



Starting or Buying Optometric Practice – Legal Aspects

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WHY YOU SHOULD LISTEN?

CAN YOU READ THE fine print that makes you give up your soul



OPTIONS IN STARTING OPTOMETRIC PRACTICE

Doctors have 2 Options or Directions
in Starting a Practice

- (i) Start at a new location or
- (ii) Purchase an existing practice

This is a business choice but with
different legal issues & consequences



NEW LOCATION APPROACH

Starting a New Optometric Practice:

Step 1. Register Professional Corporation

Step 2. Negotiate Lease & Options

Step 3. Set up your business – personnel,
licenses, permits, procedures, etc.



START PRACTICE:DETAILS

- Every new practice should be **legal entity** – not sole proprietor or partnership – either P.C. or LLC
- Professional Corporation is preferred
- New Lease vs. Assignment of Lease – depends on terms, bargaining power
- Key Points: rates, build-out allowance, options, insurance, non-compete



BUYING EXISTING PRACTICE

Key Issues:

- Negotiate Practice Purchase Agreement and Support Documents
- Assignment of lease or a new lease
- Patients' issues
- Insurance matters – transfer privileges, check the provider details



BUYING A PRACTICE – PURCHASE AGREEMENT

- What is purchased and what excluded
- Remedial Work and Work in Progress
- Non-compete, non-solicit: are different
- Insurance privileges assignment
- Representations/Warranties by Seller



BUYING A PRACTICE: OFFICE LEASE and OTHER ISSUES

- Usually, Lease is assigned. You step in the shoes of Seller – additional option years to be negotiated if short time left
- Can be a new lease – as discussed
- Make sure rates and options are clear
- Seller's liabilities verification: employment, taxes, liens etc.



WHAT DO I DO NOW? PRACTICAL RECOMMENDATIONS

- Identify which direction to choose
- Talk to attorney about key issues
- Don't rely on "oral understandings"
- Recognize potential liability avenues
- Have someone to read the fine print that makes you give up your soul

Bottom line: If there is a will, there is a way