

ASSOCIATE EMPLOYMENT AGREEMENT

This Associate Employment Agreement ("Agreement") is made and entered into, and effective the _____ day of _____, 2010, by and between Dental Development Solutions, LLC. ("DDS, LLC."), having its principal place of business at 365 Miron Dr., Southlake, Texas 76092 and Dr. _____ D.D.S. (the "Associate")

RECITALS

Associate is licensed to practice general dentistry in the State of Texas.

DDS, LLC wishes to employ Associate to render general dentistry services to its patients, and Associate wishes to accept such employment upon the terms and subject to the conditions set forth herein.

Now, Therefore, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and conferred, the parties hereto hereby agree as follows:

1) Employment. DDS, LLC hereby employs Associate to perform general dentistry services for its patients and Associate hereby agrees to perform such services upon the terms and conditions hereinafter set forth.

2) Term. The term ("Term") of this Agreement shall commence the day the Practice officially opens for business, target date is _____ (the Effective Date"), and shall continue for a twenty four (24) month period, unless sooner terminated as hereinafter provided. This Agreement shall cease at the end of the twenty four (24) months. If both parties wish to continue their relationship after the end of this term, it will be necessary to execute a new written agreement.

3) Scope & Purpose.

- A. This offer to associate, from DDS, LLC is being made to allow Associate to participate in a start up private practice of dentistry.
- B. Associate shall receive certain benefits provided by DDS, LLC to develop skills, knowledge, market share, funding, income, experience, and the eventual purchase of the Practice.
- C. Associate shall have the right to purchase 100% of the Practice within the first twenty- four months (24) of the opening of the Practice.

4) Duties. Associate is employed to actively practice general dentistry on behalf of DDS, LLC. During the term of this Agreement, Associate shall devote material time and attention to the rendering of professional services on behalf of DDS, LLC and in furtherance of its best interests.

a) The intent of DDS, LLC is for Associate to work a minimum of five (5) days per week. Specific days and times shall be determined between the parties prior to the commencement of this Agreement.

b) Associate will attend all meetings and will be involved in all management decisions of the Practice.

- c) Associate will be specifically responsible for the direction of the staff and dental assistant(s).
- d) Associate will be expected to perform the periodic oral exams on the practice hygiene patients and shall be paid a commission on the exam portion of the fee only.
- e) The Practice will develop patients from the new patient sources. It is Associate's responsibility to actively assist in securing new patients.
- f) Associate shall devote all such reasonable hours as may be required in furtherance of DDS, LLC business and agrees to comply with all reasonable policies, standards and regulations of DDS, LLC now or hereafter promulgated.
- g) Associate shall charge fees and collect payment in accordance with the Schedule and procedures adopted by the Practice.
- h) In addition, Associate shall keep and maintain such records, reports, memoranda, files, case histories, x-rays, correspondence and other documentation ("Records") as may be necessary or appropriate to document all professional services rendered by Associate to patients of DDS, LLC. All of such Records shall belong to DDS, LLC, and the Associate Hereby assigns the said Records to DDS, LLC.

5. Compensation and Benefits.

a) Salary. Associate shall be paid as a practice employee. Associate will receive compensation in an amount equal to thirty-three percent (32%) of the Associates actual production income (dollars) received for services, which have been preformed and completed by Associate, reduced by any professional or other discounts which might be granted by Associate or the corporation, and reduced by the cost of the out of expenses for outside lab work expenses. There shall be a minimum of \$_____ per work day (8 Hours) salary paid to the Associate. The Associate shall have a \$_____ salary cap per year.

DDS, LLC and Associate are jointly responsible for collecting all fees and other income owed to DDS, LLC for services rendered by Associate.

b) Supplies and Equipment. DDS, LLC shall include in the "set up investment amount" to following:

1. Adequate dental equipment and instrumentation
2. Fixtures, furnishings and equipment for reasonable operation of a Dental Practice.
3. Staffing as agreed to by DDS, LLC and the Associate.

4. Dental supplies, facilities, stationery, business cards, practice promotion and laboratory services as are adequate, in DDS, LLC sole judgment, for the performance of Associate's duties under this Agreement.
 5. Any special or non standard instruments or supplies that Associate requests, will be ordered in Associate's own name and paid for by Associate unless such items are approved by DDS, LLC prior to ordering, and in such case, the cost for same shall be paid by DDS, LLC.
- 6) Obligations and Expenses of Associate. During the Initial term or any Renewal Term of this Agreement, Associate shall provide and pay for, at Associate's own expense;
- a) Professional Liability Insurance. The Associate shall carry and pay for professional liability insurance, which must be with the same company as the corporation insuring the Associate for professional errors, omissions, negligence, incompetence and malfeasance. Associate shall indemnify and hold harmless the Host and DDS, LLC for any and all damages and expenses for which Host and/or DDS, LLC may become liable as a result of any alleged act of negligence or professional malpractice on the part of associate to the extent such damages and expenses are not paid or reimbursed under a policy of insurance carried by Associate. Associate shall, at the request of Host and DDS, LLC, furnish Host and DDS, LLC with a copy of the liability insurance policy and shall maintain coverage of at least \$500,000 per occurrence, with a cumulative coverage of \$2,000,000. The policy shall also have a rider protecting the Host and DDS, LLC as additional insured.
 - b) Membership in Local, State and National Dental Organizations. Unless waived by the DDS, LLC, Associate shall maintain a membership in good standing with the local dental society, the Texas Dental Association and the American Dental Association.
 - c) Licenses, Certifications, Inoculations & Like. At all times during Associate's Employment, Associate shall maintain active licenses and certifications with the State Dental Association and other authorities for licensure, prescription dispensing, sedation administering, radiography and any other required authorization. In addition, Associate is required to maintain up to date inoculations for Hepatitis and others as is normal and customary to the dental professional.
 - d) Continuing Education. Associate is also required to complete the minimum number of hours of Continuing Education for the profession in a timely fashion. The Associate pays for the costs for Continuing Education courses, unless prior approvals for costs are approved for by DDS, LLC.
 - e) Miscellaneous. Unless otherwise agreed to by DDS, LLC Associate shall also bear the cost for the following:
 - 1) Lab charges attributable to Associate's work on family members.
 - 2) All health insurance, disability coverage and life insurance premiums for Associate and Associate's family.
 - 3) All personal long distance telephone charges made at the office.
 - 4) Cell phone costs.
 - 5) Transportation costs.

- 7) Covenants. As a consequence of Associate's employment by the DDS, LLC, Associate will receive valuable specialized confidential information and knowledge concerning the operation of the DDS, LLC Practice, including, without limitation, information regarding the promotional, operational, sales and marketing methods of DDS, LLC, as well as knowledge concerning and access to the referral sources, patients and Associates of DDS, LLC (, Confidential Information"). Associate recognizes that the legitimate interests of DDS, LLC in this Confidential Information must be protected and that this Confidential Information must be carefully controlled so as to prevent disclosure to unauthorized persons who might use the Confidential Information to the detriment of or in competition with DDS, LLC. Consequently, Associate agrees as follows:
- a) Associate is entitled to general access of the business records of the Practice. Associate shall have access to the business records to the extent necessary to verify compensation due from the Practice under the formula set forth in this agreement should a dispute arise with regard thereto.
 - b) Nondisclosure of Confidential Information. During the term of this Agreement, Associate shall not divulge or disclose to any person, corporation, partnership, firm, entity or association or use, except in the performance of Associate's duties hereunder, any Confidential Information of the Host. Further, upon the termination or expiration of this Agreement for any reason, with or without cause, subject to Paragraph 8 below, Associate agrees that Associate will continue to treat all Confidential Information as private and privileged and will not release any Confidential Information to any person, corporation, partnership, firm, entity or association or use any such Confidential Information except upon direct written authority of DDS, LLC or as may be required by applicable law.
 - c) Noncompetition. During the term of this agreement associate will engage in the practice of dentistry solely as an employee of the Practice unless otherwise authorized by the Practice, and for a period of two (2) years following the termination or expiration of this Agreement (the "Termination Date"), Associate shall not, directly or indirectly, as a stockholder, partner, officer, consultant, Associate or otherwise:
 - 1.) Engage in any business that competes with the Practice of DDS, LLC within a radius of twenty (20) miles from the Premises (for purposes of this Agreement a "business that competes" refers to the physical location of the practice and not the location of the residence of any particular patient);
 - 2) Purposefully interfere or attempt to interfere with any of DDS, LLC Business relationships or advantages then existing and in effect;
 - 3) Solicit directly for employment for himself or for another, any of the employees of DDS, LLC employed by DDS, LLC at the Termination Date or within six (6) months prior thereto:

- 4) Use DDS, LLC internal business or operations data or information in a damaging or derogatory manner that would potentially hinder the DDS, LLC relationship with its patients;
 - 5) Purposefully interfere with the relationship between DDS, LLC and any of its patients or solicit the business of any patient of DDS, LLC existing as of the Termination Date or during a period of six (6) months prior to the Termination Date. Notwithstanding the above, Associate shall be allowed to retain the records of, and contact such patients after termination that have been identified by DDS, LLC and Associate (as per Paragraph 9 herein) that represent patients that have been referred to DDS, LLC practice specifically to be treated by Associate from Associate's contacts, family and friends.
- d) Enforcement. Associate acknowledges and agrees that the foregoing restrictions are reasonable in all respects and are essential to the protection of DDS, LLC patient and Associate relationships. To the extent a court of competent jurisdiction deems any of the foregoing provisions unreasonable either as to duration, geographic scope, or effect, such provisions shall be deemed revised as to the reasonable duration, geographic scope or effect contemplated by the court. Associate further agrees that in the event of a breach by Associate of any term or condition of the Paragraph 8, the DDS, LLC shall be entitled to institute proceedings, whether at law or in equity, against Associate to obtain damages for any such breach and/or to enjoin Associate from violation hereof during the relevant period, without the posting of any bond in connection with such proceeding.
- 8) Patient Records. Custodial rights of patient records shall be consistent with the Texas Dental Practice Act, as amended. Records of patients are defined as; charts, X-rays, treatment plans, addresses, phone numbers, or any other identifying documents relating to such patients or their records. Upon termination of Associate's employment, unless such termination is specifically for Associate to acquire an interest in DDS, LLC practice, all records, case histories, files and other documentation on or related to the patients treated or cared for by Associate at DDS, LLC office shall be sold to DDS, LLC for a lump sum amount of One Hundred Dollars, (\$100.00). Prior to the sale to DDS, LLC of the above records, Associate warrants that Associate, or any other person under the direction of the Associate, shall not copy, duplicate, electronically transfer, or list in any manner any information from these records without DDS, LLC written permission.

At all times during the term of this agreement and following the termination or expiration hereof, the Associate shall be afforded such reasonable access to the Records as may be needed in order to respond to or defend any professional liability claim that may be asserted.

After termination of this Agreement, if a patient requests Associate's whereabouts, DDS, LLC will furnish such patient with Associate's office phone number and address, provided Associate is not in violation of this Agreement. If any patient chooses to seek treatment with Associate, DDS, LLC will make copies of the patients' records available to associate, but only after a formal request from such patient.

- 9) Termination.

- a) Either party hereto may voluntarily terminate this Agreement at any time upon thirty (30) days prior written notice to the other party. In the event that a minimum of 60 day's written notice is not provided, the terminating party shall pay the amount of Five Thousand Dollars, (\$5,000.00) to the other party.
- b) This Agreement shall automatically terminate and the employment relationship between Associate and the DDS, LLC shall be deemed immediately severed, without notice, upon the death or permanent disability of Associate. As used herein, the term "permanent disability" as that term is defined in the policy of disability covering the Practice.
- e) Additionally, at any time during the term of this Agreement, this Agreement may be terminated **for cause** by DDS, LLC at DDS, LLC discretion, immediately upon notice to Associate delivered in accordance with the provisions of this Agreement and specifying the cause for and effective date of termination. In an event of termination with cause, Associate shall be paid to the date of notice, no future compensation shall be forthcoming, and no penalty shall be assessed or due. As used herein, the term "cause" shall mean:
- 1) Associate's right to practice dentistry in the State of Texas is suspended, revoked or canceled.
 - 2) Associate is found guilty of unprofessional or unethical conduct by any board, institution, organization or professional society having any privilege or right to pass upon the conduct of Associate, or Associate's conduct is shown to discredit DDS, LLC or to be detrimental to the reputation, character and standing of the DDS, LLC.
 - 3) The imposition of any restrictions or limitations by any governmental authority having jurisdiction to such an extent that Associate cannot engage in the practice for which Associate was employed.
 - 4) Associate materially fails or refuses to adhere to the provisions of this agreement, or fails or refuses to faithfully and diligently perform the usual, customary duties of Associate's employment in compliance with the reasonable policies, standards and regulations of DDS, LLC which from time to time may be established, which failure or refusal shall remain uncorrected for thirty (30) days following receipt by Associate of written notice from DDS, LLC which specifies with reasonable particularity the facts and circumstances surrounding such failure or refusal.
- e) This agreement may be terminated immediately (with cause) at Associate's option in the event of the material breach any of the terms and conditions of this agreement by DDS, LLC or, in the event of any of the following by DDS, LLC. In an event of termination with cause, Associate shall be paid to the date of notice, no future compensation shall be forthcoming, and no penalty shall be assessed or due.
- 1) Professional misconduct or discipline by the Texas Dental Board of dental Examiners.

2) Any other reasonable or justifiable cause that will impact the reputation and goodwill of Associate as could be determined by a mutually acceptable impartial third party.

10) Notices. Any notice required or permitted hereunder shall be in writing and shall be deemed to be delivered either (1) upon personal delivery to the party to whom such notice is intended, addressed to the respective party at such party's address set forth below, or at such other address as may be subsequently designation by such part in writing to the other party hereto and delivered in accordance with this Paragraph 11:

Associate: _____

At a location specified _____

Host: Dr. Frank Hoang, DDS
365 Miron Dr, Southlake, Texas, 76092

11) Applicable Law. This agreement shall be construed under and in accordance with the internal laws of the State of Texas. Exclusive venue and jurisdiction for any action arising hereunder or in connection herewith shall be in any state or federal court located in Tarrant County, Texas.

12) Binding Effect. This Agreement shall be binding upon and shall inure to the benefits of the parties hereto and their respective heirs, executors, administrators, legal representative, successors and assigns, where permitted by this Agreement.

13) Severability. In the event anyone or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalid, illegal or unenforceable provision shall be severed from this Agreement and shall not affect any other provision herein and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

14) Prior Agreements Superseded. This Agreement supersedes any prior understanding or written or oral agreements between the parties respecting the subject matter of this Agreement. This Agreement contains the entire understanding of the parties and may not be changed, amended or supplemented except by written agreement duly executed by the parties hereto.

15) Attorney's Fees. The prevailing party in any cause of action brought hereunder, pursuant hereto or in connection herewith, including without limitation any action for declaratory or

equitable relief, shall be entitled to recover from the non-prevailing party reasonable attorney's fees, expenses and costs of suit incurred by the prevailing party in such action.

- 16) Waiver. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either party.
- 17) Headings. The headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this Agreement.
- 18) Ambiguities. In the event it shall be determined that there is any ambiguity contained herein, said ambiguity shall not be construed against either party hereto as a result of such party's preparation of this Agreement, but shall be entered in favor or against either of the parties hereto in light of all the facts, circumstances and intentions of the parties at the time this Agreement comes into effect.
- 19) Other Instruments. The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out this Agreement.
- 20) Assignability. This Agreement is not assignable or delegable by Associate without DDS, LLC prior written consent. However, it is acknowledged and agreed by Associate that DDS, LLC may assign its rights hereunder, including, without limitation, the covenants contained in Paragraph 7 above.

SPECIAL PROVISIONS:

- 1) An amount of 10% (ten percent) of the monthly paid fees (income) received shall be paid to DDS, LLC Management Company. All remaining amounts not paid for staff and overhead shall be reserved and used to pay down the "Cost of the Practice."
- 2) Practice Purchase Agreement: DDS, LLC offers to the Associate the right to Purchase 100% of the "Practice Assets" at any time during the duration of this agreement.

The Purchase Price shall be:

- A. A fixed purchase price of \$_____ (Base Cost) plus the "Cost of the Practice" (set up investment), not recouped by DDS, LLC at the time of Sale.

The "Cost of the Practice" (set up Investment), shall be defined as but not limited to ALL costs DDS, LLC directly or indirectly paid or borrowed and/or outstanding as a line of Credit of otherwise related to the Startup and ongoing development of the Practice. Including but not limited the costs for the all staff including the Associate, Interior finishout construction, dental equipment, outside Doctors, Technical staff, office staff, outside services, marketing, accounting business support, printing, promotion, utilities, an amount for Host Management Fees, interest and all other costs related to Practice operations and service delivery.

The "Cost of the Practice" (set up Investment) will be reduced (offset) by the actual net income paid down against (set up Investment), after taxes taken by DDS, LLC during the term of the agreement and pursuant to this agreement.

See Agreement for the Transfer of Dental Practice Assets for details of the purchase.

END OF SPECIAL PROVISIONS

Agreed to by Associate _____ **date:** _____

Address _____

Agreed to by Dental Development Solutions, LLC, (DDS)

_____ **date:** _____

365 Miron Dr Suite A, Southlake, Texas 76092