

ACQUISITION OF [COMPANY 1]

BY

[COMPANY 2] AND [COMPANY 3]

Term Sheet

Purchase Price: \$[] million, subject to the Prorations and Adjustments (as defined below).

Prorations and Adjustments: The Purchase Price will be subject only to the following prorations and adjustments:

- reduction by Agreed Amounts as set forth on **Schedule 1** hereto applicable to Deferred Facilities;
- reduction to the extent retail Inventory at Closing is less than an agreed-upon limit;
- reduction by the amount of any post-Closing refunds relating to pre-Closing [Specific Type] sales that are required to be given under applicable Law within three Business Days (or in certain cases seven Business Days) of executing the [Specific Type] Contract;
- adjustments for cash operating expenses that are the sole responsibility of Sellers which relate to the Business, which are not paid within 90 days after Closing and which are paid by Buyer;
- reduction by the amount by which the [Specific Type] liability at Closing exceeds the amount of such liability as of [Date] (\$[]); and
- the adjustments set forth in **Section [Section No.]** of the Auction Draft (all of the foregoing, collectively, the "Prorations and Adjustments").

Sales Practices: The Parties will negotiate limitations on Sellers' right between signing and Closing to (a) enter into [Specific Type Contract] with terms in excess of one year, (b) enter into any [Specific Type of Contracts] that provide for [Specific Type] fees less than those set forth on schedules delivered by Sellers to Purchaser, (c) following a reasonable transition period of a duration to be agreed upon among the Parties, enter into any [Specific Type Contract] that provides for a money back guaranty if the Customer is not satisfied with his or her purchase after 30 days and (d) sell any [Specific Type] services outside of the ordinary course of business.

Lease Deposits and Related Real Estate Matters: The Sellers will provide confirmation, including such landlord estoppels or other similar documents that Purchaser may reasonably request in such form as shall be agreed upon among the Parties, that cash deposits are being held by the applicable lessors for the Leased Real Property.

[XYZ] Facility Insurance Proceeds: Any proceeds of any Insurance Policy received in connection with [Specific Type] damage at the [XYZ] Facility will be the property of Purchaser, except to the extent [Company 4] has expended funds to repair the [XYZ] Facility.