

Figure 3-2

LETTER OF INTENT
ACQUISITION OF STOCK

Joseph G. Jones, D.D.S., Inc.
[Insert Address]

[Insert Date]

Dr. Thomas R. Roberts
[Insert Address]

Dear Tom:

The purpose of this correspondence is to summarize certain of the key terms of your proposed acquisition of my dental practice, as follows:

- (1) Dr. Thomas R. Roberts ("Purchaser") shall acquire all of the issued and outstanding shares of capital stock (the "Shares") of Joseph G. Jones, D.D.S., Inc., a professional corporation ("Corporation") from Dr. Joseph G. Jones ("Seller"), being the sole shareholder of Corporation.
- (2) The purchase price ("Purchase Price") for the Shares shall be \$[Insert Amount].
- (3) The closing of the above-described purchase and sale of the Shares shall occur on [Insert Date] (the "Closing Date").
- (4) At closing on the Closing Date, Purchaser shall pay Seller an amount equal to the Purchase Price, less the earnest money described in paragraph 5.
- (5) Seller hereby acknowledges receipt of \$[Insert Amount] as an earnest money deposit ("Earnest Money"), which shall be retained by Seller as liquidated damages (and not as a penalty) in the event that Purchaser does not purchase the Shares by the Closing Date for any reason, except as set forth in Sections 8 or 9 herein. The Earnest Money shall be applied against the Purchase Price. In consideration of Purchaser's payment of Earnest Money, Seller hereby grants to Purchaser the exclusive right and option to purchase the Shares (subject to the terms of any definitive agreements between Seller and Purchaser) from the date of this letter through the Closing Date. In the event that Purchaser does not purchase the Shares on the Closing date for any reason set forth in Sections 8 or 9 herein, Seller shall promptly return the Earnest Money to Purchaser upon Purchaser's written request (either hand delivered or by ordinary U.S. mail) stating such reason.
- (6) Seller (at Purchaser's option) may remain employed by Corporation for a period of three months immediately following the Closing Date at a rate of compensation

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Dr. Thomas R. Roberts

[Insert Date]

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equal to \$[Insert Amount] of gross collections attributable to Seller's rendering of professional dental services to Corporation's patients.

- (7) During negotiations regarding Purchaser's proposed acquisition of the Shares, Purchaser will have access to and will be requesting certain of the following information regarding Corporation and its patients (all of which information is herein collectively called the "Confidential Information"): patient lists, records and other information regarding Corporation's patients (whether or not evidenced in writing); patient fee schedules and fee policies; financial plans, records, ledgers and information; employment records, data and policies; business and practice methods and operations; business and practice forms, correspondence, memorandums and other records; and any other Confidential Information which Purchaser encounters during Purchaser's review of the transactions contemplated by this letter. In consideration of the release by the Seller and/or Corporation of the Confidential Information to Purchaser, Purchaser agrees that: (a) the Confidential Information shall (at all times) be and remain the exclusive property of Corporation; and (b) Purchaser shall hold the Confidential Information as a trustee and fiduciary for the Corporation; and (c) Purchaser shall not directly or indirectly use for any purpose, copy, retain or disclose or convey to any third party, except Purchaser's advisors, any Confidential Information without the prior written approval of Corporation.
- (8) This Agreement is expressly contingent upon Purchaser obtaining financing for the purchase of the Shares, suitable to Purchaser in Purchaser's sole discretion.
- (9) This Agreement is expressly contingent upon Purchaser obtaining a lease for the premises of Corporation, suitable to Purchaser in Purchaser's sole discretion.
- (10) Purchaser and Seller acknowledge and agree that except for the matters outlined in Sections 5 and 7 herein, this letter of intent does not create or impose any legally binding obligations on the part of either Purchaser or Seller. Purchaser and Seller further acknowledge and agree that the consummation of the transactions outlined above, other than those described in Sections 5 and 7 herein, are expressly conditioned upon and subject to the execution of definitive legal documents, which legal documents shall be in form and substance satisfactory to Purchaser, Seller, Corporation and their respective legal counsel.

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Dr. Thomas R. Roberts
[Insert Date]
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If the terms outlined are acceptable, please sign and date where indicated below, and return a signed and dated copy to me.

Sincerely yours,

JOSEPH G. JONES, D.D.S., INC.

By: _____
Dr. Joseph G. Jones, President

I hereby accept the terms contained in this letter.

Date: _____
_____ Dr. Thomas R. Roberts