



Edgar Filing: ARV ASSISTED LIVING INC - Form 4

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FORM 4 (CONTINUED)

TABLE II -- DERIVATIVE SECURITIES ACQUIRED, DISPOSED OF, OR BENEFICIAALLY  
(E.G., PUTS, CALLS, WARRANTS, OPTIONS, CONVERTIBLE SECURITIES)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)	
			Code	V	(A)	(D)	Exercisable Date	Expiration Date
EMPLOYEE STOCK OPTION RIGHT TO BUY		12/27/00	A			(1)	12/27/00	

1. Title of Derivative Security (Instr. 3)	9. Number of Derivative Securities Beneficially Owned at End of Month (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
EMPLOYEE STOCK OPTION RIGHT TO BUY	1,050,000	D	

Explanation of Responses:

(1) THE OPTION VESTS IN THREE EQUAL INSTALLMENTS OVER A THREE YEAR PERIOD BEGINNING ON THE FIRST DAY OF THE YEAR FOLLOWING THE COMPANY ACHIEVING A POSITIVE CASH FLOW AND PROFITABILITY FOR TWO CONSECUTIVE QUARTERS. THE FIRST AND SECOND INSTALLMENTS WILL VEST ON THE FIRST AND SECOND ANNIVERSARIES OF SUCH DATE, RESPECTIVELY, PROVIDED THAT SUCH DATE IS NOT LATER THAN DECEMBER 27, 2005.

\*\*Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a). /s/ DOUGLAS  
\*\*Sign

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Note: File three copies of this Form, one of which must be manually signed.  
If space is insufficient, see Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

Reporti  
DOUGLAS