

1994

SUMMARY OF COMMENTS REGARDING THE ASSOCIATESHIP/SCHOLARSHIP PROGRAM

Staff reviewing the associate scholarship program have offered the following verbal comments. Written comments are submitted on the attached copy.

Tom Meadows, AOA Comptroller

Tom read the material and felt that this is a good idea but needs some fine-tuning. He felt someone had obviously done a great deal of background work on this.

As currently written, this is a loan agreement, not a scholarship.

He suggests it be written as a two-part agreement.

- o The O.D. offers a scholarship to the student, made payable through the school.
- o The student signs a work agreement for a specified period of time and a specified salary.

This situation would offer the best tax advantage, when written as a true scholarship.

- o O.D. can claim the deduction for the total dollar amount in the year of the deduction, if the check is written to the student/school.
- o The O.D. can pay reduced payroll taxes. As an example, if the student were working for an agreed \$24,000 instead of \$30,000, payroll taxes would be based on the lower figure, \$24,000.
- o Student would not have to pay taxes on the scholarship if it were paid as tuition, books or related school expenses.

Will the state be agreeable to cover cost of the program? Example: mailing information to students and doctors.

There are some areas that need to be included in the contract regarding circumstances in which the student becomes unwilling or unable to fulfill his/her part of the contract.

Dr. Earle Hunter, AOA Executive Director

Dr. Hunter has some concerns about the program, because he feels it would not be widely used. He did feel that there would be some circumstances where the providing doctors would be amenable to offering a practice opportunity.

Judith DuChateau, AOA Assistant Counsel

Many of Judith's comments are included on the written copy. Other items noted by Judith include:

1. Part One - Consideration. This should state the exact number of months that the doctor agrees to pay, in the event that the student does not graduate on time/as scheduled.

2. Regarding the summer work study program. In many areas, an externship is required of students between the third and fourth years. Also, most states will not let students practice optometry, even supervised by an O.D..
3. Recommendations. Two separate agreements: 1) to provide a scholarship amount; 2) to work as an associate at a specified salary for a specific number of months.
 - o Include contingency for repayment if student changes his or her mind, if graduation date is not met, if state licensing requirements are not met, if the state boards are not passed.

Dr. David Nelson, MDC Chair

See notes on the copy.

Dot Davis, Membership Services Department Manager

Dot was given the opportunity to review this program because she is the staff person in charge of the AOA PRN. Dot's comments concern the administration of the program.

Dot would like to introduce the program through the AOA PRN. She feels it is a good program that could bring together students and doctors, make funds available to students and help perpetuate the optometry practice. Her motive is to put AOA's stamp on the program, making participants aware that it is an AOA member benefit program. All too often, programs initiated by AOA are absorbed by the states and members do not realize it was initiated and approved by the AOA.

Dot feels the program can be introduced in the PRN with an insert sheet and at a later time, may be made a part of the computer program.

Her suggestions include: develop materials that can be distributed with PRN materials; include this as an informational item in student materials; promote to doctors in various materials.

Dot's other concern is that students may sign up in droves, indicating their interest, but there may be very few doctors who initially indicate an interest. A lopsided enrollment would make the program seem ineffective.

Dot also suggests a pilot program, perhaps in California where Dr. Shaw-McMinn can help promote the student interest through SCCO. Another suggestion was to open the program up to all providers (nationwide), but limit students to one or two schools, as a pilot.

Attachment: original copy with comments compiled and noted, with contributor's initials.

Dee Roderman

Comments
are identified
by initials.

J.W.N. - Dr. Tint
TM - Tom Meadows
JD - Judith DuChateau

ASSOCIATE/SCHOLARSHIP PROGRAM
Practice Management Committee - AOA
Bill Simons, OD

RATIONALE: It is becoming increasingly difficult to get young optometric graduates into existing professional practices. This concept would connect third and fourth year students with practitioners who were serious about an associate, and lead to partnerships or buy-outs of their practice.

CONCEPT: Third and fourth year students are paid a "scholarship" while completing their last 1 or 2 years of school by an optometrist who wants an eventual associate. The student guarantees the doctor 1 or 2 years as an associate and the "scholarship" is paid back by reducing the new grads starting salary by that monthly amount. At the end of the "payback" period we hope the young grad and the senior practitioner have developed a relationship and they either partnership have a buy/sell for the practice or continue the association.
Enter into partnership or form a partnership JD

EXAMPLE:

1. Student: J.Doe, fourth year student at SCCO looking for a practice opportunity.
2. Doctor: D. Tint, OD, a 55 year old practitioner looking for an associate.

J. Doe is currently entering his 4th year of school at SCCO with mounting debt from his years in professional school and now is concerned about where he is going to practice his profession and how he is going to finance such an endeavor.

Dr. Tint has a flourishing practice in Helena, MT and is currently looking for an associate. He is concerned that his practice can't handle two practitioners and how he can afford to pay this new OD for the first 6 months while he is developing a patient base.

Dr. Tint hears about J. Doe and decides to offer J. Doe the following opportunity:

1. \$500.00 per month "scholarship" for 12 months during his last year of school (interest free) to take some of the financial pressure off the young OD.
Legal D.W.N.

2. For that amount of money, J. Doe is required to guarantee Dr. Tint a 1 year associateship at a given salary (ie. \$30,000) minus the \$500 per month to payback the "scholarship".

CAN THIS BE
A BUSINESS
EXPENSE TO THE
PRACTICE OR DOES
IT NEED TO BE
CAPITALIZED?
D.W.N.

HOW WOULD
CONTRACT BE
WRITTEN TO
ADDRESS THIS?
DWN.

3. At the end of the first year, the associateship may dissolve if a permanent agreement can't be reached. There is no remaining "obligation" by either party to keep the association together.

IV. Advantages:

A. For Dr. Tint:

Reduced salary for
2 yrs for 1 year
partnership? JD

NEED
TO BE
CAPITALIZED?
DWN

1. It allows the established OD the ability to spread the new associates first years wages over 2 years.

2. Decreases payroll taxes the first year on the new OD.

3. Brings that needed associate into the practice without having to make a final commitment and allows them a chance to see if they can work together.

4. Allows an easy way out after 1 year if things aren't going as well as expected.

5. Having a new graduate will bring new ideas to the office and re-energize the practice.

B. For J. Doe:

1. Gives him needed funds to finish optometry school.

2. Gives him a place to "get his feet wet" with an experienced practitioner.

3. Doesn't have to worry about where he is going to practice during his last year of school.

4. Security.

5. If things do work out, he is not tied into a long contract and can renegotiate his wages after the 1st year.

C. For The Profession:

1. Helps to put a young graduate into a ~~professional~~ practice. private DWN

2. Private practitioners are more likely to participate in state and national associations than commercial practice OD's.

suggest delete this statement - DWN.
" " " " - JD

Associate / Scholarship Program

Possible Scenarios To Connect Doctors and Students

1. Doctors contact optometry schools directly with their practice location, type of practice and a short history about the practice. He will also request the type of associate he might be interested in (i.e. visual therapy, contact lens specialist etc.). The Doctor will also make the his scholarship amount known (i.e. \$500/month for 12 months). The schools will then "place" a student with their "placement service". <

Doctor (TM)

J.D.

2. Summer Work Study Program

In some instances, a student cannot practice optometry w/o a license even when supervised by an O.D. JD

Initial doctor/student relationship would begin with the student working a summer rotation with doctors around the region. A list of potential practices looking for summer employment will be collected by each optometry school. The schools "Summer Work Program" would place students interested in going to that region of the country. If this initial relationship worked out, the doctor would then offer the student a "scholarship" to return after graduation. Summer work study would require the doctor to pay the student the going wage for his labor and possibly a place to stay. Travel to and from could be split between the two parties.

3. Schools have 3rd and 4th year students complete a registration stating what type of practice they want to work in and what state they want to practice in etc. The schools of optometry begin "placing" students by working closely with state associations "Assistance to Graduates" committees to make connections between doctors and students. <

and national
TM

4. "Assistance to Graduates" committees of all state associations have their doctors in the state write or apply to the committee with their desire to hire an associate. The states committee would be the driving force and contact the optometry schools to find 3rd and 4th year students interested in the Associate / Scholarship program and desiring to practice in that given state. The Assistance to Graduates committee would then help the doctor and student make a connection. and
national
TM

5. States placement committees collect a list of ^{pro} prospective doctors looking for associates. These lists are mailed to all of the schools of optometry. The school will then distribute these lists to all 3rd and 4th year students. <

WHO IS RESPONSIBLE
FOR COSTS
W/ PROMOTING
PROGRAM?
TM

ASSOCIATED

Students then initiate contact with doctors on the list of states they are interested in practicing. In this scenario, the Associate / Scholarship program would have to be mailed out to all doctors so they could be educated about the program before the students call.

>

6. Students "search out" possible practice opportunities through the AOA "Practice Resource Network". They present the Associate / Scholarship program to the doctors they find through the network.
7. Doctors "search out" possible associates through the AOA "Practice Resource Network". They present the Associate / Scholarship program to the student once they have found one they are interested in working with.

ASSOCIATE/SCHOLARSHIP PROGRAM

DRAFT CONTRACT

OPTOMETRY STUDENT CONTRACT

THIS AGREEMENT made and entered into this _____ day _____, 199__, by and between Dr. _____, a Doctor of Optometry with his/her principal place of business in _____, State of _____, hereinafter referred to as the First Party and _____, an Optometry student in his/her _____ year of Optometry School at _____, in _____, State of _____, hereinafter referred to as the Second Party.

WITNESSETH:

That the Second Party for the consideration hereinafter described agrees to be employed by the First Party for a period of _____ years under terms which are attached hereto as Exhibit "A" and made a part hereof for reference and which will become finalized upon the Second Party becoming licensed to practice in the State of _____.

1. **CONSIDERATION.** The First Party shall pay unto the Second Party the amount of _____ (\$_____) every month beginning on the _____ day of _____, 19__ and ending upon the Second Party signing an employment contract with the First Party for a period of _____ years as described herein.

In consideration of the above stated payment the Second Party will agree to and comply with the terms more fully stated herein.

2. **LIMITATIONS.** The right of the ~~First Party~~ to receive the sum hereinbefore described shall be limited by the following:

a) The Second Party must remain in good standing in the _____ School of Optometry.

b) The Second Party must maintain a grade point average of _____ throughout the period of this agreement.

c) The Second Party must obtain a license to practice Optometry in the State of _____.

d) The Second Party must maintain steady and satisfactory employment according to the terms of the employment contract [Exhibit "A"] for a period of _____ years.

WHAT HAPPENS
IN EVENT OF
FAILURE TO
PASS STATE
BOARDS?
DOWN

What happens the student does not finish school on time, + must go an extra semester.
JD

3. **METHOD AND PROCEDURE OF PAYMENT.** Payment by the First Party shall be made on the _____ day of each month and shall be made by personal check. *or other means agreed to by the parties.* JD.

On the _____ day of each month the Second Party shall issue a note payable to the order of the First Party for the repayment of one monthly payment that amount being hereinbefore stated in 1. above. The due date of said note shall correspond with the number of payments made such that the first note shall become due on the _____ day of _____ this date being the 1st month following the month after the signing of Exhibit "A" in its finalized form. The second note shall then have a due date on the _____ day of the second month following the signing of Exhibit "A", and so on.

4. **EXHIBIT "A" THE EMPLOYMENT CONTRACT.** The employment contract, Exhibit "A", shall contain the probable terms of the employment of the Second Party by the First Party. Exhibit "A" shall not be signed or finalized until the Second Party becomes licensed to practice in the State of _____. Exhibit "A", however, cannot be altered or amended unless both Parties consent in writing.

5. **DEFAULT.** If the Second Party fails or refuses to comply with the conditions herein and or assumed by him/her or to perform all of his/her obligations hereunder, then the First Party at his/her option may:

a) Declare this contract null and void and of no legal effect.

c) Collect all amounts advanced to the Second party under this contract by suing on each note.

b) Pursue any remedy available at law or in equity.

If the First Party fails or refuses to perform his/her obligations hereunder, then the Second Party may:

a) Declare this contract null and void and of no legal effect.

b) Keep one months payment under this contract as liquidated damages and return any and all other payments to the First Party.

6. **TIME OF THE ESSENCE.** Time is expressly declared to be of the essence of this contract.

7. **ASSIGNABILITY.** Both the First Party and the Second Party hereby agree not to assign this contract in whole or in part.

8. **LEGAL EXPENSES.** All attorneys fees and legal expenses of drawing the documents for this transaction shall be paid for by the First Party. Should it be necessary for either party hereto to resort to legal action to enforce any of the provisions of this contract, it is agreed that the Court may award a reasonable attorneys fee and court costs to the prevailing party.

9. **PRIOR AGREEMENT AND AGREEMENTS BINDING UPON SUCCESSORS IN INTEREST.** This agreement supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof and there are no agreements or representations between the parties relating to the subject matter hereof other than those expressly contained herein. This agreement may not be modified orally and no attempt at modification or amendment shall be binding unless it is in writing and signed by the parties hereto.

10. **CAPTIONS, TITLES AND PERSONS BOUND.** The captions, titles and paragraph headings throughout this contract are for convenience and reference only, and shall not be deemed or held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this agreement and shall not be deemed to define, limit or describe the scope or intent of any particular paragraph.

The reference throughout this contract to parties in the singular form are intended to include and shall include all individual persons identified herein as parties; and the use of the neuter gender is intended to and shall include the masculine and feminine if appropriate. All words and language used herein shall be deemed herein to refer to the proper numbers, the proper gender and the proper tense as shall be required by the context, regardless of the number, the gender or the tense actually used.

11. **GOVERNING LAW AND JURISDICTION.** This contract shall be interpreted and enforced in accordance with the laws of the State of _____, in the District Court of the _____ District of the State of _____, in and for the County of _____, shall have exclusive jurisdiction over the subject matter of this agreement and over the parties hereto.

*Not all
District
Courts
w/ juris-
diction
of venue
are
established
by state
laws J.D.*

12. **SEVERABILITY.** Each of the provisions of this agreement shall be severable, one from the other, and if part or a portion thereof shall be held invalid by any court of competent jurisdiction, the other part and portions hereof shall, nevertheless, for all purposes, remain in full force and effect.

IN WITNESS WHEREOF, all parties have hereunto set their hands and seals the day and year first above written.

First Party

Second Party

STATE OF _____)
County of _____) ss.

On this _____ day of _____, 19____, before me, the undersigned, a Notary Public for the State of _____, personally appeared _____, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that _____ executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.

Notary Public for the State of _____
Residing at _____
My commission expires _____

STATE OF _____)
County of _____) ss.

On this _____ day of _____, 19____, before me,
the undersigned, a Notary Public for the State of
_____, personally appeared _____,
known to me to be the person whose name is subscribed to the
within instrument and acknowledged to me that _____ executed
the same.

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed my Notarial Seal the day and year first above written.

Notary Public for the State of _____
Residing at _____
My commission expires _____

ASSOCIATE/SCHOLARSHIP PROGRAM

DRAFT PROMISSORY NOTE

Date: _____ \$ _____

FOR VALUE RECEIVED, the undersigned, promises to pay to the order of _____, the sum of _____ (\$_____) on the ____ day of _____, 19____, unless the agreement entitled Optometry Student Contract signed and dated on the ____ day of _____, 19____ is breached by the undersigned, then said amount shall become due upon demand by _____ presenting this note. If the undersigned fails to pay this note when due or when demand is made as hereinbefore described, then such delinquent amount shall bear the interest rate of ~~ten percent (10%)~~ per annum.

J.D.

Makers and all endorsers and guarantors hereby waive presentment, demand, protest and notice of dishonor and agree to remain bound for the payments of this obligation notwithstanding any extension of time, substitution or release of security or any indulgence granted to the makers, hereby waiving notice of such extension, substitution, release or other indulgence.

Maker

BE AWARE OF STATE LAWS REGARDING PROMISSARY NOTES.
MARITAL PROPERTY AGREEMENT STATES MAY AFFECT THIS
AGREEMENT.
MUST INCLUDE WAIVER OF RESPONSIBILITY FOR AOA.
INCLUDE WORDS SUCH AS "SUGGESTED LANGUAGE. MUST
CONSULT W/ LOCAL ATTORNEY." IN NO WAY IS AOA
OFFERING THIS AS LEGAL ADVICE. - DWN.

ASSOCIATE/SCHOLARSHIP PROGRAM

DRAFT CONTRACT

OPTOMETRY STUDENT CONTRACT

THIS AGREEMENT made and entered into this _____ day _____, 199____, by and between Dr. _____, a Doctor of Optometry with his/her principal place of business in _____, State of _____, hereinafter referred to as the First Party and _____, an Optometry student in his/her _____ year of Optometry School at _____, in _____, State of _____, hereinafter referred to as the Second Party.

WITNESSETH:

That the Second Party for the consideration hereinafter described agrees to be employed by the First Party for a period of _____ years under terms which are attached hereto as Exhibit "A" and made a part hereof for reference and which will become finalized upon the Second Party becoming licensed to practice in the State of _____.

1. CONSIDERATION. The First Party shall pay unto the Second Party the amount of _____ (\$_____) every month beginning on the _____ day of _____, 19____ and ending upon the Second Party signing an employment contract with the First Party for a period of _____ years as described herein.

In consideration of the above stated payment the Second Party will agree to and comply with the terms more fully stated herein.

2. LIMITATIONS. The right of the First Party to receive the sum hereinbefore described shall be limited by the following:

a) The Second Party must remain in good standing in the _____ School of Optometry.

b) The Second Party must maintain a grade point average of _____ throughout the period of this agreement.

c) The Second Party must obtain a license to practice Optometry in the State of _____.

d) The Second Party must maintain steady and satisfactory employment according to the terms of the employment contract [Exhibit "A"] for a period of _____ years.

3. **METHOD AND PROCEDURE OF PAYMENT.** Payment by the First Party shall be made on the _____ day of each month and shall be made by personal check.

On the _____ day of each month the Second Party shall issue a note payable to the order of the First Party for the repayment of one monthly payment that amount being hereinbefore stated in 1. above. The due date of said note shall correspond with the number of payments made such that the first note shall become due on the _____ day of _____ this date being the 1st month following the month after the signing of Exhibit "A" in its finalized form. The second note shall then have a due date on the _____ day of the second month following the signing of Exhibit "A", and so on.

4. **EXHIBIT "A" THE EMPLOYMENT CONTRACT.** The employment contract, Exhibit "A", shall contain the probable terms of the employment of the Second Party by the First Party. Exhibit "A" shall not be signed or finalized until the Second Party becomes licensed to practice in the State of _____. Exhibit "A", however, cannot be altered or amended unless both Parties consent in writing.

5. **DEFAULT.** If the Second Party fails or refuses to comply with the conditions herein and or assumed by him/her or to perform all of his/her obligations hereunder, then the First Party at his/her option may:

a) Declare this contract null and void and of no legal effect.

c) Collect all amounts advanced to the Second party under this contract by suing on each note.

b) Pursue any remedy available at law or in equity.

If the First Party fails or refuses to perform his/her obligations hereunder, then the Second Party may:

a) Declare this contract null and void and of no legal effect.

b) Keep one months payment under this contract as liquidated damages and return any and all other payments to the First Party.

6. **TIME OF THE ESSENCE.** Time is expressly declared to be of the essence of this contract.

7. **ASSIGNABILITY.** Both the First Party and the Second Party hereby agree not to assign this contract in whole or in part.

8. **LEGAL EXPENSES.** All attorneys fees and legal expenses of drawing the documents for this transaction shall be paid for by the First Party. Should it be necessary for either party hereto to resort to legal action to enforce any of the provisions of this contract, it is agreed that the Court may award a reasonable attorneys fee and court costs to the prevailing party.

9. **PRIOR AGREEMENT AND AGREEMENTS BINDING UPON SUCCESSORS IN INTEREST.** This agreement supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof and there are no agreements or representations between the parties relating to the subject matter hereof other than those expressly contained herein. This agreement may not be modified orally and no attempt at modification or amendment shall be binding unless it is in writing and signed by the parties hereto.

10. **CAPTIONS, TITLES AND PERSONS BOUND.** The captions, titles and paragraph headings throughout this contract are for convenience and reference only, and shall not be deemed or held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this agreement and shall not be deemed to define, limit or describe the scope or intent of any particular paragraph.

The reference throughout this contract to parties in the singular form are intended to include and shall include all individual persons identified herein as parties; and the use of the neuter gender is intended to and shall include the masculine and feminine if appropriate. All words and language used herein shall be deemed herein to refer to the proper numbers, the proper gender and the proper tense as shall be required by the context, regardless of the number, the gender or the tense actually used.

11. **GOVERNING LAW AND JURISDICTION.** This contract shall be interpreted and enforced in accordance with the laws of the State of _____, in the District Court of the _____ District of the State of _____, in and for the County of _____, shall have exclusive jurisdiction over the subject matter of this agreement and over the parties hereto.

12. SEVERABILITY. Each of the provisions of this agreement shall be severable, one from the other, and if part or a portion thereof shall be held invalid by any court of competent jurisdiction, the other part and portions hereof shall, nevertheless, for all purposes, remain in full force and effect.

IN WITNESS WHEREOF, all parties have hereunto set their hands and seals the day and year first above written.

First Party

Second Party

STATE OF _____)
County of _____) ss.

On this _____ day of _____, 19____, before me, the undersigned, a Notary Public for the State of _____, personally appeared _____, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that _____ executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.

Notary Public for the State of _____
Residing at _____
My commission expires _____

STATE OF _____)
County of _____) ss.

On this _____ day of _____, 19____, before me,
the undersigned, a Notary Public for the State of
_____, personally appeared _____,
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IN WITNESS WHEREOF, I have hereunto set my hand and
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Notary Public for the State of _____
Residing at _____
My commission expires _____

A MESSAGE FROM
MONTANA EYECARE
550 NORTH MONTANA AVENUE
HELENA, MT 59601
FAX# (406) 443-4163

DATE: 12-7-93 TIME: 12:59 P
TO: PETER SHAW - McMINN OD
FROM: BILL SIMON, OD
OF PAGES 7 (INCLUDING THIS PAGE)

MESSAGE: HERE you go - Let me know
any changes or deletions.

Bill

DRAFT

PROMISSORY NOTE

Date: _____ \$ _____

FOR VALUE RECEIVED, the undersigned, promises to pay to the order of _____, the sum of _____ (\$ _____) on the _____ day of _____, 19____, unless the agreement entitled Optometry Student Contract signed and dated on the _____ day of _____, 19____ is breached by the undersigned, then said amount shall become due upon demand by _____ presenting this note. If the undersigned fails to pay this note when due or when demand is made as hereinbefore described, then such delinquent amount shall bear the interest rate of ten percent (10%) per annum.

Makers and all endorsers and guarantors hereby waive presentment, demand, protest and notice of dishonor and agree to remain bound for the payments of this obligation notwithstanding any extension of time, substitution or release of security or any indulgence granted to the makers, hereby waiving notice of such extension, substitution, release or other indulgence.

Maker _____

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Second Party

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County of _____) ss.

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Notary Public for the State of _____
Residing at _____
My commission expires _____

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County of _____) ss.

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known to me to be the person whose name is subscribed to the
within instrument and acknowledged to me that _____ executed
the same.

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed my Notarial Seal the day and year first above written.

Notary Public for the State of _____
Residing at _____
My commission expires _____

ASSOCIATE/SCHOLARSHIP PROGRAM
Practice Management Committee - AOA
Bill Simons, OD

RATIONALE: It is becoming increasingly difficult to get young optometric graduates into existing professional practices. This concept would connect third and fourth year students with practitioners who were serious about an associate, and lead to partnerships or buy-outs of their practice.

CONCEPT: Third and fourth year students are paid a "scholarship" while completing their last 1 or 2 years of school by an optometrist who wants an eventual associate. The student guarantees the doctor 1 or 2 years as an associate and the "scholarship" is paid back by reducing the new grads starting salary by that monthly amount. At the end of the "payback" period we hope the young grad and the senior practitioner have developed a relationship and they either partnership, have a buy/sell for the practice or continue the association.

EXAMPLE:

1. Student: J.Doe, fourth year student at SCCO looking for a practice opportunity.

2. Doctor: D. Tint, OD, a 55 year old practitioner looking for an associate.

J. Doe is currently entering his 4th year of school at SCCO with mounting debt from his years in professional school and now is concerned about where he is going to practice his profession and how he is going to finance such an endeavor.

Dr. Tint has a flourishing practice in Helena, MT and is currently looking for an associate. He is concerned that his practice can't handle two practitioners and how he can afford to pay this new OD for the first 6 months while he is developing a patient base.

Dr. Tint hears about J. Doe and decides to offer J. Doe the following opportunity:

1. \$500.00 per month "scholarship" for 12 months during his last year of school (interest free) to take some of the financial pressure off the young OD.

2. For that amount of money, J. Doe is required to guarantee Dr. Tint a 1 year associateship at a given salary (ie. \$30,000) minus the \$500 per month to payback the "scholarship".

3. At the end of the first year, the associateship may dissolve if a permanent agreement can't be reached. There is no remaining "obligation" by either party to keep the association together.

IV. Advantages:

A. For Dr. Tint:

1. It allows the established OD the ability to spread the new associates first years wages over 2 years.
2. Decreases payroll taxes the first year on the new OD.
3. Brings that needed associate into the practice without having to make a final commitment and allows them a chance to see if they can work together.
4. Allows an easy way out after 1 year if things aren't going as well as expected.
5. Having a new graduate will bring new ideas to the office and re-energize the practice.

B. For J. Doe:

1. Gives him needed funds to finish optometry school.
2. Gives him a place to "get his feet wet" with an experienced practitioner.
3. Doesn't have to worry about where he is going to practice during his last year of school.
4. Security.
5. If things do work out, he is not tied into a long contract and can renegotiate his wages after the 1st year.

C. For The Profession:

1. Helps to put a young graduate into a professional practice.
2. Private practitioners are more likely to participate in state and national associations than commercial practice OD's.

Associate / Scholarship Program

Possible Scenarios To Connect Doctors and Students

1. Doctors contact optometry schools directly with their practice location, type of practice and a short history about the practice. He will also request the type of associate he might be interested in (ie.. visual therapy, contact lens specialist etc.). The Doctor will also make his scholarship amount known (ie.. \$500/month for 12 months). The schools will then "place" a student with their "placement service".
2. Summer Work Study Program
Initial doctor/student relationship would begin with the student working a summer rotation with doctors around the region. A list of potential practices looking for summer employment will be collected by each optometry school. The schools "Summer Work Program" would place students interested in going to that region of the country. If this initial relationship worked out, the doctor would then offer the student a "scholarship" to return after graduation. Summer work study would require the doctor to pay the student the going wage for his labor and possibly a place to stay. Travel to and from could be split between the two parties.
3. Schools have 3rd and 4th year students complete a registration stating what type of practice they want to work in and what state they want to practice in etc. The schools of optometry begin "placing" students by working closely with state associations "Assistance to Graduates" committees to make connections between doctors and students.
4. "Assistance to Graduates" committees of all state associations have their doctors in the state write or apply to the committee with their desire to hire an associate. The states committee would be the driving force and contact the optometry schools to find 3rd and 4th year students interested in the Associate / Scholarship program and desiring to practice in that given state. The Assistance to Graduates committee would then help the doctor and student make a connection.
5. States placement committees collect a list of perspective doctors looking for associates. These lists are mailed to all of the schools of optometry. The school will then distribute these lists to all 3rd and 4th year students.

Students then initiate contact with doctors on the list of states they are interested in practicing. In this scenario, the Associate / Scholarship program would have to be mailed out to all doctors so they could be educated about the program before the students call.

6. Students "search out" possible practice opportunities through the AOA "Practice Resource Network". They present the Associate / Scholarship program to the doctors they find through the network.
7. Doctors "search out" possible associates through the AOA "Practice Resource Network". They present the Associate / Scholarship program to the student once they have found one they are interested in working with.

ASSOCIATE/SCHOLARSHIP PROGRAM

DRAFT PROMISSORY NOTE

Date: _____ \$ _____

FOR VALUE RECEIVED, the undersigned, promises to pay to the order of _____, the sum of _____ (\$ _____) on the ____ day of _____, 19____, unless the agreement entitled Optometry Student Contract signed and dated on the ____ day of _____, 19____ is breached by the undersigned, then said amount shall become due upon demand by _____ presenting this note. If the undersigned fails to pay this note when due or when demand is made as hereinbefore described, then such delinquent amount shall bear the interest rate of ten percent (10%) per annum.

Makers and all endorsers and guarantors hereby waive presentment, demand, protest and notice of dishonor and agree to remain bound for the payments of this obligation notwithstanding any extension of time, substitution or release of security or any indulgence granted to the makers, hereby waiving notice of such extension, substitution, release or other indulgence.

Maker

