



**AGREEMENT FOR SALE AND ASSIGNMENT OF MEMBERSHIP INTEREST
OF
<OPEN AND AFFORDABLE DENTAL SOMEWHERE, PLLC>
(A Colorado Professional Limited Liability Company)**

version 03.19.2020

This AGREEMENT FOR SALE AND ASSIGNMENT OF MEMBERSHIP INTEREST (this “Assignment Agreement”) is entered into by and between <Selling Partner PLLC> (“Assignor”) and <Buying Partner PLLC> (“Assignee”).

RECITALS:

- A. Assignor owns One Hundred Percent (100%) of the membership interests of <Open and Affordable Dental Somewhere, PLLC>, a Colorado professional limited liability company (“Company”), which owns and operates a dental practice (“Practice”) located at <Office Address> (“Premises”).
- B. Assignor is desirous of selling and assigning Fifty Percent (50%) of his membership interest in the Company (the “Membership Interest”) to Assignee as set forth herein. *Additionally, Assignor is assigning its remaining 50% interest in the Company to <Partner 2, PLLC>, a Colorado professional limited liability company (“<Partner 2, PLLC>”) whose sole member is <Partner 2> via a separate agreement.*
- C. Assignee is a Colorado professional limited liability company whose sole member is <Partner 1> (“<Partner 1>”). Assignee desires to purchase the Membership Interest as set forth herein.
- D. After the execution of this Agreement, the parties are desirous that the ownership of the Company shall be as follows:

	<u>Membership Percentage</u>
<Buying Partner PLLC>	50.0%
<Partner 2 PLLC>	50.0%
Total	100%

- E. Contemporaneous to execution of this Agreement, <Partner 2> and Assignee will each enter into the First Amended and Restated Operating Agreement for Company (“Operating Agreement”).

NOW, THEREFORE, this Assignment Agreement is made in consideration of the premises, warranties, and mutual covenants set forth herein; and each of the parties to this Assignment Agreement agrees as follows:

Paragraph 1. Assignment of Membership Interest. For value received, the receipt and sufficiency of which is hereby acknowledged, the Assignor hereby sells, transfers, conveys, and assigns to the Assignee all of the Assignor’s rights, title, and interest in and to the Membership Interest including, without limitation, all rights of the Assignor to receive monies and other property or assets due and to become due to the Assignor under or pursuant to the terms of the Articles of Organization, Operating Agreement, and Colorado’s limited liability company laws.

Paragraph 2. Title. Assignor hereby represents and warrants that Assignor has good and valid title to, and full rights to assign the Membership Interests to the Assignee.

Paragraph 3. Effect of Transfer. As of the Closing Date hereof, the Membership Interest shall be transferred to the Assignee as set forth above. From and after the Closing Date hereof, the portion of the profits or losses of the Company and the portions of all other items of income, gain, loss, deduction, or credit allocable to the Membership Interest on or after such date shall be credited or charged, as the case may be, to Assignee and not to the Assignor. Assignee shall be entitled to all dividends, distributions, or payments in respect to the Membership Interest made on or after the Closing Date hereof, regardless of the source of those distributions or payments or when the same was earned or received by the Company.

Paragraph 4. Closing Date. The Closing Date of this Agreement shall be <Closing Date> (the “Closing Date”).

Paragraph 5. Purchase Price and Transfer of Assets. In exchange for the transfer of the Membership Interests, Assignor and Assignee agree that the purchase price is composed of the following (the “Purchase Price”):

- (a) The parties have determined that the value of the Membership Interest is <**Purchase Price**> **Thousand Dollars (\$<Purchase Dollar Amount>)**. The Purchase Price shall be paid by Assignee to Assignor at Closing in a combination of cash or other good funds in the amount of \$<Purchase Dollar Amount>, <and a promissory note for the remainder of the Purchase Price>.

Paragraph 6. Company Operating Agreement. It is a condition of closing that <Partner 2, PLLC> and Assignee execute the Operating Agreement.

Paragraph 7. Representations and Warranties of Assignor and Company. Assignor and Company, jointly and severally, warrant and represent to Assignee as stated below:

7.01 Good Standing and License. Company is a Colorado professional limited liability company in good standing, and Assignor is licensed to practice dentistry in Colorado.

7.02 Premises Lease. Company is current on all of its Premises Lease obligations. Company is not in breach or in default under the Premises Lease. All payments due and owing under the Premises Lease (e.g., rent, additional rent, CAM, utilities, maintenance, etc.) have been or will be timely paid by the Company up through Closing.

7.03 Ownership Interest. Company owns the assets used in the Practice (“Assets”) free and clear of all liens, security agreements, claims, charges and restrictions and no other person or entity has any claim, right, title, interest or lien in, to, or on the Assets.

7.04 Liabilities. Company warrants that there will be no outstanding debts, liabilities or obligations of Company relating to the Practice as of the day of the Closing other than the Premises Lease, and regularly occurring bills, which shall be paid by Assignor as they come due or prorated at the Closing, if the parties desire to continue these services after the Closing.

7.05 Taxes. All Federal, state, local and other taxes which Company or Assignor are required to pay and which relate to the Practice or which could affect the Practice, including payroll taxes, have been paid or will be paid when due and that Company and Assignor have no tax deficiencies proposed or assessed against Company, Assignor, or the Assets.

7.06 Litigation. To the best of Company and Assignor’s knowledge, there are no actions, litigation, or proceedings, legal, equitable or administrative, no peer review, malpractice or grievance proceedings, through arbitration or otherwise pending or threatened against Company or Assignor, which might materially affect the Practice or the consummation of this Agreement.

7.07 Condition of Assets. At the time of the Closing all the Assets shall be in their “as is” condition.

7.08 Authority. Company and Assignor have full power and authority to enter into this Agreement, and this Agreement is a valid Agreement enforceable against Assignor in accordance with its terms.

7.09 No Violations. The execution and delivery of this Agreement does not, and the consummation of the transactions contemplated will not violate any provision of any charter, bylaw, mortgage, lien, lease agreement, instrument, order, judgment or decree to which Assignor

is a party or by which Company or Assignor is bound and will not violate any of the restrictions of any kind and character whatsoever to which Company or Assignor is subject.

7.10 No Change in Business. Assignor and Company will not, between the dates of the execution of this agreement and the Closing, make any material changes in the business outside the ordinary course of Assignor or Company's business and will exert its best efforts to preserve the business organization intact and preserve the goodwill of Company's patients, referral sources and all other business relationships.

7.11 Employees and Benefits. The Company shall continue all existing agreements, employment contracts, verbal commitments and obligations relating to Seller's employees and any liabilities for accrued sick leave and accrued vacation pay prior to the Closing.

7.12 Supplies. Assignor warrants that the dental supplies and expendable instruments will be at the ordinary and customary levels for the Practice at the Closing.

7.13 Compliance. To the best of their knowledge, Company and Assignor have complied with and are not knowingly in violation of any applicable federal, state, or local statutes, laws or regulations relating to the practice of dentistry.

7.14 OSHA. As of the Closing date, to the best of their knowledge, Company and Assignor have materially complied with all OSHA rules and regulations for the Practice and Company and Assignor have not knowingly engaged in any activities or practices which violate any federal, state or local law, statute, ordinance or regulation pertaining to health, hygiene or environmental conditions on the Premises.

7.15 HIPAA. As of the Closing date, to the best of their knowledge, Company and Assignor have materially complied with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and HIPAA rules and regulations relating to Assignor's Practice and Company and Assignor have not knowingly engaged in any activities or practices which violate any federal, state or local law, statute, ordinance or regulation pertaining to the privacy of patient health information.

7.16 Professional Liability Insurance. Assignor warrants that he has at all times during the operation of the Assignor's practice, maintained in force a policy of professional liability insurance in a commercially reasonable amount and presently has a professional liability insurance policy in effect.

7.17 Survival. All representations and warranties made by Company and Assignor shall be true and accurate as of the Closing, shall survive the Closing and Assignee may rely upon the representations and warranties made by Company and Assignor.

7.18 Financial Information. The financial information previously supplied by Company and Assignor to Assignee is true and accurate. Nothing is known or has come to the attention of Assignor that would reasonably be interpreted to result in any materially adverse change in the Practice or its financial condition, assets, liabilities, or the operation of the Practice.

Paragraph 8. Representations and Warranties of Assignee. Assignee and <Partner 1>, jointly and severally, warrant and represent to Assignor that:

8.01 License and Good Standing. Assignee is a Colorado professional limited liability company in good standing and <Partner 1> is licensed to practice dentistry in Colorado.

8.02 Litigation. To the best of their knowledge, there is no suit, action, arbitration or legal, administrative or other proceeding (including without limitation peer review, malpractice, or grievance proceedings) pending or threatened against or affecting their financial condition or their ability to purchase the Membership Interest.

8.03 No Assumption of Liabilities. Assignee is not assuming any liabilities of Assignor with the exception of those liabilities as defined in this Agreement, including the Premises Lease. Assignee has had the opportunity to review the Premises Lease and accepts and assumes the Lease as provided in this Agreement.

8.04 Compliance. To the best of their knowledge, Assignee and <Partner 1> have complied with and are not knowingly in violation of any applicable federal, state or local statutes, laws or regulations relating to the practice of dentistry.

8.05 Independent Evaluation. That Assignee is purchasing the Membership Interest based on their own judgment and evaluation, and based on no representations or warranties made by Company or Assignor except as explicitly set forth in this Agreement. Assignee has had full and free access to the Practice and the Assets being conveyed so as to make an informed decision as to their acquisition.

8.06 Risk of Purchase. That they are fully aware that there are no guarantees with regard to their success in the Practice after the Closing. Assignee further acknowledges that the past success of the Practice was due to, among other factors: Assignor's level of technical skills, his ability to communicate with both patients and office staff, his promotional skills, referral sources, practice management skills, ability to delegate duties within the practice, desire to succeed and the level of teamwork that exists with the present office staff, the existing competition within the dental community in which the present practice is located and the existing economic climate. Assignee is fully aware that the buy-in relative to the Practice constitutes a change within the Practice and there is no guarantee that the intangibles of the Practice shall

continue to remain. Assignee and <Partner 1> acknowledge that their success in the Practice after the Closing is dependent upon the skills and talents Assignee and <Partner 1> possess as well as the external factors that cannot be controlled, such as the economy, referral sources or third-party payments (i.e., insurance companies and government agencies) as it concerns health care. As such, Assignee and <Partner 1> acknowledge that there is risk involved with purchasing the Membership Interest and they accept the responsibility and results of this risk.

8.07 Nondisclosure of Information. <Partner 1> agrees that she will hold in strict confidence all data and information obtained in connection with this transaction or Agreement with respect to the business of Company and Assignor and will disclose same only as necessary to her attorney, accountant and other advisors in connection with her acquisition into the practice. The information will include, but not limited to, financial statements, patient and referral lists, agreements with vendors and other confidential information.

8.08 Survival. All representations and warranties made by Assignee shall be true and accurate as of the Closing, shall survive the Closing and Assignor may rely upon the representations and warranties made by them.

Paragraph 9. Obligations of the Parties Before Closing. The parties agree that from the date of execution of this Agreement until Closing:

9.01 Conduct of Business. Assignor will carry on the Practice diligently and in substantially the same manner as it has previously been carried on, so as to preserve the relationships with employees, patients, referral sources, suppliers and others having business relationships with them. Assignor shall maintain the level of dental supplies as is normal and customary to Assignor's practice prior to Closing.

9.02 Confidentiality. All parties agree to hold in strict confidence all data and information obtained in connection with this transaction with respect to Assignor's Practice and will disclose same only as necessary to their attorneys, accountants, bankers, consultants and agents.

Paragraph 10. Conditions Precedent to Closing.

10.01 Conditions. The obligations of Assignee to purchase and the obligations of Assignor to sell at the Closing pursuant to this Agreement are subject to the satisfaction of the following conditions prior to the date of the Closing. In the event the conditions are not satisfied by the Closing, either party shall have the right to declare this Agreement to be null and void *ab initio* or upon the mutual consent of the parties, the Closing date shall be extended.

10.02 Financing. It is a condition of the Closing that Assignee has obtained financing for purchase of the Membership Interest on commercially reasonable terms and that Assignee is added as a guarantor/party to the Premises Lease.

10.03 Warranties and Representations. It is a condition of the Closing that the warranties and representations made by the parties shall be true and accurate as of the date of the Closing.

10.04 Operating Agreement. It is a condition of the Closing that <Partner 2 PLLC> and Assignee have executed the Operating Agreement prior to or at the Closing to define their rights and responsibilities relating to their joint practice of dentistry after the Closing.

Paragraph 11. Closing.

11.01 The Closing shall be effective on the Closing Date, unless held on an earlier date or extended pursuant to the terms of this Agreement or the mutual consent of the parties.

11.02 Operating Agreement. At the Closing, <Partner 2, PLLC> and Assignee shall enter into the Operating Agreement.

Paragraph 12. Assignor's Closing Obligations. At the Closing, Assignor shall deliver to Assignee the following:

12.01 Operating Agreement. Assignor shall execute the Operating Agreement prior to or at the Closing.

12.02 Retention of Bank Accounts. Prior to Closing, Assignee shall distribute all cash in the Company bank accounts to Assignor.

12.03 Miscellaneous. All other documents required by this Agreement or necessary to carry out the intent of the parties shall be executed by Assignor and delivered to Assignee and all other acts required by this Agreement or necessary to carry out the intent of the parties shall be performed by Assignor.

Paragraph 13. Assignee's Closing Obligations. At Closing, Assignee shall deliver to Assignor and perform the following:

13.01 Purchase Price. The Purchase Price in good funds.

13.02 Operating Agreement. Assignee shall execute the Operating Agreement at the Closing.

13.03 Capital Contribution. In addition to the Purchase Price, Assignee will make a capital contribution to the Company in the amount of \$10,000.

13.04 Miscellaneous. All other documents reasonably required by this Agreement or necessary to carry out the intent of the parties shall be executed by Assignee and delivered to Assignor and all other acts required by this Agreement or necessary to carry out the intent of the parties shall be performed by Assignee.

Paragraph 14. Closing Adjustments. All necessary adjustments shall be made at the Closing to prorate applicable expenses of the Practice between the parties as of the date of the Closing.

14.01 Personal Property Taxes. The personal property taxes for <this year> that will be due in <next year> shall be prorated as determined by the Effective Date with Assignee receiving a credit from Assignor for Assignor's pro-rata share of the personal property taxes. Company shall be responsible for paying <this year> personal property tax payable in <next year> and the personal property tax for each subsequent year to the appropriate governmental authority.

14.02 Miscellaneous. All other applicable costs and expenses, if any, shall be adjusted at the Closing, including any prepaid expenses or contracts.

Paragraph 15. Assignor's Obligations After the Closing. Following the Closing, Assignor shall have the following obligations:

15.01 Indemnity. Assignor shall indemnify, defend (with counsel chosen by Assignor and reasonably acceptable to Assignee) and hold harmless Assignee from and against any and all claims, demands, obligations, liabilities, costs and expenses, including interest and reasonable attorney's fees, that he may incur or suffer which arise out of, result from, or relate to any breach of or failure by Assignor to perform any of their representations, warranties, covenants or agreements in this Agreement, or any liability or claims arising in connection with or relating to the Practice before the Closing and that do not arise from or relate to Assignee's employment with Assignor prior to the Closing.

Paragraph 16. Assignee's Obligations After the Closing. Following the Closing, Assignee shall have the following obligations:

16.01 Assumption of Liabilities. It is understood that in connection with and as a result of the consummation of the transactions described, Assignee assumes no liability or liabilities or obligations of Assignor of whatsoever kind or nature except those liabilities assumed in this Agreement, including the Premises Lease.

16.02 Indemnity. Assignee shall indemnify, defend and hold harmless Assignor from and against any and all claims, demands, obligations, liabilities, costs and expenses including interest and reasonable attorneys' fees that they may incur or suffer which arise out of, result from, or relate to any breach of or failure by Assignee to perform any of their representations, warranties, covenants or agreements in this Agreement.

16.03 Sales and Use Tax. Any sales, use or transfer taxes arising from the sale of the Membership Interest shall be paid by the Assignee in a timely manner after each Closing.

16.04 Partnership. Assignee agrees to practice dentistry with <Partner 2 PLLC> as a partner in the Company after the Closing.

Paragraph 17. Indemnification Procedure.

The party that may be entitled to indemnification under this Agreement (an "Indemnified Party") shall give written notice to the party obligated to indemnify him or her (an "Indemnifying Party") with reasonable promptness upon becoming aware of the claim or other facts upon which a claim for indemnification will be based. The notice shall set forth such information with respect to the claim as is then reasonably available to the Indemnified Party. The Indemnifying Party shall assume the investigation and undertake the defense of any such claim asserted by a third party, including the employment of counsel with payment of all expenses, and the Indemnified Party shall fully cooperate in the investigation and defense without cost to him or her of such claim and make available all records and material requested by the Indemnifying Party. The Indemnified Party shall be entitled but shall not be required to participate in such investigation and defense of such claim and employ separate counsel. The Indemnified Party shall not be liable for any claim compromised or settled without his or her written consent, which shall not be unreasonably withheld. The Indemnifying Party may settle any claim without such written consent of the Indemnified Party, but only if the relief awarded is not enforceable against the Indemnified Party or is monetary damages that are paid in full by the Indemnifying Party. The Indemnifying Party shall satisfy his or her indemnification obligation promptly upon the determination that such obligation is due. Failure or delay in giving notice of a claim for indemnification and failure to include any specific information with respect to the claim, shall not affect the obligation of the Indemnifying Party, except to the extent that such failure or delay shall have adversely affected the ability of the Indemnifying Party to defend, settle, or satisfy the claim or demand.

Paragraph 18. Patient Records.

18.01 Custodian. Company and Assignee warrant and covenant that they will keep possession of all and will destroy any patient records, x-rays and study models in accordance

with the Colorado State Board of Dental Examiners Rule XXIII, as modified from time to time or any other rules and regulations promulgated by the Board of Dental Examiners and further, shall maintain the confidentiality of the patient records pursuant to all state and federal laws.

Paragraph 19. Miscellaneous.

19.01 Colorado Law. This Agreement and all documents executed and delivered shall be deemed to be contracts under the laws of Colorado, and for all purposes shall be construed in accordance with such laws.

19.02 Severability. If any provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not, in any way, be affected or impaired.

19.03 Entire Agreement. This Agreement, Exhibits attached and the Operating Agreement entered into among the parties set forth the entire agreement and understanding between the parties. All negotiations relative to the matters contemplated by this Agreement are merged and there are no other understandings or agreements relating to the matters and things set forth, other than those incorporated in this Agreement. No provision of this Agreement shall be altered, amended, revoked or waived except by an instrument in writing signed by the party sought to be charged with such amendment, revocation or waiver. This Agreement shall be binding upon and shall insure to the benefit of the parties and their respective heirs, personal representative, successors and assigns.

19.04 Resolution of Disputes. The parties agree that any and all differences, controversy or claims arising out of or relating to this Agreement, or the breach of this Agreement and any related documents that cannot be resolved by the parties acting and negotiating in good faith, prior to the commencement of arbitration, shall be submitted to mediation. In the event the parties are unable to agree on the selection of a mediator, a mediator selected by Judicial Arbiter Group, or its successor shall serve as mediator. In the event the dispute is not resolved through mediation, the parties agree that the dispute shall be submitted to and settled by binding arbitration in Colorado through the Judicial Arbiter Group. However, notwithstanding the above, the parties agree that any claim for injunctive relief shall be decided by a court of competent jurisdiction without any requirement that the issue first be submitted to arbitration. In the event the parties are unable to mutually agree as to the selection of an arbitrator, each party shall select one arbitrator, and the two so selected shall select a third arbitrator who shall jointly arbitrate the dispute. Any arbitration determination shall be final and absolute. Judgment upon the award may be entered in any court having jurisdiction. The

prevailing party shall be entitled to all reasonable costs and expenses, including reasonable legal and accounting fees.

19.05 Additional Acts and Documents. Each party agrees to do all things and take all such actions, and to make, execute and deliver such other documents and instruments as shall be reasonably required to carry out the provisions and intent of this Agreement.

19.06 Cost and Fees. The parties agree that each party shall be responsible for their respective costs relating to this transaction, including attorney's fees, consultant fees and accountant's fees.

19.07 Notices. All notices required or permitted by this Agreement shall be in writing and shall be given by personal delivery or sent to the address of the party set forth below by registered or certified mail, postage prepaid, return receipt request, or by reputable overnight courier, prepaid receipt acknowledged. Notices shall be deemed received on the earlier date of actual receipt or, in the case of notice by mail or overnight courier, the date of receipt marked on the acknowledgment of receipt. Rejection or refusal to accept or the inability to deliver because of change of address of which no notice was given shall be deemed to be received as of the date such notice was deposited in the mail or delivered to the courier.

If to Assignor: <Selling Partner PLLC>
<Seller 1, Address>

If to Assignee: <Buying Partner PLLC>
<Partner 1 Address>

19.08 Authority. Each of the parties represents to the other that such party has full power and authority to execute, deliver and perform this Agreement.

19.09 Headings for Convenience Only. The parties acknowledge that the paragraph headings contained in this Agreement are only for the convenience of the parties. The substance and provisions control without regard to said headings.

19.10 Preparation of Agreement. The parties acknowledge that this Agreement has been negotiated and prepared in arms-length transaction and that both Assignee and Assignor have negotiated all the terms contained. Accordingly, the parties agree that neither party shall be deemed to have drafted the Agreement and the Agreement shall not be interpreted against either party as the draftsman.

19.11 Counterparts/Facsimile Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. In addition, this Agreement may be executed and delivered via facsimile signatures.

IN WITNESS WHEREOF, the parties have caused this Agreement for Sale and Assignment of Membership Interest to be duly executed.

Assignor: <Selling Partner PLLC>

By: _____
<Assignor>, Manager

By: _____
<Assignor>, Personally

Assignee: <Buying Partner PLLC>

By: _____
<Partner 1>, Manager

By: _____
<Partner 1>, Personally