing or " surprise billing ". While consumer collections represent a negligible amount of our total revenue, most state surprise billing laws have established payment standards based on the median in- network rate or a multiplier of what Medicare would pay. These payment standards are often less than the average out- of- network payment and could therefore have an adverse effect on reimbursement rates. Although we have already experienced lower reimbursement rates from such laws, additional impact may be experienced as more states and / or federal legislation is adopted. ~~Today~~ **As of December 31** , ~~approximately 15 %~~ **2023, virtually none** of our third- party payor revenue ~~is~~ **was** contracted with in- network rate agreements and we are **no longer** actively pursuing ~~more~~ in- network agreements ~~to further mitigate this risk~~ . Our revenues will depend on our customers' continued receipt of adequate reimbursement from private insurers and government sponsored health care programs. Political, economic, and regulatory influences continue to change the health care industry in the United States. The ability of hospitals to pay fees for our products partially depends on the extent to which reimbursement for the costs of such materials and related treatments will continue to be available from private health coverage insurers and other similar organizations. We may have difficulty gaining market acceptance for the products we sell if third- party payors do not provide adequate coverage and reimbursement to hospitals. Major third- party payors of hospitals, such as private health care insurers, periodically revise their payment methodologies based, in part, upon changes in government sponsored health care programs. We cannot predict these periodic revisions with certainty, and such revisions may result in stricter standards for reimbursement of hospital charges for certain specified products, potentially adversely impacting our business, results of operations, and financial conditions. ~~25Changes~~ -- **Changes** in accounting estimates due to changes in circumstances may require us to write off accounts receivables or write down intangible assets, such as goodwill, may have a material impact on our financial reporting and results of operations. We have made updates to estimates resulting from changes in circumstances. For example, during the year ended December 31, 2022, we decreased the useful of intangible assets related to doctor agreements from 10 years to one year as one year more accurately represents our current useful life of such agreements. As a result of this change in estimate, the amortization of historical doctor agreements was accelerated brining the balance as of December 31, 2022 to nil. There will be no amortization in future periods related to historical capitalized doctor agreements. Any agreements entered into after December 2022, will be amortized over one year. Future changes in estimates may cause us to write off accounts receivable, intangible assets, such as goodwill, based on changes in circumstances which may have a negative impact on our consolidated financial statements. Accounts ReceivableIn order to more precisely estimate and our accounts receivable reserves, in January 2021 the Company modified its accounting estimate procedures to update its technical and professional collection experience monthly. This change in estimate procedures will not eliminate additional reserves being recorded for fluctuation in the technical and professional collection experience in future periods. However, our change in policy is expected to reduce the magnitude of future reserves that are recorded as a result of fluctuations in the Company' s collection experience. ~~Goodwill~~ **29Goodwill** and Intangible AssetsAs a result of purchase accounting for our acquisition transactions, our consolidated balance sheet at December 31, 2021 ~~contains~~ **contained** intangible assets designated as either goodwill or intangibles totaling approximately $ 4. 4 million in goodwill and approximately $ 3. 6 million in intangibles. Additional acquisitions that result in the recognition of additional intangible assets would cause an increase in these intangible assets. On an ongoing basis, we evaluate whether facts and circumstances indicate any impairment of the value of intangible assets. As of December 31, 2022, we determine that a significant impairment had occurred, which required us to write- off $ 3. 4 million of goodwill and $ 117 thousand of other intangible assets for a total impairment charge of $ 3. 5 million. Future impairment charges could have a material adverse effect on our results of operations in the period in which the write- off occurs. We depend on referrals. Our success, in large part, is dependent upon referrals to our physicians from other physicians, systems, health plans and others in the communities in which we operate, and upon our medical staff' s ability to maintain good relations with these referral sources. Physicians who use Procedure Facilities and those who refer patients are not our employees and, in many cases, most physicians have admitting privileges at other hospitals and (subject to any applicable non- competition arrangements) may refer patients to other providers. If we are unable to successfully cultivate and maintain strong relationships with our physicians and their referral sources, the number of managed cases performed at Procedure Facilities may decrease and cause revenues to decline. This could adversely affect our business, results of operations and financial condition. We may be subject to professional liability claims. As a health care provider, we are subject to professional liability claims both directly and indirectly through the malpractice of members of our medical staff. We are responsible for the standard of care provided in Procedure Facilities by staff working in those facilities. We have legal responsibility for the physical environment and

appropriate operation of our equipment used during surgical procedures. In addition, we are subject to various liability for the negligence of its credentialed medical staff under circumstances where we either knew or should have known of a problem leading to a patient injury. The physicians credentialed at Procedure Facilities are involved in the delivery of health care services to the public and are exposed to the risk of professional liability claims. Although we neither control the practice of medicine by physicians nor have responsibility for compliance with certain regulatory and other requirements directly applicable to ~~26physicians~~ **physicians** and their services, as a result of the relationship between us and the physicians providing services to patients in Procedure Facilities, we or our subsidiaries may become subject to medical malpractice claims under various legal theories. Claims of this nature, if successful, could result in damage awards to the claimants in excess of the limits of available insurance coverage. Insurance against losses related to claims of this type can be expensive and varies widely from state to state. We maintain and require the physicians on the medical staff of Procedure Facilities to maintain liability insurance in amounts and coverages believed to be adequate, presently $ 1 million per claim to an aggregate of $ 3 million per year. Most malpractice liability insurance policies do not extend coverage for punitive damages. While extremely rare in the medical area, punitive damages are those damages assessed by a jury with the intent to " punish " a tortfeasor rather than pay for a material loss resulting from the alleged injury. We cannot assure you that we will not incur liability for punitive damage awards even where adequate insurance limits are maintained. We also believe that there has been, and will continue to be, an increase in governmental investigations of physician- owned facilities, particularly in the area of Medicare / Medicaid false claims, as well as an increase in enforcement actions resulting from these investigations. Investigation activity by private third- party payors has also increased with, in some cases, intervention by the states' attorneys general. Also possible are potential non- covered claims, or " qui tam " or " whistleblower " suits. Any adverse determination in a legal proceeding or governmental investigation, whether currently asserted or arising in the future, could have a material adverse effect on our financial condition. ~~We~~ **30We** may be subject to liability claims for damages and other expenses not covered by insurance that could reduce our earnings and cash flows. Our operations may subject us, as well as our officers and directors to whom we owe certain defense and indemnity obligations, to litigation and liability for damages. Our business, profitability and growth prospects could suffer if we face negative publicity or we pay damages or defense costs in connection with a claim that is outside the scope or limits of coverage of any applicable insurance coverage, including claims related to adverse patient events, contractual disputes, professional and general liability, and directors' and officers' duties. We currently maintain insurance coverage for those risks we deem are appropriate. However, a successful claim, including a professional liability, malpractice or negligence claim which is in excess of any applicable insurance coverage, or not covered by insurance, could have a material adverse effect on our earnings and cash flows. In addition, if our costs of insurance and claims increase, then our earnings could decline. Market rates for insurance premiums and deductibles have been steadily increasing. Our earnings and cash flows could be materially and adversely affected by any of these. We are subject to rising costs, including malpractice insurance premiums or claims may adversely affect our business. The costs of providing our services have been rising and are expected to continue to rise at a rate higher than that anticipated for consumer goods as a whole. These increased costs may arise from adverse risk management claims against us or increases in the rates for medical malpractice insurance. As a result, our business, operating results or financial condition could be adversely affected if we are unable to implement annual private pay increases due to changing market conditions or otherwise increase our revenues to cover increases in labor and other costs. We may incur unexpected, material liabilities as a result of acquisitions. Although we intend to conduct due diligence on any future acquisition, we may inadvertently invest in acquisitions that have material liabilities arising from, for example, the failure to comply with government regulations, medical claims or other past activities. Although we have professional and general liability insurance, we do not currently maintain and are unlikely to acquire insurance specifically covering every unknown or contingent liability that may have occurred prior to our investment in Procedure Facilities, particularly those involving prior civil or criminal misconduct (for which there is no insurance). Incurring such liabilities as a result of future acquisitions could have an adverse effect on our business, operations and financial condition. ~~27Our~~ **Our** reliance on software- as- a- service (" SaaS ") technologies from third parties may adversely affect our business and results of operations. We rely on SaaS technologies from third parties in order to operate critical functions of our business, including financial management services, customer relationship management services, supply chain services and data storage services. If these services become unavailable due to extended outages or interruptions or because they are no longer available on commercially reasonable terms or prices, or for any other reason, our expenses could increase, our ability to manage our finances could be interrupted, our processes for managing sales of our offerings and supporting our customers could be impaired, our ability to communicate with our suppliers could be weakened and our ability to access or save data stored to the cloud may be impaired until equivalent services, if available, are identified, obtained and implemented, all of which could harm our business, financial condition, and results of operations. Our business depends on network and mobile infrastructure developed and maintained by third- party providers. Any significant interruptions in service could result in limited capacity, processing delays and loss of customers. We depend on the development and maintenance of the internet and mobile infrastructure. This includes maintenance of reliable internet and mobile infrastructure with the necessary speed, data capacity and security, as well as timely development of complementary products, for providing reliable Internet and mobile access. We also use and rely on services from other third parties, such as our telecommunications services and credit card processors, and those services may be subject to outages and interruptions that are not within our control. Failures by our telecommunications providers may interrupt our ability to provide phone support to our customers and Distributed denial- of- service (" DDoS ") attacks directed at our telecommunication service providers could prevent customers from accessing our website. In addition, we ~~have~~ **31have** in the past and may in the future experience down periods where our third- party credit card processors are unable to process the online payments of our customers, disrupting our ability to receive customer orders. Our business, financial condition, and results of operations could be materially and adversely affected if for any reason the reliability of our Internet, telecommunications, payment systems and mobile infrastructure is

compromised. Cybersecurity incidents could disrupt business operations, result in the loss of critical and confidential information, and adversely impact our reputation and results of operations. We are dependent on the proper function, availability, and security of our information systems, including without limitation those systems utilized in our scheduling and collection operations. We have undertaken measures to protect the safety and security of our information systems and the data maintained within those systems. As part of our efforts, we may be required to expend significant capital to protect against the threat of security breaches or to alleviate problems caused by breaches, including unauthorized access to patient data and personally identifiable information stored in our information systems and the introduction of computer malware to our systems. However, there can be no assurance our safety and security measures will detect and prevent security breaches in a timely manner or otherwise prevent damage or interruption of our systems and operations. We may be vulnerable to losses associated with the improper functioning, security breach or unavailability of our information systems. **We have identified** ~~If we fail to successfully maintain an~~ **and** ~~effective~~ **disclosed in this Form 10- K material weaknesses in our** internal control over financial reporting ~~, the integrity of our financial reporting could be compromised, which could result in a material adverse effect on our reported financial results~~ . If we ~~fail~~ **are not able** to **remediate these material weaknesses and** maintain an effective system of **internal controls, we may not be able to accurately or timely report our financial results, which could cause our stock price to fall or result in our stock being delisted. Our management is responsible for establishing and maintaining adequate internal control over our financial reporting, as defined in Rule 13a- 15 (f) under the Securities Exchange Act of 1934, as amended. As disclosed in Item 9A, " Controls and Procedures " in this Annual Report on Form 10- K, management identified material weaknesses in our** internal control over financial reporting **and complex transactions. The related control deficiencies resulted in material misstatements in our previously issued unaudited interim condensed consolidated financial statements for periods ended March 31** , **2023, June 30, 2023 and September 30, 2023. A material weakness is defined as a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. As a result of the material weakness, our management concluded that our internal control over financial reporting was not effective based on criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission. Our management is actively engaged in developing a remediation plan designed to address these material weaknesses. If our remedial measures are insufficient to address the material weaknesses, or if additional material weaknesses or significant deficiencies in our internal control are discovered or occur in the future, our financial statements may contain material misstatements and we could be required to restate our financial results. We cannot assure you that any measures** we may ~~not~~ **take in the near future will** be **sufficient to remediate these material weaknesses or avoid potential future material weaknesses. In addition, we may suffer adverse regulatory or other consequences, as well as negative market reaction, as a result of any material weaknesses, and we will incur additional costs as we seek to remediate these material weaknesses. To effectively manage our company today, we need to remediate the material weakness and continue to improve our operational, financial, and management controls and our reporting systems and procedures. Any failure to remediate these material weaknesses and implement required new or improved controls, or difficulties encountered in the implementation or operation of these controls, could harm our operating results, cause us to fail to meet our financial reporting obligations, or make it more difficult to raise capital (or, if we are** able to ~~accurately report~~ **raise such capital, make such capital more expensive), one** ~~our~~ **or more of which** ~~financial results or prevent fraud. As a result, stockholders~~ could ~~lose confidence in~~ **adversely affect our business and /** ~~our~~ **or** ~~financial and~~ **jeopardize our listing on** ~~other~~ **the Nasdaq** ~~public reporting~~ , **any of** which would harm our **stock** ~~business and the trading~~ price ~~of our common stock~~ . ~~Effective~~ **32. Rules adopted by the SEC pursuant to Section 404 of the Sarbanes- Oxley Act of 2002 require an annual assessment of** internal controls over financial reporting ~~are necessary~~ **, and** for **certain issuers** ~~us to provide reliable financial reports and~~ **an attestation of this assessment by** ~~, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their~~ **the** ~~implementation could cause us to fail to~~ **issuer' s independent registered public accounting firm. The standards that must be** ~~meet~~ **met** ~~our reporting obligations. Inferior~~ **for management to assess the** internal controls **over** ~~could also cause investors to lose confidence in our reported~~ financial **reporting as** ~~information, which could have a negative effect~~ **effective are evolving and complex, and require significant documentation, testing, and possible remediation to meet the detailed standards. We expect to incur significant expenses and to devote resources to Section 404 compliance** on **an ongoing basis** ~~the trading price of our common stock~~ . Proposed legislation in the U. S. Congress, including changes in U. S. tax law and the ~~recently enacted~~ Inflation Reduction Act of 2022, may adversely impact us and the value of our common stock. ~~28~~ Changes to U. S. tax laws (which changes may have retroactive application) could adversely affect us or holders of our common stock. In recent years, many changes to U. S. federal income tax laws have been proposed and made, and additional changes to U. S. federal income tax laws are likely to continue to occur in the future. The U. S. Congress is currently considering numerous items of legislation which may be enacted prospectively or with retroactive effect, which legislation could adversely impact our financial performance and the value of shares of our common stock. Additionally, states in which we operate or own assets may impose new or increased taxes. If enacted, most of the proposals would be effective for the current or later years. The proposed legislation remains subject to change, and its impact on us or our investors is uncertain. In addition, the Inflation Reduction Act of 2022 includes provisions that will impact the U. S. federal income taxation of corporations. Among other items, this legislation includes provisions that will impose a minimum tax on the book income of certain large corporations and an excise tax on certain corporate stock repurchases that would be imposed on the corporation repurchasing such stock. It is unclear how this legislation will be implemented by the U. S. Department of Treasury and we cannot predict how this legislation or any future changes in tax laws might affect us or investors in our common stock. Risks Related to the Regulation of the Healthcare IndustryOur business is

subject to substantial government regulation. The health care industry is heavily regulated, and we are required to comply with extensive and complex laws and regulations at the federal, state and local government levels. A number of these laws specifically relate to the provision of Medicare and Medicaid billing. Anti- Kickback StatutesThe federal Anti- Kickback Statute prohibits the knowing and willful offer, payment, solicitation or receipt of remuneration to induce the referral of a patient or the purchase, lease or order (or the arranging for or recommending of the purchase, lease or order) of health care items or services paid for by federal health care programs, including Medicare or Medicaid. A violation does not require proof that a person had actual knowledge of the statute or specific intent to violate the statute, and court decisions under the Anti- Kickback Statute have consistently held that the law is violated where one purpose of a payment is to induce or reward referrals. Violation of the federal anti- kickback statute could result in felony conviction, administrative penalties, civil liability (including penalties) under the False Claims Act and / or exclusion from federal health care programs. A number of states have enacted anti- kickback laws (including so- called " fee splitting " laws) that sometimes apply not only to state- sponsored health care programs but also to items or services that are paid for by private insurance and self- pay patients. State anti- kickback laws can vary considerably in their applicability and scope and sometimes have fewer statutory and regulatory exceptions than does the federal law. Enforcement of state anti- kickback laws varies widely and is often inconsistent and erratic. ~~Our~~ **33Our** management carefully considers the importance of such anti- kickback laws when structuring company operations. That said, we cannot assure that the applicable regulatory authorities will not determine that some of our arrangements with hospitals, surgical facilities, physicians, or other referral sources violate the Anti- Kickback Statute or other applicable laws. An adverse determination could subject us to different liabilities, including criminal penalties, civil monetary penalties and exclusion from participation in Medicare, Medicaid or other health care programs, any of which could have a material adverse effect on our business, financial condition or results of operations. Physician Self- Referral (" Stark ") LawsThe federal Stark Law, 42 U. S. C. § 1395nn, also known as the physician self- referral law, generally prohibits a physician from referring Medicare and Medicaid patients to an entity (including hospitals) providing " designated health services, " if the physician has a " financial relationship " with the entity, unless an exception applies. Designated health services ~~29include~~ -- **include** , among other services, inpatient hospital services, outpatient prescription drug services, clinical laboratory services, certain diagnostic imaging services, and other services that our affiliated physicians may order for their patients. The prohibition applies regardless of the reasons for the financial relationship, unless an exception applies. The exceptions to the federal Stark Law are numerous and often complex. The penalties for violating the Stark Law include civil penalties of up to $ 15, 000 for each violation and potential civil liability (including penalties) under the False Claims Act. Some states have enacted statutes and regulations concerning physician self- referrals (i. e., referrals by a physician to a health care entity in which the physician has an ownership interest). Such physician self- referrals laws may apply to the referral of patients regardless of payor source and / or type of health care service. These state laws may contain statutory and regulatory exceptions that are different from those of the federal law and that may vary from state to state. Enforcement of state physician self- referral laws varies widely and is often inconsistent and erratic. Our management carefully considers the importance of physician self- referral laws when structuring company operations. That said, we cannot assure that the applicable regulatory authorities will not determine that some of our arrangements with physicians violate the Federal Stark Law or other applicable laws. An adverse determination could subject us to different liabilities, including criminal penalties, civil monetary penalties and exclusion from participation in Medicare, Medicaid or other health care programs, any of which could have a material adverse effect on our business, financial condition or results of operations. False Claims ActThe federal False Claims Act, 31 U. S. C. § 3729, imposes civil penalties for knowingly submitting or causing the submission of a false or fraudulent claim for payment to a government- sponsored program, such as Medicare and Medicaid. Violations of the False Claims Act present civil liability of treble damages plus a penalty of at least $ 11, 803 per false claim. The False Claims Act has " whistleblower " or " qui tam " provisions that allow individuals to commence a civil action in the name of the government, and the whistleblower is entitled to share in any subsequent recovery (plus attorney' s fees). Many states also have enacted civil statutes that largely mirror the federal False Claims Act, but allow states to impose penalties in a state court. The False Claims Act has been used by the federal government and qui tam plaintiffs to bring enforcement actions under so- called " fraud and abuse " laws like the federal Anti- Kickback Statute and the Stark Law. Such actions are not based on a contention that claims for payment were factually false or inaccurate. Instead, such actions are based on the theory that accurate claims are deemed to be false / fraudulent if there has been noncompliance with some other material law or regulation. The existence of the False Claims Act, under which so- called qui tam plaintiffs can allege liability for a wide range of regulatory noncompliance, increases the potential for such actions to be brought and has increased the potential financial exposure for such actions. These actions are costly and time- consuming to defend. Our management carefully considers the importance of compliance with all applicable laws and when structuring company operations. Our management is aware of and actively works to minimize risk related to potential qui tam plaintiffs. That said, we cannot assure that the applicable enforcement authorities or qui tam plaintiffs will not allege violations of the False Claims Act or analogous state false claims laws. A finding of liability under the False Claims Act could have a material adverse effect on our business, financial condition or results of operations. ~~State~~ **34State** Licensure and AccreditationStates have a wide variety of health care laws and regulations that potentially affect our operations and the operations of our partners. For example: (1) many states have implemented laws and regulations related to so- called " tele- health, " but whether those laws apply to our operations, and the obligations they impose, vary significantly; (2) some states have so- called corporate practice of medicine prohibitions, and such prohibitions are used to indirectly regulate ownership of heath care companies and / or management companies; and (3) some states have " surprise billing " or out- of- network billing laws that impose a variety of obligations on health care providers and health plans. The failure to comply with all state regulatory obligations could be used by health plans to deny payment or to recoup funds, and any noncompliance could subject us to penalties or limitations that could have a material adverse effect on our business, financial condition or results of operations. ~~30In~~ **In** addition, our partners' health care facilities and professionals are subject to professional and private

licensing, certification and accreditation requirements. These include, but are not limited to, requirements imposed by Medicare, Medicaid, state licensing authorities, voluntary accrediting organizations and third- party private payors. Receipt and renewal of such licenses, certifications and accreditations are often based on inspections, surveys, audits, investigations or other reviews, some of which may require affirmative compliance actions by us that could be burdensome and expensive. The applicable standards may change in the future. There can be no assurance that we will be able to maintain all necessary licenses or certifications in good standing or that they will not be required to incur substantial costs in doing so. The failure to maintain all necessary licenses, certifications and accreditations in good standing, or the expenditure of substantial funds to maintain them, could have an adverse effect on our business. Health Information Privacy and Security StandardsThe privacy and data security regulations under the Health Insurance Portability and Accountability Act of 1996 (" HIPAA "), as amended, contain detailed requirements concerning (1) the use and disclosure of individually identifiable patient health information (" PHI "); (2) computer and data security standards regarding the protection of electronic PHI including storage, utilization, access to and transmission; and (3) notification to individuals and the federal government in the event of a breach of unsecured PHI. HIPAA covered entities and business associates must implement certain administrative, physical, and technical security standards to protect the integrity, confidentiality and availability of certain electronic health information received, maintained, or transmitted. Violations of the HIPAA privacy and security rules may result in civil and criminal penalties. In the event of a breach, a HIPAA covered entity must promptly notify affected individuals of a breach. All breaches must also be reported to the federal government. Where a breach affects more than 500 individuals, additional reporting obligations apply. In addition to federal enforcement, State attorneys general may bring civil actions on behalf of state residents for violations of the HIPAA privacy and security rules, obtain damages on behalf of state residents, and enjoin further violations. Many states also have laws that protect the privacy and security of confidential, personal information, which may be similar to or even more stringent than HIPAA. Some of these state laws may impose fines and penalties on violators and may afford private rights of action to individuals who believe their personal information has been misused. We expect increased federal and state privacy and security enforcement efforts. Our management carefully considers the importance of compliance with patient privacy and data security regulations when structuring company operations. Our management is aware of and actively works to minimize risk related to patient privacy and data security. That said, we cannot assure that a breach will not occur or that the applicable enforcement authorities will not allege violations of HIPAA' s patient privacy and data security regulations. A breach or an allegation of noncompliance with HIPAA' s patient privacy and data security regulations could have a material adverse effect on our business, financial condition or results of operations. Our ongoing civil investigation by the U. S. Department of Justice could result in significant civil penalties. In April 2022, the U. S. Department of Justice (" DOJ ") issued Civil Investigative Demands to the Company which seek information with respect to a civil investigation under the Anti- kickback Statute and the False Claims Act. We voluntarily contacted the DOJ offering to provide any materials needed in the investigation and to answer any questions. While our policy during the relevant time was to not seek payments from federal health care programs, the third- party billing company we used at that time submitted some claims to Medicare Advantage plans administered by commercial insurance ~~companies~~ **35companies** . We have worked diligently to ensure that payments from Medicare Advantage plans have been returned to the commercial insurance companies and we believe we have returned substantially all such payments that we have discovered to date, totaling approximately $ 450, 000. The DOJ has not made any allegations in the investigation, and we are currently unable to predict the eventual scope, ultimate timing, or outcome of this investigation. ~~As a result~~ **During February 2024** , ~~we~~ **a Settlement Agreement (" Agreement ") was executed between Assure and the United States Department of Justice (" DOJ "). In exchange for a payment of approximately $ 1 million, the Agreement releases Assure from any civil or administrative monetary claim the United States has for the Covered Conduct under the False Claims Act, 31 U. S. C. § § 3729- 3733; the Civil Monetary Penalties Law, 42 U. S. C. § 1320a- 7a; the Program Fraud Civil Remedies Act, 31 U. S. C. § § 3801- 3812; or the common law theories of payment by mistake, unjust enrichment, and fraud. Payments** are ~~unable to estimate the amount or range of any potential loss, if any, arising from this investigation, however, if the DOJ alleges that violations of law occurred and we are not successful~~ in **equal monthly installments over the next 12 months** ~~defending ourselves in relation to such allegations, we may be required to pay a significant civil penalty~~ . Our operations are subject to the nation' s health care laws, as amended, repealed, or replaced from time to time. The ACA and the Health Care and Education Reconciliation Act of 2010 (collectively, the " Health Care Reform Acts ") mandated changes specific to benefits under Medicare. Several bills have been, and are continuing to be, introduced in ~~31U~~ **U** . S. Congress to amend all or significant provisions of the ACA, or repeal and replace the ACA with another law. The likelihood of repeal currently appears low given the failure of the Senate' s multiple attempts to repeal various combinations of such ACA provisions. There is no assurance that any future replacement, modification or repeal of the ACA will not adversely affect our business and financial results. The full effects of the ACA may be unknown until all outstanding legal issues are resolved, the statutory provisions are fully implemented, and CMS, the FDA, and other federal and state agencies issue final applicable regulations or guidance. These developments could potentially alter coverage and marketing requirements, thereby affecting our business. The continued implementation of provisions of the ACA, the adoption of new regulations thereunder and ongoing challenges thereto, also added uncertainty about the current state of U. S. health care laws and could negatively impact our business, results of operations and financial condition. Health care providers could be subject to federal and state investigations and payor audits. The amounts we receive for services provided to patients are determined by a number of factors, including the payor mix of our patients and the reimbursement methodologies and rates utilized by our patients' plans. Reimbursement rates and payments from payors may decline based on renegotiations, and larger payors have significant bargaining power to negotiate higher discounted fee arrangements with healthcare providers. As a result, payors increasingly are demanding discounted fee structures or the assumption by healthcare providers of all or a portion of the financial risk related to paying for care. Many private payors base their reimbursement rates on the published Medicare rates or, in the case of MA plans, are themselves reimbursed by Medicare

for the services we provide. As a result, our results of operations are, in part, dependent on government funding levels for Medicare programs. Any changes that limit or reduce general Medicare reimbursement levels, such as reductions in or limitations of reimbursement amounts or rates under programs, reductions in funding of programs, change or elimination of coverage for certain benefits, or elimination of coverage for certain individuals or treatments under programs, could have a material adverse effect on our business, results of operations, financial condition and cash flows. Changes that could adversely affect our business include: ● administrative or legislative changes to base rates or the bases of payment; ● limits on the services or types of providers for which Medicare will provide reimbursement; and ● changes in methodology for coding services. ● The Consolidated Appropriations Act of 2023 enacted a 2. 08 % payment cut in Medicare physician fee schedule rates for 2023. The updating of Medicare physician fee schedule rates will be threatened by budget neutrality requirements for the foreseeable future. Any future cuts to rates for professional physician services under the Medicare program, other public health care programs in which we may choose to participate, or commercial payor reimbursement could materially and adversely impact our financial results. **36A** ~~A~~ cyber security incident could cause a violation of HIPAA, breach of customer and patient privacy, or other negative impacts. We rely extensively on our information technology (“ IT ”) systems to manage scheduling and financial data, communicate with customers and their patients, vendors, and other third parties, and summarize and analyze operating results. In addition, we have made significant investments in technology, including the engagement of a third- party IT provider. A cyber- attack that bypasses our IT security systems could cause an IT security breach, a loss of protected health information, or other data subject to privacy laws, a loss of proprietary business information, or a material disruption of our IT business systems. This in turn could have a material adverse impact on our business and result of operations. In addition, our future results of operations, as well as our reputation, could be adversely impacted by theft, destruction, loss, or misappropriation of public health information, other confidential data, or proprietary business information. See discussion of HIPAA, above. Computer malware, viruses, and hacking and phishing attacks by third parties have become more prevalent in our industry and may occur on our systems in the future. Because techniques used to obtain unauthorized access to or sabotage systems change frequently and generally are not recognized until successfully launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. As cyber- security threats develop and grow, it may be necessary to make significant further investments to protect data and infrastructure. If an actual or perceived breach of our security occurs, (i) we could suffer severe reputational damage adversely affecting customer or investor confidence, (ii) the market perception of the effectiveness of our security ~~32measures~~ **measures** could be harmed, (iii) we could lose potential sales and existing customers, our ability to deliver our services or operate our business may be impaired, (iv) we may be subject to litigation or regulatory investigations or orders, and (v) we may incur significant liabilities. Our insurance coverage may not be adequate to cover the potentially significant losses that may result from security breaches. If we fail to comply with applicable laws and regulations, we could suffer penalties or be required to make significant changes to our operations. The health care industry is heavily regulated, and we are required to comply with extensive and complex laws and regulations at the federal, state and local government levels relating to among other things: ● Insurance: the collapse or insolvency of our insurance carriers; further increases in premiums and deductibles; increases in the number of liability claims against us or the cost of settling or trying cases related to those claims; an inability to obtain one or more types of insurance on acceptable terms, if at all; insurance carriers deny coverage of our claims; or our insurance coverage is not adequate. ● Billing and Collections: billing and coding for services, including documentation of care, appropriate treatment of overpayments and credit balances, and the submission of false statements or claims; relationships and arrangements with physicians and other referral sources and referral recipients, including self- referral restrictions, and prohibitions on kickbacks and other non- permitted forms of remuneration and prohibitions on the payment of inducements to Medicare and Medicaid beneficiaries in order to influence their selection of a provider. ● Governmental Regulation: licensure, certification, enrollment in government programs and certificate of need approval, including requirements affecting the operation, establishment and addition of services and facilities; the necessity, appropriateness, and adequacy of medical care, equipment, and personnel and conditions of coverage and payment for services; quality of care and data reporting; restrictions on ownership of surgery centers; operating policies and procedures; qualifications, training and supervision of medical and support personnel; and fee- splitting and the corporate practice of medicine; ● Patient Care: screening of individuals who have emergency medical conditions; workplace health and safety; consumer protection; anti- competitive conduct; and confidentiality, maintenance, data breach, identity theft and security issues associated with health- related and other personal information and medical records. Because of the breadth of these laws and the narrowness of available exceptions and safe harbors, it is possible that some of our business activities could be subject to challenge under one or more of these laws. For example, failure to bill properly for services or return overpayments and violations of other statutes, such as the federal Anti- Kickback Statute or the federal Stark Law, may be the basis for actions under similar state laws. Under HIPAA, criminal penalties may be imposed for health care fraud offenses involving not just federal health care programs but also private health benefit programs. ~~Enforcement~~ **37Enforcement** actions under some statutes may be brought by the government as well as by a private person under a qui tam or “ whistleblower ” lawsuit. Federal enforcement officials have numerous enforcement mechanisms to combat fraud and abuse, including bringing civil actions under the Civil Monetary Penalty Law, which has a lesser burden of proof than criminal statutes. If we fail to comply with applicable laws and regulations, we could suffer civil or criminal penalties, including fines, damages, recoupment of overpayments, loss of licenses needed to operate, and loss of enrollment and approvals necessary to participate in Medicare, Medicaid and other government sponsored and third- party health care programs. Federal enforcement officials have the ability to exclude from Medicare and Medicaid any investors, officers and managing employees associated with business entities that have committed health care fraud. Many of these laws and regulations have not been fully interpreted by regulatory authorities or the courts, and their provisions are sometimes open to a variety of interpretations. Different interpretations or enforcement of existing or new laws and regulations could subject our current practices to allegations of impropriety or illegality, or require us to make changes

in our operations, facilities, equipment, personnel, services, capital expenditure programs or operating expenses to comply with the evolving rules. Any enforcement action against us, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management' s attention from the operation of our business. The laws and regulations governing the provision of health care services are frequently subject to change and may change significantly in the future. We cannot assure you that current or future legislative initiatives, government regulation or judicial or regulatory interpretations thereof will not have a material adverse effect on us. We cannot assure you that a review of our business by judicial, ~~33regulatory~~ -- **regulatory** or accreditation authorities will not subject us to fines or penalties, require us to expend significant amounts, reduce the demand for our services or otherwise adversely affect our operations. Risks Related to Our DebentureRestrictive covenants in our loan agreements with Centurion Financial Trust may restrict our ability to pursue our business strategies. The operating and financial restrictions and covenants in our loan agreements with Centurion Financial Trust may adversely affect our ability to finance future operations or capital needs or to engage in other business activities. Such agreements limit our ability, among other things, to: ● incur additional indebtedness or encumber our assets; ● sell, assign or otherwise dispose of our assets; ● sell shares of our subsidiaries; ● change our collection practices; ● change the nature of our business or re- organize our corporate structure; ● make loans to third parties; ● engage in sale- leaseback transactions; ● engage in certain related party transactions; ● create or adopt a defined benefit pension plan; ● make or commit to any form of distribution or reduction in profits, including declaring dividends, share buy backs or redemptions, payment on account loans or payment of management bonuses (other than in the ordinary course); and ● make or commit to capital expenditures in excess of 110 % of the budget approved by Centurion Financial Trust. Additionally, we have agreed to financial covenants whereby, beginning with the fiscal quarter ended December 31, 2021, we will maintain: ● a minimum working capital ratio of 1. 20: 1 (defined as current assets to current liabilities); ● a fixed charge coverage of 1. 25: 1 (defined as the ratio of EBITDA less cash taxes and unfunded capital expenditures divided by all scheduled lease payments and payments on all debt including funded debt); and ● a maximum funded debt to EBITDA Ratio of 4. 50: 1 (defined as the ratio of the total outstanding balances of all indebtedness including the outstanding balances all credit facilities including capital leases, term loans, bank ~~indebtedness~~ **38indebtedness** etc. plus the balances of any non- postponed related party credit facilities, if applicable, divided by EBITDA). A breach of any of these covenants could result in an event of default under our loan agreements and permits the lender to cease making loans to us, demand immediate payment of all amounts due and payable under the loan agreements and to seek to foreclose on our assets if we can' t make such payments. Management believes the Company ~~will~~ **may** not **meet its** ~~be in compliance with the~~ covenants in ~~2023~~ **2024** . If our operating performance declines, we may be required to obtain waivers from the lender under the loan agreements to avoid defaults thereunder. If we are not able to obtain such waivers, our creditors could exercise their rights upon default. Our obligations to Centurion Financial Trust are secured by a security interest in substantially all of our assets, if we default on those obligations, the lender could foreclose on our assets. Our obligations under the loan agreements with Centurion Financial Trust **, of which approximately $ 11 million in face value remains outstanding,** and the related transaction documents are secured by a security interest in substantially all of our (the Company and all its subsidiaries) assets. As a result, if we default on our obligations under such loan agreements, the collateral agent on behalf of the lender could foreclose on the security interests and liquidate some or all of our assets, which would harm our business, financial condition and results of operations and could require us to reduce or cease operations and investors may lose all or part of their investment. ~~34Events~~ -- **Events** of default under the loan agreements include: (a) if default occurs in payment when due of any principal amount payable under the debenture; (b) if default occurs in payment when due of any interest, fees or other amounts payable under the debenture and remains unremedied for a period of five business days after the receipt by the Company of notice of such default; (c) if default occurs in payment or performance of any other obligation (whether arising herein or otherwise) and remains unremedied for a period of sixty days after the receipt by the Company of notice of such default; (d) if default occurs in performance of any other covenant of the Company or any guaranteeing subsidiary (a " Guarantor ") in favor of the lender under the debenture and remains unremedied for a period of sixty days after the receipt by the Company of notice of such default; (e) if an event of default occurs in payment or performance of any obligation in favor of any person from whom the Company or any Guarantor has borrowed in excess of $ 250, 000 which would entitle the holder to accelerate repayment of the borrowed money, and such default is not remedied or waived in writing within sixty days of the occurrence of such default; (f) if the Company or any Guarantor commits an act of bankruptcy or becomes insolvent within the meaning of any bankruptcy or insolvency legislation applicable to it or a petition or other process for the bankruptcy of the Company or any Guarantor is filed or instituted and remains undismissed or unstayed for a period of sixty days or any of the relief sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or any substantial part of its property) shall occur; (g) if any act, matter or thing is done toward, or any action or proceeding is launched or taken to terminate the corporate existence of the Company, or any Guarantor, whether by winding – up, surrender of charter or otherwise; (h) if the Company or any Guarantor ceases to carry on its business or makes or proposes to make any sale of its assets in bulk or any sale of its assets out of the usual course of its business unless expressly permitted herein or otherwise by the lender in writing; (i) if any proposal is made or any petition is filed by or against the Company or any Guarantor under any law having for its purpose the extension of time for payment, composition or compromise of the liabilities of such Company or any Guarantor or other reorganization or arrangement respecting its or any Guarantor' s liabilities or if the Company or any Guarantor gives notice of its intention to make or file any such proposal or petition including an application to any court to stay or suspend any proceedings of creditors pending the making or filing of any such proposal or petition; (j) if any receiver, administrator or manager of the property, assets or undertaking of the Company or any Guarantor or a substantial part thereof is appointed pursuant to the terms of any trust deed, trust indenture, debenture or similar instrument or by or under any judgment or order of any court; (k) if any balance sheet or other financial statement provided by the Company to the lender pursuant to the provisions hereof is false or misleading in any material respect; (l) if any proceedings are taken to enforce any

encumbrance affecting any of the secured property or if a distress or any similar process be levied or enforced against any of the secured property; (m) if any judgment or order for the payment of money in excess of $ 250, 000 shall be rendered against the Company or any Guarantor and either (A) enforcement proceedings shall have been commenced by any creditor upon such judgment or order, or (B) there shall be any period of sixty consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or ~~otherwise~~ **39otherwise** , shall not be in effect; (n) if any action is taken or power or right be exercised by any governmental body which would have a material adverse effect; (o) if any representation or warranty made by the Company or any Guarantor herein or in any other instrument to which it is a party or in any certificate, statement or report furnished in connection herewith is found to be false or incorrect in any way so as to make it materially misleading when made or when deemed to have been made; (p) if a change of control occurs with respect to the Company, without the lender' s prior written consent; or (q) if there shall occur or arise any change (or any condition, event or development involving a prospective change) in the business, operations, affairs, assets, liabilities (including any contingent liabilities that may arise through outstanding pending or threatened litigation or otherwise), capitalization, financial condition, licenses, permits, rights or privileges, whether contractual or otherwise, or prospects of the Company or any Guarantor which, in the judgment of the lender, acting reasonably, would have a material adverse effect. ~~35We~~ **We** are dependent on Centurian Financial Trust granting us certain add- backs and other one- time adjustments in the calculation of our financial covenant related to adjusted EBITDA and if we are not granted such allowances we may not meet our financial covenants which could result in a default on our obligations and the lender could foreclose on our assets. As noted above, certain of our financial covenants under the debt with Centurion Financial Trust is measured against EBITDA including our fixed charge ratio and our ratio of debt to EBITDA. **Since** ~~In past quarters, including the quarter ended December 31,~~ 2022, we have relied upon certain allowances from Centurion Financial Trust in making add- backs and one- time adjustments to our calculation of EBITDA in order to meet these financial covenants. The letter of commitment from Centurion Financial Trust permits Centurion Financial Trust to grant these allowances to us and they deem appropriate. ~~For the quarter ended December 31, 2022, these~~ **These** allowances included **, but may not be limited to,** adjustments to Goodwill and Intangible Asset Carrying Values and also adjustments made to Accounts Receivable carrying balances and Excess Revenue accounting treatment as at fiscal year- end. If Centurion Financial Trust does not grant such allowances in future quarters, we may fail to meet our financial covenants under the debt which may result in an event of default and Centurion Financial Trust foreclosing on our assets. Risks Related to Our ~~StockIf~~ **StockWe have not been in compliance with the requirements of the NASDAQ for continued listing and if NASDAQ does not concur that we have adequately remedied our non- compliance,** our common stock ~~is~~ **may be** delisted from **trading on NASDAQ, which could have a material adverse effect on us and our stockholders. On July 25, 2023, the Company received a written notice from** Nasdaq **that** , **because** the ~~liquidity and~~ **closing bid** price ~~of our~~ **for the Company' s** common stock **had fallen below $ 1** ~~could decrease and our ability to obtain financing could be impaired~~ . **00 per** ~~On October 11, 2022, we received a notification letter from The Nasdaq Stock Market stating that we are~~ **share for 30 consecutive business days, the Company** ~~not~~ **no** ~~in~~ **longer** ~~compliance~~ --- **complies** with the ~~Minimum Bid Price Requirement, which requires our listed securities to maintain a~~ minimum bid price ~~of $ 1. 00 per share~~ **requirement for continued listing on the Nasdaq** . The ~~notification stated that we have~~ **Bid Price Deficiency Letter has no immediate effect on the continued listing status of the Company' s Common Stock on The Nasdaq Capital Market, and, therefore, the Company' s listing remains fully effective. The Company is provided** a compliance period of 180 calendar days **from the date of the Bid Price Deficiency Letter** , or until ~~April 10~~ **January 22** , ~~2022~~ **2024** , to regain compliance with the ~~Minimum~~ **minimum** ~~Bid Price~~ **closing bid** ~~Requirement~~ **requirement , pursuant to Nasdaq Listing Rule 5810 (c) (3) (A)** . If at any time **before January 22, 2024,** ~~during this 180- day compliance period~~ the closing bid price of ~~our~~ **the Company' s** ~~common~~ **Common** ~~stock~~ **Stock** ~~is~~ **closes** at ~~least~~ **or above** $ 1. 00 per share for a minimum of ~~ten~~ **10** consecutive business days, ~~then the~~ **subject to** Nasdaq ~~Stock Market~~ **' s discretion to extend this period pursuant to Nasdaq Listing Rule 5810 (c) (3) (G) to 20 consecutive business days, Nasdaq** will provide ~~us~~ **written notification that the Company has achieved compliance** with ~~written confirmation of~~ **the minimum bid price requirement, and the matter would be resolved. If the Company does not regain** compliance ~~and~~ **during the compliance period ending January 22, 2024,** ~~the~~ **then** ~~matter will be closed~~ **Nasdaq may grant the Company a second 180 calendar day period to regain compliance, provided the Company meets the continued listing requirement for market value of publicly- held shares and all other initial listing standards for The Nasdaq Capital Market, other than the minimum closing bid price requirement, and notifies Nasdaq of its intent to cure the deficiency** . ~~During March~~ **On August 16,** 2023, the Company **received notice from** ~~completed a 20: 1 reverse split in order to comply with~~ the ~~Minimum Bid Price~~ **Nasdaq that the Company no longer satisfies the $ 2. 5 million stockholders' equity** ~~Requirement~~ **requirement** ~~. See Note 11 to the consolidated financial statements~~ for **continued** ~~a complete discussion. If we are unable to maintain our~~ listing on The Nasdaq ~~Stock~~ **Capital** Market, ~~the liquidity and price of our~~ ~~.~~ **or** ~~stock could decrease. Further,~~ **the alternatives to that requirement- a $ 35 million market value of listed securities** ~~our~~ ~~.~~ **or** ~~ability~~ **$ 500, 000 in net income in the most recent fiscal year or** ~~to~~ **two** ~~raise~~ **or the last three fiscal years- as required by Nasdaq Listing Rule 5550 (b) (the " Equity Requirement "). 40As with the Bid Price Deficiency Letter, the Staff' s notification has no immediate effect on the Company' s continued listing on The Nasdaq** ~~capital~~ **Capital** ~~through~~ **Market. In accordance with the Nasdaq Listing Rules, the Company was provided 45 calendar days, or until October 2, 2023, to submit a plan to regain compliance with the** ~~equity~~ **Equity Requirement (the " Compliance Plan "). The Company submitted its Compliance Plan on October 2, 2023. On November 1, 2023, the Staff provided notice to the Company that the Staff had granted an extension until January 22, 2024 to complete certain key steps of the Company' s compliance plan.. On January 24, 2024, the Company received a determination letter (the " Determination Letter ") from the Staff stating that it had not regained compliance with Listing Rule 5550 (a) (2) and is not eligible** ~~or~~ **for** ~~convertible debt financings would~~ **a second 180 day period to regain compliance. The Company appealed the Staff' s determination, pursuant to the procedures set forth in the Nasdaq Listing Rule 5800 Series and had a hearing**

with a Nasdaq Hearings Panel (the " Panel ") on April 9, 2024. The Company still awaiting the Panel' s decision on whether the Company' s plan as presented to the Panel has been accepted. Based on the Company' s representations made in its compliance plan submitted to the Staff, on November 1, 2023, the Staff granted the Company an extension until January 22, 2024, to regain compliance with the Equity Requirement. However, the Staff indicated in the Determination Letter that, pursuant to Listing Rule 5810 (d) (2), this deficiency serves as an additional and separate basis for delisting, and as such, the Company should address its non- compliance with the Equity Requirement before the Panel, if it appeals the Staff' s determination, which the Company has done. There can be **no assurance that the Company' s** ~~negatively impacted and result in us curtailing our~~ plan ~~of continued growth which could negatively impact our operating results and financial condition. Our Former Founder, Preston Parsons, has~~ **as presented to the Panel will be accepted by the Panel** ~~a controlling interest in Assure. As of March 23, 2023, our~~ **or that** ~~former founder~~ , ~~Preston Parsons~~ **if it is** , ~~directly~~ **the Company will be able to regain compliance with the applicable Nasdaq listing requirements, or that a Panel will stay the suspension of the Company' s securities. If Nasdaq delists** ~~or our indirectly, owns 181, 317 shares of~~ common stock **from trading on its exchange and we are not able to list our securities on another national securities exchange, we expect our securities could be quoted on** ~~and~~ **an** ~~warrants~~ **over- the- counter market. If this were** to **occur** ~~acquire 1 , 563 shares~~ **we could face significant material adverse consequences, including: ● a limited availability** of **market quotations for our securities; ● reduced liquidity for our securities; ● a determination that our** common stock ~~,~~ **is a " penny stock "** which **will require brokers trading** in **our** ~~aggregate totals 182, 880 shares of~~ common stock ~~(assuming full exercise~~ **to adhere to more stringent rules and possibly result in a reduced level** of ~~his warrants)~~ **trading activity in the secondary trading market** ~~or for beneficial ownership of 16. 6 % of~~ our **securities** ~~issued and outstanding shares of common stock. Of the shares of common stock beneficially owned by Mr. Parsons 33, 000 shares were issued under a restricted stock grant agreement and are subject to forfeiture~~ ; ● ~~such shares are fully vested. Mr. Parsons is our single largest stockholder and~~ a **limited amount** ~~control person for the purposes~~ of ~~Canadian~~ **news** and ~~U. S.~~ **analyst coverage; and ● a decreased ability to issue additional** securities ~~law. As a result, Mr. Parsons has the ability to influence the outcome of matters submitted to our~~ **or obtain** ~~stockholder for approval, which could include the election and removal of directors, amendments to our corporate governing documents and business combinations. In addition~~ **additional financing** ~~to his ability to influence matters submitted to our stockholders, the concentration of ownership~~ in the **future** ~~hands of a single stockholder may discourage an unsolicited bid for our common stock and this may adversely impact the value and trading price of our common stock. In addition, sales of common stock by Mr. Parsons may adversely affect the trading price of our common stock~~ . The price of our common stock is subject to volatility. Broad market and industry factors may affect the price of our common stock, regardless of our actual operating performance. Factors unrelated to our performance that may have an effect on the price of our securities include the following: the extent of equity research coverage available to investors concerning our business may be limited if ~~36investment~~ -- **investment** banks with research capabilities do not follow our securities; speculation about our business in the press or the investment community; lessening in trading volume and general market interest in our securities may affect an investor' s ability to trade significant numbers of our securities; additions or departures of key personnel; sales of our common stock, including sales by our directors, officers or significant stockholders; announcements by us or our competitors of significant acquisitions, strategic partnerships of divestitures; and a substantial decline in the price of our securities that persists for a significant period of time could cause our securities to be delisted from an exchange, further reducing market liquidity. If an active market for our securities does not continue, the liquidity of an investor' s investment may be limited and the price of our securities may decline. If an active market does not exist, investors may lose their entire investment. As a result of these factors, the market price of our securities at any given point in time may not accurately reflect our long- term value. Securities class- action litigation often has been brought against companies in periods of volatility in the market price of their securities and following major corporate transactions or mergers and acquisitions. We may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management' s attention and resources. ~~Our~~ **41Our** bylaws designate the state and federal courts located in Denver, Colorado as the exclusive forum for certain types of actions and proceedings, which could limit a stockholder' s ability to choose the judicial forum for disputes arising with Assure Holdings Corp. Our bylaws provides that unless we consent in writing to the selection of an alternative forum, the applicable court of competent jurisdiction shall be the state and federal courts located in Denver, Colorado (the " Colorado Court "), which Colorado Court shall, to the fullest extent permitted by law, be the sole and exclusive forum for actions or other proceedings relating to: (i) a derivative action; (ii) an application for an oppression remedy, including an application for leave to commence such a proceeding; (iii) an action asserting a claim of breach of the duty of care owed by us; any director, officer or other employee or any stockholder; (iv) an action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee or any stockholder; (v) an action or other proceeding asserting a claim or seeking a remedy pursuant to any provision of the Nevada Revised Statute or our articles or bylaws; and (vi) an action or other proceeding asserting a claim against us or any director or officer or other employee of the Corporation regarding a matter of the regulation of our business and affairs. There is uncertainty as to whether a Court will enforce these forum selection clauses. The choice of forum provision may limit a stockholder' s ability to bring a claim in a judicial forum that it finds favorable for disputes, which may discourage such lawsuits. We interpret the forum selection clauses in our bylaws to be limited to the specified actions and not to apply to actions arising under the Exchange Act or the Securities Act. Section 27 of the Exchange Act provides that United States federal courts shall have jurisdiction over all suits and any action brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder and Section 22 of the Securities Act provides that United States federal and state courts shall have concurrent jurisdiction over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. If a court were to find the choice of forum provision contained in our bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could have a material adverse effect on our

business, financial condition, and results of operations. There is a limited trading market for our common stock. Our common stock is listed in the U. S. on the Nasdaq and was historically traded in Canada on the TSX- V, but was voluntarily delisted on February 7, 2022. Historically, the trading volume for our common stock has been limited. Accordingly, investors may find it more difficult to buy and sell our shares. These factors may have an adverse impact on the trading and price of our common stock. ~~37~~ **Our issuance of common stock upon exercise of warrants or options or conversion of convertible notes may depress the price of our common stock. As of April 24, 2024, Assure had 9, 000, 000 shares of common stock issued and outstanding, outstanding warrants to purchase 194, 974 shares of common stock; outstanding options to purchase 21, 055 shares of common stock; outstanding convertible notes convertible into 30, 584 shares of common stock. The issuance of shares of common stock in connection with convertible securities and obligations could result in substantial dilution to our stockholders, which may have a negative effect on the price of our common stock. In addition, our articles authorize the issuance of 9, 000, 000 shares of common stock. 42**