

MEADOW RIDGE

100 Redding Road

Redding, Connecticut 06896

(203) 544-1000

**INFORMATION BOOKLET
(DISCLOSURE STATEMENT)**

May 2018

THIS FACILITY, LIKE ALL OTHER CONTINUING CARE (LIFE CARE) FACILITIES IN THE STATE OF CONNECTICUT, IS SUBJECT TO SECTIONS 17b-520 THROUGH 17b-535 OF THE CONNECTICUT GENERAL STATUTES CONCERNING MANAGEMENT OF CONTINUING CARE FACILITIES (THE "ACT"). REGISTRATION UNDER THE ACT DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT OF THE FACILITY BY THE DEPARTMENT OF SOCIAL SERVICES OR THE STATE OF CONNECTICUT, NOR DOES SUCH REGISTRATION EVIDENCE THE ACCURACY OR COMPLETENESS OF THE INFORMATION IN THIS DISCLOSURE STATEMENT.

**Acknowledgment of Receipt
of Disclosure Statement**

Meadow Ridge

In accordance with Sections 17b-522(b), (c)(1) and (d) of the Connecticut General Statutes, Meadow Ridge is required to deliver to a prospective resident or his or her legal representative a current Disclosure Statement not more than 60 days nor less than 10 days before the execution of a continuing-care contract or the transfer of any money or other property to Meadow Ridge by or on behalf of the prospective resident.

Acknowledgment:

I, or my legal representative, have received and reviewed a copy of the current Disclosure Statement and a copy of the continuing-care contract for Meadow Ridge prior to the execution of the contract or the transfer of any money or other property to Meadow Ridge.

Signature of Prospective Resident

Date: _____

Signature of Prospective Resident, if two

Date: _____

Signature of Legal Representative, if applicable

Date: _____

**Notice To
Prospective Resident**

Meadow Ridge

In accordance with Section 17b-522(a) of the Connecticut General Statutes, this Notice is required to be given to a prospective resident or his or her legal representative prior to the earlier of (i) the execution of a contract to provide continuing care or (ii) the transfer of any money or other property to us by or on behalf of the prospective resident.

1. A continuing-care contract is a financial investment and your investment may be at risk.
2. Our ability to meet our contractual obligations under such contract depends upon our financial performance.
3. You are advised to consult an attorney or other professional experienced in matters relating to investments in continuing-care facilities before you sign a contract for continuing care.
4. The Connecticut Department of Social Services does not guarantee the security of your investment.

Acknowledgment:

I, or my legal representative, have received and reviewed a copy of this Notice and a copy of the continuing-care contract prior to entering into a continuing-care contract or the transfer of any money or other property to Meadow Ridge.

Signature of Prospective Resident

Date: _____

Signature of Prospective Resident, if two

Date: _____

Signature of Legal Representative, if applicable

Date: _____

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INTRODUCTION

Meadow Ridge ("The Community") brings to individuals who are aged 62 and over a way of retirement living known as continuing care or "life care". This concept offers active retirees a life-style which is designed to meet their unique needs while allowing them the freedom to pursue their personal interests. Life care communities, such as Meadow Ridge, encompass three important components: a private apartment home, a wide array of personal services, and the security of an on-site licensed assisted living and skilled nursing facility (Ridge Crest). To maximize resident flexibility and choice, Meadow Ridge also offers a fee-for-service plan as an alternative to the life care plan. Under the fee-for-service plan, a resident pays a lower monthly fee for residential living and pays the per diem fees for assisted living and/or Ridge Crest care. Meadow Ridge is owned by Redding Life Care, LLC, a company formed by local New Haven and Fairfield County business people who are committed to providing and maintaining a quality senior living community which is genuinely responsive to residents' needs.

One of the purposes of this Information Booklet (Disclosure Statement) is to explain to prospective residents, their families, and advisors the details of the operation of Meadow Ridge. This Booklet was prepared on the basis of information available at the time of its publication and on assumptions which were believed to be reasonable and realistic as of that date. Such information and assumptions are, of course, subject to change and in particular are significantly affected by changes in inflation, interest rates, costs, and the general market for housing in Fairfield County. In addition, there usually will be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected and those differences may be material. Moreover, the achievement of any financial forecast is dependent upon future events, the occurrence of which cannot be assured, and future changes in circumstances and in the economy may require changes in the future operation of The Community.

Although we prepared this Information Booklet carefully and tried to use non-technical language, it is possible that there may be some differences between the text in this Booklet and certain of the contracts summarized herein. In the event of any difference, the provisions of such contracts shall govern.

I. BACKGROUND AND THE PEOPLE

REDDING LIFE CARE, LLC

The Community was developed and is owned by Redding Life Care, LLC ("Redding Life Care"), a for-profit limited liability company. Redding Life Care maintains an office at 234 Church Street, Suite 901, New Haven, Connecticut 06510. The Community was developed in two phases. Phase I was completed in August 2002 and Phase II was completed in August 2007.

Senior Care Development, LLC ("SCD") is the manager of Redding Life Care (www.SeniorCareDevelopment.com). David Reis is the managing member of SCD. He graduated from Hampshire College in Amherst, Massachusetts and received a Master's Degree in Finance from the London School of Economics. He previously served as president of Reis of New Haven, Inc., the third generation in a family firm that manufactured traditional men's neckties for upscale stores throughout the United States. Since the sale of the tie business in 1986, Mr. Reis has concentrated his energies on the acquisition, development, and syndication of real estate related to serving the seniors marketplace. SCD affiliates developed the "**Laurel Gardens**" assisted living communities in Avon, Woodbridge, Orange, Hamden, and Milford, Connecticut. In addition, Mr. Reis was the Managing Member of Shoreline Life Care, LLC, which developed a continuing care retirement community known as "**Evergreen Woods**" in North Branford, Connecticut. Mr. Reis conceived of and successfully built Evergreen Woods which contains 245 apartments and a 50 bed health center, and is recognized as one of Connecticut's premier life care facilities. Mr. Reis was also the Managing Member of Naugatuck Health Care, LLC which developed and owned a 126 bed health center in Naugatuck, Connecticut, known as "**Beacon Brook Health Center.**"

In 2010, affiliates of SCD and its financial partners purchased two continuing care retirement communities in Illinois, known as "**Monarch Landing**" and "**Sedgebrook**", (www.WelcomeToMonarchLanding.com) and (www.WelcomeToSedgebrook.com), respectively. Monarch Landing is a continuing care retirement community in Naperville, Illinois that includes 365 residences, 28 assisted living residences and 96 skilled nursing beds. Sedgebrook is a continuing care retirement community in Lincolnshire, Illinois that includes 467 residences, 38 assisted living residences and 84 skilled nursing beds. In June 2012, affiliates of SCD and its financial partners purchased a continuing care retirement community in Chicago, Illinois known as "**The Clare**" (www.TheClare.com). The Clare includes 248 residences, 40 assisted living residences and 48 skilled nursing beds. Mr. Reis and his affiliates has developed, and/or has acquired, over \$1 billion dollars in retirement oriented projects that span the continuum of care from nursing homes and assisted living communities to full service continuing care retirement communities. Mr. Reis also owns, either directly or through affiliates, interests in a hotel resort and other projects through his personal investment company Falcon Investors, LLC (www.FalconInvestors.com), and is a Board member of Genesis Healthcare which is the largest nursing home management company in the U.S. and is traded on the New York Stock Exchange.

LIFE CARE SERVICES LLC

The Community has retained Life Care Services LLC ("Life Care Services") to manage the Community. Life Care Services is a wholly-owned subsidiary of Life Care Companies LLC ("LCS"), an Iowa limited liability company.

LCS is a nationally recognized leader in the development and management of quality senior living communities throughout the United States. Since 1971, LCS has been instrumental in the planning, developing, and managing of senior living communities throughout the United States. Management services are provided through Life Care Services, and it currently manages more than approximately 135 communities serving over 33,000 residents in 31 states (see Exhibit A attached to this Disclosure Statement).

Principal officers of LCS include Mr. Ed Kenny, Mr. Joel Nelson, Mrs. Diane Bridgewater, Mr. Rick Exline, and Mr. David Laffey.

Ed Kenny is Chairman of the Board of LCS®. LCS is recognized as a high-quality provider of senior lifestyle products and services. Ed has been with LCS for over 38 years and served as CEO from 2006 to 2017. In 2018 Ed assumed the role of Chairman of the Board.

Currently, Ed serves as Chair for the Board of Managers for Life Care Companies, Chair of the Board of Directors of LCS Holdings, Inc. and is Chair of the LCS Foundation. Within the senior housing industry, he serves on the boards of Argentum and National Investment Center for Seniors Housing and Care (NIC), chairs the public policy committee for Argentum, and is a past chairman of the American Seniors Housing Association (ASHA). Locally, he serves on the Boards of the United Way of Central Iowa, and the Greater Des Moines Botanical Gardens.

Ed holds a Bachelor of Science degree in health services administration from Providence College.

Joel is president and chief executive officer of LCS, the 3rd largest senior living operator, which includes not-for-profit and for-profit assets across the continuum of senior living.

He is an experienced leader in governance within the industry, including all phases of real estate acquisition, development, operations, marketing and sales. Joel is responsible for executing the business strategy across the six business lines in the LCS Family of Companies. He thrives on driving business growth, achieving service excellence, and enhancing the company's stability and value among financial partners, property owners, and other stakeholders in the senior living field.

Currently, Joel serves on the board of managers for Life Care Companies, LCS Holdings, is past-chair and a current member of the Investment Committee. Outside of LCS, Joel is a member of the National Investment Center (NIC) operator advisory board, the Central Iowa Alzheimer's Association board. He is also past chair and current board member of ChildServe, Inc., one of Des Moines largest not-for-profit organizations serving children and families with complex health care needs.

Joel earned a Bachelor of Science degree in health service administration from Simpson College.

Mrs. Diane Bridgewater is Executive Vice President/Chief Financial and Administrative Officer of LCS. Diane joined the organization in 2006 after filling several executive level positions with Pioneer Hi-Bred International, a DuPont Company. In her years with Pioneer, she held a number of operational and financial roles including: Chief Financial Officer, Vice President and Business Director for North America, Director of Customer and Sales Services for Seed and Crop Protection, Worldwide Finance Director, and other roles. Diane started her career with KPMG. Diane earned her undergraduate degrees in Accounting and French from the University of Northern Iowa and received her CPA certification in 1986. Diane currently serves on the boards of LCS Holdings, Inc., Life Care Companies LLC, Casey's General Stores, and Bankers Trust.

Mr. Rick Exline joined the company in 1978 and is Executive Vice President/Director of Senior Living Management Not-For-Profit CCRC Division for Life Care Services, an LCS[®] Company. He is responsible for oversight of the company's not-for-profit CCRC management services. Rick's expertise is leading the operations of senior living communities so they run more efficiently, effectively, and profitably. He joined Life Care Services in 1978 as an Administrator-in-Training and rose through the organization in various leadership positions before assuming his current position in 2011. Rick serves on the Board of Managers for Life Care Services, the Board of Directors for LCS Holdings, Inc., Executive Leadership and Senior Living Management teams. Rick is also a trustee for the Company's 401K Benefit Program. He holds dual bachelor's degrees; one in Business Administration from Simpson College and one in Health Care Administration from Oklahoma Baptist University. He is also a graduate of the Executive Institute at The University of North Carolina at Chapel Hill. Rick has been a featured guest speaker at LeadingAge and other various state & national trade associations.

Mr. David Laffey is Executive Vice President/Director of LCS Real Estate. In this capacity he is responsible for the organization's overall business performance related to equity investments, debt placement, and asset management. LCS Real Estate is the real estate investment company of LCS. LCS Real Estate has AUM in excess of \$1.3 billion in 38 properties totaling over 8,000 units in 16 States. He joined the firm in 2009 as Vice President/Director of Debt Placement after spending eleven years with Ziegler, most recently as Managing Director.

Currently, David serves on the Management Committee for LCS and is a voting member of the Investment Committee. He also serves on the boards of LCS Holdings, Inc., Life Care Companies LLC and Taylor Communities. He earned his bachelor's degree in Finance from Villanova University.

Life Care Services has been engaged to supervise and manage the operation of The Community. In general, operations management services include: recruiting and training the Executive Director and Health Services Administrator, supervising the licensing, equipping, and staffing of The Community, preparing annual budgets, establishing and operating a system of financial controls for The Community (including comparative analyses with other projects), supervising health care services, supervising food service, and supervising quality accommodations throughout The Community.

COMMUNICATION WITH RESIDENTS

Residents Association

The residents of The Community have formed a separate association (the "Residents' Association") under the non-stock corporation laws of the State of Connecticut and have adopted bylaws for the governance of such entity. Regularly scheduled meetings are held by Meadow Ridge with the Residents' Association in order to enable the residents to ask questions and to communicate with the administration and owner.

Residents' Association Board

The Residents' Association Board functions as the Resident Council at Meadow Ridge. The Residents' Association Board at The Community consists of no less than nine and no more than sixteen residents, who have been elected by the resident body of The Community. The Residents' Association Board represents the interests of the residents and functions in an advisory role to the Administration regarding resident welfare and interests. The Executive Director and Administrator meet with the Residents' Association Board monthly (with the exception of August) to address resident concerns, maintain mutual cooperation and enhance the well-being of the residents of Meadow Ridge. The outcome and discussions of these meetings are then communicated to Redding Life Care.

II. THE COMMUNITY

THE LOCATION

The Community is located at 100 Redding Road, Redding, Connecticut 06896 on a spectacular 136-acre heavily wooded property with magnificent views of the Connecticut countryside. The Community boasts approximately 106 acres of "open space", a one-acre pond, views of distant rolling hills, and a 10+ acre meadow. Meadow Ridge is conveniently located on the town border of the Georgetown section of Redding, Weston and Wilton. The Community is approximately 8 miles from the Merritt Parkway (exit 42), 1/4 mile from Rt. 7, and approximately 10 miles from downtown Westport and Norwalk.

MEADOW RIDGE

Meadow Ridge is a continuing care retirement community designed to accommodate persons 62 years of age or older. The Community provides active retirees a life-style designed to meet their unique needs while allowing them the freedom to pursue their personal interests. Continuing care retirement communities, such as Meadow Ridge, encompass these important components: a private apartment home, a wide array of amenities and personal services, and the security of an on-site licensed assisted living and skilled nursing facility (Ridge Crest). To maximize resident flexibility and choice, Meadow Ridge also offers a fee-for-service plan as an alternative to the life care plan. Under the fee-for-service plan, a resident pays a lower monthly fee for residential living and pays the per diem fees for assisted living and/or Ridge Crest care. Fee-for-service residents are offered lifetime use of their residences and priority access over non-residents to assisted living apartments and Ridge Crest.

The Community consists of 332 apartments, 20 assisted living apartments, a community building, numerous outdoor common spaces, and a 62-bed health center. The community building includes a reception lobby, a library, an indoor swimming pool, a fitness center, men's and women's saunas, an auditorium with stage, an attractive dining room with an excellent view of rolling hills, the "Bistro" casual dining with a view of the atrium and outdoor dining space, a private dining room which may be reserved by residents who wish to entertain a group, a multipurpose room with scheduled hours for personal reflection, and several lounges designed for card playing, games, conversation or reading. Other common indoor spaces in the community building include an arts and crafts room, a card & party room, hair/nail salon, guest rooms and a large atrium. The Community also has extensive outdoor common facilities, including: a regulation tennis court, putting green, croquet court, bocce court, individual gardens, hiking trails, a gazebo by the pond, dog park and scenic seating areas. The community's lobby and areas surrounding the atrium were refurbished and updated in 2017-18.

Life care residents of The Community are given priority for available assisted living apartments should they decide to move from their apartment to an assisted living apartment within The Community. Fee-for-service residents of The Community are given priority over non-residents for available assisted living apartments should they decide to move from their apartment to an assisted living apartment within The Community. To the extent that there are vacant assisted living apartments, they may be made available to non-residents. The assisted living wing includes dining, country kitchen, arts and craft studio, lounge and library.

The community's health center, named Ridge Crest, is licensed to provide chronic and convalescent nursing home care and contains both private and semi-private rooms. Ridge Crest includes a large physical therapy gym ~~room~~, an arts and crafts therapeutic area, dining rooms, a lounge, and a salon. Emphasis in Ridge Crest is on restorative care in order to return residents to independent living in their apartments. Life care residents of The Community are given priority for available rooms in Ridge Crest should they decide to move from their apartment to rooms in the health center. Fee-for-service residents are given priority access over non-residents to available rooms in Ridge Crest. To the extent that there are vacant rooms in Ridge Crest, they may be made available to non-residents.

THE PERSONNEL

The Community is managed by Life Care Services, which employs an Executive Director and Health Services Administrator who are nursing home administrators licensed by the State of Connecticut. The Community also employs medical personnel including registered nurses, licensed practical nurses, and certified nursing assistants for the Ridge Crest. Ridge Crest contracts with a therapy provider who provides occupational therapy, physical therapy, and speech therapy. Additionally, audiology, podiatry, and registered dietician services are available at an additional cost on a consulting basis. Ridge Crest contracts with a physician licensed in Connecticut to act as Medical Director. Other employees at The Community include receptionists, a social/activities director, a therapeutic recreation director, social workers, maintenance workers and groundskeepers, security personnel, marketing staff, housekeepers, cooks, wait staff, bookkeeping and clerical workers, security, human resources and transportation personnel.

THE SERVICES

The decision to move into a continuing care retirement community demands careful consideration of many factors, including the services to be provided. A detailed description of The Community's services is attached as Exhibit B. Under the terms of The Community's Residency Agreements in addition to providing an apartment for lifetime use by the resident, Meadow Ridge is obligated to provide to each resident: (1) maintenance and cleaning of the apartments and common spaces; (2) weekly flat laundry service; (3) food service (one meal for each day in the month); (4) the services of a social/activities director; (5) security personnel twenty-four hours per day; (6) certain scheduled transportation services; (7) certain Ridge Crest services (at a per diem fee for fee-for-service residents); (8) certain resident health services programs and (9) various administrative services.

Assisted living services are available to all residents of The Community who reside in apartments or in assisted living apartments. The Community is able to provide these services through its licensed Assisted Living Services Agency (ALSA).

Ridge Crest services are available to all residents of The Community in accordance with the terms of The Community's Residency Agreements in Ridge Crest. Residents may be admitted directly to Ridge Crest from their apartments. Residents who are able to do so will be encouraged to return to independent living or an assisted living apartment as soon as possible. Residents who are unable to return to independent living, however, will have the benefit of continuing care in Ridge Crest at the fees set forth in The Community's Residency Agreements.

Meadow Ridge is licensed to provide rehabilitative and skilled nursing care. Meadow Ridge is not licensed to provide hospital level care, nor certain other services including, but not limited to, acute psychotic care and ventilator therapy. Meadow Ridge is not responsible for the costs of any hospitalization required by residents.

Those residents who do not require care in Ridge Crest or an assisted living apartment, but who need additional personal services to continue independent living, may receive the services of the resident health services department. Services such as bathing, dressing, additional housekeeping, shopping, and laundry are available to the residents at additional cost. The resident health services program is provided to residents under the auspices of the Meadow Ridge Assisted Living Services Agency (ALSA).

HEALTH CARE

The Community provides a fully licensed skilled nursing care called Ridge Crest for Community residents. Meadow Ridge's goal is to provide its residents the best quality health care available within the limits of its licensure and consistent with its operating budget. Licensure for hospital level care cannot be obtained, nor can those services be provided within Ridge Crest. That level of care must be provided by hospitalization which will be the responsibility of the resident and the resident's physician and family. Costs related to hospitalization are also the responsibility of the resident.

Health Care for Life Care Plan Residents

If the resident's attending physician or the Medical Director determines that the resident requires nursing care, the care will temporarily be provided at the same rate as if the resident were continuing to live in his or her apartment. If a resident requires permanent nursing care in Ridge Crest, and the resident's apartment is vacated, the resident's monthly fee will be adjusted to the lesser of the then-current monthly fee for (a) the resident's apartment or (b) a two-bedroom type B apartment. Regardless of whether the resident is temporarily or permanently assigned to Ridge Crest, the resident will be charged for extra meals per day at the then current charge for extra meals, cost of medical treatment, medicine, drugs, prescribed therapy and other medical and miscellaneous supplies and services associated with medical treatment, personal laundry and rental of equipment. The Ridge Crest care accommodations are in a semi-private room. If a resident desires a private room, the resident may obtain a private room, if one is available, upon agreement to pay the additional charges for private room accommodations.

A resident is given priority over nonresidents for necessary health care at The Community. In the unlikely event the Ridge Crest is fully occupied, and there are no nursing care beds available in Ridge Crest at Meadow Ridge, the resident will be provided nursing care in a nursing facility of comparable quality. To the extent The Community would be liable for such resident's care and accommodations in Ridge Crest under the Residency Agreement, The Community will be responsible for the charges associated with the alternate nursing care accommodations so long as such resident continues to pay all applicable monthly charges until the resident returns to The Community. The Residency Agreement sets forth in greater detail the extent of health care provided and the terms for providing this care.

Health Care for Fee-For-Service Plan Residents

If the resident's attending physician or the Medical Director determines that the resident requires nursing care, the resident will be requested to relocate to Ridge Crest (either temporarily or permanently) or another health center of the resident's choice. Fee-for-Service Plan residents will be provided priority access over nonresidents for admission to Ridge Crest on a space available basis at our current private pay rates. If you relocate, your monthly charges will depend upon whether you release your apartment. If you have relocated to Ridge Crest and chose to release your apartment, you must provide The Community with 45 days' advance written notice. During that 45-day period, you will continue to pay your monthly fees, your health care charges and all other applicable regular monthly charges. Upon the later of such 45-day period or the removal of all of the contents from your residence, the monthly fee for your residence will cease and you will only pay your health care charges and any other applicable regular monthly charges. If you do not release your apartment upon your relocation to Ridge Crest, you will continue to pay your monthly fee for your residence, all other applicable regular monthly charges and your health care charges. If there are two of you and only one of you relocates to Ridge Crest, the resident who relocates will pay all health care charges and all other applicable regular monthly charges and the resident who remains in the residence will continue to pay the monthly fee and all other applicable regular monthly charges.

Fee-for-Service Plan residents are given priority over nonresidents for skilled nursing care at The Community. In the unlikely event that Ridge Crest is fully occupied, and there are no nursing care beds available in Ridge Crest at Meadow Ridge, you may receive home health services in your residence at your own cost and expense and/or place your name on a waiting list, which will be processed in accordance with Meadow Ridge's waiting list policy or you may relocate to, and receive care from, another nursing facility at your own cost and expense. If you relocate, you will continue to be responsible for paying any regular monthly charges.

CONTRACTS AND FEES

The services under the Residency Agreements are furnished pursuant to a management agreement between Redding Life Care and Life Care Services. Under the management agreement, Redding Life Care pays Life Care Services a management fee for the management of The Community, a bookkeeping fee, an annual application service provider fee for the use of the Life Care Services accounting, payroll and billing technology, and a performance incentive fee in the event of a positive variance to budgeted net operating income based on each completed fiscal year.

The compensation to Redding Life Care for the on-going ownership of The Community is comprised solely of admission payments from new residents of The Community (including any second person entrance fees charged), subject to Redding Life Care's repayment obligations with respect to the loan portion of the admission payments (described in more detail below), a nominal fixed portion of the monthly fee, monthly assisted living fees from non-life care residents of assisted living apartments, garage rental fees, interest earned on deposits and/or certain escrowed monies, all cancellation fees collected from potential residents, the potential appreciation of The

Community and other benefits generally associated with the ownership of real estate. From time to time Redding Life Care may make distributions to its members.

III. THE PLAN

THE LIFE CARE PLAN AND FEE-FOR-SERVICE PLAN

The continuing care concept provides individuals lifetime use of an apartment home, support services, assisted living apartments, and long-term nursing care in an on-site health center if they can no longer live independently. This concept has grown as the result of the increasing number of individuals reaching retirement age and the concern for providing an alternative to traditional retirement living. A resident pays an initial entrance fee and a capital improvements fee and makes a loan to Meadow Ridge. After assuming residence in The Community, the resident pays a monthly fee together with all other applicable regular monthly charges. A resident will be entitled to live in a private apartment, and, if necessary, may relocate to an assisted living apartment or to the on-site health center either on a temporary or permanent basis. To maximize resident flexibility and choice, Meadow Ridge also offers a fee-for-service plan as an alternative to the life care plan. Under the fee-for-service plan, a resident pays a lower monthly fee for residential living and pays the per diem fees for assisted living and/or Ridge Crest care.

The life care plan provides the resident with care in assisted living apartments or Ridge Crest for essentially the same fee as would be paid if the resident were living in his/her residence. A resident under the fee-for-service plan pays a lower monthly fee for residential living and the per diem fees for care in assisted living apartments and Ridge Crest.

THE RETURN OF CAPITAL^(TM) PLAN (Life Care and Fee-for-Service)

Continuing care has evolved over the years in many ways. Probably the most dramatic development has been the handling of the historical, one time "admission fee". Originally, this admission fee became the property of the retirement community the day the resident assumed occupancy. This appeared to some to be inequitable for an individual who only was a resident for a short time, despite the balancing effect for the very long-term resident. As a consequence, the practice grew of providing partial refunds to the estates of deceased residents with increasing percentages of the fee being "earned" and hence retainable by The Community over a period of time.

Meadow Ridge's Return of Capital^(TM) Residency Agreements go one step further. Under the Return of Capital^(TM) Residency Agreements, the major portion of the admission payments is a repayable loan. A portion of the admission payments, or the "entrance fee deposit," is refundable or partially refundable prior to occupancy under certain circumstances, but is not refundable after occupancy (nor is the balance of the entrance fee). A listing of the current and historical Admission Payments charged under the Return of Capital^(TM) Plan is included in Exhibits C and I to this Disclosure Statement.

THE TRADITIONAL PLAN (Life Care)

Meadow Ridge also offers a traditional life care plan, wherein a resident pays a lower admission payment, the loan portion of which is reduced over time until it reduces to zero. The resident receives care in the assisted living apartments and Ridge Crest for essentially the same fee as would be paid if the resident were living in his/her residence. A listing of current and historical entrance fees charged under the Traditional Plan (Life Care) is included in Exhibit C and I to this Disclosure Statement.

THE RESIDENCY AGREEMENTS

Upon deciding to become a resident of The Community, a future resident will execute a Residency Agreement with respect to a selected apartment. The description of the Residency Agreements and the terms of residency contained in this booklet are qualified entirely by reference to the applicable form of Residency Agreement. Meadow Ridge reserves the right to offer new prospective residents alternative forms of residency agreements from time to time. However, no such alternative forms of agreement will alter an existing resident's signed Residency Agreement.

The basic terms and conditions of the Residency Agreements are summarized as follows:

1. Payment of a One-time Entrance Fee. You are required to pay an entrance fee to The Community representing a portion of the total admission payments as described in your Residency Agreement. A portion of the entrance fee or the entrance fee deposit is payable upon execution of your Residency Agreement. Initially, this portion of the entrance fee is deposited into escrow. You will be required to pay the balance of the admission payments pursuant to the terms of your Residency Agreement. If you change your mind within the 30 days following your execution of your Residency Agreement and you notify us by registered or certified mail within such 30-day period, then the entrance fee deposit is fully refundable, except that we will retain an amount equal to any costs that are specifically incurred by The Community due to your request. If, due to death, incapacity, injury, or illness, you are unable to occupy your apartment (and you elect not to occupy an assisted living apartment or Ridge Crest), then upon written notice to us by registered or certified mail, you may terminate your Residency Agreement and, in such event, the entrance fee deposit is fully refundable, except that we will retain an amount equal to any costs that are specifically incurred by The Community due to your request and a service fee of \$1,000. If you change your mind after 30 days, but prior to occupancy, The Community will retain \$20,000 of your entrance fee deposit and refund the balance to you. After occupancy, your entire entrance fee is not refundable. In all cases, no interest will be paid to you on the entrance fee.

2. Second Person Entrance Fee. The Community requires payment of a second person entrance fee for any second person to reside in an apartment. The second person entrance fee is payable when you occupy your apartment and is not refundable.

3. Payment of a One-Time Capital Improvements Fee. In addition to the admission payments, you are required to pay a one-time non-refundable capital improvements fee for use by The Community to fund apartment refurbishment costs, Community refurbishment costs, other capital improvements and/or capital reserves, as further described in your Residency Agreement.

4. Payment of Loan. A loan representing a portion of the admission payments will be made to The Community by each resident. The loan is to be provided as described in the Loan Agreement which is Exhibit A of each Residency Agreement. After residency, the amount and timing of the refund will depend on the type of Residency Agreement entered into with the prospective resident. All of the terms of the loan are set forth in the Loan Agreement. The Community's obligation to repay up to an aggregate of \$200,000,000 of all residents' loans is secured by a single Mortgage and an Indenture of Trust on The Community. The amount of the loans that are secured by The Mortgage and Indenture of Trust may be increased in the future. The Mortgage and the Indenture of Trust is subordinate to certain "permitted encumbrances," as described on pages 25-26 of this Disclosure Statement, including the mortgage financing in place at The Community.

5. Payment of a Monthly Fee. A monthly fee is to be paid to The Community by each resident. The monthly fees vary according to the size and type of residence selected and the type of residency plan the resident selects (life care plan vs. fee-for-service plan). The monthly fees required to be paid under the fee-for-service plan are less than the monthly fees required to be paid under the Return of Capital^(TM) life care plan and "Traditional" life care plan. For a more complete description of the monthly fees, see "Regular Monthly Charges" on pages 23-24 of this Disclosure Statement. A significant portion of the monthly fees are intended to be used by Meadow Ridge to fund ongoing operating costs of The Community, including debt service, capital expenditures, funding reserves and non-recurring expenses. Residents will be given at least thirty (30) days advance written notice of any increase in the Monthly Fee.

6. Fees for Assisted Living Apartments and Skilled Nursing Services.

Under the Life Care Plans. Section 6 of the Residency Agreements establishes the basis for charges for assisted living apartments and for skilled nursing care services. In general, a resident who moves from an apartment and is residing in an assisted living apartment or Ridge Crest will be required to pay all applicable regular monthly charges and a monthly fee equal to the lesser of the then-current monthly fee for (a) the resident's apartment or (b) the (first and second person, if applicable) for a two-bedroom type B apartment. Meadow Ridge reserves the right to adopt and revise, from time to time, assessment criteria for independent living skills which the Medical Director shall consider in determining whether you require assisted living services. See the discussion concerning Ridge Crest and Assisted Living Permanent Assignment in Exhibit B for further explanation of long-term care cost.

Under the Fee-for-Service Plan. Section 6 of the Fee-for-Service Residency Agreement establishes the basis for charges for assisted living apartments and for skilled nursing care services. If a resident or both residents are temporarily assigned to an assisted living apartment or Ridge Crest, the monthly fees (first and second person, as applicable) for the residence will continue. Both residents will also be required to pay the per diem fees for care, the charges for physician services, and the charges for any other additional health services received by the resident. When permanently assigned to Ridge Crest, the monthly fees for the residence will cease once the residence is vacated and the resident will continue to pay the charges outlined above.

7. Miscellaneous Extra Services and Charges. Section 5.1 of your Residency Agreement describes certain items that will be available for an extra charge such as additional meals beyond the one meal per day included in the monthly fee, use of the salon, etc. Residents

will receive at least thirty (30) days advance written notice of an increase in any fee set by Meadow Ridge. A listing of extra charges is included in Exhibit I to this Disclosure Statement.

8. Rights of a Surviving Spouse. Section 7 of your Residency Agreement describes your occupancy rights. You can remain in your apartment unless you are not capable of maintaining yourself in independent living. It should be noted, however, that, as described in Section 18 below, only those parties who have executed a Residency Agreement have any rights thereunder.

9. Marriage of a Resident. Section 10.2 of your Residency Agreement describes your rights if you get married or decide to have another person live with you. In such event, the second person will be reviewed for admission in accordance with assessment criteria governing all admissions and, if accepted for admission, will be required to pay an entrance fee and additional monthly fee for second persons as well as all other applicable regular monthly charges. Meadow Ridge reserves the right to adopt and revise, from time to time, financial and other admission guidelines.

10. Disposition of Personal Property. Section 10.4 of your Residency Agreement provides that upon your death (or the death of the survivor if there are two of you) or the termination of the Residency Agreement, all personal property and furniture should be removed from the apartment within thirty (30) days. The Community has the right to remove and store all property left in the apartment after this time and to make a reasonable charge for the cost of moving and storing such items. The Community may dispose of personal property that is not claimed within ninety (90) days after such time, provided that Meadow Ridge will remit to your estate any balance after deducting any costs of disposition and/or any outstanding balances owed to Meadow Ridge.

11. Residency Agreements, Etc. Residency Agreements are subject to acceptance by Meadow Ridge. Unless the written consent of Meadow Ridge is obtained at the time of the execution of the Residency Agreement, the resident's health must permit independent living in accordance with The Community's admission policy. After payment of the admission payments, the resident must have sufficient financial resources to allow for payment of the regular monthly charges plus other personal expenses which may be reasonably expected and to meet anticipated increases in the cost of living and increases in the regular monthly charges. Meadow Ridge may terminate your Residency Agreement after it has been accepted only for the reasons set forth in Section 9 of your Residency Agreement.

Prior to occupancy, the Residency Agreement may be rescinded by the resident, without penalty, by giving Meadow Ridge written notice by registered or certified mail within thirty (30) days from the date of its execution by the resident. In such event, the resident's entrance fee deposit will then be returned in full without interest, except that we will retain an amount equal to any costs that are specifically incurred by The Community due to your request. In addition, your Residency Agreement may be rescinded prior to occupancy if, due to the death, incapacity, injury or illness of the resident (or either of you if there are two), the resident (or either of you if there are two) is unable to occupy the apartment and elects not to occupy an assisted living apartment or Ridge Crest. In such event, the entrance fee deposit is fully refundable, without interest, within one hundred twenty (120) days, except that we will retain an amount equal to any costs that are specifically incurred by The Community due to your request and a service fee of \$1,000. After such 30-day period, but prior to occupancy, your Residency Agreement may be rescinded, in which

event The Community will retain \$20,000 of the entrance fee deposit and refund the balance, without interest, within one hundred twenty (120) days. After occupancy, the entire entrance fee is not refundable.

The entrance fee deposit will initially be deposited in an escrow account in US Bank or another Connecticut bank with assets of at least One Billion Dollars. After the expiration of the 30-day rescission period, funds will continue to be held in escrow until certain statutory requirements are met at which time the funds will be available to Meadow Ridge.

The payment of an entrance fee or other transfer of assets pursuant to a continuing-care contract may have significant tax consequences and each person considering executing a Residency Agreement should consult with his or her tax advisor regarding the tax consequences associated with it. In particular, please note the discussions of tax-related issues and consequences as described on page 35.

12. Termination Rights of Meadow Ridge. Meadow Ridge will not terminate your Residency Agreement except for just cause. Just cause includes, but is not limited to, failure by you to make the admission payments or to pay any regular monthly or other charges; creation by you of a disturbance within The Community which in Meadow Ridge's judgment is detrimental to the health, safety, comfort, or peaceful living of others; you become infected with a dangerous and contagious disease and/or the Medical Director of The Community determines that your condition is detrimental to the health, safety, or welfare of others, and your condition cannot be cared for in an assisted living apartment or in Ridge Crest within the limits of Meadow Ridge's license from the State of Connecticut; or you refuse medical treatment which, in the opinion of your attending physician or the Medical Director, is medically required for your health or for the health or safety of others. If there are two of you, the resident who is not the subject of such a termination event may remain in the Apartment (and pay first person monthly fees) in accordance with the terms of your Residency Agreement. If a Residency Agreement is terminated by Meadow Ridge, a grievance, appeal or other similar procedure may be available under certain circumstances.

13. Limitations on Termination Rights for Financial Inability. If, after you have paid the entrance fee and made the loan described in your Residency Agreement, you encounter financial difficulties making it impossible for you to pay the full regular monthly charges including other charges appropriate for your apartment, assisted living apartment, or for nursing care in Ridge Crest, you may remain until any Medicare benefits and/or third-party insurance benefits received by Meadow Ridge on your behalf have expired. In any event, you shall be permitted to remain at The Community for ninety (90) days after the date of failure to pay, during which time you shall continue to pay reduced regular monthly charges based on your current income as set forth in Section 9.2.3 of your Residency Agreement. Because it is and shall continue to be Meadow Ridge's declared policy not to terminate your residency solely by reason of your financial inability to pay the full regular monthly charges, you shall be permitted to remain at The Community at reduced regular monthly charges based on your ability to pay for so long as you establish facts to justify deferral of the usual charges, and the deferral of such charges can, in Meadow Ridge's sole discretion, be granted without impairing Meadow Ridge's ability to operate on a sound financial basis. The loss of revenue to Meadow Ridge from any such deferral of charges will be borne by Meadow Ridge. Such accommodation shall not be applicable if you have impaired your ability to meet your financial obligations or made any misrepresentations with respect to your financial ability. Any such deferred charges shall be offset against repayment of your loan.

14. Notice of Termination. Prior to any termination of your Residency Agreement by Meadow Ridge, Meadow Ridge will give you notice in writing of the reasons for such termination, and you will have thirty (30) days thereafter within which the problem may be corrected. If the problem is corrected within such time, your Residency Agreement shall not be terminated. If the problem is not corrected within such time, your Residency Agreement will be terminated and you must leave The Community.

15. Emergency Termination. Notwithstanding the above, if the Medical Director determines that either the giving of notice or the lapse of time as provided above might be detrimental to you or others, then such notice and/or waiting period prior to termination and relocation to a hospital or other appropriate facility shall not be required and termination of your Residency Agreement shall be deemed to have occurred when you are relocated. In such event, Meadow Ridge is expressly authorized to transfer you to a hospital or other appropriate facility and will promptly notify your representative or your attending physician.

16. Resident's Termination Rights. After a resident has moved into The Community, the resident may cancel the Residency Agreement at any time by giving Meadow Ridge one hundred twenty (120) days written notice signed by the resident and sent by registered or certified mail. The one hundred twenty (120) days will begin on the date such notice is received by The Community. If the resident gives such notice, the resident will pay all applicable regular monthly charges until the later of the expiration of (a) such one hundred twenty (120) day period or (b) the actual release of a resident's apartment and removal of the contents from the resident's apartment. In such event, Meadow Ridge will retain the total of the resident's entrance fee and the resident's loan shall be repaid in accordance with the terms of the resident's Residency Agreement.

17. Resident's Rights. Residents of The Community have certain rights under the Connecticut continuing care law (Conn. Gen. Stat. § 17b-520 *et seq.*), a copy of which is available upon request. Residents of The Community also have certain rights as residents of The Community because it is registered with the Department of Public Health as a managed residential community. A copy of the Managed Residential Community Residents' Bill of Rights is attached to the Residency Agreement as Exhibit C.

18. Rights of Third Parties. Only parties who have executed a Residency Agreement will have any rights thereunder. Neither a Residency Agreement nor this Disclosure Statement create any rights for parties other than those who have executed a Residency Agreement and have had such Residency Agreement accepted by Meadow Ridge.

19. Compliance with Laws and Regulations. Meadow Ridge will comply with all applicable Municipal, State, and Federal laws and regulations, including consumer protection and protection from financial exploitation.

20. Complaint Resolution Process. Meadow Ridge has established a complaint resolution process for residents and families, which is attached to your Residency Agreement as Exhibit D. Residents may use the complaint resolution process without fear of reprisal of any kind.

21. Resident Handbook. The Community has established certain rules, policies and guidelines in order to promote the health, safety and welfare of its residents. A copy of the Resident Handbook containing these rules, policies and guidelines will be provided to each resident upon admission to The Community. The Resident Handbook also contains a list of extra

charges for additional services available to the residents of The Community. The Community may revise the Resident Handbook from time to time and any revisions will be provided to the residents. Upon receipt of the Resident Handbook, residents shall sign an acknowledgement form, a copy of which is attached to your Residency Agreement as Exhibit E. Signed acknowledgement forms shall be placed in the resident's file.

22. Payment of Refurbishment Fee. Section 10.6 of your Residency Agreement provides that The Community will charge a refurbishment fee to refurbish your apartment upon your departure from The Community and will deduct the same from any amount of the loan to be repaid under the Loan Agreement.

REGULAR MONTHLY CHARGES

On the earlier of (i) the day the resident moves into The Community or (ii) the day the resident makes the loan to Meadow Ridge, the resident shall pay a prorated portion of the monthly fee. Upon a resident's move into The Community, each resident will pay regular monthly charges (due on or before the tenth of each month) as explained in Section 3 of the Residency Agreements.

To receive the services and amenities pursuant to the Residency Agreements, a resident is required to pay a Monthly Fee. The Monthly Fees vary according to the size and type of the residence selected and the type of residency plan the resident selects (life care plan vs. fee-for-service plan). The amount of the monthly fee in effect at the time your Residency Agreement is executed will be clearly stated in your Residency Agreement. A listing of current and historical Monthly Fees charged at the Community is included in Exhibits C and I to this Disclosure Statement. Total monthly fees are higher when a second person shares an apartment. Fee-for-service residents pay a reduced monthly fee as described in Section 3 of the Fee-for-Service Residency Agreement. The Community may also offer discounted monthly fees to other residents, in its sole and absolute discretion. The monthly fee (including any second person monthly fee) may be changed annually upon thirty (30) days advance written notice to the residents and will be increased only when necessary to meet the financial needs of The Community. The Monthly Fees are intended to fund the Community's operating costs, capital improvements, long term financing costs, reserves, non-recurring expenses and the need to maintain working capital, among other items.

Upon the death of a resident (or upon the death of a survivor in a double-occupied apartment), all applicable monthly charges will terminate upon the removal of the contents of the resident's apartment or upon the release of the resident's apartment pursuant to the provisions regarding assisted living and Ridge Crest usage. In the event one of two residents occupying an apartment dies, the second person monthly fee will cease and the remaining resident will continue to pay the first person monthly fee and all applicable regular monthly charges.

In order to maximize the success of The Community, there must be substantial future demand for The Community's accommodations and services. This demand will, in part, be dependent upon the monthly fees charged in connection with residence in The Community. It is therefore beneficial to both Redding Life Care and residents of The Community to minimize any increases in the monthly fee.

FEE SCHEDULES

Historical Admission Payments, Entrance Fees and Monthly Fees are included as Exhibit C to this Disclosure Statement. Current Admission Payments, Entrance Fees, Monthly Fees, and Extra Charges are included as Exhibit I to this Disclosure Statement. Residents will receive at least 30 days' advance written notice prior to an increase in any fee.

THE MORTGAGE AND INDENTURE OF TRUST

Under the continuing care retirement concept (both life care and fee for service), no ownership interest in the real estate is transferred to the resident. Rather, the residents are provided lifetime use of an apartment subject to and under the terms of the Residency Agreements and Connecticut statutes.

Based upon the Return-of-Capital^(TM) plan, a significant portion of the admission payments required to enter into residency at The Community constitutes a loan, repayable to the resident or his or her estate pursuant to such resident's Loan Agreement. Under the "Traditional" life care plan, a resident pays lower admission payment, the loan portion of which is reduced over time until it reduces to zero.

As security for the obligation to repay the resident loans, Redding Life Care entered into an Open-End Mortgage, as amended (the "Trustee Mortgage") and an Indenture of Trust Agreement with The Bank of New York Mellon Trust Company, National Association (successor in interest to BNY Trust Company of Missouri in St. Louis) as trustee. The Trustee Mortgage secures up to \$200,000,000 of resident loans and is held by the trustee for the benefit of the residents of The Community. The Trustee Mortgage is subordinated to certain "permitted encumbrances" as described below.

Events of Default of Redding Life Care under the Trustee Mortgage and the Indenture of Trust include the failure to repay a specified aggregate amount of resident loan(s) within one year of their respective due dates, or the filing by Redding Life Care of a voluntary or involuntary bankruptcy or similar proceeding. Upon the occurrence and continuance of an Event of Default, the trustee would have the ability to foreclose the property and take possession for the benefit of the residents and/or the trustee could sell The Community if it determined that such action was in the best interest of the residents; provided, however, that the trustee's ability to foreclose or sell would be limited by any mortgages or other liens that had priority over the residents' mortgage and would be further restricted until the first mortgage financing has been paid in full. Otherwise, the trustee will not play an active role in the operation or management of Meadow Ridge.

The Trustee Mortgage permits certain "permitted encumbrances", including, but not limited to: (1) liens, encumbrances, restrictions, and other matters of record at the time of the filing of the Mortgage and the Indenture of Trust; (2) mortgages securing "purchase money indebtedness" related to financings of personal property or fixtures that are used in the operation and administration of Meadow Ridge limited to the amount of the assets financed (as well as re-financing of such debt limited to the outstanding principal balance of the debt); (3) mortgages granted to secure any financing which is used primarily to finance (or refinance) new construction or renovations or re-modeling at The Community (provided that such indebtedness when incurred

may not exceed the hard and soft costs of such project and the reasonable and customary closing costs or if a refinancing, limited to the outstanding principal amount of debt being refinanced plus reasonable and customary closing costs); and (4) mortgages granted by Redding Life Care (but not any subsequent owner of Meadow Ridge) securing up to \$60,000,000 of debt unrelated to The Community. Except for such permitted encumbrances, the loans of the residents take priority over other claims with the exception of certain types of liens and taxes. The loans of all residents are equally protected by the Trustee Mortgage and the Indenture of Trust and there is no priority among or between the various residents.

A copy of the Mortgage and the Indenture of Trust are available for review by you or by your financial or legal advisor.

ESTATE PLANNING

The Residency Agreements provides for the payment of the admission payments in two parts – the entrance fee and the loan. The entrance fee deposit is required to be paid upon execution by the resident of a Residency Agreement and the balance of the entrance fee is due at the same time as the resident's loan is due. The loan is repayable to the resident's estate, in accordance with the terms of the Loan Agreement. A resident who does not wish to have the loan repayment made to his or her estate may choose to assign his or her right to repayment of the loan to a trust or other person designated by the resident pursuant to a form of Assignment of Rights to Repayment approved by Meadow Ridge. Under the “Traditional” life care plan, the loan will reduce over time and depending upon whether it is reduced to zero prior to the termination of the Residency Agreement, a loan may not be repayable. In the absence of any agreement between the residents of a double-occupied apartment home which has been provided to Meadow Ridge prior to repayment of the loan, the loan will be repayable to the estate of the last surviving resident. No other rights under a Residency Agreement or a Loan Agreement are assignable.

FINANCIAL PROJECTIONS

It is important for future residents, their families, and their advisors to understand the financial basis on which The Community is being operated. The past experience of Life Care Services in successfully developing and managing senior living communities has been the basis for financial planning for The Community. The ability of Life Care Services management has been demonstrated by its management of similar senior living communities since 1971. As of January 2018, Life Care Services manages approximately 135 communities serving over 33,000 residents in 31 states. For a listing of the communities managed by Life Care Services, see Exhibit A. The projections contained in this Disclosure Statement are based on Life Care Services' past experience, particularly in the State of Connecticut.

FINANCIAL STATEMENTS

See Exhibit E for Redding Life Care's audited financial statements for fiscal years ending 12/31/2017 and 12/31/2016.

THE PRO FORMA INCOME STATEMENT AND APPLICATION OF FUNDS

The Pro Forma Income Statement and Source and Application of Funds is simply a projection of the estimated expenses and income of The Community. Other assumptions and explanations are contained in the notes following the Pro Forma Income Statement and Source and Application of Funds.

Although there can be no guarantee of accuracy, the Pro Forma Income Statement and Source and Application of Funds is based upon the experiences and the best current estimates of Meadow Ridge and Life Care Services. Such estimates are, of course, dependent upon assumptions concerning many items, including inflation, interest rates, and the general housing market which are subject to change. It is believed that the Pro Forma Income Statement and Application of Funds reflects sound financial planning and a realistic set of assumptions, based upon experience and insight, and that The Community has been structured to motivate Meadow Ridge to minimize monthly fee increases in order to maintain high occupancy rates - both of which are in the best interests of the residents.

MEADOW RIDGE – OPERATIONS DIVISION
 Redding, Connecticut
CASH FLOW PROJECTION – OPERATIONS DIVISION
 For the Period Beginning January 1, 2018

	Year 1 2018	Year 2 2019	Year 3 2020	Year 4 2021
Beginning Cash (1)	520,120	1,225,610	1,199,815	1,177,594
Additions:				
Apartment Service Fees (2)	18,058,845	19,815,300	20,736,192	21,815,412
Double occupancy Fees (3)	1,627,351	1,392,802	1,455,145	1,547,815
Health Center & Assisted Living Revenue (4)	14,726,824	14,855,918	15,030,932	15,158,427
Miscellaneous Income (5)	(248,100)	(253,063)	(258,123)	(263,285)
Interest Income (excluding HC Escrow) (6)	7,719	9,646	9,752	9,873
Disbursements:				
Operating Expenses (7)	(25,882,195)	(26,675,005)	(27,492,115)	(28,334,271)
AL Owner's Supervision Fee (8)	(136,276)	(117,091)	(116,039)	(119,536)
Life Care Discount (9)	(5,901,554)	(5,883,916)	(5,843,687)	(5,802,737)
Capital Expenses - funded from Operations (10)	(1,592,954)	(1,648,707)	(1,706,412)	(1,766,136)
Funding of Operating Reserve (11)	0	(66,068)	(68,093)	(70,180)
Debt Service (12)	(5,354,170)	(5,355,611)	(5,369,773)	(5,384,959)
Contribution From Net Admission Payments (13)	5,400,000	3,900,000	3,600,000	3,200,000
Net Change	705,490	(25,795)	(22,221)	(9,577)
Ending Cash	1,225,610	1,199,815	1,177,594	1,168,017

PRO FORMA CASH FLOW ASSUMPTIONS

- (1) Beginning Cash represents the Operations cash at the beginning of the year.
- (2) Apartment Service Fees represents the total of first-person monthly Service Fees for all apartments based on an assumed average occupancy of:

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
253	255	258	261

- (3) Double Occupancy Fees represents revenue from monthly Service Fees required under the Residency Agreement for a second person occupying an apartment. The amount of second-person fees was projected based on apartment occupancy assumptions and the population projections prepared by the consulting actuarial firm, Milliman, of Omaha,

Nebraska. The average number of apartments occupied by more than one person is projected to be:

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
56	56	57	57

- (4) Ridge Crest and Assisted Living Income assumes a 2018 daily rate of \$499.00 for semiprivate beds, \$599.00 for private beds, and \$367.96 for assisted living apartments. There are 62 total SNF beds (44 semiprivate beds and 18 private beds), the average census is projected to be:

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
50	50	50	50

Out of 20 assisted living apartments, the average census is projected to be:

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
19.5	19.5	19.5	19.5

- (5) Miscellaneous Income represents projected income from meals, garage rentals, guest rooms, and beauty and barber shop.
- (6) Interest Income is assumed to be earned at an annual rate of 0.2 percent.
- (7) Operating Expenses includes the expenses for staffing, materials, and services for the entire project. Expenses are projected to increase at approximately 3.0% in each projection year.
- (8) Assisted Living Owner’s Supervision Fee represents the difference between the AL per diem rate paid by private pay AL patient’s and the Two Bedroom “B” rate retained by Meadow Ridge. This difference is paid to the owner.
- (9) Life Care Discount is considered an expense. It represents the income never realized when residents become patients in the Ridge Crest or assisted living center. Both “temporary assignments” and “permanent assignments” to Ridge Crest and assisted living center, projected based upon experience at Meadow Ridge and other Milliman and LCS communities, are considered in determining life-care discount. Both temporary and permanent assignments are based upon the total number of life-care residents. The number of residents assigned temporarily to Ridge Crest is projected at 1.02 percent of the life-care residents all non-Medicare. The average number of residents assigned permanently to Ridge Crest is projected based on apartment occupancy assumptions and rates of transfer developed from experience at Meadow Ridge and other Milliman and LCS communities and is shown in the following table:

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
33.00	33.00	33.00	33.00

The average number of residents assigned permanently to the Assisted Living Unit is projected based on apartment occupancy assumptions and rates of transfer developed from

experience at Meadow Ridge and other Milliman and LCS communities and is shown in the following table:

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
18.50	18.50	18.50	18.50

- (10) Capital Expenses Funded from Operations represents the total cost to Operations for the repair or replacement of interior finishes and elements of the buildings and equipment and of other portions of the buildings and equipment that is not funded by a capital reserve fund, loan proceeds, or paid by ownership.
- (11) Funding of Operating Reserve represents the increase in the operating reserve fund. Operating reserve is one twelfth of annual operating expenses and is funded by the residents.
- (12) Debt Service represents the annual principal and interest payments attributed to operations.
- (13) Contribution From Net Admission Payments represents Admission Payments received by the Owner and used towards capital expenditures and debt service.

Anticipated turnover rates

The residential turnover rate is calculated by dividing the number of apartments released by the average number of occupied apartments.

The residential turnover rates anticipated for the next three years are as follows:

<u>2019</u>	<u>2020</u>	<u>2021</u>
14.21%	14.17%	14.12%

Average age of residents

Average age during the next three years for each period ending December 31:

<u>2019</u>	<u>2020</u>	<u>2021</u>
88.08	88.11	88.03

Health Care Utilization Rates

Health care utilization rates including admission rates and days per 100 residents by level of care anticipated for the next three years, are as follows:

<u>Year</u>	<u>Utilization Rate</u>	<u>Admission Rate</u>	<u>Days per 100 Residents</u>
2019	46.20%	34.38%	4,313
2020	46.10%	34.48%	4,244
2021	46.10%	34.48%	4,244

Number of Health Care Admissions*

The number of health care admissions pursuant to continuing care contracts and anticipated for the next three years, is as follows:

<u>2019</u>	<u>2020</u>	<u>2021</u>
131	133	135

* Skilled Nursing Only

Days of Care*

The days of care per year anticipated for the next three years, are as follows:

<u>2019</u>	<u>2020</u>	<u>2021</u>
16,662	16,673	16,673

* Skilled Nursing Only

Number of Permanent Transfers*

The number of permanent transfers to Ridge Crest in fiscal year ended December 31, 2017 was seventeen (8) residents.

*Skilled Nursing Only

Occupancy Rates – Independent Living

The occupancy rate for the most recently completed fiscal year was 75.89%.

IV. REGULATORY MATTERS

REGISTRATION AND LICENSING

In 1986 the State of Connecticut passed legislation concerning management of continuing care (life care) communities. The Community is subject to the provisions of the Connecticut statutes regarding continuing care facilities, as amended from time to time. Accordingly, Meadow Ridge has filed the following documents with the Connecticut Department of Social Services: (a) a current disclosure statement (information booklet), (b) financial information, escrow account verifications, and escrow agreements, and (c) a filing fee. Meadow Ridge believes that these documents comply with all of the filing requirements under applicable Connecticut law.

All documents filed are a matter of public record and may be reviewed at the Department's office. The office of the Department of Social Services is located at 55 Farmington Avenue, Hartford, Connecticut 06105-3730, (855) 626-6632.

The Community also has a Chronic and Convalescent Nursing Home License and an Assisted Living Services Agency License issued by the Connecticut Department of Health.

ENTRANCE FEE DEPOSIT ESCROW

Under the provisions of the Act, Meadow Ridge must establish an escrow account for entrance fee deposits with a bank or trust company. Such accounts have been established with US Bank N.A. A copy of the Entrance Fee Escrow Agreement is included as Exhibit F.

During the apartment selection process, the entrance fee deposits that prospective residents pay to reserve the apartment will be deposited into an entrance fee escrow. The funds and interest earnings thereon will be held in escrow until all statutory requirements are met, upon which time they will be disbursed to Redding Life Care.

Prospective residents who desire to cancel their Residency Agreement are required to send a written notice of termination by registered or certified mail to Redding Life Care at the following address: Redding Life Care, LLC, 100 Redding Road, Redding, Connecticut 06896. Prospective residents who cancel will not receive interest on the entrance fee deposit. No interest is payable to residents on their entrance fee deposits.

The entrance fee escrow will be maintained over the life of The Community to hold deposits for apartments as they become available for re-occupancy to the extent required by Connecticut law.

Included as Exhibit H to this Disclosure Statement is a statement from the escrow agent, verifying that the required Entrance Fee Deposit Escrow has been established and maintained.

OPERATING RESERVE ESCROW
and
CONTINGENCY RESERVE FOR PATIENT CARE

Meadow Ridge is required under applicable law to establish and maintain reserves in an amount sufficient to cover: (a) all principal and interest, rental or lease payments due during the next 6 months on account of any first mortgage loan or other long-term financing (or such lesser amount as determined by the applicable State agency or department); and (b) the total cost of operation of The Community for a one-month period, excluding debt service and certain capital expenditures. Such accounts have been established with Capital One Bank.

Included as Exhibit H to this Disclosure Statement is a statement from the escrow agent, verifying that the required Operating Reserve Escrow has been established and maintained.

Investment direction on the reserve accounts will be made in accordance with the terms of the credit agreement governing Meadow Ridge's first mortgage loans and upon direction of the Manager of Redding Life Care. Investment decisions will be made with the expectation of obtaining reasonable return while maintaining a priority on the security of the reserve accounts.

In addition to the reserves described above, Meadow Ridge has established and is maintaining a reserve for expenses of the continuum of care to be made available to residents of The Community which may not be covered by residents' assets, income, or insurance. Under Connecticut law, such reserve is required to be in the initial amount of \$500,000 and then increased in equal annual increments to at least \$1,000,000 by the start of The Community's sixth year of operation. Redding Life Care has deposited \$500,000 into such a reserve. The State of Connecticut Department of Social Services has agreed that a balance of \$500,000 in this reserve is sufficient for The Community.

TAX CONSIDERATIONS

1. Imputed Interest. The Residency Agreements are intended to constitute a "continuing care contract" with a "qualified continuing care facility", within the meaning of Section 7872 of the Code. Under these rules, the entire amount of the resident loan is exempted from the below-market loan rules. It is advisable that the resident seek the advice of tax counsel with respect to any questions regarding imputed interest.

2. Tax Deductions. Residents of The Community may be allowed certain tax benefits. In January of each year, The Community will provide the residents with the percentage of resident fees that has been determined to be attributable to the operations of Ridge Crest. On average (calculated based on the last 5 years), approximately 25% of the monthly fees have been attributed to Ridge Crest and therefore qualify as medical expenses. All deductions are, of course, subject to limitations imposed by the Internal Revenue Code of 1986, as amended. It is advisable that the resident seek the advice of tax counsel before taking any of these deductions.

JUDICIAL PROCEEDINGS

There are no material judicial proceedings pending against Redding Life Care or its Manager.

AFFILIATIONS

Meadow Ridge is not affiliated with any religious, charitable, or other non-profit organization.

CROSS REFERENCES

The following information, which is required by law to be included in this Disclosure Statement, can be found on the referenced pages:

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EXHIBIT A
SENIOR LIVING COMMUNITIES MANAGED
BY LIFE CARE SERVICES
AS OF 07/12/2018

Alabama, Hoover – Danberry at Inverness
Arizona, Chandler – Clarendale of Chandler
Arizona, Peoria – Sierra Winds
Arizona, Phoenix – Sagewood
Arizona, Tempe (Phoenix) – Friendship Village of Tempe
California, Carlsbad – LaCosta Glen and GlenBrook
California, Cupertino – Forum at Rancho San Antonio, The
California, Fullerton – Morningside of Fullerton and Park Vista
California, Pleasanton – Stoneridge Creek Pleasanton and CreekView
California, San Diego – Casa de las Campanas
California, San Rafael – Aldersly Garden Retirement Community
California, Thousand Oaks – University Village at Thousand Oaks and Oak View
Connecticut, Essex – Essex Meadows
Connecticut, Mystic – StoneRidge
Connecticut, Redding – Meadow Ridge
Connecticut, Southbury – Pomperaug Woods
Florida, Boca Raton – Toby & Leon Cooperman Sinai Residences of Boca Raton
Florida, Celebration – Windsor at Celebration
Florida, Jacksonville – Beach House Jacksonville
Florida, Naples – Bayshore Memory Care
Florida, Naples – The Glenview at Pelican Bay
Florida, Orlando – Gentry Park
Florida, Palm City – Sandhill Cove
Florida, Poinciana – Tuscan Isle
Florida, Tampa – Promise Pointe at Tampa Oaks
Florida, The Villages – Elan Buena Vista
Florida, Wesley Chapel – Beach House Assisted Living & Memory Care at Wiregrass
Ranch
Georgia, Columbus – Spring Harbor at Green Island
Georgia, Cumming – Towne Club at Windermere
Georgia, Greensboro – Glen at Lake Oconee Village, The
Georgia, Savannah – Marshes of Skidaway Island, The
Georgia, Stone Mountain – Park Springs
Hawaii, Honolulu – Hale Ola Kino
Illinois, Addison – Clarendale of Addison
Illinois, Algonquin – Clarendale of Algonquin
Illinois, Chicago – Clare, The
Illinois, Godfrey – United Methodist Village
Illinois, Lincolnshire – Sedgebrook
Illinois, Lincolnwood – Carrington at Lincolnwood, The
Illinois, Long Grove – Arboria of Long Grove
Illinois, Mokena – Clarendale of Mokena
Illinois, Naperville – Monarch Landing

Illinois, St. Charles – River Glen of St. Charles
Illinois, Wheaton – Wyndemere
Indiana, Bloomington – Gentry Park Bloomington
Indiana, Carmel – Magnolia Springs at Bridgewater
Indiana, Greenwood (Indianapolis) – Greenwood Village South
Indiana, Indianapolis – Magnolia Springs Southpointe
Indiana, Indianapolis – Marquette
Indiana, North Manchester – Peabody Retirement Community
Indiana, Schererville – Clarendale of Schererville
Indiana, Terre Haute – Westminster Village
Indiana, West Lafayette – Westminster Village West Lafayette
Iowa, Ames – Green Hills Retirement Community
Iowa, Cedar Rapids – Cottage Grove Place
Kansas, Atchison – Dooley Center
Kansas, Bel Aire – Catholic Care Center
Kentucky, Florence – Magnolia Springs Florence
Kentucky, Lexington – Magnolia Springs Lexington
Kentucky, Louisville – Magnolia Springs East
Kentucky, Louisville – Magnolia Springs at Whipps Mill
Maryland, Annapolis – Baywoods of Annapolis
Maryland, Columbia – Vantage House
Maryland, Pikesville (Baltimore) – North Oaks
Maryland, Timonium – Mercy Ridge
Maryland, Towson (Baltimore) – Blakehurst
Michigan, Battle Creek – NorthPointe Woods
Michigan, Dearborn – Henry Ford Village
Michigan, East Lansing – Burcham Hills
Michigan, Kalamazoo – Friendship Village
Michigan, Waterford – Canterbury on-the-Lake
Minnesota, Plymouth – Trillium Woods
Minnesota, Vadnais Heights – Gable Pines
Missouri, Higginsville – John Knox Village East
Missouri, Kansas City – Kingswood Senior Living Community
Nebraska, Lincoln – Woodlands at Hillcrest, The
New Hampshire, Keene – Hillside Village
New Jersey, Lakewood – Harrogate
New York, Patchogue – Village Walk Patchogue
North Carolina, Chapel Hill – Cedars of Chapel Hill, The
North Carolina, Charlotte – Cypress of Charlotte, The
North Carolina, Durham – Croasdaile Village
North Carolina, Greensboro – WhiteStone
North Carolina, Greenville – Cypress Glen Retirement Community
North Carolina, Lumberton – Wesley Pines Retirement Community
North Carolina, Raleigh – Cypress of Raleigh, The
North Carolina, Wilmington – Plantation Village
Ohio, Chagrin Falls – Hamlet Village
Ohio, Dublin – Friendship Village of Dublin
Ohio, Elyria – Wesleyan Senior Living
Ohio, Mason – Magnolia Springs Loveland

Oklahoma, Bartlesville – Green Country Village
Oregon, Dallas – Dallas Retirement Village
Oregon, Salem – Capital Manor
Pennsylvania, Reading – Heritage of Green Hills
South Carolina, Greenville – Rolling Green Village
South Carolina, Hilton Head Island – Bayshore on Hilton Head Island
South Carolina, Hilton Head Island – Cypress of Hilton Head, The
South Carolina, Sumter – Covenant Place
Tennessee, Brentwood – Heritage at Brentwood, The
Tennessee, Franklin – Maristone of Franklin
Tennessee, Germantown – Gardens of Germantown, The
Tennessee, Hendersonville – Clarendale at Indian Lakes
Tennessee, Mt. Juliet – Maristone at Providence
Texas, Austin – Westminster
Texas, Bedford – Parkwood Healthcare
Texas, Bedford – Parkwood Retirement
Texas, Dallas – Autumn Leaves
Texas, Dallas – Monticello West
Texas, Dallas – Signature Pointe
Texas, Dallas – Walnut Place
Texas, Georgetown – Delaney at Georgetown Village, The
Texas, League City – Delaney at South Shore Harbour, The
Texas, Lubbock – Carillon Senior LifeCare Community
Texas, McKinney – Ivy of McKinney, The
Texas, Richmond – Delaney at Parkway Lakes, The
Texas, The Woodlands – Village at the Woodlands Waterway, The
Texas, Waco – Delaney at Lake Waco, The
Texas, Wichita Falls – Rolling Meadows
Utah, Taylorsville – Summit Vista
Vermont, White River – Village at White River Junction, The
Washington, Issaquah – Timber Ridge at Talus
Wisconsin, Mequon – Newcastle Place
Wisconsin, Milwaukee – Eastcastle Place

EXHIBIT B
DESCRIPTION OF THE SERVICES; BENEFITS AND MISCELLANEOUS POLICIES

The services provided by Meadow Ridge to residents are listed in each Residency Agreement which governs all such obligations. In an attempt to more fully explain the nature of these services, as well as certain benefits to residents and miscellaneous policies, the following detailed description has been prepared. The procedures to be followed in furnishing these services providing these benefits and/or implementing these policies may be modified by Meadow Ridge.

Activities Director (Ridge Crest and Assisted Living)

Meadow Ridge provides a Therapeutic Recreation Director (“Activities Director”) who is responsible for coordinating and directing the arts, crafts, social, spiritual and recreational activities for Ridge Crest residents. Meadow Ridge provides an AL Activities Coordinator who is responsible for coordinating and directing the arts, crafts, social, spiritual and recreational activities for assisted living residents.

Assisted Living Services

The following is a list of assisted living services which may be provided to residents in assisted living apartments and included in the monthly fees for such apartment for life care plan residents and are charged at the then current per diem private pay rate for fee-for-service residents:

Daily observation, continuous supervision, and certified or assistive care;

Supervision and assistance in dressing, bathing, and maintenance of good personal hygiene;

Supervision in the taking of medications;

Assistance in daily living activities;

A private room;

Three full meals per day;

Clean linens and towels as needed;

Personal laundry services;

Special diet to be provided upon order of the attending physician as long as needed; tray service available if resident is ill;

Housekeeping service;

Planned activities – social, cultural, spiritual and recreational for those who wish to participate;

Services of an activities director and social service representative;

Scheduled local transportation, conditioned upon ability to participate;

Access to telephone; and

Use of recreational and other common area facilities, conditioned upon ability to participate.

Dining Services

The number of meals offered monthly, as part of the monthly fee, is equal to the number of days in the month. The meals provided in the monthly fee may be taken at any scheduled time during the month. Additional meals are available to residents at an extra charge and billed monthly. Residents may contract on a monthly basis for additional meals at a reduced cost. Guest meals cost slightly more and may be reduced by a credit against unused meals covered by the monthly fee. Monthly fees will not be reduced for meals not taken, unless the resident gives advance notice and is absent from The Community for more than 30 days.

The services of the registered dietician will be provided to residents who require nutritional counseling at an additional charge. However, special diets are not provided for residents in the apartments. There is no additional charge to the resident for tray service when the resident is ill.

The Community reserves the right to provide alternative food service plans in the future.

For more information regarding dining services, see the Resident Handbook.

Financial Data

Meadow Ridge follows a disclosure policy on all matters except personnel salaries and disciplinary decisions regarding employees. All information about residents is handled on a confidential basis. The current disclosure statement is available for inspection by the residents at any time. The current audited financial statements for The Community for the most recently completed fiscal year is available for inspection by residents each year. Residents, through the Residents' Association, are kept informed of the annual budgeting process. Various reports and other data required under various statutes are available through the administrative office or posted as required.

Flat Laundry

Meadow Ridge provides weekly service for one load of the residents' flat laundry, which is washed, dried, and folded by the housekeeper during the regularly scheduled weekly housekeeping visit. Such services will include: sheets, pillowcases, towels, facecloths, and dishcloths. Although the use of permanent press linen is strongly recommended, the staff will launder nonpermanent press items but will not iron flat laundry.

Gratuities

No gifts, tips, gratuities or loans are allowed. Employees who accept them are subject to discharge. The Residents' Association has established an employee appreciation fund to be shared with each employee on a basis determined by the residents.

Ridge Crest and Assisted Living Permanent Assignment

Lifecare Plans:

Residents of Meadow Ridge are allowed to accumulate up to a lifetime aggregate of ninety (90) days (90 days for each resident in a double-occupied apartment, but the allowance cannot be combined and used by only one resident) of assisted living in an assisted living apartment or nursing care in Ridge Crest at no additional cost, other than for extra meals not covered by the monthly fee and ancillary items. When ninety (90) days of accumulated care are exceeded, the resident's monthly fee depends upon the following:

- (a) In the case of a single-occupancy resident, if the resident chooses to release his or her apartment, then his or her monthly fee for the apartment will cease, and resident will pay the lesser of the then-current monthly fee for (a) the resident's apartment or (b) a two-bedroom type B apartment. In addition, the resident will pay for the cost of the two meals per day as well as all other applicable regular monthly charges not covered by the monthly fee at the then current charge for extra meals.
- (b) In the case of a single-occupancy resident, if the resident chooses not to release his or her apartment, then the resident will continue to pay the apartment monthly fee and the resident will pay a monthly fee for assisted living or nursing care equal to the then-current monthly fee for a two-bedroom type B apartment plus the cost of the one meal per day not covered by the two monthly fees at the then current charge for extra meals, as well as all other applicable regular monthly charges.
- (c) In the case of a double-occupancy apartment, if one resident is in an assisted living apartment or Ridge Crest and accumulates more than ninety (90) days of nursing care, then the monthly fees remain the same except for additional meals at the then current charge for extra meals as well as all other applicable regular monthly charges.
- (d) In the case of a double-occupancy apartment, if both residents are in an assisted living apartment or Ridge Crest and each accumulates more than ninety (90) days of assisted living or nursing care, and if the residents choose to release their apartment, then their monthly fees for their apartment will cease, and they will pay the lesser of (a) the then-current regular monthly fee for the resident's apartment or (b) first and second person, for a two-bedroom type B apartment, plus additional meals at the then current charge for extra meals. The residents will continue to pay all other applicable regular monthly charges.
- (e) In the case of a double-occupancy apartment, if both residents are in an assisted living apartment or Ridge Crest and each accumulates more than ninety (90) days of assisted living or nursing care, and if the residents choose not to release their apartment, then they will continue to pay their apartment monthly fees, first and second person, and,

in addition, they will pay additional monthly fees for assisted living or nursing care equal to the two-bedroom, type B monthly fee, first and second person, plus the cost of additional meals at the then current charge for extra meals. The residents will continue to pay all other applicable regular monthly charges.

Fee-for-Service Plans:

If the resident's attending physician or the Medical Director determines that the resident requires assisted living services or nursing care, the resident will be requested to relocate to an assisted living apartment of the Ridge Crest (either temporarily or permanently) or another assisted living center or health center of your choice, as applicable. Fee-for-Service Plan residents will be provided priority access over nonresidents for admission to an assisted living apartment or Ridge Crest on a space available basis at our current private pay rates. If you relocate, your monthly charges will depend upon whether you release your apartment. If you have relocated to an assisted living apartment or Ridge Crest and chose to release your resident, you must provide The Community with 45 days' advance written notice. During that 45-day period, you will continue to pay your monthly fees, your health care charges and all other applicable regular monthly charges. Upon the later of such 45-day period or the removal of all of the contents from your residence, the monthly fee for your residence will cease and you will only pay your health care charges and any other applicable regular monthly charges. If you do not release your apartment upon your relocation to an assisted living apartment or Ridge Crest, you will continue to pay your monthly fee for your residence, all other applicable regular monthly charges and your health care charges. If there are two of you and only one of you relocates to an assisted living apartment or Ridge Crest, the resident who relocates will pay all health care charges and all other applicable regular monthly charges and the resident who remains in the residence will continue to pay the monthly fee and all other applicable regular monthly charges.

Fee-for-Service Plan residents are given priority over nonresidents for assisted living apartments and skilled nursing beds at The Community. In the unlikely event that there are no assisted living apartments available and there are no nursing care beds available in Ridge Crest at Meadow Ridge, you may receive home health services in your residence at your own cost and expense and/or place your name on a waiting list, which will be processed in accordance with Meadow Ridge's waiting list policy or you may relocate to, and receive care from, another assisted living facility or nursing facility at your own cost and expense. If you relocate, you will continue to be responsible for paying any regular monthly charges.

Housekeeping Services

Meadow Ridge maintains all common spaces and provides weekly housekeeping services. Housekeeping services include: cleaning and dusting the interior of the apartment with vacuuming on a weekly basis; washing and waxing of hard surface floors; and the cleaning of ovens and windows (as needed). Carpets will be spot cleaned as necessary. Staff will assist residents in arranging and moving furniture as needed during the first 12 months of occupancy at no charge. Rearranging of apartment furniture will be possible after that time at the resident's expense. Furniture will be moved at least once a year for cleaning hard-to-reach areas. Extra cleaning help will be available at an extra charge. Apartments will be painted as necessary.

Monthly Billing Service

All regular monthly charges are billed and placed in the resident's mailbox or mailed according to the resident's instructions on or before the fifth day of the month and are to be paid by the tenth day of each month.

Other Charges

Other services may be provided to residents at extra charge and added to the monthly bill. Such services include, but are not limited to: guest accommodations, guest meals over the monthly meal allowance, salon services, additional resident meals, additional housekeeping, personal laundry service, and such other reasonable services as requested. A list of ancillary charges is included in Exhibit I to this Disclosure Statement.

Pets

(a) Because of overall community concerns, including the health and convenience of the residents, pets are not allowed at the majority of continuing care communities. However, in recognition of the strong role that pets currently play in the lives of a number of residents, the following pet policy has been adopted by Meadow Ridge)

The opportunity for residents to keep pets is subject to the right of each resident of The Community to be free from any inconvenience created by other resident's pets. Pet owners should pay the costs of maintaining all programs associated with the pet policies and agreements.

(b) Pets will be permitted in the apartments provided the resident signs a separate agreement regarding the pet.

(c) The maintenance of a pet at The Community is a revocable privilege, and the determination of the administrator concerning the suitability of the pet and any permission or denial to keep the pet in the resident's apartment shall be final. The animal shall be spayed/neutered.

(d) The resident shall be responsible for keeping the pet properly restrained and for cleaning up after the pet. The resident shall make arrangements for the care and treatment of the pet in the event of the resident's death or inability to care for the pet and shall complete required documentation at The Community as to what arrangements have been made. The resident will restrict the pet's access to only those areas which are designated as areas in which pets are allowed.

(e) In order to protect the residents of The Community, this policy will be subject to revision from time to time.

Prescription Service

Delivery service from pharmacies is available for the resident's convenience.

Private Dining Room

A private dining room is available for use by residents and their guests. Special meals, if desired, are available at an extra charge. Advance reservations are required.

Reception Desk

The reception desk is open seven days a week, every day of the year. In addition to greeting visitors and guests to the Community, the staff can assist residents, answer questions and direct telephone calls. All regular monthly charges payments, maintenance requests, transportation services, and messages will be taken care of through the Reception Desk.

Resident Life Director

The person holding this position is responsible for scheduling group events, transportation, newsletters, and resident orientation. Arts, crafts, and activities in the residential portion of The Community are under the supervision of the social/recreation director. Hiking trails and gardening areas are provided throughout The Community's grounds for resident's use.

Residents' Association Board

The Residents' Association Board functions as the Resident Council at Meadow Ridge. The Residents' Association Board at The Community consists of no less than nine and no more than sixteen residents, who have been elected by the resident body of The Community. The Residents' Association Board represents the interests of the residents and functions in an advisory role to the Administration regarding resident welfare and interests. The Executive Director and Administrator meet with the Residents' Association Board monthly (with the exception of August) to address resident concerns, maintain mutual cooperation, and enhance the well-being of the residents of Meadow Ridge. The outcome and discussions of these meetings are then communicated to Redding Life Care.

Resident's Parking

One surface parking space will be provided for each apartment, provided the resident owns an automobile. Ample surface visitor parking also will be provided. A resident may, however, subject to availability, elect to substitute a garage for the surface parking space, provided the resident owns an automobile. In that case, the resident will rent a garage pursuant to a one-year renewable lease and pay an additional monthly garage rental fee. Garage spaces shall be used only for motor vehicle parking and shall not be used for storage.

Salon Services

Salon services are available at extra charge. Salon charges are set by the salon team in conjunction with Community management. Salon charges are placed directly on the resident's bill.

Security

Security personnel are present 24 hours per day. For the resident's added safety, all entrance and exit doors (except the main entrance, Ridge Crest entrance and specific courtyard entrances during the day) are locked 24 hours per day, requiring the residents to use a key or pass card to gain entrance.

Supportive Services for Apartment Residents

A program of personal services is available to serve the residents. Under the direction of the Resident Health Services Director, this program's purpose is to provide assistance to residents so that independent living can continue for as long a period as possible. This program is provided under the auspices of the Meadow Ridge Assisted Living Services Agency. Services such as bathing, dressing, private duty nursing services, medication management, additional housekeeping, shopping, personal laundry and personal transportation are made available to the residents at an extra charge. Additional services, such as private duty nursing, are provided through Home Health Care Services, LLC, an affiliate of Life Care Services, LLC or may be provided through an approved agency at each resident's selection. Meadow Ridge reserves the right to add to, delete from, or modify such additional services and extra charges from time to time.

Telephone Service

Each apartment has "live" jacks in various locations. Actual telephone service is at the resident's expense.

Television Service

Meadow Ridge provides cable TV service through Digital Media which is included in the monthly fee. Residents may opt to order premium service (HBO, etc.) at their own expense.

Ridge Crest at Meadow Ridge

In the event a resident requires skilled nursing care, he or she may be admitted by physician's order directly to Ridge Crest from the apartment. Life care residents of The Community have priority access to Ridge Crest. Fee-for-service residents of The Community have priority access to Ridge Crest over non-residents. If a resident desires additional private nursing staff while in Ridge Crest, arrangements may be made through Ridge Crest at an extra charge to the resident. For life care residents, since only one meal per day is included in the monthly fee, two additional meals each day will be added to a resident's monthly billing statements when he or she is admitted to Ridge Crest. Fee-for-service residents pay our private pay rates then in effect. Visitors and volunteers are encouraged to visit the residents in Ridge Crest. Friends, relatives, or spouses may take meals with residents in Ridge Crest with advance notification.

A physician has been retained on a consulting basis to act as Medical Director for Ridge Crest. Residents are expected to be seen by their personal physician when residing in the apartments or in Ridge Crest.

If the resident requires assisted living or skilled nursing care, the resident shall enter into a separate admission agreement, the form of which will be available for review, to be signed by the resident and Meadow Ridge.

The Ridge Crest staff, in cooperation with the resident and physician, will determine the appropriate level of nursing care required by the resident upon admission to Ridge Crest. As a part of the determination, the resident's long-term ability to return to independent living will be evaluated. The nursing staff will provide an appropriate plan of care, the ultimate goal of which shall be, if at all possible, to return the resident to independent living as soon as possible. In the case of a dispute, the decision of the Medical Director shall be determinative.

If it is determined that the resident requires hospitalization, Meadow Ridge will assist in the coordination of the resident's transfer to an appropriate hospital. Community staff will not accompany the resident to the hospital nor will Meadow Ridge be responsible for charges associated with the resident's transfer.

While in Ridge Crest, the resident will be given nursing care and other supportive services as prescribed by the resident's physician within the boundaries of Ridge Crest's license. If a resident desires a private room, the resident may obtain one, if available, upon agreement to pay the additional charges for private room accommodations. The resident is responsible for the services of his/her personal physician. In the event the resident's personal physician or The Community's Medical Director orders medication, therapy, or various supplemental services for the resident's care, the resident shall be responsible for the charge of such services and medication.

Residents who are able to do so will be encouraged to return to independent living as soon as possible and may visit their apartments with the assistance of family, friends, or private nursing staff as part of the rehabilitation process, if that is a part of the nursing care plan. Ridge Crest staff will not be able to provide that service because of their need to remain in the health care area.

Transportation

Scheduled transportation services are provided Monday through Friday during normal business hours. Transportation is also available on Saturdays and Sundays to local places of worship and other planned events. Special events and personal transportation may be at extra charge to the resident.

Areas of regularly scheduled transportation will generally include local shopping centers and medical offices.

EXHIBIT C
 Historical Admission Payments, Monthly Fees, Etc.

Admission Payment 80% Refund *

	January 2013	January 2014	January 2015	January 2016	March 2017	March 2018
Apartments						
A1 AVON	\$450,000	\$450,000	\$463,500	\$482,000	\$506,000	\$531,300
A ESSEX	\$520,000	\$520,000	\$535,800	\$557,000	\$585,000	\$614,300
A2 FAIRFIELD	\$585,000	\$585,000	\$602,550	\$628,500	\$658,000	\$690,900
B (2 bedroom) GREENWICH	\$610,000	\$610,000	\$628,300	\$653,500	\$686,000	\$720,300
C (2 bedroom/den) SAUGATUCK	\$720,000	\$720,000	\$741,600	\$771,500	\$810,000	\$850,500
D (bedroom/den) WINDSOR	\$1,150,000	\$1,150,000	\$1,287,500	\$1,339,000	\$1,405,000	\$1,475,000

Admission Payment 50% Refund*

	January 2013	January 2014	January 2015	January 2016	March 2017	March 2018
Apartments						
A1 AVON	--	\$394,000	\$394,000	\$409,700	\$430,100	\$451,600
A ESSEX	--	\$454,300	\$455,300	\$473,500	\$497,300	\$522,200
A2 FAIRFIELD	--	\$512,200	\$512,200	\$532,500	\$559,300	\$587,300
B (2 bedroom) GREENWICH	--	\$534,100	\$534,100	\$555,500	\$583,100	\$612,300
C (2 bedroom/den) SAUGATUCK	--	\$630,400	\$630,400	\$655,800	\$688,500	\$722,900
D (bedroom/den) WINDSOR	--	\$1,094,400	\$1,094,400	\$1,138,200	\$1,194,300	\$1,254,000

Declining Refund or Traditional*

	January 2013	January 2014	January 2015	January 2016	March 2017	March 2018
Apartments						
A1 AVON	--	\$301,300	\$301,300	\$313,300	\$354,200	\$371,900
A ESSEX	---	\$348,100	\$348,100	\$362,100	\$409,500	\$430,000
A2 FAIRFIELD	--	\$391,700	\$391,700	\$407,200	\$460,600	\$483,600
***B (2 bedroom) GREENWICH	--	\$408,400	\$408,400	\$424,800	\$480,200	\$504,200
***C (2 bedroom/den) SAUGATUCK	--	\$482,000	\$482,000	\$501,500	\$567,000	\$595,400
***D (bedroom/den) WINDSOR	--	\$836,900	\$836,900	\$870,400	\$983,500	\$1,032,700

Monthly Fees**

	January 2013	January 2014	January 2015	January 2016	January 2017	January 2018
Apartments						
A1 AVON	\$4,001	\$4,148	\$4,306	\$4,466	\$4,608	\$4,757
A ESSEX	\$4,453	\$4,617	\$4,794	\$4,973	\$5,132	\$5,298
A2 FAIRFIELD	\$4,869	\$5,048	\$5,241	\$5,347	\$5,611	\$5,793
B (2 bedroom) GREENWICH	\$5,226	\$5,419	\$5,627	\$5,837	\$6,024	\$6,220
C (2 bedroom/den) SAUGATUCK	\$5,994	\$6,215	\$6,454	\$6,696	\$6,911	\$7,136
D (bedroom/den) WINDSOR	\$7,439	\$7,715	\$8,012	\$8,313	\$8,580	\$8,860

2018 Second Person entry fee: \$35,000

2018 Second Person monthly fee: \$ 1,960

*Current prices effective March 1, 2018

** Current prices effective January 1, 2018

** In 2018, base admission payments increased 5%. Additionally, certain units were deemed to be more desirable based on location and view and features which are offered at an additional 10% premium over the 2018 base fee.

EXHIBIT D (1)

**MEADOW RIDGE RETURN OF CAPITAL PLAN^(TM)
RESIDENCY AGREEMENT
(LIFE CARE)**



100 Redding Road

Redding, Connecticut 06896

(203) 544-1000

RESIDENCY AGREEMENT

Version: July 2018

GLOSSARY

The following terms are described as used in the accompanying Agreement. Reference to the Agreement and the context in which the terms are used is recommended to provide a fuller understanding of each of the terms:

"Admission Payments" means the Entrance Fee (and Second Person Entrance Fee, if applicable) paid by the Resident to Meadow Ridge, together with the Loan made by the Resident to Meadow Ridge, pursuant to this Agreement.

"Agreement" or "Residency Agreement" means this Residency Agreement.

"Apartment" means the apartment at The Community in which you are entitled to live pursuant to the Agreement as identified in Section 1 of the Agreement and including any Assisted Living Apartment (as defined herein) to which you may relocate.

"Assisted Living Apartments" mean those Apartments which have been identified by The Community as providing Assisted Living Services.

"Assisted Living Fee" means fees charged for Assisted Living Services as established by us from time to time and payable by a resident residing in the Assisted Living Apartments.

"Assisted Living Services" means those services provided by The Community in the Assisted Living Apartments designed to assist residents with the activities of daily living and which are in addition to the services furnished to other apartments as specified in Section 4 hereof.

"Capital Improvements Fee" means that one-time, non-refundable fee which may be used by us for The Community to fund apartment refurbishment costs, Community refurbishment costs, capital improvements and/or capital reserves as described in Section 1.4 of the Agreement.

"The Community" means the facility known as Meadow Ridge, which is the subject of the Agreement, including the Apartments, the Assisted Living Apartments, The Health Center, and all common areas.

"Entrance Fee" or "Second Person Entrance Fee" means that fee, including the Entrance Fee Deposit, as established by us from time to time and payable by a

prospective resident to us for acceptance into The Community as described in Section 1 of the Agreement.

"Entrance Fee Deposit" means the initial deposit payable hereunder as described in Section 1.2 of the Agreement.

"Garage Rental Fee" means that monthly rental fee established by us from time to time and payable pursuant to a separate lease between a resident and us for the use of a garage at The Community as described in Section 5.3 of the Agreement.

"The Health Center at Meadow Ridge" or "The Health Center" means the health center forming a part of The Community which is intended to provide semi-private or private (for an additional fee and if available) nursing accommodations for the nursing care as stated in the Agreement.

"Loan" means the loan made to Meadow Ridge by you pursuant to this Agreement and pursuant to the Loan Agreement attached hereto as Exhibit A. Your rights to repayment of the Loan may be held by your heirs or others if we consent to such an assignment, and our consent will not be unreasonably withheld.

"Managed Residential Community" means a community registered with the Connecticut Department of Public Health in order to offer certain Assisted Living Services provided by a licensed assisted living services agency to residents in their apartments. The Community is registered as a Managed Residential Community.

"Meadow Ridge" or "we" or "us" or "our" means Redding Life Care, LLC (d/b/a Meadow Ridge), a Connecticut limited liability company and the owner of The Community.

"Medical Director" means the physician designated as the medical director of The Health Center in accordance with Section 6.8 of the Agreement.

"Monthly Fee" means that monthly fee (including the second person monthly fee if there are two of you) payable in consideration for services and features as set forth under Section 4 of the Agreement.

"occupancy" (including the term occupy and all tenses thereof) means the date upon which you close on your apartment (i.e., your Admission Payments have been made in accordance with the terms of your Agreement).

"Resident" or "you" means the resident or residents who is (are) signatory to the Agreement. Sometimes a second Resident (if there are two of you) is referred to in the Agreement as the "second person."

"Resident Handbook" means the document referenced in Section 16 of the Agreement, which will be given to the Resident(s) upon occupancy at The Community.

"Regular Monthly Charges" means all those Regular Monthly Charges payable by you pursuant to the terms of the Agreement, including the fees charged under Section 3.3, the Monthly Fees, the Assisted Living Fees, the Garage Rental Fees, the fees for optional services, the additional monthly fees for nursing care, if any, and all other fees and charges payable monthly pursuant to the terms of the Agreement, as appropriate in the particular circumstances.

"Trustee Mortgage" means the mortgage, as amended from time to time, on the real estate owned by Meadow Ridge and comprising The Community which secures your Loan and the loans of all other residents, up to an aggregate secured amount of \$200,000,000, as such amount may be increased from time to time.

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Meadow Ridge

RESIDENCY AGREEMENT

1. ENTRANCE FEE AND LOAN

1.1. Admission Payments

To assure you _____ a place at Meadow Ridge in Redding, Connecticut in accordance with all terms of this Agreement, including payment of the Regular Monthly Charges described below, you will pay to Meadow Ridge, an Entrance Fee, make a Loan to Meadow Ridge and, if applicable, pay a Second Person Entrance Fee for a total of \$ _____.

- (i) \$ _____ of this amount represents the Entrance Fee;
- (ii) \$ _____ of this amount represents the Second Person Entrance Fee (if applicable); and
- (iii) \$ _____ of this amount represents the Loan.

Your Entrance Fee, Loan and Second Person Entrance Fee, if applicable, together constitute your Admission Payments. Payment of your Admission Payments entitles you to live in apartment no. _____ at The Community for as long as you are capable of independent living in accordance with The Community's admission policy, as amended from time to time. In addition, pursuant to the terms of this Agreement, you may be entitled to relocate to an Assisted Living Apartment or The Health Center at Meadow Ridge when you are no longer capable of independent or assisted living.

1.2. Entrance Fee

Ten percent of your Admission Payments (minus the Second Person Entrance Fee, if applicable) (\$ _____) is paid herewith and will be held in escrow pursuant to Connecticut law (the "Entrance Fee Deposit"). In no event shall you be required to move into the Community before the expiration of thirty (30) days from your execution of this Agreement. The balance of your Entrance Fee (\$ _____) and the Second Person Entrance Fee (\$ _____), if applicable, will be due and payable on the same day that your Loan is due pursuant to Section 1.3 below.

1.3. Loan

Your Loan of \$ _____ will be paid (by wire, bank or certified check) to Meadow Ridge the earlier of _____ or the date you move into The Community. Your Loan will be evidenced by a Loan Agreement, a copy of which is attached as Exhibit A. Your Loan and the loans of all other residents, up to an aggregate secured amount of \$200,000,000 (which amount may be increased from time to time), is secured by the Trustee Mortgage. The Trustee Mortgage is subordinate to certain "permitted encumbrances" as defined in the Trustee Mortgage and the Indenture of Trust. A copy of the Trustee Mortgage and the Indenture of Trust is available for your review upon your request. The Loan may not be mortgaged, sold, discounted, assigned, or otherwise transferred, subject to our prior written approval, which approval shall not unreasonably be withheld.

1.4. Capital Improvements Fee

In addition to your Admission Payments described above, a one-time Capital Improvements Fee of \$ _____ will be paid (by wire, a separate bank or certified check) to Meadow Ridge on the same day as your Loan is due pursuant to Section 1.3 above. This charge may be used by us for The Community to fund apartment refurbishment costs, Community refurbishment costs, capital improvements and/or capital reserves. No portion of the Capital Improvements Fee is refundable.

2. REIMBURSEMENT OF ADMISSION PAYMENTS

2.1. Reimbursement of Entrance Fee Deposit Prior to Occupancy

2.1.1 If you are not accepted for residency, as evidenced by Meadow Ridge's authorized signature of this Residency Agreement, the full amount of the Entrance Fee Deposit you have paid will be promptly refunded to you without interest.

2.1.2 If you change your mind and give us written notice of cancellation by registered or certified mail within thirty (30) days from the date of this Agreement, this Agreement will be automatically canceled. In such event, the full amount of the Entrance Fee Deposit you have paid will be refunded to you, without interest, within one hundred twenty (120) days of written notice, except that we will retain an amount equal to any costs that are specifically incurred by us due to your request.

2.1.3 After the thirty (30) day period, if you (or either of you if there are two of you) die at any time prior to the date your Apartment is ready for occupancy, or because of illness, injury, or incapacity, you (or either of you if there are two of you) are unable to occupy your Apartment under the terms of this Agreement, upon written notice to Meadow Ridge by registered or certified mail, this Agreement will be automatically canceled, unless in the case of such illness, injury, or incapacity you (or either of you if there are two of you) choose to become a resident of The Health Center at Meadow Ridge or an Assisted Living Apartment, as applicable in accordance with The Community's admission policies. If this Agreement is so canceled, the full amount of the Entrance Fee Deposit you have paid will be refunded to you or to your estate, without interest, within one hundred twenty (120) days of your request, except that we will retain: (i) an amount equal to any costs that are specifically incurred by us due to your request and (ii) a service fee of \$1,000.

2.1.4 In all other cases, if you cancel this Agreement prior to occupying the Apartment, we will retain \$20,000 and the balance of the Entrance Fee Deposit you have paid will be refunded to you, without interest, within one hundred twenty (120) days.

2.2. Forfeiture of Entrance Fee After Occupancy

In the event this Agreement is terminated or canceled after you have occupied your Apartment, we will retain the total of the Entrance Fee (and the Second Person Entrance Fee, if applicable) portion of your Admission Payments.

2.3. Repayment of Loan

The repayment of your Loan will be made in accordance with the Loan Agreement, a copy of which is attached as Exhibit A to this Residency Agreement.

2.4. Right of Offset

We have the right to offset against any Entrance Fee Deposit refund and/or Loan repayment, any unpaid Regular Monthly Charges owed by you, any unreimbursed health care expenses we have advanced on your behalf, any amount deferred by us under Section 9.2.3, and any other sums owed by you.

3. REGULAR MONTHLY CHARGES

3.1. Reserved

3.2. Monthly Fees

You shall pay a Monthly Fee for the services and features provided to all residents as set forth in Section 4. Your Monthly Fee will initially be \$_____ per month for one (1) person and an additional \$_____ per month if there are two of you (“Monthly Fee”). We will give you advance written notice of not less than thirty (30) days before any change in the Monthly Fee is implemented.

3.3. Regular Monthly Charges

In addition to the Monthly Fee, you will pay all applicable Regular Monthly Charges, including, without limitation:

(a) monthly charges for any optional services that you utilize and that are subject to an extra charge as provided in Section 5 below; and

(b) a \$_____ charge per month for occupying your Apartment (including any Assisted Living Apartment to which you relocate) or The Health Center at Meadow Ridge. There shall be no increase in this charge during the term of this Agreement and charges collected shall be our unrestricted property and may be used by us for any purpose.

We will give you advance written notice of not less than thirty (30) days before any increase in any extra charge is implemented.

3.4. Payment

On the earlier of (i) the day you move into The Community or (ii) the day you make your Loan to us as provided in Section 1.3 of this Agreement, you shall pay a pro-rated portion of the Regular Monthly Charges and Monthly Fee. Thereafter, such monthly charges will be payable on the tenth day of each month in advance, and all other Regular Monthly Charges for optional services will be paid on the tenth day of each month for the optional services obtained during the preceding month. A late charge equal to one percent (1%) shall be assessed on any Regular Monthly Charges three or more days past due.

3.5. Termination of Charges for Apartment

3.5.1 The Regular Monthly Charges for your Apartment will terminate after your death (or upon the death of the survivor in a double-occupied apartment), upon the removal of the contents of your Apartment or upon the release

of your Apartment pursuant to the provisions regarding assisted living and Health Center usage. In the event one of two residents occupying an apartment dies, the second person Monthly Fee will cease and the remaining resident will continue to pay the first person Monthly Fee and any other Regular Monthly Charges.

3.5.2 If you terminate this Residency Agreement after occupying your Apartment, you will be required to pay all applicable charges identified in Section 3 until the later of one hundred and twenty (120) days after we receive written notice of such termination or the actual release of your Apartment and removal of the contents of your Apartment.

4. SERVICES AND FEATURES PROVIDED TO ALL APARTMENT RESIDENTS

Meadow Ridge will furnish at The Community, so long as you reside in an apartment therein, the following services and features which are included in the Monthly Fee:

4.1 Continental breakfast every day;

4.2 A monthly meal credit (one credit for each day of the month), which may be used for lunch or dinner (or both) in the dining room (or a comparable meal plan as determined by Meadow Ridge from time to time);

4.3 Water, sewer, air conditioning, heating, and electricity;

4.4 Satellite or Cable TV service (as decided by Meadow Ridge);

4.5 Property taxes, insurance on building and structures;

4.6 Grounds keeping, landscaping, and snow removal;

4.7 Security services;

4.8 Building janitorial and maintenance service;

4.9 Weekly housekeeping service;

4.10 Weekly flat laundry service (one load);

4.11 Planned social, cultural and recreational activities for those who wish to participate;

4.12 One reserved space for open parking provided, however, parking spaces are only available if you own an automobile;

4.13 Carpeting (except in kitchen and bath where there will be alternate floor covering);

4.14 Complete kitchen, including refrigerator, range with oven, dishwasher, microwave oven, ductless hood fan;

4.15 Stackable washer and dryer in each apartment;

4.16 Local transportation as scheduled by us (which may change from time to time) – a description of scheduled transportation is located in the Resident Handbook, and a copy is provided to residents upon admission to The Community;

4.17 Emergency call system in your Residence through the use of a pendant, which is monitored 24-hours a day by designated Community staff;

4.18 Use of all common areas in The Community;

4.19 Use of recycling rooms on every floor;

4.20 Use of The Health Center at Meadow Ridge pursuant to the terms of Section 6 of this Agreement; and

4.21 Use of the Assisted Living Apartments at Meadow Ridge pursuant to the terms of Section 6 of this Agreement.

5. SERVICES PROVIDED FOR AN EXTRA CHARGE

5.1. Miscellaneous Additional Services

Meadow Ridge will also make available at The Community, at your request, so long as you reside in an apartment at The Community, at the then prevailing rates of extra charge: additional meals besides those provided in consideration for the monthly meal credit, guest meals, tray service to your Apartment, additional housekeeping, certain office services such as "fax" and copier, use of guest rooms, catering for private parties, home health services, salon services, garage parking, if available, non-emergency calls to and service of the Medical Director, personalized

transportation, and certain other services, upon special arrangements. Certain additional services for extra charge will also be available to you while you are in The Health Center at Meadow Ridge or an Assisted Living Apartment.

A list of these extra charges for the additional services can be obtained from the front desk. A copy of the extra charges is also in the Resident Handbook provided to all new residents. Each year, a current copy of the extra charges is distributed to each resident. We will give you advance written notice of not less than thirty (30) days before any increase in any extra charge is implemented.

5.2. Certain Services in Resident's Apartment

Certain Assisted Living Services are available to you in your Apartment on a limited basis for an extra charge. A list of available and extra services is attached to this Agreement as Exhibit B. This list may change from time to time in our sole discretion, and a revised list will be provided to you when changes are made. We will give you 30 days' advance written notice before any increase in any extra service is implemented. Meadow Ridge reserves the right to adopt and revise, from time to time, assessment criteria for independent living skills, which the Medical Director shall consider in determining whether you require Assisted Living Services in an Assisted Living Apartment.

5.3. Garage Rental Fee

If you wish to substitute a garage for a surface parking space, depending on availability, you may elect to rent a garage pursuant to a separate one-year renewable lease and pay an additional monthly Garage Rental Fee for the garage. The Garage Rental Fee will be paid on the tenth day of each month along with all other Regular Monthly Charges owed by you.

6. ASSISTED LIVING AND THE HEALTH CENTER AT MEADOW RIDGE

You have the right to participate, as fully and meaningfully as you are able, in making the decision about a permanent move to Assisted Living Apartments or the Health Center at Meadow Ridge. If, in the opinion of your attending physician and the Medical Director, after consultation with you, assisted living in an Assisted Living Apartment or nursing care in The Health Center at Meadow Ridge is necessitated, we will provide you with such services to the extent authorized by our license from the State of Connecticut on the following terms:

6.1. Accommodations

Assisted living accommodations will be in either a one-bedroom or studio Assisted Living Apartment depending on availability. Accommodations in The Health Center will be in a semi-private room. At your request and expense (and subject to availability), you may occupy a private room in The Health Center.

6.2. First Ninety (90) Cumulative Days of Assisted Living or Nursing Care

We will provide Assisted Living Services in an Assisted Living Apartment or nursing care in The Health Center at Meadow Ridge without additional charge for ninety (90) cumulative days for you (90 days for each Resident in a double-occupied apartment, but the allowance cannot be combined and used by only one Resident), except that each Resident will pay the cost of the extra meals not covered by the Monthly Fee at the then current charge for extra meals. The Monthly Fees for your Apartment and all other applicable Regular Monthly Charges will continue as before.

6.3. More than Ninety (90) Cumulative Days of Assisted Living or Nursing Care for Residents of a Single-Occupied Apartment

If you require Assisted Living Services or nursing care beyond the ninety (90) cumulative days provided under Section 6.2 above, your Monthly Fee will depend upon whether you choose to release your Apartment:

6.3.1 Release Apartment. If you choose to release your Apartment for occupancy by someone else, the Monthly Fee for your Apartment will cease and you will pay for an assisted living or nursing care Monthly Fee in an amount equal to the lesser of the then current Monthly Fee for (a) your Apartment or (b) a two-bedroom type B apartment. You will continue to pay all other applicable Regular Monthly Charges. In addition, you will pay for the cost of the two meals per day not covered by the Monthly Fee at the then current charge for extra meals.

6.3.2 Retain Apartment. If you do not release your Apartment, you will pay for an assisted living or nursing care Monthly Fee in an amount equal to the then current Monthly Fee for a two-bedroom, type B apartment. In addition, you will continue to pay your Monthly Fee for your Apartment and all other applicable Regular Monthly Charges. You will also pay the cost of the one meal per day not covered by the two Monthly Fees at the then current charge for extra meals.

6.4. More than Ninety (90) Cumulative Days of Assisted Living or Nursing Care For Residents of a Double-Occupied Apartment

If one of you requires Assisted Living Services or nursing care beyond the ninety (90) cumulative days provided under Section 6.2 above, there will be no additional charge for such care, except that you will pay the cost of the extra meals per day not covered by the Monthly Fees at the then current charge for extra meals. If both of you require care beyond the ninety (90) cumulative days, your Monthly Fee will depend upon whether you release your Apartment:

6.4.1 Release Apartment. If you release your Apartment for occupancy by someone else, the Monthly Fee for your Apartment (first and second person) will cease and you will pay an assisted living or nursing care Monthly Fee in an amount equal to the lesser of the then current Monthly Fees for (a) your Apartment or (b) (first and second person) for a two-bedroom, type B apartment. You will continue to pay all other applicable Regular Monthly Charges. In addition, you will pay for the cost of the four meals per day not covered by the Monthly Fees at the then current charge for extra meals.

6.4.2 Retain Apartment. If you do not release your Apartment, you will pay an assisted living or nursing care Monthly Fee in an amount equal to the then current Monthly Fees (first and second person) for a two-bedroom, type B apartment. In addition, you will continue to pay your Monthly Fees (first and second person) for your Apartment and all other applicable Regular Monthly Charges. You will also pay the cost of the two meals per day not covered by the four Monthly Fees (two first person and two second person) at the then current charge for extra meals.

6.5. Outside Care

6.5.1 Assisted Living if Apartment is Not Available. If, due to unusual circumstances, there are no Assisted Living Apartments available at Meadow Ridge, you may (i) receive home health services in your Apartment at your own cost and expense and/or (ii) place your name on the Assisted Living waiting list for an Assisted Living Apartment at Meadow Ridge and processed in accordance with Meadow Ridge's wait list policy; or (iii) relocate to, and receive care from, another assisted living facility at your own cost and expense. If you relocate, you will continue to be responsible for paying the Regular Monthly Charges outlined in this Agreement.

6.5.2 Nursing Care if a Bed is Not Available. If, due to unusual circumstances, there are no nursing care beds available in The Health Center at Meadow Ridge, you may (upon your agreement) relocate to another health facility

with which we will contract to provide nursing care. You will continue to pay the Regular Monthly Charges outlined in Sections 6.2, 6.3, and 6.4 of this Agreement and other ancillary services, but will incur no additional costs as a result of this relocation. We will, upon your agreement, relocate you to The Health Center at Meadow Ridge as soon as accommodations are available.

6.5.3 Outside Care by Resident's Choice. You have the right to be independent in decisions regarding your medical care. If a bed is available in the Health Center at Meadow Ridge (or an assisted living apartment, if assisted living services are needed) is available and you choose to obtain nursing care or assisted living services from an alternate care facility, you will be responsible for making your own arrangements for such alternate accommodations. You will also be responsible for paying the alternate care facility directly for the services and supplies that you will be receiving from it. We will not be responsible for paying for any portion of your care and services. Further, you will continue to pay to us the Regular Monthly Charges applicable to your Apartment in the event you have not released your Apartment for reoccupancy by someone else.

6.5.4 Cumulative Days. Such a stay set forth in Section 6.5.2 will reduce the number of cumulative days of care that you are eligible to receive without additional charge pursuant to Section 6.2. If you choose to stay in a health center or assisted living facility not designated by us your stay will not reduce the number of cumulative days of care that you are eligible to receive without additional charge pursuant to Section 6.2.

6.6. Return to Apartment

If you give up occupancy of your Apartment because you have moved to The Health Center at Meadow Ridge or an Assisted Living Apartment, and if later you are able, you agree, and in the opinion of the Medical Director, or your attending physician with the concurrence of the Medical Director, to return to an apartment, we will provide you an apartment of the same type as your former Apartment as soon as one becomes available. You will be permitted to remain in The Health Center at Meadow Ridge or your Assisted Living Apartment, as applicable, until such apartment becomes available.

6.7. Special Services

We will also provide special services and supplies in The Health Center at Meadow Ridge or in an Assisted Living Apartment such as: therapy, drugs and other pharmaceutical and medical supplies, medical treatment by physicians, personal

laundry, and rental of equipment. These services and supplies are not included in the Monthly Fee and will be available for an extra charge.

6.8. Medical Director

We will designate, from time to time, a member in good standing with privileges at Norwalk Hospital or Danbury Hospital as Medical Director of The Health Center. You will be at liberty to engage the services of the Medical Director at your own expense. We will not be responsible for the cost of medical treatment by the Medical Director, nor will we be responsible for the cost of medicine, drugs, prescribed therapy, and the like. In the event we incur or advance costs for your medical treatment or for medicine, drugs, prescribed therapy and the like (even though such medical care is given at the direction of your attending physician or the Medical Director without prior approval), you will reimburse us for such costs along with any associated costs of collection.

6.9. Transfer from Assisted Living to Nursing Care

If you (or one or both of you, if there are two of you) are living in an Assisted Living Apartment and later require nursing care, then any reference to a release of an Apartment shall be deemed to refer to a release of any Assisted Living Apartment in addition to any other Apartment occupied by you.

6.10. Non-Resident Use of Assisted Living Apartments and The Health Center

We offer assisted living and nursing services to qualified non-life care residents for a fee to the extent accommodations are available. Residents will, however, be given priority to available Assisted Living Apartments and nursing beds at The Health Center at Meadow Ridge.

6.11. Supplemental Insurance

You are required to maintain Medicare Part A, Medicare Part B, and one supplemental health insurance policy or equivalent insurance coverage acceptable to us to assure your ability to fully cover a Medicare-qualified stay in The Health Center at Meadow Ridge, and shall furnish to us such evidence of coverage as we may from time to time request. Such supplemental insurance should cover Medicare co-insurance and deductibles. If you are under the age of sixty-five (65) and do not otherwise qualify for Medicare coverage, you will obtain medical insurance coverage equivalent to the Medicare Part A and B and supplemental health insurance

as described in this Section 6.11, satisfactory to us, and you will provide proof of such coverage upon request.

6.11.1 Financial Responsibility. Should your supplemental health insurance or equivalent coverage not fully cover a Medicare-qualified stay in The Health Center at Meadow Ridge, or should you fail to purchase supplemental health insurance or equivalent coverage to fully cover a Medicare-qualified stay in The Health Center at Meadow Ridge, you shall be financially responsible for paying deductibles, co-insurance amounts and any other charges for each Medicare-qualified admission and stay in The Health Center. If you are eligible to receive the ninety (90) days of care in The Health Center at Meadow Ridge as provided in Section 6.2 and your stay in The Health Center at Meadow Ridge is a Medicare-qualified stay, such ninety (90) days will be applied after the expiration of your Medicare-qualified stay providing you have Medicare Part A, Medicare Part B and acceptable supplemental health insurance or equivalent insurance coverage. If failure to maintain Medicare Part A, Medicare Part B or supplemental health insurance causes depletion of your resources and impairs your ability to meet your financial obligations, we need not defer your financial obligations to us as provided in Section 9.2.3 of this Agreement, and we may revoke your right to reside at The Community and may terminate the Residency Agreement as provided in this Agreement.

6.12. Admission Agreements

If you require Assisted Living Services or nursing care, you agree to enter into a separate Admission Agreement to be signed by you and us, the form which will be available for your review.

7. DURATION OF YOUR RIGHT TO OCCUPY THE APARTMENT

You may live in your Apartment for as long as you (or either of you) live unless you (or both of you) are not capable of maintaining yourself in independent living in the Apartment, or this Agreement is terminated by you or by us. If, in the opinion of your attending physician or the Medical Director, your physical or mental health requires that nursing care or Assisted Living Services be given, you will be asked to relocate to The Health Center at Meadow Ridge or an Assisted Living Apartment at Meadow Ridge. You have the right to be independent in decisions regarding your medical care, and we shall not prevent or otherwise infringe upon your right to obtain treatment, care and services from providers with which we do not have a contractual arrangement. If it is determined that you require hospitalization, we will assist in the coordination of your transfer to an appropriate

hospital. Community staff will not accompany you to the hospital nor will we be responsible for the charges associated with your transfer.

8. YOUR VOLUNTARY CANCELLATION RIGHTS AFTER OCCUPANCY

After you have moved into The Community, you may cancel this Agreement at any time by giving us one hundred twenty (120) days written notice signed by you (or both of you if there is double occupancy) and sent by registered or certified mail. The one hundred twenty (120) days will begin on the date such notice is received by the Community. If you give such notice, you will pay all applicable Regular Monthly Charges until the later of (a) the expiration of such one hundred twenty (120) day period or (b) the actual release of your Apartment and the removal of the contents of your Apartment. In such event, we will retain the total of your Entrance Fee, and your Loan will be repaid in accordance with the terms of the Loan Agreement.

9. OUR TERMINATION RIGHTS

9.1. Just Cause

We will not terminate this Agreement except for just cause. Just cause includes, but is not limited to, the following:

9.1.1 Failure to make the Admission Payments or, except as set forth below, pay any Regular Monthly Charges as provided herein;

9.1.2 Creation by you (or either of you if there are two of you) of a disturbance within The Community which in our judgment is detrimental to the health, safety, comfort, or peaceful living of others;

9.1.3 You (or either of you if there are two of you) become infected with a dangerous and contagious disease or become mentally or emotionally disturbed, and the Medical Director determines that such condition is detrimental to the health, safety, or welfare of others, and such condition cannot be cared for in an Assisted Living Apartment or in The Health Center at Meadow Ridge within the limits of our license from the State of Connecticut;

9.1.4 You (or either of you if there are two of you) refuse medical treatment which in the opinion of your attending physician or the Medical Director is medically required for your health and such refusal will affect the health and safety of others;

9.1.5 You (or either of you if there are two of you) do not comply with the terms of this Agreement or the published operating procedures, covenants, rules, regulations and policies now existing or later created or amended by us; or

9.1.6 Your material misrepresentation or omission of information in the materials provided by you in the residency process, including without limitation, the representations and information provided pursuant to Section 15 of this Agreement, which, if such information had been accurate, would have been material to our decision whether or not to accept you for residency.

Notwithstanding the above, if there are two of you and a termination event under Section 9.1.2, 9.1.3, 9.1.4 or 9.1.5 occurs that involves only one of you, this Agreement shall continue with respect to whichever of you is not the subject of such termination event and such remaining person shall continue to occupy the Apartment, pay the Monthly Fee (first person only) and all other applicable Regular Monthly Charges.

9.2. Limitations on Termination Rights for Financial Inability

If after you have paid the Entrance Fee, Second Person Entrance Fee, if applicable, and made the Loan, you encounter financial difficulties making it impossible for you to pay the full Regular Monthly Charges; then:

9.2.1 You may remain until any applicable **Title XVIII** Medicare benefits and/or third party insurance benefits received by us on your behalf have been earned;

9.2.2 You shall in any case be permitted to remain at The Community for ninety (90) days after the date of failure to pay, during which time you shall continue to pay reduced Regular Monthly Charges based on your current income; and

9.2.3 Because it is and shall continue to be our declared policy to not terminate your residency solely by reason of your financial inability to pay the full Regular Monthly Charges, you shall be permitted to remain at The Community at reduced Regular Monthly Charges based on your ability to pay for so long as you establish facts to justify deferral of the usual charges, and the deferral of such charges can, in our sole discretion, be granted without impairing our ability to operate on a sound financial basis. In such circumstances, we reserve the right to relocate you to a smaller apartment. This Section 9.2.3 shall be rendered inoperative if you have

impaired your ability to meet your financial obligations or made any misrepresentations with respect to your financial ability. Any such deferred charges shall be offset against repayment of your Loan as provided in Section 2.4.

9.3. Notice of Termination

Prior to any termination of the Agreement by us, we will give you notice in writing of the reasons and you will have thirty (30) days thereafter within which the problem may be corrected. If the problem is corrected within such time, this Agreement shall not be then terminated. If the problem is not corrected within such time, this Agreement will be terminated and you must leave The Community.

9.4. Emergency Termination

Notwithstanding the above, if the Medical Director determines that either the giving of notice or the lapse of time as provided above might be detrimental to you or others, then such notice and/or waiting period prior to termination and relocation to a hospital or other appropriate facility shall not be required and termination of this Agreement shall be deemed to have occurred when you are relocated. In such event, we are expressly authorized to transfer you to a hospital or other appropriate facility and will promptly notify your representative or your attending physician.

10. MISCELLANEOUS PROVISIONS WITH RESPECT TO YOUR APARTMENT

10.1. Use of Apartment

The Apartment is for living only, but may be used for carrying on any business or profession; provided, however, that you comply with all applicable zoning restrictions and any other applicable municipal, state, or federal law and provided that you do not cause a disturbance of others in The Community.

10.2. Occupancy of Apartment

Except as hereinafter provided, no person other than you (or both of you) may occupy the Apartment except with our express written approval. In the event that a second person who is not a party to this Agreement is accepted for residency under this Agreement at a time subsequent to the date hereof (said acceptance to be in accordance with financial and other admission policies governing all other admissions), you shall pay an Entrance Fee and, if applicable, a Second Person Entrance Fee, as determined by us, and each month thereafter the then current applicable Regular Monthly Charges for second persons shall be paid. If such

second person does not meet the requirements for residency, such second person will not be permitted to occupy the Apartment for more than thirty (30) days (except with our express written approval) and you may cancel this Agreement as provided in Section 8. Meadow Ridge reserves the right to adopt and revise, from time to time, its admission guidelines.

10.3. Compliance Changes

We may effect changes in The Community at any time to meet the requirements of the law. You agree to temporarily relocate to other facilities provided by us without additional cost to you if it becomes necessary to vacate your Apartment in order to make such changes.

10.4. Furnishings

Furnishings within the Apartment will not be provided by us except to the extent provided in consideration for the Monthly Fee. Furnishings provided by you shall not be such as to interfere with the health, safety, and general welfare of other residents or the staff of The Community. If removal of your furniture and other property is not accomplished within thirty (30) days after your death (or the death of the resident survivor) or termination of this Agreement, then we may remove and store such furniture and other property at the expense of you or your estate. We may dispose of such furniture or other property that is not claimed within ninety (90) days after your death (or the death of the resident survivor) or termination of this Agreement, provided that we will remit to you or your estate any balance after deducting costs of disposition.

10.5. Alterations by You

You may not undertake any alterations to your Apartment without our prior written approval which shall not be unreasonably withheld.

10.6. Additional Charges

The Community shall charge you for a refurbishment fee to refurbish your Apartment after the termination of this Agreement and shall deduct the same from any amount of the Loan to be repaid pursuant to the Loan Agreement.

11. AMENDMENTS

11.1. This Agreement

This Agreement may be amended by agreement of the parties to this Agreement.

11.2. Laws and Regulations

This Agreement may be modified by us at any time in order to comply with laws and regulations upon thirty (30) days' notice to you.

12. MISCELLANEOUS LEGAL PROVISIONS

12.1. Governing Law

This Agreement will be governed by and interpreted according to the laws of the State of Connecticut and will become effective upon acceptance and execution by us. The Glossary which sets forth the definitions of certain terms used in this Agreement is by this reference incorporated herein and made a part of this Agreement.

12.2. Consent to Forum

Regardless of any present or future domicile of Resident, Resident hereby consents and agrees that the Connecticut Superior Court for the Judicial District of Danbury, or, at our option, the United States District Court for the District of Connecticut, shall have exclusive jurisdiction to hear and determine any claims or disputes between Resident and Meadow Ridge pertaining to this Residency Agreement or to any matter arising out of or related to this Residency Agreement. Resident expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and Resident hereby waives any objection which Resident may have based upon lack of personal jurisdiction, improper venue or *forum non conveniens* and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Nothing in this Residency Agreement shall preclude the enforcement by Meadow Ridge of any judgment or order obtained in such forum or the taking of any action under this Residency Agreement to enforce same in any other appropriate forum or jurisdiction.

12.3. Separability

The invalidity of any restriction, condition or other provision of this Agreement, or any part of the same, shall not impair or affect in any way the validity or enforceability of the rest of this Agreement.

12.4. Capacity

This Agreement has been executed on our behalf by our duly authorized agent, and no partner, officer, director, member, agent or employee of Meadow Ridge shall have any personal liability hereunder to Resident under any circumstances.

12.5. Residents

When Resident consists of more than one person, the rights and obligations of each are joint and several, except as the context otherwise requires.

12.6. Resident Rights

As a resident of The Community, you have certain rights under the Connecticut continuing care law (Conn. Gen. Stat. §17b-520 *et. seq.*), a copy of which is available upon request. You also have certain rights as a resident of The Community because it is a Managed Residential Community. A copy of the Managed Residential Community Residents' Bill of Rights is attached hereto as Exhibit C.

12.7. Nature of Rights

You understand and agree that (a) this Agreement or your rights (including the use of the Apartment) under it may not be assigned and no rights or benefits under this Agreement shall inure to the benefit of your heirs, legatees, assignees, or representatives, except as to reimbursement of the amounts as described in Section 2; (b) this Agreement and your contractual right to occupy the Apartment shall exist and continue to exist during your lifetime unless canceled by you or terminated by us as provided herein; (c) this Agreement grants you a revocable license to occupy and use space in The Community but does not give you exclusive possession of the Apartment as against us and you shall not be entitled to any rights of specific performance but shall be limited to such remedies as set forth herein; (d) this Agreement is not a lease or easement and does not transfer or grant you any interest in real property owned by us; and (e) this Agreement grants to us complete decision making authority regarding the management and operation of The Community.

12.8. Release

We are not responsible for loss of or damage to your personal property. You may want to obtain, at your own expense, insurance to protect against such losses.

12.9. Indemnity

We shall not be liable for, and you agree to indemnify, defend and hold us harmless from claims, damages, settlements, and expenses, including attorney's fees and court costs resulting from any injury or death to persons and any damages to property caused by, resulting from, attributable to or in any way connected with your negligent or intentional act or omission.

12.10. Entire Agreement

This Agreement and any Addenda or Exhibits contain our entire understanding with respect to your residency.

12.11. Tax Considerations

Each person considering executing this Agreement should consult with his or her tax advisor regarding the tax consequences associated with this Agreement and the Loan Agreement.

12.12. Subordination

Except for your right of cancellation prior to occupancy and your rights under the Trustee Mortgage securing the Loan, you agree that all your rights under this Agreement will always be subordinate and junior to the lien of all indentures of trust, mortgages or other documents creating liens encumbering The Community or any of the assets of Meadow Ridge, which have been or will be executed by us. Upon request, you agree to sign, acknowledge and deliver to such lender or lenders such further written evidence of such subordination as such lenders may reasonably require. You will not be liable for any such indebtedness.

12.13. Transfers

We may from time to time issue additional equity interests, or sell The Community, provided that in such latter event the buyer shall agree to assume all existing residency agreements. In addition, we may sell or otherwise transfer the land or other portions of The Community and lease back such land or other portions. Your signature hereto constitutes your consent and approval to any such future transfer.

12.14. Law Changes

If changes are made in any of the statutes or regulations applicable to this Agreement prior to your occupancy of the Apartment, we shall have the right to terminate this Agreement or submit to you a revised Agreement based on the changes in the law, and you agree to accept any such revisions which do not adversely affect you.

12.15. Residents' Association

Residents shall have the right to organize and operate a residents' association at The Community and to meet privately to conduct business of the residents' association.

12.16. Rights of Third Parties

Only parties who have executed this Residency Agreement will have any rights hereunder. Neither this Residency Agreement nor the disclosure statement creates any rights for parties other than those who have executed this Residency Agreement.

12.17. Estate Planning

This Agreement provides for the payment of the Admission Payments in two parts – the Entrance Fee and the Loan. The Entrance Fee Deposit is required to be paid by you upon execution of this Agreement and the balance of your Entrance Fee and the Second Person Entrance Fee, if applicable, is due and payable on the same day your Loan is due pursuant to Section 1.3. The Loan is repayable to your estate in the event of your death, or in the case of a double-occupied Apartment, the death of the surviving Resident, in accordance with the terms of the Loan Agreement. If you do not wish to have the Loan repayment made to your estate, you may choose to assign your right to repayment of the Loan to a trust or other person designated by you pursuant to a form of Assignment of Rights to Repayment approved by Meadow Ridge. In the absence of any agreement between the Residents of a double-occupied Apartment which has been provided to Meadow Ridge prior to the repayment of the Loan, then the Loan will be repayable to the estate of the last surviving Resident. No other rights under this Agreement are assignable.

12.18. Private Employees of Residents

If you need additional services, you can obtain these needed services from a private employee, an independent contractor, or through an agency (personal service provider). In such instances, we strongly advise you to obtain these needed services from a licensed and/or certified home health agency or assisted living services agency. Further, you must comply with our policy regarding personal service providers and ensure that your private employee, independent contractor, or person you employ through an agency complies with our policies and rules of conduct set forth therein. If you fail to follow or enforce the policies and rules of conduct, then we may elect at our sole option to terminate this Agreement, in accordance with Section 9.1.5.

You have the right to be independent in decisions regarding your medical care, and we shall not prevent or otherwise infringe upon your right to obtain treatment, care and services from providers with which we do not have a contractual arrangement.

12.19. Compliance with Laws and Regulations

Meadow Ridge will comply with all applicable municipal, state, and federal laws and regulations, including consumer protection and protection from financial exploitation.

12.20. Complaint Resolution Process

We have established a complaint resolution process for residents and families, which is attached hereto as Exhibit D. Residents may use the complaint resolution process without fear of reprisal of any kind.

13. RESERVE POLICY

It will be our policy to maintain reserve funds as required by Chapter 319hh of the Connecticut General Statutes (Sec. 17b-520 et seq.) and the Connecticut Department of Social Services ("DSS").

14. RESIDENT REPRESENTATIONS

By executing this Agreement you represent and warrant that you are capable of independent living (in accordance with Meadow Ridge's current assessment criteria for living skills which are attached to the disclosure statement as Exhibit I and hereby incorporated by reference) and free of communicable disease and have

assets and income which are sufficient under foreseeable circumstances and after provision for payment of your obligations under this Agreement to meet your ordinary and customary living expenses after assuming occupancy, and that all written representations made with respect to such matters by you or on your behalf to us are true. The foregoing representations shall be deemed made as of the date of your execution of this Agreement and as of your date of occupancy of your Apartment.

15. RESIDENT HANDBOOK

The Community has established certain rules, policies and guidelines in order to promote the health, safety and welfare of its residents. A copy of the Resident Handbook containing these rules, policies, and guidelines will be provided to each resident upon admission to The Community. The Resident Handbook also contains a list of extra charges for additional services available to the residents of The Community. The Community will provide you with written notice of not less than thirty (30) days before any increase in any extra charge is implemented. The Community may revise the Resident Handbook from time to time and any revisions will be provided to the residents. Upon receipt of the Resident Handbook, you agree to sign an Acknowledgment form, a copy of which is attached hereto as Exhibit E. Your signed Acknowledgment will be placed in your resident file.

16. ACKNOWLEDGEMENT OF RECEIPT OF DOCUMENTS

You hereby certify that you received a copy of this Agreement and a copy of our latest disclosure statement on or before the date hereof, and have been permitted to inspect any additional relevant materials requested to be reviewed by you or your representatives prior to signing this Agreement.

17. PERSONAL REPRESENTATIVE

You agree to execute and deliver to us, at or before assuming residency in your Apartment, a durable power of attorney, trust documents, or other documentation naming a personal representative for personal and financial decision-making. These documents should be drafted to remain effective notwithstanding your incompetence or disability, in form acceptable to us. You shall keep such instrument in effect as long as this Agreement is in effect. The person named as your representative shall not be a person employed by The Community or any other entity engaged in the management of The Community.

18. ACKNOWLEDGEMENT

Under the requirements of applicable law, we are obligated to remind you that:

(1) this Agreement, which is a continuing care contract, is a financial investment and your investment may be at risk;

(2) our ability to meet our contractual obligations under this Agreement depends on our financial performance;

(3) you have been advised to consult an attorney or other professional experienced in matters relating to investments in continuing care facilities before you signed this Agreement; and

(4) DSS does not guarantee the security of your investment.

In addition, by executing this Agreement, you are acknowledging that this Agreement has been carefully reviewed by you or your legal representative.

Executed at _____, Connecticut this _____ day of _____, 20__.

RESIDENT:

**REDDING LIFE CARE, LLC
d/b/a Meadow Ridge**

Resident or Resident's Representative

By: _____
An Authorized Representative

Resident or Resident's Representative

Witness

Residency Agreement (2018-07-19)



Witness

EXHIBIT A
LOAN AGREEMENT

Pursuant to your Residency Agreement, you agree to loan \$_____ to Redding Life Care, LLC doing business as Meadow Ridge (hereafter referred to as "Meadow Ridge" or "The Community") and Meadow Ridge agrees to repay such amount upon the terms and conditions hereinafter set forth.

1. Payment of Loan Proceeds.

The Loan shall be made to Meadow Ridge on the date you occupy your Apartment in The Community or as provided in Section 1.3 of the Residency Agreement.

2. Interest.

Pursuant to the current below market interest provisions of Section 7872 of the Internal Revenue Code of 1986, as amended, no interest shall accrue or be paid on your Loan.

3. Security.

Your Loan, and all other loans to Meadow Ridge made by The Community residents (up to an aggregate of \$200,000,000, as may be increased from time to time), shall be secured by a mortgage on the real estate known as The Community which is owned by Meadow Ridge. The mortgage will be subject and subordinate to certain permitted encumbrances. A copy of the Mortgage and the Indenture of Trust is available to you upon request.

4. Repayment.

Your Loan shall become due and payable as follows:

(i) if your Residency Agreement is canceled or terminated whether by you or us (other than a cancellation or termination following an event described in subparagraphs (ii) through (iv) below), then your Loan shall become due and payable on the earlier of: (A) ninety (90) days after the date your Apartment is occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full, or (B) thirty-six (36) months from the Cancellation Date (as used herein, "Cancellation Date" shall mean the date the later of (x) the expiration of the one hundred twenty (120) day period set forth in Section

8 of the Residency Agreement if you cancel the Residency Agreement in accordance with Section 8 or (y) the actual release of your Apartment and the removal of the contents of your Apartment).

(ii) if you die or the survivor if there are two of you dies and at the time of such death your Apartment had not been released in connection with an admission to The Health Center at Meadow Ridge or an Assisted Living Apartment, then your Loan shall become due and payable on the earlier of: (A) ninety (90) days after the date that your Apartment is occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full, or (B) thirty-six (36) months from the date of the actual release of your Apartment and the removal of the contents of your Apartment;

(iii) if you die or the survivor if there are two of you dies while residing in The Health Center at Meadow Ridge or an Assisted Living Apartment and at the time of such death your Apartment had been released in connection with your (or such survivor's) admission to The Health Center at Meadow Ridge or an Assisted Living Apartment and your Apartment has been occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full prior to your death (or the death of the survivor if there are two of you), then your Loan shall become due and payable six (6) months after the date of such death, otherwise on the earlier of: (A) ninety (90) days after the date that your Apartment is occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full, or (B) thirty-six (36) months from the date of such death;

(iv) if you are residing or the survivor if there are two of you is residing in The Health Center at Meadow Ridge or an Assisted Living Apartment and you (or such survivor) decide to voluntarily relocate out of The Community and terminate your Residency Agreement and at the time of such move your Apartment previously had been released in connection with your (or such survivor's) admission to The Health Center at Meadow Ridge or an Assisted Living Apartment and your Apartment has been occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full prior to such relocation, then your Loan shall become due and payable six (6) months after the date that you actually move out of The Health Center at Meadow Ridge or the Assisted Living Apartment, as the case may be, otherwise on the earlier of (A) ninety (90) days after the date your Apartment is occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full, or (B) thirty-six (36) months from the date of your move out of the Health Center or the Assisted Living Apartment, as the case may be; and

(v) if your Residency Agreement has not been canceled or terminated in accordance with the provisions of the Residency Agreement, then your Loan shall become due and payable thirty (30) years from the date hereof.

The amount of the loan proceeds repaid may be reduced by (1) any unpaid Regular Monthly Charges owed by you, (2) any unreimbursed health care expenses that we have advanced on your behalf, (3) any charges deferred due to your financial inability to pay as provided in Section 9.2.3 of the Residency Agreement, (4) any charges due under Section 10.6 of the Residency Agreement and (5) any other sums owed by you.

5. Successors and Assigns.

All terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Executed at _____, Connecticut this ____ day of _____, 20__.

RESIDENT:

**REDDING LIFE CARE, LLC
d/b/a Meadow Ridge**

Resident or Resident's Representative

By: _____

Resident or Resident's Representative

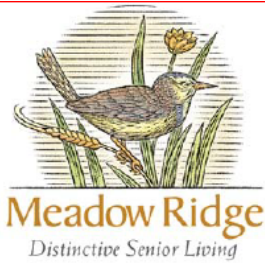
Witness

Witness



EXHIBIT B

Please Initial Receipt of Ancillary Charges _____



ANCILLARY CHARGES JANUARY 1, 2017 TO DECEMBER 31, 2018

SERVICE	CHARGE
GUEST SERVICES	
King Room	\$ 148.00* per night - King size bed \$ 25.00 cancellation fee if less than 24 hours' notice
Family Apartment	\$ 175.00* per night - 2 Double beds \$ 275.00* per night - sleeps 6 \$ 317.00* per night - sleeps 8-10 \$ 40.00 cancellation fee if less than 24 hours' notice
Late Check-Out Fee (until 3:00 p.m.)	\$40.00
Cot Rental	\$ 10.00 per cot/ per night * Includes 15% CT Room Tax
MEALS	
Guest Meals	\$ 18.00 when using meal credit \$ 26.50 without using meal credit
Children's Meals (10 years and under)	\$ 12.00 per meal
Sunday Brunch	\$ 23.50 when using meal credit \$ 32.00 without using meal credit
Special and Holiday Meals: New Years, Easter, Mother's Day, Father's Day, Thanksgiving & Christmas	\$ 38.00 meal credits may not be used
Memorial Day, July 4 th , Labor Day	\$ 27.00 meal credits may not be used
Meal Delivery Charges	\$5.00
Resident Meal (Additional)	\$18.00
Absence Meal Credit	\$6.65
Catering Charges	\$ Market Rate
SECURITY	
Replacement or Additional Spruce/Laurel Keys, Apartment Door Keys, or Slider Door Keys	\$ 13.00 per key
Replacement Mailbox Key	\$ 5.00 per key
Replacement/Extra Wand	\$ 25.00 per wand
Laurel and Spruce Building Keys	\$13.00
Additional Personal Help Button (PHB)	\$120.00

**ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018**

SERVICE	CHARGE
RIDGE CREST, HEALTH CENTER	
Private Room Differential	\$125.00 per day
Life Care Additional Meals	\$ 36.00 per day (Health Center & Assisted Living)

Other specialized equipment as medically necessary will be charged per current vendor pricing.
Please see Health Center Ancillary Charge document for details.

HOUSEKEEPING & MAINTENANCE SERVICES	
Additional Housekeeping Services	\$ 28.00 per hour
Additional carpet shampooing	\$ 75.00 per room or traffic area
Spot cleaning	\$ 50.00 per hour + \$15.00 service fee
Biohazard Fee (Biological clean up)	\$50.00
Additional maintenance services (Furniture repairs, moving furniture, hanging pictures, lightbulb changes, etc.)	\$ 40.00 per hour (plus supplies where applicable)
Box Spring & Mattress Removal	Per Moving Company Rates
Stuffed Chair or Dresser Removal	Per Moving Company Rates
Couch/love Seat Removal	Per Moving Company Rates
Mixed trash Removal	\$65.00
Installation of new lock and key	(per maintenance)

For additional housekeeping services including Fluff & Fold contact 504.

**ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018**

SERVICE	CHARGE
TRANSPORTATION	
Personal Transportation (Between 8:00 am & 4:30 pm. Additional fees may apply.)	
Personal trips on the weekend: 2 hour minimum applies	
– By car	\$ 32.00* per hour (plus .58 cents per mile**)
– By W/C Van or Bus	\$ 35.00* per hour (plus .58 cents per mile**)
Activity Bus Transportation	<i>(determined by Community Life Services Dir.)</i>
Coach Bus	<i>(determined by Community Life Services Dir.) Based on Trip Destination</i>
Event Bus Reservations	\$ 145.00 first 2 hours; \$31.00/hr thereafter
After-hour Branchville Rail Station Pick up	\$ 60.00 one way
* Holiday rate is \$45.00 per hour	
** The per mile fee fluctuates with current IRS guidelines	
<i>We are pleased to provide complimentary transportation to medical appoints as outlined in the Transportation Policy with a 48-hour advance notification. As a courtesy to other residents, residents are asked to provide a 24-hour advance notification for canceled appointments and to schedule their appointments in accordance with the North-South schedule to avoid a \$20.00 fee. Transportation outside the scheduled radius is also available. Kindly call 203-544-1222 to speak with the Transportation Department.</i>	
OFFICE SERVICES	
Copier/Printing	\$.15 per page (black and white)
Color Printouts	\$.50 per page
Fax (incoming and outgoing)	\$.50 per page (cover page no charge)
Business Envelope	\$.50 each
Large Envelope – 8.5" x 11"	\$ 1.00 each
IT Services	\$ 35.00 for 1 st half hour (with appointment)
(Computer hardware/software installation, repair or software training)	\$ 12.00 for every 15 minutes thereafter
Name Badges	\$ 11.00 Pin Type
	\$ 14.00 Magnet Type
Replacement Name Badge Magnet or Pin	\$3.00
Notary Services, appointment required	\$5.00
Laminating	\$ 2.00 per page
Shredding Services	\$ 1.30 per pound
Typing Services	\$ 32.00 per hour (\$16.00 per half hour)

**ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018**

SERVICE	CHARGE
Postage	\$ <i>as metered</i>
Garage Rental	\$ 170.00 per month
Resident Payment Late Fee	\$ <i>as per stated in contract</i>
Personal Assistant Services such as accompanying residents to medical appointments and pickups, shopping trips and other transports, dog walking, cat and dog sitting, bill paying, and other special services as needed.	\$ 28.00 per hour

A LA CARTE ASSISTANCE IN LIVING SERVICES (through Resident Health Services Office)

A One-Time Admission Fee to Initiate Assistance in Living Services	\$150.00
Nursing Visit	\$ 75.00 per hour billed in 30 minute increments
Certified Nursing Assistant (CNA) assistance	\$ 30.00 per hour billed in 30 minute increments
Escorted Wheelchair Roundtrip inside Facility	\$ 20.00 per trip
Safety check	\$ 15.00 per check
Registered Dietician Assessment and Consultation	\$ 75.00 per hour
Wheelchair Rental	\$ 20.00 per day

ASSISTANCE IN LIVING PACKAGES OFFERED (through Resident Health Services Office)

MEDICATION ASSISTANCE PACKAGES:

1. Weekly Pre-pour	\$ 300.00 per month
2. Pre-pour + 1 Daily medicine cue	\$ 650.00 per month
3. Pre-pour + 2 Daily medicine cues	\$ 1000.00 per month
4. Pre-pour + 3 daily medicine cues	\$ 1350.00 per month
1. Daily medication administration 1x daily	\$ 600.00 per month
2. Daily medication administration 2x daily	\$ 1200.00 per month
3. Daily medication administration 3x daily	\$ 1800.00 per month
4. Vitamin B-12 Injections	\$ 20.00 per injection
5. Blood Glucose testing 1x daily	\$ 500.00 per month
6. Blood Glucose testing 3x week	\$ 250.00 per month
7. Blood Glucose testing 1x week	\$ 100.00 per month

**ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018**

SERVICE	CHARGE
PERSONAL CARE PACKAGES:	
1. 15 minutes CNA assistance daily	\$350.00 per month
2. 15 minutes CNA assistance 2x daily	\$675.00 per month
3. 30 minutes CNA assistance daily	\$675.00 per month
4. 30 minutes CNA assistance 2x daily	\$1350.00 per month
5. 60 minutes CNA assistance daily	\$1350.00 per month
6. 60 minutes CNA assistance 3x week	\$600.00 per month
7. Roundtrip escort via wheelchair 1x daily	\$600.00 per month
SAFETY CHECK PACKAGES:	
1. Safety check 1x night	\$350.00 per month
2. Safety check 2x night	\$675.00 per month
3. Safety check 3x night	\$1000.00 per month

EXHIBIT C
MANAGED RESIDENTIAL COMMUNITY
RESIDENTS' BILL OF RIGHTS

You have the right to:

- Live in a clean, safe and habitable private residential unit;
- Be treated with consideration, respect and due recognition of your personal dignity, individuality and the need for privacy;
- Privacy within your private residential unit, subject to the Community's rules reasonably designed to promote your health, safety and welfare;
- Retain and use your personal property within your apartment so as to maintain individuality and personal dignity, provided that your use of personal property does not infringe on the rights of other residents or threaten the health, safety and welfare of other residents;
- Private communications, including receiving and sending unopened correspondence, telephone access and visiting with persons of your choice;
- Freedom to participate in and benefit from community services and activities so as to achieve the highest possible level of independence, autonomy and interaction within the community;
- Directly engage or contract with licensed health care professionals and providers of your choice to obtain necessary health care services in your private apartment, or such other space in the Community as may be available to residents for such purposes;
- Manage your own financial affairs;
- Exercise civil and religious liberties;
- Present grievances and recommend changes in policies, procedures and services to our Social Services Director, government officials or any other person without restraint, interference, coercion, discrimination or reprisal from the Community, including access to representatives of the Department of Public Health or the Office of the Long-Term Care Ombudsman;
- Upon request, obtain the name of the Resident Health Services Director or any other persons responsible for resident care or the coordination of resident care;
- Confidential treatment of all records and communications to the extent required by state and federal law;
- Have all reasonable requests responded to promptly and adequately within the capacity of the Community and with due consideration given to the rights of other residents;

- Be fully advised of the relationship that the Community has with any Assisted Living Services Agency, health care facility or educational institution to the extent that such relationship relates to resident medical care or treatment and to receive an explanation about the relationship;
- Receive a copy of any rules or regulations of the Community;
- Refuse care and treatment and participate in the planning for the care and services you need or receive, provided, however, that your refusal of care and treatment may preclude you from being able to continue to reside in the Community; and
- If you are a continuing care resident, all rights afforded under Conn. Gen. Stat. § 17b-520 et seq. and any other applicable laws. If you rent your apartment, all rights and privileges afforded to tenants under title 47a of the Connecticut General Statutes (Connecticut's landlord tenant laws).

We hope that any complaints or concerns that you have can be resolved by our staff. However, you also have the right to contact the following state agencies regarding complaints or concerns:

Department of Public Health
Facility Licensing Investigations Section
410 Capitol Ave., P.O. Box 340308
MS# 12 HSR
Hartford, CT 06134-0308
Phone: (860) 509-7400

Information/General: Loan Nguyen
Supervising Nurse Consultant (860) 509-7400

Complaints: Donna Ortelle, R.N.
Public Health Services Manager (860) 509-7400

Nancy Shaffer, State Long Term Care Ombudsman
Office of the Long Term Care Ombudsman
55 Farmington Avenue
Hartford, CT 06105-3730
(866) 388-1888 or (860) 424-5200

Dan Lerman, Regional Ombudsman
Long-Term Care Ombudsman Program
249 Thomaston Avenue
Waterbury, CT 06702
(203) 597-4181
1-866-388-1888

If you are receiving nursing or personal care from an Assisted Living Services Agency, you also have other rights set forth separately in the Assisted Living Clients' Bill of Rights.

Please sign below to acknowledge that we have provided you with a copy of the Managed Residential Community Residents' Bill of Rights and explained them to you.

Date

Resident

Resident's Representative

Relationship to Resident

Date

Resident

Resident's Representative

Relationship to Resident

EXHIBIT D

RESIDENT COMPLAINT RESOLUTION

It is the goal of The Community to take all problems and complaints seriously and to solve each one in a timely and caring fashion. Residents and family members are free to communicate grievances to the staff of The Community and to outside representatives of their choice, without restraint, interference, coercion, discrimination, or reprisal. All grievances will be properly documented and responded to.

A resident or his/her family member may pursue the resolution of a problem in any of the following ways:

- All emergency service problems can be resolved by calling the Reception Desk at The Community at (203) 544-1000. The Receptionist will contact the appropriate personnel to resolve the problem. Even after normal business hours, please contact the Reception Desk. Your call will automatically transfer to the Health Center if the Receptionist is not on duty.
- By contacting:
 - ✓ The Department Director by calling, writing a letter, and/or scheduling an appointment.
 - ✓ The Executive Director or Administrator by calling, writing a letter, and/or scheduling an appointment.
 - ✓ The Chairperson of the specific Meadow Ridge Committee.
 - ✓ A Residents Association Board Representative.
 - ✓ The Chairperson of the Residents Association Board.
- You may voice your concern or complaint at a monthly Resident Update Meeting.
- If your issues are not resolved by using the above channels, you may write a letter to Director of Operations Management; Life Care Services LLC; 1602 King Richard Circle; St. Charles, IL 60174. A copy of the letter should be provided to Ownership.
- As a final option, the resident may appeal to Ownership when the previous means have not resulted in a satisfactory outcome.

The Community has also publicized and posted information pertaining to all governmental regulatory resources available for use by residents in handling complaints. This information is included in the Managed Residential Community Bill of Rights, a copy of which is attached as Exhibit C to the Residency Agreement.

Dated: July 2018

EXHIBIT E
**ACKNOWLEDGEMENT OF RECEIPT OF
RESIDENT HANDBOOK**

I, the undersigned, acknowledge receipt of the Meadow Ridge Resident Handbook dated _____, 20____, which contains certain rules, policies, and guidelines in order to promote the health, safety, and welfare of the residents of The Community.

The Resident Handbook also contains a list of extra charges as referenced in the Residency Agreement.

Date

Resident

Resident's Representative

Relationship to Resident

Date

Resident

Resident's Representative

Relationship to Resident

Meadow Ridge

100 Redding Road
Redding, CT 06896
203-544-1000
www.MeadowRidge.com

EXHIBIT D (2)

**MEADOW RIDGE TRADITIONAL PLAN
RESIDENCY AGREEMENT
(LIFE CARE)**



100 Redding Road

Redding, Connecticut 06896

(203) 544-1000

**TRADITIONAL
RESIDENCY AGREEMENT**
(Life Care)

Version: July 2018

GLOSSARY

The following terms are described as used in the accompanying Agreement. Reference to the Agreement and the context in which the terms are used is recommended to provide a fuller understanding of each of the terms:

"Admission Payments" means the Entrance Fee (and Second Person Entrance Fee, if applicable) paid by the Resident to Meadow Ridge, together with the Loan made by the Resident to Meadow Ridge, pursuant to this Agreement.

"Agreement" or "Residency Agreement" means this Residency Agreement.

"Apartment" means the apartment at The Community in which you are entitled to live pursuant to the Agreement as identified in Section 1 of the Agreement and including any Assisted Living Apartment (as defined herein) to which you may relocate.

"Assisted Living Apartments" mean those Apartments which have been identified by The Community as providing Assisted Living Services.

"Assisted Living Fee" means fees charged for Assisted Living Services as established by us from time to time and payable by a resident residing in the Assisted Living Apartments.

"Assisted Living Services" means those services provided by The Community in the Assisted Living Apartments designed to assist residents with the activities of daily living and which are in addition to the services furnished to other apartments as specified in Section 4 hereof.

"Capital Improvements Fee" means that one-time, non-refundable fee which may be used by us for The Community to fund apartment refurbishment costs, Community refurbishment costs, capital improvements and/or capital reserves as described in Section 1.4 of the Agreement.

"The Community" means the facility known as Meadow Ridge, which is the subject of the Agreement, including the Apartments, the Assisted Living Apartments, The Health Center, and all common areas.

"Entrance Fee" or "Second Person Entrance Fee" means that fee, including the Entrance Fee Deposit, as established by us from time to time and payable by a

prospective resident to us for acceptance into The Community as described in Section 1 of the Agreement.

"Entrance Fee Deposit" means the initial deposit payable hereunder as described in Section 1.2 of the Agreement.

"Garage Rental Fee" means that monthly rental fee established by us from time to time and payable pursuant to a separate lease between a resident and us for the use of a garage at The Community as described in Section 5.3 of the Agreement.

"The Health Center at Meadow Ridge" or "The Health Center" means the health center forming a part of The Community which is intended to provide semi-private or private (for an additional fee and if available) nursing accommodations for the nursing care as stated in the Agreement.

"Loan" means the loan made to Meadow Ridge by you pursuant to this Agreement and pursuant to the Loan Agreement attached hereto as Exhibit A. Your rights to repayment of the Loan may be held by your heirs or others if we consent to such an assignment, and our consent will not be unreasonably withheld.

"Managed Residential Community" means a community registered with the Connecticut Department of Public Health in order to offer certain Assisted Living Services provided by a licensed assisted living services agency to residents in their apartments. The Community is registered as a Managed Residential Community.

"Meadow Ridge" or "we" or "us" or "our" means Redding Life Care, LLC (d/b/a Meadow Ridge), a Connecticut limited liability company and the owner of The Community.

"Medical Director" means the physician designated as the medical director of The Health Center in accordance with Section 6.8 of the Agreement.

"Monthly Fee" means that monthly fee (including the second person monthly fee if there are two of you) payable in consideration for services and features as set forth under Section 4 of the Agreement.

"occupancy" (including the term occupy and all tenses thereof) means the date upon which you close on your apartment (i.e., your Admission Payments have been made in accordance with the terms of your Agreement).

"Resident" or "you" means the resident or residents who is (are) signatory to the Agreement. Sometimes a second Resident (if there are two of you) is referred to in the Agreement as the "second person."

"Resident Handbook" means the document referenced in Section 16 of the Agreement, which will be given to the Resident(s) upon occupancy at The Community.

"Regular Monthly Charges" means all those Regular Monthly Charges payable by you pursuant to the terms of the Agreement, including the fees charged under Section 3.3, the Monthly Fees, the Assisted Living Fees, the Garage Rental Fees, the fees for optional services, the additional monthly fees for nursing care, if any, and all other fees and charges payable monthly pursuant to the terms of the Agreement, as appropriate in the particular circumstances.

"Trustee Mortgage" means the mortgage, as amended from time to time, on the real estate owned by Meadow Ridge and comprising The Community which secures your Loan and the loans of all other residents, up to an aggregate secured amount of \$200,000,000, as such amount may be increased from time to time.

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Meadow Ridge

RESIDENCY AGREEMENT

1. ENTRANCE FEE AND LOAN

1.1. Admission Payments

To assure you _____ a place at Meadow Ridge in Redding, Connecticut in accordance with all terms of this Agreement, including payment of the Regular Monthly Charges described below, you will pay to Meadow Ridge, an Entrance Fee, make a Loan to Meadow Ridge and, if applicable, pay a Second Person Entrance Fee for a total of \$ _____.

(i) \$ _____ of this amount represents the Entrance Fee;

(ii) \$ _____ of this amount represents the Second Person Entrance Fee (if applicable); and

(iii) \$ _____ of this amount represents the Loan.

Your Entrance Fee, Loan, and Second Person Entrance Fee, if applicable, together constitute your Admission Payments. Payment of your Admission Payments entitles you to live in apartment no. _____ at The Community for as long as you are capable of independent living in accordance with The Community's admission policy, as amended from time to time. In addition, pursuant to the terms of this Agreement, you may be entitled to relocate to an Assisted Living Apartment or The Health Center at Meadow Ridge when you are no longer capable of independent or assisted living.

1.2. Entrance Fee

Ten percent of your Admission Payments (minus the Second Person Entrance Fee, if applicable) (\$ _____) is paid herewith and will be held in escrow pursuant to Connecticut law (the "Entrance Fee Deposit"). In no event shall you be required to move into the Community before the expiration of thirty (30) days from your execution of this Agreement. The balance of your Entrance Fee (\$ _____) and the Second Person Entrance Fee (\$ _____), if applicable, will be due and payable on the same day that your Loan is due pursuant to Section 1.3 below.

1.3. Loan

Your Loan of \$ _____ will be paid (by wire, bank or certified check) to Meadow Ridge the earlier of _____ or the date you move into The Community. Your Loan will be evidenced by a Loan Agreement, a copy of which is attached as Exhibit A. Your Loan and the loans of all other residents, up to an aggregate secured amount of \$200,000,000 (which amount may be increased from time to time), is secured by the Trustee Mortgage. The Trustee Mortgage is subordinate to certain "permitted encumbrances" as defined in the Trustee Mortgage and the Indenture of Trust. A copy of the Trustee Mortgage and the Indenture of Trust is available for your review upon your request. The Loan may not be mortgaged, sold, discounted, assigned, or otherwise transferred, subject to our prior written approval, which approval shall not unreasonably be withheld.

1.4. Capital Improvements Fee

In addition to your Admission Payments described above, a one-time Capital Improvements Fee of \$ _____ will be paid (by wire, a separate bank or certified check) to Meadow Ridge on the same day as your Loan is due pursuant to Section 1.3 above. This charge may be used by us for The Community to fund apartment refurbishment costs, Community refurbishment costs, capital improvements and/or capital reserves. No portion of the Capital Improvements Fee is refundable.

1.5. Declining Balance of Loan

The outstanding amount of your Loan shall be automatically reduced by two and one-half percent (2.5%) per month. After forty (40) months, the Loan shall be reduced to zero and, thereafter, no amount shall be outstanding under the Loan. You understand and agree that during such forty (40) month period, the amount of the Loan repayable to you decreases by two and one-half percent (2.5%) each month. You further understand and agree that upon the expiration of such forty (40) month period, no amount of the Loan shall be repayable to you.

2. REIMBURSEMENT OF ADMISSION PAYMENTS

2.1. Reimbursement of Entrance Fee Deposit Prior to Occupancy

2.1.1 If you are not accepted for residency, as evidenced by Meadow Ridge's authorized signature of this Residency Agreement, the full amount of the Entrance Fee Deposit you have paid will be promptly refunded to you without interest.

2.1.2 If you change your mind and give us written notice of cancellation by registered or certified mail within thirty (30) days from the date of this Agreement, this Agreement will be automatically canceled. In such event, the full amount of the Entrance Fee Deposit you have paid will be refunded to you, without interest, within one hundred twenty (120) days of written notice, except that we will retain an amount equal to any costs that are specifically incurred by us due to your request.

2.1.3 After the thirty (30) day period, if you (or either of you if there are two of you) die at any time prior to the date your Apartment is ready for occupancy, or because of illness, injury, or incapacity, you (or either of you if there are two of you) are unable to occupy your Apartment under the terms of this Agreement, upon written notice to Meadow Ridge by registered or certified mail, this Agreement will be automatically canceled, unless in the case of such illness, injury, or incapacity you (or either of you if there are two of you) choose to become a resident of The Health Center at Meadow Ridge or an Assisted Living Apartment, as applicable in accordance with The Community's admission policies. If this Agreement is so canceled, the full amount of the Entrance Fee Deposit you have paid will be refunded to you or to your estate, without interest, within one hundred twenty (120) days of your request, except that we will retain: (i) an amount equal to any costs that are specifically incurred by us due to your request and (ii) a service fee of \$1,000.

2.1.4 In all other cases, if you cancel this Agreement prior to occupying the Apartment, we will retain \$20,000 and the balance of the Entrance Fee Deposit you have paid will be refunded to you, without interest, within one hundred twenty (120) days.

2.2. Forfeiture of Entrance Fee After Occupancy

In the event this Agreement is terminated or canceled after you have occupied your Apartment, we will retain the total of the Entrance Fee (and the Second Person Entrance Fee, if applicable) portion of your Admission Payments.

2.3. Repayment of Loan

The repayment of your Loan will be made in accordance with the Loan Agreement, a copy of which is attached as Exhibit A to this Residency Agreement.

2.4. Right of Offset

We have the right to offset against any Entrance Fee Deposit refund and/or Loan repayment, any unpaid Regular Monthly Charges owed by you, any unreimbursed health care expenses we have advanced on your behalf, any amount deferred by us under Section 9.2.3, and any other sums owed by you.

3. REGULAR MONTHLY CHARGES

3.1. Reserved

3.2. Monthly Fees

You shall pay a Monthly Fee for the services and features provided to all residents as set forth in Section 4. Your Monthly Fee will initially be \$ _____ per month for one (1) person and an additional \$ _____ per month if there are two of you (“Monthly Fee”) .. We will give you advance written notice of not less than thirty (30) days before any change in the Monthly Fee is implemented.

3.3. Regular Monthly Charges

In addition to the Monthly Fee, you will pay all applicable Regular Monthly Charges, including, without limitation:

(a) monthly charges for any optional services that you utilize and that are subject to an extra charge as provided in Section 5 below; and

(b) a \$ _____ charge per month for occupying your Apartment (including any Assisted Living Apartment to which you relocate) or The Health Center at Meadow Ridge. There shall be no increase in this charge during the term of this Agreement and charges collected shall be our unrestricted property and may be used by us for any purpose.

We will give you advance written notice of not less than thirty (30) days before any increase in any extra charge is implemented.

3.4. Payment

On the earlier of (i) the day you move into The Community or (ii) the day you make your Loan to us as provided in Section 1.3 of this Agreement, you shall pay a pro-rated portion of the Regular Monthly Charges and Monthly Fee. Thereafter, such monthly charges will be payable on the tenth day of each month in advance,

and all other Regular Monthly Charges for optional services will be paid on the tenth day of each month for the optional services obtained during the preceding month. A late charge equal to one percent (1%) shall be assessed on any Regular Monthly Charges three or more days past due.

3.5. Termination of Charges for Apartment

3.5.1 The Regular Monthly Charges for your Apartment will terminate after your death (or upon the death of the survivor in a double-occupied apartment), upon the removal of the contents of your Apartment or upon the release of your Apartment pursuant to the provisions regarding assisted living and Health Center usage. In the event one of two residents occupying an apartment dies, the second person Monthly Fee will cease and the remaining resident will continue to pay the first person Monthly Fee and any other Regular Monthly Charges.

3.5.2 If you terminate this Residency Agreement after occupying your Apartment, you will be required to pay all applicable charges identified in Section 3 until the later of one hundred and twenty (120) days after we receive written notice of such termination or the actual release of your Apartment and removal of the contents of your Apartment.

4. SERVICES AND FEATURES PROVIDED TO ALL APARTMENT RESIDENTS

Meadow Ridge will furnish at The Community, so long as you reside in an apartment therein, the following services and features which are included in the Monthly Fee:

4.1 Continental breakfast every day;

4.2 A monthly meal credit (one credit for each day of the month), which may be used for lunch or dinner (or both) in the dining room (or a comparable meal plan as determined by Meadow Ridge from time to time);

4.3 Water, sewer, air conditioning, heating, and electricity;

4.4 Satellite or Cable TV service (as decided by Meadow Ridge);

4.5 Property taxes, insurance on building and structures;

4.6 Grounds keeping, landscaping, and snow removal;

- 4.7** Security services;
- 4.8** Building janitorial and maintenance service;
- 4.9** Weekly housekeeping service;
- 4.10** Weekly flat laundry service (one load);
- 4.11** Planned social, cultural and recreational activities for those who wish to participate;
- 4.12** One reserved space for open parking provided, however, parking spaces are only available if you own an automobile;
- 4.13** Carpeting (except in kitchen and bath where there will be alternate floor covering);
- 4.14** Complete kitchen, including refrigerator, range with oven, dishwasher, microwave oven, ductless hood fan;
- 4.15** Stackable washer and dryer in each apartment;
- 4.16** Local transportation as scheduled by us (which may change from time to time) – a description of scheduled transportation is located in the Resident Handbook, and a copy is provided to residents upon admission to The Community;
- 4.17** Emergency call system in your Residence through the use of a pendant, which is monitored 24-hours a day by designated Community staff;
- 4.18** Use of all common areas in The Community;
- 4.19** Use of recycling rooms on every floor;
- 4.20** Use of The Health Center at Meadow Ridge pursuant to the terms of Section 6 of this Agreement; and
- 4.21** Use of the Assisted Living Apartments at Meadow Ridge pursuant to the terms of Section 6 of this Agreement.

5. SERVICES PROVIDED FOR AN EXTRA CHARGE

5.1. Miscellaneous Additional Services

Meadow Ridge will also make available at The Community, at your request, so long as you reside in an apartment at The Community, at the then prevailing rates of extra charge: additional meals besides those provided in consideration for the monthly meal credit, guest meals, tray service to your Apartment, additional housekeeping, certain office services such as "fax" and copier, use of guest rooms, catering for private parties, home health services, salon services, garage parking, if available, non-emergency calls to and service of the Medical Director, personalized transportation, and certain other services, upon special arrangements. Certain additional services for extra charge will also be available to you while you are in The Health Center at Meadow Ridge or an Assisted Living Apartment.

A list of these extra charges for the additional services can be obtained from the front desk. A copy of the extra charges is also in the Resident Handbook provided to all new residents. Each year, a current copy of the extra charges is distributed to each resident. We will give you advance written notice of not less than thirty (30) days before any increase in any extra charge is implemented.

5.2. Certain Services in Resident's Apartment

Certain Assisted Living Services are available to you in your Apartment on a limited basis for an extra charge. A list of available and extra services is attached to this Agreement as Exhibit B. This list may change from time to time in our sole discretion, and a revised list will be provided to you when changes are made. We will give you 30 days' advance written notice before any increase in any extra service is implemented. Meadow Ridge reserves the right to adopt and revise, from time to time, assessment criteria for independent living skills, which the Medical Director shall consider in determining whether you require Assisted Living Services in an Assisted Living Apartment.

5.3. Garage Rental Fee

If you wish to substitute a garage for a surface parking space, depending on availability, you may elect to rent a garage pursuant to a separate one-year renewable lease and pay an additional monthly Garage Rental Fee for the garage. The Garage Rental Fee will be paid on the tenth day of each month along with all other Regular Monthly Charges owed by you.

6. ASSISTED LIVING AND THE HEALTH CENTER AT MEADOW RIDGE

You have the right to participate, as fully and meaningfully as you are able, in making the decision about a permanent move to Assisted Living Apartments or the Health Center at Meadow Ridge. If, in the opinion of your attending physician and the Medical Director, after consultation with you, assisted living in an Assisted Living Apartment or nursing care in The Health Center at Meadow Ridge is necessitated, we will provide you with such services to the extent authorized by our license from the State of Connecticut on the following terms:

6.1. Accommodations

Assisted living accommodations will be in either a one-bedroom or studio Assisted Living Apartment depending on availability. Accommodations in The Health Center will be in a semi-private room. At your request and expense (and subject to availability), you may occupy a private room in The Health Center.

6.2. First Ninety (90) Cumulative Days of Assisted Living or Nursing Care

We will provide Assisted Living Services in an Assisted Living Apartment or nursing care in The Health Center at Meadow Ridge without additional charge for ninety (90) cumulative days for you (90 days for each Resident in a double-occupied apartment, but the allowance cannot be combined and used by only one Resident), except that each Resident will pay the cost of the extra meals not covered by the Monthly Fee at the then current charge for extra meals. The Monthly Fees for your Apartment and all other applicable Regular Monthly Charges will continue as before.

6.3. More than Ninety (90) Cumulative Days of Assisted Living or Nursing Care for Residents of a Single-Occupied Apartment

If you require Assisted Living Services or nursing care beyond the ninety (90) cumulative days provided under Section 6.2 above, your Monthly Fee will depend upon whether you choose to release your Apartment:

6.3.1 Release Apartment. If you choose to release your Apartment for occupancy by someone else, the Monthly Fee for your Apartment will cease and you will pay for an assisted living or nursing care Monthly Fee in an amount equal to the lesser of the then current Monthly Fee for (a) your Apartment or (b) a two-bedroom type B apartment. You will continue to pay all other applicable Regular

Monthly Charges. In addition, you will pay for the cost of the two meals per day not covered by the Monthly Fee at the then current charge for extra meals.

6.3.2 Retain Apartment. If you do not release your Apartment, you will pay for an assisted living or nursing care Monthly Fee in an amount equal to the then current Monthly Fee for a two-bedroom, type B apartment. In addition, you will continue to pay your Monthly Fee for your Apartment and all other applicable Regular Monthly Charges. You will also pay the cost of the one meal per day not covered by the two Monthly Fees at the then current charge for extra meals.

6.4. More than Ninety (90) Cumulative Days of Assisted Living or Nursing Care For Residents of a Double-Occupied Apartment

If one of you requires Assisted Living Services or nursing care beyond the ninety (90) cumulative days provided under Section 6.2 above, there will be no additional charge for such care, except that you will pay the cost of the extra meals per day not covered by the Monthly Fees at the then current charge for extra meals. If both of you require care beyond the ninety (90) cumulative days, your Monthly Fee will depend upon whether you release your Apartment:

6.4.1 Release Apartment. If you release your Apartment for occupancy by someone else, the Monthly Fee for your Apartment (first and second person) will cease and you will pay an assisted living or nursing care Monthly Fee in an amount equal to the lesser of the then current Monthly Fees for (a) your Apartment or (b) (first and second person) for a two-bedroom, type B apartment. You will continue to pay all other applicable Regular Monthly Charges. In addition, you will pay for the cost of the four meals per day not covered by the Monthly Fees at the then current charge for extra meals.

6.4.2 Retain Apartment. If you do not release your Apartment, you will pay an assisted living or nursing care Monthly Fee in an amount equal to the then current Monthly Fees (first and second person) for a two-bedroom, type B apartment. In addition, you will continue to pay your Monthly Fees (first and second person) for your Apartment and all other applicable Regular Monthly Charges. You will also pay the cost of the two meals per day not covered by the four Monthly Fees (two first person and two second person) at the then current charge for extra meals.

6.5. Outside Care

6.5.1 Assisted Living if Apartment is Not Available. If, due to unusual circumstances, there are no Assisted Living Apartments available at Meadow Ridge, you may (i) receive home health services in your Apartment at your

own cost and expense and/or (ii) place your name on the Assisted Living waiting list for an Assisted Living Apartment at Meadow Ridge and processed in accordance with Meadow Ridge's wait list policy; or (iii) relocate to, and receive care from, another assisted living facility at your own cost and expense. If you relocate, you will continue to be responsible for paying the Regular Monthly Charges outlined in this Agreement.

6.5.2 Nursing Care if a Bed is Not Available. If, due to unusual circumstances, there are no nursing care beds available in The Health Center at Meadow Ridge, you may (upon your agreement) relocate to another health facility with which we will contract to provide nursing care. You will continue to pay the Regular Monthly Charges outlined in Sections 6.2, 6.3, and 6.4 of this Agreement and other ancillary services, but will incur no additional costs as a result of this relocation. We will, upon your agreement, relocate you to The Health Center at Meadow Ridge as soon as accommodations are available.

6.5.3 Outside Care by Resident's Choice. You have the right to be independent in decisions regarding your medical care. If a bed is available in the Health Center at Meadow Ridge (or an assisted living apartment, if assisted living services are needed) is available and you choose to obtain nursing care or assisted living services from an alternate care facility, you will be responsible for making your own arrangements for such alternate accommodations. You will also be responsible for paying the alternate care facility directly for the services and supplies that you will be receiving from it. We will not be responsible for paying for any portion of your care and services. Further, you will continue to pay to us the Regular Monthly Charges applicable to your Apartment in the event you have not released your Apartment for reoccupancy by someone else.

6.5.4 Cumulative Days. Such a stay set forth in Section 6.5.2 will reduce the number of cumulative days of care that you are eligible to receive without additional charge pursuant to Section 6.2. If you choose to stay in a health center or assisted living facility not designated by us your stay will not reduce the number of cumulative days of care that you are eligible to receive without additional charge pursuant to Section 6.2.

6.6. Return to Apartment

If you give up occupancy of your Apartment because you have moved to The Health Center at Meadow Ridge or an Assisted Living Apartment, and if later you are able, you agree, and in the opinion of the Medical Director, or your attending physician with the concurrence of the Medical Director, to return to an apartment,

we will provide you an apartment of the same type as your former Apartment as soon as one becomes available. You will be permitted to remain in The Health Center at Meadow Ridge or your Assisted Living Apartment, as applicable, until such apartment becomes available.

6.7. Special Services

We will also provide special services and supplies in The Health Center at Meadow Ridge or in an Assisted Living Apartment such as: therapy, drugs and other pharmaceutical and medical supplies, medical treatment by physicians, personal laundry, and rental of equipment. These services and supplies are not included in the Monthly Fee and will be available for an extra charge.

6.8. Medical Director

We will designate, from time to time, a member in good standing with privileges at Norwalk Hospital or Danbury Hospital as Medical Director of The Health Center. You will be at liberty to engage the services of the Medical Director at your own expense. We will not be responsible for the cost of medical treatment by the Medical Director, nor will we be responsible for the cost of medicine, drugs, prescribed therapy, and the like. In the event we incur or advance costs for your medical treatment or for medicine, drugs, prescribed therapy and the like (even though such medical care is given at the direction of your attending physician or the Medical Director without prior approval), you will reimburse us for such costs along with any associated costs of collection.

6.9. Transfer from Assisted Living to Nursing Care

If you (or one or both of you, if there are two of you) are living in an Assisted Living Apartment and later require nursing care, then any reference to a release of an Apartment shall be deemed to refer to a release of any Assisted Living Apartment in addition to any other Apartment occupied by you.

6.10. Non-Resident Use of Assisted Living Apartments and The Health Center

We offer assisted living and nursing services to qualified non-life care residents for a fee to the extent accommodations are available. Residents will, however, be given priority to available Assisted Living Apartments and nursing beds at The Health Center at Meadow Ridge.

6.11. Supplemental Insurance

You are required to maintain Medicare Part A, Medicare Part B, and one supplemental health insurance policy or equivalent insurance coverage acceptable to us to assure your ability to fully cover a Medicare-qualified stay in The Health Center at Meadow Ridge, and shall furnish to us such evidence of coverage as we may from time to time request. Such supplemental insurance should cover Medicare co-insurance and deductibles. If you are under the age of sixty-five (65) and do not otherwise qualify for Medicare coverage, you will obtain medical insurance coverage equivalent to the Medicare Part A and B and supplemental health insurance as described in this Section 6.11, satisfactory to us, and you will provide proof of such coverage upon request.

6.11.1 Financial Responsibility. Should your supplemental health insurance or equivalent coverage not fully cover a Medicare-qualified stay in The Health Center at Meadow Ridge, or should you fail to purchase supplemental health insurance or equivalent coverage to fully cover a Medicare-qualified stay in The Health Center at Meadow Ridge, you shall be financially responsible for paying deductibles, co-insurance amounts and any other charges for each Medicare-qualified admission and stay in The Health Center. If you are eligible to receive the ninety (90) days of care in The Health Center at Meadow Ridge as provided in Section 6.2 and your stay in The Health Center at Meadow Ridge is a Medicare-qualified stay, such ninety (90) days will be applied after the expiration of your Medicare-qualified stay providing you have Medicare Part A, Medicare Part B and acceptable supplemental health insurance or equivalent insurance coverage. If failure to maintain Medicare Part A, Medicare Part B or supplemental health insurance causes depletion of your resources and impairs your ability to meet your financial obligations, we need not defer your financial obligations to us as provided in Section 9.2.3 of this Agreement, and we may revoke your right to reside at The Community and may terminate the Residency Agreement as provided in this Agreement.

6.12. Admission Agreements

If you require Assisted Living Services or nursing care, you agree to enter into a separate Admission Agreement to be signed by you and us, the form which will be available for your review.

7. DURATION OF YOUR RIGHT TO OCCUPY THE APARTMENT

You may live in your Apartment for as long as you (or either of you) live unless you (or both of you) are not capable of maintaining yourself in independent

living in the Apartment, or this Agreement is terminated by you or by us. If, in the opinion of your attending physician or the Medical Director, your physical or mental health requires that nursing care or Assisted Living Services be given, you will be asked to relocate to The Health Center at Meadow Ridge or an Assisted Living Apartment at Meadow Ridge. You have the right to be independent in decisions regarding your medical care, and we shall not prevent or otherwise infringe upon your right to obtain treatment, care and services from providers with which we do not have a contractual arrangement. If it is determined that you require hospitalization, we will assist in the coordination of your transfer to an appropriate hospital. Community staff will not accompany you to the hospital nor will we be responsible for the charges associated with your transfer.

8. YOUR VOLUNTARY CANCELLATION RIGHTS AFTER OCCUPANCY

After you have moved into The Community, you may cancel this Agreement at any time by giving us one hundred twenty (120) days written notice signed by you (or both of you if there is double occupancy) and sent by registered or certified mail. The one hundred twenty (120) days will begin on the date such notice is received by the Community. If you give such notice, you will pay all applicable Regular Monthly Charges until the later of (a) the expiration of such one hundred twenty (120) day period or (b) the actual release of your Apartment and the removal of the contents of your Apartment. In such event, we will retain the total of your Entrance Fee, and your Loan will be repaid in accordance with the terms of the Loan Agreement.

9. OUR TERMINATION RIGHTS

9.1. Just Cause

We will not terminate this Agreement except for just cause. Just cause includes, but is not limited to, the following:

9.1.1 Failure to make the Admission Payments or, except as set forth below, pay any Regular Monthly Charges as provided herein;

9.1.2 Creation by you (or either of you if there are two of you) of a disturbance within The Community which in our judgment is detrimental to the health, safety, comfort, or peaceful living of others;

9.1.3 You (or either of you if there are two of you) become infected with a dangerous and contagious disease or become mentally or emotionally

disturbed, and the Medical Director determines that such condition is detrimental to the health, safety, or welfare of others, and such condition cannot be cared for in an Assisted Living Apartment or in The Health Center at Meadow Ridge within the limits of our license from the State of Connecticut;

9.1.4 You (or either of you if there are two of you) refuse medical treatment which in the opinion of your attending physician or the Medical Director is medically required for your health and such refusal will affect the health and safety of others;

9.1.5 You (or either of you if there are two of you) do not comply with the terms of this Agreement or the published operating procedures, covenants, rules, regulations and policies now existing or later created or amended by us; or

9.1.6 Your material misrepresentation or omission of information in the materials provided by you in the residency process, including without limitation, the representations and information provided pursuant to Section 15 of this Agreement, which, if such information had been accurate, would have been material to our decision whether or not to accept you for residency.

Notwithstanding the above, if there are two of you and a termination event under Section 9.1.2, 9.1.3, 9.1.4 or 9.1.5 occurs that involves only one of you, this Agreement shall continue with respect to whichever of you is not the subject of such termination event and such remaining person shall continue to occupy the Apartment, pay the Monthly Fee (first person only) and all other applicable Regular Monthly Charges.

9.2. Limitations on Termination Rights for Financial Inability

If after you have paid the Entrance Fee, Second Person Entrance Fee, if applicable, and made the Loan, you encounter financial difficulties making it impossible for you to pay the full Regular Monthly Charges; then:

9.2.1 You may remain until any applicable **Title XVIII** Medicare benefits and/or third party insurance benefits received by us on your behalf have been earned;

9.2.2 You shall in any case be permitted to remain at The Community for ninety (90) days after the date of failure to pay, during which time you shall continue to pay reduced Regular Monthly Charges based on your current income; and

9.2.3 Because it is and shall continue to be our declared policy to not terminate your residency solely by reason of your financial inability to pay the full Regular Monthly Charges, you shall be permitted to remain at The Community at reduced Regular Monthly Charges based on your ability to pay for so long as you establish facts to justify deferral of the usual charges, and the deferral of such charges can, in our sole discretion, be granted without impairing our ability to operate on a sound financial basis. In such circumstances, we reserve the right to relocate you to a smaller apartment. This Section 9.2.3 shall be rendered inoperative if you have impaired your ability to meet your financial obligations or made any misrepresentations with respect to your financial ability. Any such deferred charges shall be offset against repayment of your Loan as provided in Section 2.4.

9.3. Notice of Termination

Prior to any termination of the Agreement by us, we will give you notice in writing of the reasons and you will have thirty (30) days thereafter within which the problem may be corrected. If the problem is corrected within such time, this Agreement shall not be then terminated. If the problem is not corrected within such time, this Agreement will be terminated and you must leave The Community.

9.4. Emergency Termination

Notwithstanding the above, if the Medical Director determines that either the giving of notice or the lapse of time as provided above might be detrimental to you or others, then such notice and/or waiting period prior to termination and relocation to a hospital or other appropriate facility shall not be required and termination of this Agreement shall be deemed to have occurred when you are relocated. In such event, we are expressly authorized to transfer you to a hospital or other appropriate facility and will promptly notify your representative or your attending physician.

10. MISCELLANEOUS PROVISIONS WITH RESPECT TO YOUR APARTMENT

10.1. Use of Apartment

The Apartment is for living only, but may be used for carrying on any business or profession; provided, however, that you comply with all applicable zoning restrictions and any other applicable municipal, state, or federal law and provided that you do not cause a disturbance of others in The Community.

10.2. Occupancy of Apartment

Except as hereinafter provided, no person other than you (or both of you) may occupy the Apartment except with our express written approval. In the event that a second person who is not a party to this Agreement is accepted for residency under this Agreement at a time subsequent to the date hereof (said acceptance to be in accordance with financial and other admission policies governing all other admissions), you shall pay an Entrance Fee and, if applicable, a Second Person Entrance Fee, as determined by us, and each month thereafter the then current applicable Regular Monthly Charges for second persons shall be paid. If such second person does not meet the requirements for residency, such second person will not be permitted to occupy the Apartment for more than thirty (30) days (except with our express written approval) and you may cancel this Agreement as provided in Section 8. Meadow Ridge reserves the right to adopt and revise, from time to time, its admission guidelines.

10.3. Compliance Changes

We may effect changes in The Community at any time to meet the requirements of the law. You agree to temporarily relocate to other facilities provided by us without additional cost to you if it becomes necessary to vacate your Apartment in order to make such changes.

10.4. Furnishings

Furnishings within the Apartment will not be provided by us except to the extent provided in consideration for the Monthly Fee. Furnishings provided by you shall not be such as to interfere with the health, safety, and general welfare of other residents or the staff of The Community. If removal of your furniture and other property is not accomplished within thirty (30) days after your death (or the death of the resident survivor) or termination of this Agreement, then we may remove and store such furniture and other property at the expense of you or your estate. We may dispose of such furniture or other property that is not claimed within ninety (90) days after your death (or the death of the resident survivor) or termination of this Agreement, provided that we will remit to you or your estate any balance after deducting costs of disposition.

10.5. Alterations by You

You may not undertake any alterations to your Apartment without our prior written approval which shall not be unreasonably withheld.

10.6. Additional Charges

The Community shall charge you for a refurbishment fee to refurbish your Apartment after the termination of this Agreement and shall deduct the same from any amount of the Loan to be repaid pursuant to the Loan Agreement.

11. AMENDMENTS

11.1. This Agreement

This Agreement may be amended by agreement of the parties to this Agreement.

11.2. Laws and Regulations

This Agreement may be modified by us at any time in order to comply with laws and regulations upon thirty (30) days' notice to you.

12. MISCELLANEOUS LEGAL PROVISIONS

12.1. Governing Law

This Agreement will be governed by and interpreted according to the laws of the State of Connecticut and will become effective upon acceptance and execution by us. The Glossary which sets forth the definitions of certain terms used in this Agreement is by this reference incorporated herein and made a part of this Agreement.

12.2. Consent to Forum

Regardless of any present or future domicile of Resident, Resident hereby consents and agrees that the Connecticut Superior Court for the Judicial District of Danbury, or, at our option, the United States District Court for the District of Connecticut, shall have exclusive jurisdiction to hear and determine any claims or disputes between Resident and Meadow Ridge pertaining to this Residency Agreement or to any matter arising out of or related to this Residency Agreement. Resident expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and Resident hereby waives any objection which Resident may have based upon lack of personal jurisdiction, improper venue or *forum non conveniens* and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Nothing in this Residency Agreement shall preclude the enforcement by Meadow Ridge of any judgment or

order obtained in such forum or the taking of any action under this Residency Agreement to enforce same in any other appropriate forum or jurisdiction.

12.3. Separability

The invalidity of any restriction, condition or other provision of this Agreement, or any part of the same, shall not impair or affect in any way the validity or enforceability of the rest of this Agreement.

12.4. Capacity

This Agreement has been executed on our behalf by our duly authorized agent, and no partner, officer, director, member, agent or employee of Meadow Ridge shall have any personal liability hereunder to Resident under any circumstances.

12.5. Residents

When Resident consists of more than one person, the rights and obligations of each are joint and several, except as the context otherwise requires.

12.6. Resident Rights

As a resident of The Community, you have certain rights under the Connecticut continuing care law (Conn. Gen. Stat. §17b-520 *et. seq.*), a copy of which is available upon request. You also have certain rights as a resident of The Community because it is a Managed Residential Community. A copy of the Managed Residential Community Residents' Bill of Rights is attached hereto as Exhibit C.

12.7. Nature of Rights

You understand and agree that (a) this Agreement or your rights (including the use of the Apartment) under it may not be assigned and no rights or benefits under this Agreement shall inure to the benefit of your heirs, legatees, assignees, or representatives, except as to reimbursement of the amounts as described in Section 2; (b) this Agreement and your contractual right to occupy the Apartment shall exist and continue to exist during your lifetime unless canceled by you or terminated by us as provided herein; (c) this Agreement grants you a revocable license to occupy and use space in The Community but does not give you exclusive possession of the Apartment as against us and you shall not be entitled to any rights of specific performance but shall be limited to such remedies as set forth herein; (d) this Agreement is not a lease or easement and does not transfer or grant you any interest

in real property owned by us; and (e) this Agreement grants to us complete decision making authority regarding the management and operation of The Community.

12.8. Release

We are not responsible for loss of or damage to your personal property. You may want to obtain, at your own expense, insurance to protect against such losses.

12.9. Indemnity

We shall not be liable for, and you agree to indemnify, defend and hold us harmless from claims, damages, settlements, and expenses, including attorney's fees and court costs resulting from any injury or death to persons and any damages to property caused by, resulting from, attributable to or in any way connected with your negligent or intentional act or omission.

12.10. Entire Agreement

This Agreement and any Addenda or Exhibits contain our entire understanding with respect to your residency.

12.11. Tax Considerations

Each person considering executing this Agreement should consult with his or her tax advisor regarding the tax consequences associated with this Agreement and the Loan Agreement.

12.12. Subordination

Except for your right of cancellation prior to occupancy and your rights under the Trustee Mortgage securing the Loan, you agree that all your rights under this Agreement will always be subordinate and junior to the lien of all indentures of trust, mortgages or other documents creating liens encumbering The Community or any of the assets of Meadow Ridge, which have been or will be executed by us. Upon request, you agree to sign, acknowledge, and deliver to such lender or lenders such further written evidence of such subordination as such lenders may reasonably require. You will not be liable for any such indebtedness.

12.13. Transfers

We may from time to time issue additional equity interests, or sell The Community, provided that in such latter event the buyer shall agree to assume all existing residency agreements. In addition, we may sell or otherwise transfer the

land or other portions of The Community and lease back such land or other portions. Your signature hereto constitutes your consent and approval to any such future transfer.

12.14. Law Changes

If changes are made in any of the statutes or regulations applicable to this Agreement prior to your occupancy of the Apartment, we shall have the right to terminate this Agreement or submit to you a revised Agreement based on the changes in the law, and you agree to accept any such revisions which do not adversely affect you.

12.15. Residents' Association

Residents shall have the right to organize and operate a residents' association at The Community and to meet privately to conduct business of the residents' association.

12.16. Rights of Third Parties

Only parties who have executed this Residency Agreement will have any rights hereunder. Neither this Residency Agreement nor the disclosure statement creates any rights for parties other than those who have executed this Residency Agreement.

12.17. Estate Planning

This Agreement provides for the payment of the Admission Payments in two parts – the Entrance Fee and the Loan. The Entrance Fee Deposit is required to be paid by you upon execution of this Agreement and the balance of your Entrance Fee and the Second Person Entrance Fee, if applicable, is due and payable on the same day your Loan is due pursuant to Section 1.3. The Loan is repayable to your estate in the event of your death, or in the case of a double-occupied Apartment, the death of the surviving Resident, in accordance with the terms of the Loan Agreement. If you do not wish to have the Loan repayment made to your estate, you may choose to assign your right to repayment of the Loan to a trust or other person designated by you pursuant to a form of Assignment of Rights to Repayment approved by Meadow Ridge. In the absence of any agreement between the Residents of a double-occupied Apartment which has been provided to Meadow Ridge prior to the repayment of the Loan, then the Loan will be repayable to the estate of the last surviving Resident. No other rights under this Agreement are assignable.

12.18. Private Employees of Residents

If you need additional services, you can obtain these needed services from a private employee, an independent contractor, or through an agency (personal service provider). In such instances, we strongly advise you to obtain these needed services from a licensed and/or certified home health agency or assisted living services agency. Further, you must comply with our policy regarding personal service providers and ensure that your private employee, independent contractor, or person you employ through an agency complies with our policies and rules of conduct set forth therein. If you fail to follow or enforce the policies and rules of conduct, then we may elect at our sole option to terminate this Agreement, in accordance with Section 9.1.5.

You have the right to be independent in decisions regarding your medical care, and we shall not prevent or otherwise infringe upon your right to obtain treatment, care and services from providers with which we do not have a contractual arrangement.

12.19. Compliance with Laws and Regulations

Meadow Ridge will comply with all applicable municipal, state, and federal laws and regulations, including consumer protection and protection from financial exploitation.

12.20. Complaint Resolution Process

We have established a complaint resolution process for residents and families, which is attached hereto as Exhibit D. Residents may use the complaint resolution process without fear of reprisal of any kind.

13. RESERVE POLICY

It will be our policy to maintain reserve funds as required by Chapter 319hh of the Connecticut General Statutes (Sec. 17b-520 et seq.) and the Connecticut Department of Social Services ("DSS").

14. RESIDENT REPRESENTATIONS

By executing this Agreement you represent and warrant that you are capable of independent living (in accordance with Meadow Ridge's current assessment criteria for living skills which are attached to the disclosure statement as Exhibit I and hereby incorporated by reference) and free of communicable disease and have

assets and income which are sufficient under foreseeable circumstances and after provision for payment of your obligations under this Agreement to meet your ordinary and customary living expenses after assuming occupancy, and that all written representations made with respect to such matters by you or on your behalf to us are true. The foregoing representations shall be deemed made as of the date of your execution of this Agreement and as of your date of occupancy of your Apartment.

15. RESIDENT HANDBOOK

The Community has established certain rules, policies and guidelines in order to promote the health, safety and welfare of its residents. A copy of the Resident Handbook containing these rules, policies, and guidelines will be provided to each resident upon admission to The Community. The Resident Handbook also contains a list of extra charges for additional services available to the residents of The Community. The Community will provide you with written notice of not less than thirty (30) days before any increase in any extra charge is implemented. The Community may revise the Resident Handbook from time to time and any revisions will be provided to the residents. Upon receipt of the Resident Handbook, you agree to sign an Acknowledgment form, a copy of which is attached hereto as Exhibit E. Your signed Acknowledgment will be placed in your resident file.

16. ACKNOWLEDGEMENT OF RECEIPT OF DOCUMENTS

You hereby certify that you received a copy of this Agreement and a copy of our latest disclosure statement on or before the date hereof, and have been permitted to inspect any additional relevant materials requested to be reviewed by you or your representatives prior to signing this Agreement.

17. PERSONAL REPRESENTATIVE

You agree to execute and deliver to us, at or before assuming residency in your Apartment, a durable power of attorney, trust documents, or other documentation naming a personal representative for personal and financial decision-making. These documents should be drafted to remain effective notwithstanding your incompetence or disability, in form acceptable to us. You shall keep such instrument in effect as long as this Agreement is in effect. The person named as your representative shall not be a person employed by The Community or any other entity engaged in the management of The Community.

18. ACKNOWLEDGEMENT

Under the requirements of applicable law, we are obligated to remind you that:

(1) this Agreement, which is a continuing care contract, is a financial investment and your investment may be at risk;

(2) our ability to meet our contractual obligations under this Agreement depends on our financial performance;

(3) you have been advised to consult an attorney or other professional experienced in matters relating to investments in continuing care facilities before you signed this Agreement; and

(4) DSS does not guarantee the security of your investment.

In addition, by executing this Agreement, you are acknowledging that this Agreement has been carefully reviewed by you or your legal representative.

Executed at _____, Connecticut this _____ day of _____, 20____.

RESIDENT:

**REDDING LIFE CARE, LLC
d/b/a Meadow Ridge**

Resident or Resident's Representative

By: _____
An Authorized Representative

Resident or Resident's Representative

Witness

Witness

Traditional Plan Residency Agreement (2018-07-19)



EXHIBIT A
LOAN AGREEMENT

Pursuant to your Residency Agreement, you agree to loan \$_____ to Redding Life Care, LLC doing business as Meadow Ridge (hereafter referred to as "Meadow Ridge" or "The Community") and Meadow Ridge agrees to repay such amount upon the terms and conditions hereinafter set forth.

1. Payment of Loan Proceeds.

The Loan shall be made to Meadow Ridge on the date you occupy your Apartment in The Community or as provided in Section 1.3 of the Residency Agreement. The outstanding amount of your Loan shall be automatically reduced by two and one-half percent (2.5%) per month. After forty (40) months, the Loan shall be reduced to zero and, thereafter, no amount shall be outstanding under the Loan.

2. Interest.

Pursuant to the current below market interest provisions of Section 7872 of the Internal Revenue Code of 1986, as amended, no interest shall accrue or be paid on your Loan.

3. Security.

Your Loan, and all other loans to Meadow Ridge made by The Community residents (up to an aggregate of \$200,000,000, as may be increased from time to time), shall be secured by a mortgage on the real estate known as The Community which is owned by Meadow Ridge. The mortgage will be subject and subordinate to certain permitted encumbrances. A copy of the Mortgage and the Indenture of Trust is available to you upon request.

4. Repayment.

Your Loan shall become due and payable as follows:

(i) if your Residency Agreement is canceled or terminated whether by you or us (other than a cancellation or termination following an event described in subparagraphs (ii) through (iv) below), then your Loan shall become due and payable on the earlier of: (A) ninety (90) days after the date your Apartment is occupied by a new resident to The Community and the new resident has paid the

applicable admission payment in full, or (B) thirty-six (36) months from the Cancellation Date (as used herein, "Cancellation Date" shall mean the date the later of (x) the expiration of the one hundred twenty (120) day period set forth in Section 8 of the Residency Agreement if you cancel the Residency Agreement in accordance with Section 8 or (y) the actual release of your Apartment and the removal of the contents of your Apartment).

(ii) if you die or the survivor if there are two of you dies and at the time of such death your Apartment had not been released in connection with an admission to The Health Center at Meadow Ridge or an Assisted Living Apartment, then your Loan shall become due and payable on the earlier of: (A) ninety (90) days after the date that your Apartment is occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full, or (B) thirty-six (36) months from the date of the actual release of your Apartment and the removal of the contents of your Apartment;

(iii) if you die or the survivor if there are two of you dies while residing in The Health Center at Meadow Ridge or an Assisted Living Apartment and at the time of such death your Apartment had been released in connection with your (or such survivor's) admission to The Health Center at Meadow Ridge or an Assisted Living Apartment and your Apartment has been occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full prior to your death (or the death of the survivor if there are two of you), then your Loan shall become due and payable six (6) months after the date of such death, otherwise on the earlier of: (A) ninety (90) days after the date that your Apartment is occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full, or (B) thirty-six (36) months from the date of such death;

(iv) if you are residing or the survivor if there are two of you is residing in The Health Center at Meadow Ridge or an Assisted Living Apartment and you (or such survivor) decide to voluntarily relocate out of The Community and terminate your Residency Agreement and at the time of such move your Apartment previously had been released in connection with your (or such survivor's) admission to The Health Center at Meadow Ridge or an Assisted Living Apartment and your Apartment has been occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full prior to such relocation, then your Loan shall become due and payable six (6) months after the date that you actually move out of The Health Center at Meadow Ridge or the Assisted Living Apartment, as the case may be, otherwise on the earlier of (A) ninety (90) days after the date your Apartment is occupied by a new resident to The Community and the

new resident has paid the applicable admission payment in full, or (B) thirty-six (36) months from the date of your move out of the Health Center or the Assisted Living Apartment, as the case may be; and

(v) if your Residency Agreement has not been canceled or terminated in accordance with the provisions of the Residency Agreement, then your Loan shall become due and payable thirty (30) years from the date hereof.

The amount of the loan proceeds repaid may be reduced by (1) any unpaid Regular Monthly Charges owed by you, (2) any unreimbursed health care expenses that we have advanced on your behalf, (3) any charges deferred due to your financial inability to pay as provided in Section 9.2.3 of the Residency Agreement, (4) any charges due under Section 10.6 of the Residency Agreement and (5) any other sums owed by you.

5. Successors and Assigns.

All terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Executed at _____, Connecticut this ____ day of _____, 20__.

RESIDENT:

**REDDING LIFE CARE, LLC
d/b/a Meadow Ridge**

Resident or Resident's Representative

By: _____

Resident or Resident's Representative

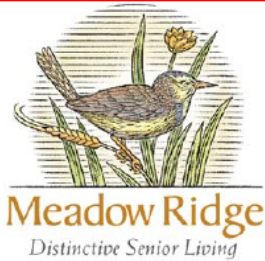
Witness

Witness



EXHIBIT B

Please Initial Receipt of Ancillary Charges _____



ANCILLARY CHARGES JANUARY 1, 2017 TO DECEMBER 31, 2018

SERVICE	CHARGE
GUEST SERVICES	
King Room	\$ 148.00* per night - King size bed \$ 25.00 cancellation fee if less than 24 hours' notice
Family Apartment	\$ 175.00* per night - 2 Double beds \$ 275.00* per night - sleeps 6 \$ 317.00* per night - sleeps 8-10 \$ 40.00 cancellation fee if less than 24 hours' notice
Late Check-Out Fee (until 3:00 p.m.)	\$40.00
Cot Rental	\$ 10.00 per cot/ per night * Includes 15% CT Room Tax
MEALS	
Guest Meals	\$ 18.00 when using meal credit \$ 26.50 without using meal credit
Children's Meals (10 years and under)	\$ 12.00 per meal
Sunday Brunch	\$ 23.50 when using meal credit \$ 32.00 without using meal credit
Special and Holiday Meals: New Years, Easter, Mother's Day, Father's Day, Thanksgiving & Christmas	\$ 38.00 meal credits may not be used
Memorial Day, July 4 th , Labor Day	\$ 27.00 meal credits may not be used
Meal Delivery Charges	\$5.00
Resident Meal (Additional)	\$18.00
Absence Meal Credit	\$6.65
Catering Charges	\$ Market Rate
SECURITY	
Replacement or Additional Spruce/Laurel Keys, Apartment Door Keys, or Slider Door Keys	\$ 13.00 per key
Replacement Mailbox Key	\$ 5.00 per key
Replacement/Extra Wand	\$ 25.00 per wand
Laurel and Spruce Building Keys	\$13.00
Additional Personal Help Button (PHB)	\$120.00

ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018

SERVICE	CHARGE
RIDGE CREST, HEALTH CENTER	
Private Room Differential	\$125.00 per day
Life Care Additional Meals	\$ 36.00 per day (Health Center & Assisted Living)

Other specialized equipment as medically necessary will be charged per current vendor pricing.
Please see Health Center Ancillary Charge document for details.

HOUSEKEEPING & MAINTENANCE SERVICES	
Additional Housekeeping Services	\$ 28.00 per hour
Additional carpet shampooing	\$ 75.00 per room or traffic area
Spot cleaning	\$ 50.00 per hour + \$15.00 service fee
Biohazard Fee (Biological clean up)	\$50.00
Additional maintenance services (Furniture repairs, moving furniture, hanging pictures, lightbulb changes, etc.)	\$ 40.00 per hour (plus supplies where applicable)
Box Spring & Mattress Removal	Per Moving Company Rates
Stuffed Chair or Dresser Removal	Per Moving Company Rates
Couch/love Seat Removal	Per Moving Company Rates
Mixed trash Removal	\$65.00
Installation of new lock and key	(per maintenance)

For additional housekeeping services including Fluff & Fold contact 504.

**ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018**

SERVICE	CHARGE
TRANSPORTATION	
Personal Transportation (Between 8:00 am & 4:30 pm. Additional fees may apply.)	
Personal trips on the weekend: 2 hour minimum applies	
– By car	\$ 32.00* per hour (plus .58 cents per mile**)
– By W/C Van or Bus	\$ 35.00* per hour (plus .58 cents per mile**)
Activity Bus Transportation	<i>(determined by Community Life Services Dir.)</i>
Coach Bus	<i>(determined by Community Life Services Dir.) Based on Trip Destination</i>
Event Bus Reservations	\$ 145.00 first 2 hours; \$31.00/hr thereafter
After-hour Branchville Rail Station Pick up	\$ 60.00 one way
* Holiday rate is \$45.00 per hour	
** The per mile fee fluctuates with current IRS guidelines	
 <i>We are pleased to provide complimentary transportation to medical appoints as outlined in the Transportation Policy with a 48-hour advance notification. As a courtesy to other residents, residents are asked to provide a 24-hour advance notification for canceled appointments and to schedule their appointments in accordance with the North-South schedule to avoid a \$20.00 fee. Transportation outside the scheduled radius is also available. Kindly call 203-544-1222 to speak with the Transportation Department.</i>	
OFFICE SERVICES	
Copier/Printing	\$.15 per page (black and white)
Color Printouts	\$.50 per page
Fax (incoming and outgoing)	\$.50 per page (cover page no charge)
Business Envelope	\$.50 each
Large Envelope – 8.5" x 11"	\$ 1.00 each
IT Services (Computer hardware/software installation, repair or software training)	\$ 35.00 for 1 st half hour (with appointment) \$ 12.00 for every 15 minutes thereafter
Name Badges	\$ 11.00 Pin Type \$ 14.00 Magnet Type
Replacement Name Badge Magnet or Pin	\$3.00
Notary Services, appointment required	\$5.00
Laminating	\$ 2.00 per page
Shredding Services	\$ 1.30 per pound
Typing Services	\$ 32.00 per hour (\$16.00 per half hour)

**ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018**

SERVICE	CHARGE
Postage	\$ <i>as metered</i>
Garage Rental	\$ 170.00 per month
Resident Payment Late Fee	\$ <i>as per stated in contract</i>
Personal Assistant Services such as accompanying residents to medical appointments and pickups, shopping trips and other transports, dog walking, cat and dog sitting, bill paying, and other special services as needed.	\$ 28.00 per hour

A LA CARTE ASSISTANCE IN LIVING SERVICES (through Resident Health Services Office)

A One-Time Admission Fee to Initiate Assistance in Living Services	\$150.00
Nursing Visit	\$ 75.00 per hour billed in 30 minute increments
Certified Nursing Assistant (CNA) assistance	\$ 30.00 per hour billed in 30 minute increments
Escorted Wheelchair Roundtrip inside Facility	\$ 20.00 per trip
Safety check	\$ 15.00 per check
Registered Dietician Assessment and Consultation	\$ 75.00 per hour
Wheelchair Rental	\$ 20.00 per day

ASSISTANCE IN LIVING PACKAGES OFFERED (through Resident Health Services Office)

MEDICATION ASSISTANCE PACKAGES:

1. Weekly Pre-pour	\$ 300.00 per month
2. Pre-pour + 1 Daily medicine cue	\$ 650.00 per month
3. Pre-pour + 2 Daily medicine cues	\$ 1000.00 per month
4. Pre-pour + 3 daily medicine cues	\$ 1350.00 per month
1. Daily medication administration 1x daily	\$ 600.00 per month
2. Daily medication administration 2x daily	\$ 1200.00 per month
3. Daily medication administration 3x daily	\$ 1800.00 per month
4. Vitamin B-12 Injections	\$ 20.00 per injection
5. Blood Glucose testing 1x daily	\$ 500.00 per month
6. Blood Glucose testing 3x week	\$ 250.00 per month
7. Blood Glucose testing 1x week	\$ 100.00 per month

**ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018**

SERVICE	CHARGE
PERSONAL CARE PACKAGES:	
1. 15 minutes CNA assistance daily	\$350.00 per month
2. 15 minutes CNA assistance 2x daily	\$675.00 per month
3. 30 minutes CNA assistance daily	\$675.00 per month
4. 30 minutes CNA assistance 2x daily	\$1350.00 per month
5. 60 minutes CNA assistance daily	\$1350.00 per month
6. 60 minutes CNA assistance 3x week	\$600.00 per month
7. Roundtrip escort via wheelchair 1x daily	\$600.00 per month
SAFETY CHECK PACKAGES:	
1. Safety check 1x night	\$350.00 per month
2. Safety check 2x night	\$675.00 per month
3. Safety check 3x night	\$1000.00 per month

EXHIBIT C
MANAGED RESIDENTIAL COMMUNITY
RESIDENTS' BILL OF RIGHTS

You have the right to:

- Live in a clean, safe and habitable private residential unit;
- Be treated with consideration, respect and due recognition of your personal dignity, individuality and the need for privacy;
- Privacy within your private residential unit, subject to the Community's rules reasonably designed to promote your health, safety and welfare;
- Retain and use your personal property within your apartment so as to maintain individuality and personal dignity, provided that your use of personal property does not infringe on the rights of other residents or threaten the health, safety and welfare of other residents;
- Private communications, including receiving and sending unopened correspondence, telephone access and visiting with persons of your choice;
- Freedom to participate in and benefit from community services and activities so as to achieve the highest possible level of independence, autonomy and interaction within the community;
- Directly engage or contract with licensed health care professionals and providers of your choice to obtain necessary health care services in your private apartment, or such other space in the Community as may be available to residents for such purposes;
- Manage your own financial affairs;
- Exercise civil and religious liberties;
- Present grievances and recommend changes in policies, procedures and services to our Social Services Director, government officials or any other person without restraint, interference, coercion, discrimination or reprisal from the Community, including access to representatives of the Department of Public Health or the Office of the Long-Term Care Ombudsman;
- Upon request, obtain the name of the Resident Health Services Director or any other persons responsible for resident care or the coordination of resident care;
- Confidential treatment of all records and communications to the extent required by state and federal law;
- Have all reasonable requests responded to promptly and adequately within the capacity of the Community and with due consideration given to the rights of other residents;

- Be fully advised of the relationship that the Community has with any Assisted Living Services Agency, health care facility or educational institution to the extent that such relationship relates to resident medical care or treatment and to receive an explanation about the relationship;
- Receive a copy of any rules or regulations of the Community;
- Refuse care and treatment and participate in the planning for the care and services you need or receive, provided, however, that your refusal of care and treatment may preclude you from being able to continue to reside in the Community; and
- If you are a continuing care resident, all rights afforded under Conn. Gen. Stat. § 17b-520 et seq. and any other applicable laws. If you rent your apartment, all rights and privileges afforded to tenants under title 47a of the Connecticut General Statutes (Connecticut's landlord tenant laws).

We hope that any complaints or concerns that you have can be resolved by our staff. However, you also have the right to contact the following state agencies regarding complaints or concerns:

Department of Public Health
Facility Licensing Investigations Section
410 Capitol Ave., P.O. Box 340308
MS# 12 HSR
Hartford, CT 06134-0308
Phone: (860) 509-7400

Information/General: Loan Nguyen
Supervising Nurse Consultant (860) 509-7400

Complaints: Donna Ortelle, R.N.
Public Health Services Manager (860) 509-7400

Nancy Shaffer, State Long Term Care Ombudsman
Office of the Long Term Care Ombudsman
55 Farmington Avenue
Hartford, CT 06105-3730
(866) 388-1888 or (860) 424-5200

Dan Lerman, Regional Ombudsman
Long-Term Care Ombudsman Program
249 Thomaston Avenue
Waterbury, CT 06702
(203) 597-4181
1-866-388-1888

If you are receiving nursing or personal care from an Assisted Living Services Agency, you also have other rights set forth separately in the Assisted Living Clients' Bill of Rights.

Please sign below to acknowledge that we have provided you with a copy of the Managed Residential Community Residents' Bill of Rights and explained them to you.

Date

Resident

Resident's Representative

Relationship to Resident

Date

Resident

Resident's Representative

Relationship to Resident

EXHIBIT D

RESIDENT COMPLAINT RESOLUTION

It is the goal of The Community to take all problems and complaints seriously and to solve each one in a timely and caring fashion. Residents and family members are free to communicate grievances to the staff of The Community and to outside representatives of their choice, without restraint, interference, coercion, discrimination, or reprisal. All grievances will be properly documented and responded to.

A resident or his/her family member may pursue the resolution of a problem in any of the following ways:

- All emergency service problems can be resolved by calling the Reception Desk at The Community at (203) 544-1000. The Receptionist will contact the appropriate personnel to resolve the problem. Even after normal business hours, please contact the Reception Desk. Your call will automatically transfer to the Health Center if the Receptionist is not on duty.
- By contacting:
 - ✓ The Department Director by calling, writing a letter, and/or scheduling an appointment.
 - ✓ The Executive Director or Administrator by calling, writing a letter, and/or scheduling an appointment.
 - ✓ The Chairperson of the specific Meadow Ridge Committee.
 - ✓ A Residents Association Board Representative.
 - ✓ The Chairperson of the Residents Association Board.
- You may voice your concern or complaint at a monthly Resident Update Meeting.
- If your issues are not resolved by using the above channels, you may write a letter to Director of Operations Management; Life Care Services LLC; 064751602 King Richard Circle; St. Charles, IL 60174. A copy of the letter should be provided to Ownership.
- As a final option, the resident may appeal to Ownership when the previous means have not resulted in a satisfactory outcome.

The Community has also publicized and posted information pertaining to all governmental regulatory resources available for use by residents in handling complaints. This information is included in the Managed Residential Community Bill of Rights, a copy of which is attached as Exhibit C to the Residency Agreement.

Dated: July 2018

EXHIBIT E
**ACKNOWLEDGEMENT OF RECEIPT OF
RESIDENT HANDBOOK**

I, the undersigned, acknowledge receipt of the Meadow Ridge Resident Handbook dated _____, 20____, which contains certain rules, policies, and guidelines in order to promote the health, safety and welfare of the residents of The Community.

The Resident Handbook also contains a list of extra charges as referenced in the Residency Agreement.

Date

Resident

Resident's Representative

Relationship to Resident

Date

Resident

Resident's Representative

Relationship to Resident

Meadow Ridge

100 Redding Road
Redding, CT 06896
203-544-1000
www.MeadowRidge.com

EXHIBIT D (3)

**MEADOW RIDGE RETURN OF CAPITAL^(TM)
RESIDENCY AGREEMENT
(FEE-FOR-SERVICE)**



100 Redding Road

Redding, Connecticut 06896

(203) 544-1000

RESIDENCY AGREEMENT
(Fee For Service)

Version: July 2018

GLOSSARY

The following terms are described as used in the accompanying Agreement. Reference to the Agreement and the context in which the terms are used is recommended to provide a fuller understanding of each of the terms:

"Admission Payments" means the Entrance Fee (and Second Person Entrance Fee, if applicable) paid by the Resident to Meadow Ridge, together with the Loan made by the Resident to Meadow Ridge, pursuant to this Agreement.

"Agreement" or "Residency Agreement" means this Residency Agreement.

"Apartment" means the apartment at The Community in which you are entitled to live pursuant to the Agreement as identified in Section 1 of the Agreement and including any Assisted Living Apartment (as defined herein) to which you may relocate.

"Assisted Living Apartments" mean those Apartments which have been identified by The Community as providing Assisted Living Services.

"Assisted Living Fee" means fees charged for Assisted Living Services as established by us from time to time and payable by a resident residing in the Assisted Living Apartments.

"Assisted Living Services" means those services provided by The Community designed to assist residents with the activities of daily living and which are in addition to the services furnished to other apartments as specified in Section 4 hereof.

"Capital Improvements Fee" means that one-time, non-refundable fee which may be used by us for The Community to fund apartment refurbishment costs, Community refurbishment costs, capital improvements and/or capital reserves as described in Section 1.4 of the Agreement.

"The Community" means the facility known as Meadow Ridge, which is the subject of the Agreement, including the Apartments, the Assisted Living Apartments, The Health Center, and all common areas.

"Entrance Fee" or "Second Person Entrance Fee" means that fee, including the Entrance Fee Deposit, as established by us from time to time and payable by a

prospective resident to us for acceptance into The Community as described in Section 1 of the Agreement.

"Entrance Fee Deposit" means the initial deposit payable hereunder as described in Section 1.2 of the Agreement.

"Garage Rental Fee" means that monthly rental fee established by us from time to time and payable pursuant to a separate lease between a resident and us for the use of a garage at The Community as described in Section 5.3 of the Agreement.

"Health Care Charges" means our private pay rates then in effect for Assisted Living Services or nursing care, charges for physician services and any other additional health services received by you in The Community.

"The Health Center at Meadow Ridge" or "The Health Center" means the health center forming a part of The Community which is intended to provide semi-private or private nursing accommodations for the nursing care as stated in the Agreement.

"Loan" means the loan made to Meadow Ridge by you pursuant to this Agreement and pursuant to the Loan Agreement attached hereto as Exhibit A. Your rights to repayment of the Loan may be held by your heirs or others if we consent to such an assignment, and our consent will not be unreasonably withheld.

"Managed Residential Community" means a community registered with the Connecticut Department of Public Health in order to offer certain Assisted Living Services provided by a licensed assisted living services agency to residents in their apartments. The Community is registered as a Managed Residential Community.

"Meadow Ridge" or "we" or "us" or "our" means Redding Life Care, LLC (d/b/a Meadow Ridge), a Connecticut limited liability company and the owner of The Community.

"Medical Director" means the physician designated as the medical director of The Health Center in accordance with Section 6.7 of the Agreement.

"Monthly Fee" means that monthly fee (including the second person monthly fee if there are two of you) payable in consideration for services and features as set forth under Section 4 of the Agreement.

"occupancy" (including the term occupy and all tenses thereof) means the date upon which you close on your apartment (i.e., your Admission Payments have been made in accordance with the terms of your Agreement).

"Resident" or "you" means the resident or residents who is (are) signatory to the Agreement. Sometimes a second Resident (if there are two of you) is referred to in the Agreement as the "second person."

"Resident Handbook" means the document referenced in Section 16 of the Agreement, which will be given to the Resident(s) upon occupancy at The Community.

"Regular Monthly Charges" means all those Regular Monthly Charges payable by you pursuant to the terms of the Agreement, including the fees charged under Section 3.3, the Monthly Fees, the Assisted Living Fees, the Garage Rental Fees, the fees for optional services, the Health Care Charges, and all other fees and charges payable monthly pursuant to the terms of the Agreement, as appropriate in the particular circumstances.

"Trustee Mortgage" means the mortgage, as amended from time to time, on the real estate owned by Meadow Ridge and comprising The Community which secures your Loan and the loans of all other residents, up to an aggregate secured amount of \$200,000,000, as such amount may be increased from time to time.

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EXHIBIT A – LOAN AGREEMENT

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EXHIBIT E – ACKNOWLEDGMENT OF RECEIPT OF RESIDENT HANDBOOK

Meadow Ridge

RESIDENCY AGREEMENT
(Fee-For-Service)

1. ENTRANCE FEE AND LOAN

1.1. Admission Payments

To assure you _____ a place at Meadow Ridge in Redding, Connecticut in accordance with all terms of this Agreement, including payment of the Regular Monthly Charges described below, you will pay to Meadow Ridge, an Entrance Fee, make a Loan to Meadow Ridge and, if applicable, pay a Second Person Entrance Fee for a total of \$ _____.

- (i) \$ _____ of this amount represents the Entrance Fee;
- (ii) \$ _____ of this amount represents the Second Person Entrance Fee (if applicable); and
- (iii) \$ _____ of this amount represents the Loan.

Your Entrance Fee, Loan and Second Person Entrance Fee, if applicable, together constitute your Admission Payments. Payment of your Admission Payments entitles you to live in apartment no. _____ at The Community for as long as you are capable of independent living in accordance with The Community's admission policy, as amended from time to time. As a Resident, you are offered lifetime use of your Apartment and priority access over nonresidents to Assisted Living Apartments and The Health Center, all in accordance with the terms of this Agreement.

1.2. Entrance Fee

Ten percent of your Admission Payments (minus the Second Person Entrance Fee, if applicable) (\$ _____) is paid herewith and will be held in escrow pursuant to Connecticut law (the "Entrance Fee Deposit"). In no event shall you be required to move into the Community before the expiration of thirty (30) days from your execution of this Agreement. The balance of your Entrance Fee (\$ _____) and the Second Person Entrance Fee (\$ _____), if applicable, will be due and payable on the same day that your Loan is due pursuant to Section 1.3 below.

1.3. Loan

Your Loan of \$ _____ will be paid (by wire, bank or certified check) to Meadow Ridge the earlier of _____ or the date you move into The Community. Your Loan will be evidenced by a Loan Agreement, a copy of which is attached as Exhibit A. Your Loan and the loans of all other residents, up to an aggregate secured amount of \$200,000,000 (which amount may be increased from time to time), is secured by the Trustee Mortgage. The Trustee Mortgage is subordinate to certain "permitted encumbrances" as defined in the Trustee Mortgage and the Indenture of Trust. A copy of the Trustee Mortgage and the Indenture of Trust is available for your review upon your request. The Loan may not be mortgaged, sold, discounted, assigned, or otherwise transferred, subject to our prior written approval, which approval shall not unreasonably be withheld.

1.4. Capital Improvements Fee

In addition to your Admission Payments described above, a one-time Capital Improvements Fee of \$ _____ will be paid (by wire, a separate bank or certified check) to Meadow Ridge on the same day as your Loan is due pursuant to Section 1.3 above. This charge may be used by us for The Community to fund apartment refurbishment costs, Community refurbishment costs, capital improvements and/or capital reserves. No portion of the Capital Improvements Fee is refundable.

2. REIMBURSEMENT OF ADMISSION PAYMENTS

2.1. Reimbursement of Entrance Fee Deposit Prior to Occupancy

2.1.1 If you are not accepted for residency, as evidenced by Meadow Ridge's authorized signature of this Residency Agreement, the full amount of the Entrance Fee Deposit you have paid will be promptly refunded to you without interest.

2.1.2 If you change your mind and give us written notice of cancellation by registered or certified mail within thirty (30) days from the date of this Agreement, this Agreement will be automatically canceled. In such event, the full amount of the Entrance Fee Deposit you have paid will be refunded to you, without interest, within one hundred twenty (120) days of written notice, except that we will retain an amount equal to any costs that are specifically incurred by us due to your request.

2.1.3 After the thirty (30) day period, if you (or either of you if there are two of you) die at any time prior to the date your Apartment is ready for occupancy, or because of illness, injury, or incapacity, you (or either of you if there are two of you) are unable to occupy your Apartment under the terms of this Agreement, upon written notice to Meadow Ridge by registered or certified mail, this Agreement will be automatically canceled, unless in the case of such illness, injury, or incapacity you (or either of you if there are two of you) choose to become a resident of The Health Center at Meadow Ridge or an Assisted Living Apartment, as applicable in accordance with The Community's admission policies. If this Agreement is so canceled, the full amount of the Entrance Fee Deposit you have paid will be refunded to you or to your estate, without interest, within one hundred twenty (120) days of your request, except that we will retain: (i) an amount equal to any costs that are specifically incurred by us due to your request and (ii) a service fee of \$1,000.

2.1.4 In all other cases, if you cancel this Agreement prior to occupying the Apartment, we will retain \$20,000 and the balance of the Entrance Fee Deposit you have paid will be refunded to you, without interest, within one hundred twenty (120) days.

2.2. Forfeiture of Entrance Fee After Occupancy

In the event this Agreement is terminated or canceled after you have occupied your Apartment, we will retain the total of the Entrance Fee (and the Second Person Entrance Fee, if applicable) portion of your Admission Payments.

2.3. Repayment of Loan

The repayment of your Loan will be made in accordance with the Loan Agreement, a copy of which is attached as Exhibit A to this Residency Agreement.

2.4. Right of Offset

We have the right to offset against any Entrance Fee Deposit refund and/or Loan repayment, any unpaid Regular Monthly Charges owed by you, any unreimbursed health care expenses we have advanced on your behalf, any amount deferred by us under Section 9.2.3, and any other sums owed by you.

3. REGULAR MONTHLY CHARGES

3.1. Reserved

3.2. Monthly Fees

(a) You shall pay a Monthly Fee for the services and features provided to all residents as set forth in Section 4. During the current calendar year, the Monthly Fee is \$ _____ a month for one person and an additional \$ _____ a month for two.

(b) As a fee-for-service Resident, your Monthly Fee set forth above in Section 3.2(a) includes a reduction of \$ _____ per month, the value of the life care benefit provided to life care residents, as determined by us in our sole and absolute discretion.

(c) We will give you advance written notice of not less than thirty (30) days before any change in the Monthly Fee is implemented.

3.3. Regular Monthly Charges

In addition to the Monthly Fee, you will pay all applicable Regular Monthly Charges, including, without limitation:

(a) monthly charges for any optional services that you utilize and that are subject to an extra charge as provided in Section 5 below; and

(b) a \$ _____ charge per month for occupying your Apartment (including any Assisted Living Apartment to which you relocate) or The Health Center at Meadow Ridge. There shall be no increase in this charge during the term of this Agreement and charges collected shall be our unrestricted property and may be used by us for any purpose.

We will give you advance written notice of not less than thirty (30) days before any increase in any extra charge is implemented.

3.4. Payment

On the earlier of (i) the day you move into The Community or (ii) the day you make your Loan to us as provided in Section 1.3 of this Agreement, you shall pay a pro-rated portion of the Regular Monthly Charges and Monthly Fee. Thereafter, such monthly charges will be payable on the tenth day of each month in advance, and all other Regular Monthly Charges for optional services will be paid on the tenth day of each month for the optional services obtained during the preceding month. A late charge equal to one percent (1%) shall be assessed on any Regular Monthly Charges three or more days past due.

3.5. Termination of Charges for Apartment

3.5.1 The Regular Monthly Charges for your Apartment will terminate after your death (or upon the death of the survivor in a double-occupied apartment), upon the removal of the contents of your Apartment or upon the release of your Apartment pursuant to the provisions regarding assisted living and Health Center usage. In the event one of two residents occupying an apartment dies, the second person Monthly Fee will cease and the remaining resident will continue to pay the first person Monthly Fee and any other Regular Monthly Charges.

3.5.2 If you terminate this Residency Agreement after occupying your Apartment, you will be required to pay all applicable charges identified in Section 3 until the later of one hundred and twenty (120) days after we receive written notice of such termination or the actual release of your Apartment and removal of the contents of your Apartment.

4. SERVICES AND FEATURES PROVIDED TO ALL APARTMENT RESIDENTS

Meadow Ridge will furnish at The Community, so long as you reside in an apartment therein, the following services and features which are included in the Monthly Fee:

4.1 Continental breakfast every day;

4.2 A monthly meal credit (one credit for each day of the month), which may be used for lunch or dinner (or both) in the dining room (or a comparable meal plan as determined by Meadow Ridge from time to time);

4.3 Water, sewer, air conditioning, heating, and electricity;

4.4 Satellite or Cable TV service (as decided by Meadow Ridge);

4.5 Property taxes, insurance on building and structures;

4.6 Grounds keeping, landscaping, and snow removal;

4.7 Security services;

4.8 Building janitorial and maintenance service;

- 4.9** Weekly housekeeping service;
- 4.10** Weekly flat laundry service (one load);
- 4.11** Planned social, cultural and recreational activities for those who wish to participate;
- 4.12** One reserved space for open parking provided, however, parking spaces are only available if you own an automobile;
- 4.13** Carpeting (except in kitchen and bath where there will be alternate floor covering);
- 4.14** Complete kitchen, including refrigerator, range with oven, dishwasher, microwave oven, ductless hood fan;
- 4.15** Stackable washer and dryer in each apartment;
- 4.16** Local transportation as scheduled by us (which may change from time to time) – a description of scheduled transportation is located in the Resident Handbook, and a copy is provided to residents upon admission to The Community;
- 4.17** Emergency call system in your Residence through the use of a pendant, which is monitored 24-hours a day by designated Community staff;
- 4.18** Use of all common areas in The Community;
- 4.19** Use of recycling rooms on every floor;
- 4.20** Priority access over nonresidents to The Health Center at Meadow Ridge pursuant to the terms of Section 6 of this Agreement; and
- 4.21** Priority access over nonresidents to the Assisted Living Apartments at Meadow Ridge pursuant to the terms of Section 6 of this Agreement.

5. SERVICES PROVIDED FOR AN EXTRA CHARGE

5.1. Miscellaneous Additional Services

Meadow Ridge will also make available at The Community, at your request, so long as you reside in an apartment at The Community, at the then prevailing rates of extra charge: additional meals besides those provided in consideration for the monthly meal credit, guest meals, tray service to your Apartment, additional housekeeping, certain office services such as "fax" and copier, use of guest rooms, catering for private parties, home health services, salon services, garage parking, if available, non-emergency calls to and service of the Medical Director, personalized transportation, and certain other services, upon special arrangements. Certain additional services for extra charge will also be available to you while you are in The Health Center at Meadow Ridge or an Assisted Living Apartment.

A list of these extra charges for the additional services can be obtained from the front desk. A copy of the extra charges is also in the Resident Handbook provided to all new residents. Each year, a current copy of the extra charges is distributed to each resident. We will give you advance written notice of not less than thirty (30) days before any increase in any extra charge is implemented.

5.2. Certain Services in Resident's Apartment

Certain Assisted Living Services are available to you in your Apartment on a limited basis for an extra charge. A list of available and extra services is attached to this Agreement as Exhibit B. This list may change from time to time in our sole discretion, and a revised list will be provided to you when changes are made. We will give you 30 days' advance written notice before any increase in any extra service is implemented. Meadow Ridge reserves the right to adopt and revise, from time to time, assessment criteria for independent living skills, which the Medical Director shall consider in determining whether you require Assisted Living Services in an Assisted Living Apartment.

5.3. Garage Rental Fee

If you wish to substitute a garage for a surface parking space, depending on availability, you may elect to rent a garage pursuant to a separate one-year renewable lease and pay an additional monthly Garage Rental Fee for the garage. The Garage Rental Fee will be paid on the tenth day of each month along with all other Regular Monthly Charges owed by you.

6. ASSISTED LIVING AND THE HEALTH CENTER AT MEADOW RIDGE

You have the right to participate, as fully and meaningfully as you are able, in making the decision about a permanent move to Assisted Living Apartments or the Health Center at Meadow Ridge. If, in the opinion of your attending physician and the Medical Director, after consultation with you, assisted living in an Assisted Living Apartment or nursing care in The Health Center at Meadow Ridge is necessitated, you will be requested to relocate to an Assisted Living Apartment or The Health Center (either temporarily or permanently) or another health center of your choice on the following terms:

6.1. Accommodations in Assisted Living Apartments and The Health Center.

We will provide you with priority access over nonresidents for admission to an Assisted Living Apartment or The Health Center, on a space available basis at our current private pay rates.

6.2. Assisted Living or Nursing Care for Residents of a Single-Occupied Apartment

If you require accommodations in an Assisted Living Apartment or The Health Center, you will be given priority access over nonresidents for admission to an Assisted Living Apartment or The Health Center. If you relocate, your Regular Monthly Charges will depend upon whether you choose to release your Apartment:

6.2.1 Release Apartment. If you have relocated to an Assisted Living Apartment or The Health Center and you choose to release your Apartment for occupancy by someone else, you shall provide us with forty-five (45) days advance written notice. During such forty-five (45) day period, you will continue to pay your Monthly Fee, your Health Care Charges and all other applicable Regular Monthly Charges. Upon the later of expiration of such forty-five (45) days, or the removal of the contents of your Apartment, the Monthly Fee for your Apartment will cease and you will continue to pay your Health Care Charges and any other applicable Regular Monthly Charges.

6.2.2 Retain Apartment. If you do not release your Apartment, you will continue to pay your Monthly Fee for your Apartment and all other applicable Regular Monthly Charges. You will also pay your Health Care Charges.

6.3. Assisted Living or Nursing Care For Residents of a Double-Occupied Apartment

If one of you requires Assisted Living Services or nursing care, you will be given priority access over nonresidents for admission to an Assisted Living Apartment or The Health Center. If you relocate, you will pay your Health Care Charges. The Resident who remains in the Apartment will continue to pay the first person Monthly Fee and all other applicable Regular Monthly Charges. If both of you require care, your Regular Monthly Charges will depend upon whether you release your Apartment:

6.3.1 Release Apartment. If you have relocated to an Assisted Living Apartment or The Health Center and you choose to release your Apartment for occupancy by someone else, you shall provide us with forty-five (45) days advance written notice. During such forty-five (45) day period, you will continue to your Monthly Fee, your Health Care Charges and all other applicable Regular Monthly Charges. Upon the later of the expiration of such forty-five (45) days, or the removal of the contents of your Apartment, the Monthly Fee for your Apartment will cease. You will continue to pay for your Health Care Charges and any other applicable Regular Monthly Charges.

6.3.2 Retain Apartment. If you do not release your Apartment, you will continue to pay your Monthly Fees (first person only) for your Apartment and all other applicable Regular Monthly Charges. You will also pay your Health Care Charges.

6.4. Outside Care

If you are in need of Assisted Living Services and there are no Assisted Living Apartments, or if you are in need of nursing care and there are no nursing care beds available in The Health Center, you may (i) receive home health services in your Apartment at your own cost and expense and/or (ii) place your name on the waiting list for an Assisted Living Apartment or nursing care bed at The Health Center, as applicable, which will be processed in accordance with Meadow Ridge's wait list policy; or (iii) relocate to, and receive care from, another assisted living facility or nursing facility at your own cost and expense. If you relocate, you will continue to be responsible for paying the Regular Monthly Charges outlined in this Agreement.

6.5. Return to Apartment

If you give up occupancy of your Apartment because you have moved to The Health Center at Meadow Ridge or an Assisted Living Apartment, and if later you

are able, you agree, and in the opinion of the Medical Director, or your attending physician with the concurrence of the Medical Director, to return to an apartment, we will provide you an apartment of the same type as your former Apartment as soon as one becomes available. You will be permitted to remain in The Health Center at Meadow Ridge or your Assisted Living Apartment, as applicable, until such apartment becomes available. Upon return to an Apartment, your Monthly Fee will be based on the then-current charges for such apartment as described in Section 3.2 above.

6.6. Reserved

6.7. Medical Director

We will designate, from time to time, a member in good standing with privileges at Norwalk Hospital or Danbury Hospital as Medical Director of The Health Center. You will be at liberty to engage the services of the Medical Director at your own expense. We will not be responsible for the cost of medical treatment by the Medical Director, nor will we be responsible for the cost of medicine, drugs, prescribed therapy, and the like. In the event we incur or advance costs for your medical treatment or for medicine, drugs, prescribed therapy and the like (even though such medical care is given at the direction of your attending physician or the Medical Director without prior approval), you will reimburse us for such costs along with any associated costs of collection.

6.8. Non-Resident Use of Assisted Living Apartments and The Health Center

We offer assisted living services and nursing care to qualified nonresidents for a fee to the extent accommodations are available. Residents will, however, be given priority to available Assisted Living Apartments and nursing beds at The Health Center at Meadow Ridge.

6.9. Supplemental Insurance

You are required to maintain Medicare Part A, Medicare Part B, and one supplemental health insurance policy or equivalent insurance coverage acceptable to us to assure your ability to fully cover a Medicare-qualified stay in The Health Center at Meadow Ridge, and shall furnish to us such evidence of coverage as we may from time to time request. Such supplemental insurance should cover Medicare co-insurance and deductibles. If you are under the age of sixty-five (65) and do not otherwise qualify for Medicare coverage, you will obtain medical insurance coverage equivalent to the Medicare Part A and B and supplemental health insurance

as described in this Section 6.10, satisfactory to us, and you will provide proof of such coverage upon request.

6.9.1 Financial Responsibility. Should your supplemental health insurance or equivalent coverage not fully cover a Medicare-qualified stay in The Health Center at Meadow Ridge, or should you fail to purchase supplemental health insurance or equivalent coverage to fully cover a Medicare-qualified stay in The Health Center at Meadow Ridge, you shall be financially responsible for paying deductibles, co-insurance amounts and any other charges for each Medicare-qualified admission and stay in The Health Center. If failure to maintain Medicare Part A, Medicare Part B or supplemental health insurance causes depletion of your resources and impairs your ability to meet your financial obligations, we need not defer your financial obligations to us as provided in Section 9.2.3 of this Agreement, and we may revoke your right to reside at The Community and may terminate the Residency Agreement as provided in this Agreement.

6.10. Admission Agreements

If you require Assisted Living Services or nursing care, you agree to enter into a separate admission agreement to be signed by you and us, the form which will be available for your review.

7. DURATION OF YOUR RIGHT TO OCCUPY THE APARTMENT

You may live in your Apartment for as long as you (or either of you) live unless you (or both of you) are not capable of maintaining yourself in independent living in the Apartment, or this Agreement is terminated by you or by us. If, in the opinion of your attending physician or the Medical Director, your physical or mental health requires that nursing care or Assisted Living Services be given, you will be asked to relocate to The Health Center at Meadow Ridge or an Assisted Living Apartment at Meadow Ridge. You have the right to be independent in decisions regarding your medical care, and we shall not prevent or otherwise infringe upon your right to obtain treatment, care and services from providers with which we do not have a contractual arrangement. If it is determined that you require hospitalization, we will assist in the coordination of your transfer to an appropriate hospital. Community staff will not accompany you to the hospital nor will we be responsible for the charges associated with your transfer.

8. YOUR VOLUNTARY CANCELLATION RIGHTS AFTER OCCUPANCY

After you have moved into The Community, you may cancel this Agreement at any time by giving us one hundred twenty (120) days written notice signed by you (or both of you if there is double occupancy) and sent by registered or certified mail. The one hundred twenty (120) days will begin on the date such notice is received by the Community. If you give such notice, you will pay all applicable Regular Monthly Charges until the later of (a) the expiration of such one hundred twenty (120) day period or (b) the actual release of your Apartment and the removal of the contents of your Apartment. In such event, we will retain the total of your Entrance Fee, and your Loan will be repaid in accordance with the terms of the Loan Agreement.

9. OUR TERMINATION RIGHTS

9.1. Just Cause

We will not terminate this Agreement except for just cause. Just cause includes, but is not limited to, the following:

9.1.1 Failure to make the Admission Payments or, except as set forth below, pay any Regular Monthly Charges as provided herein;

9.1.2 Creation by you (or either of you if there are two of you) of a disturbance within The Community which in our judgment is detrimental to the health, safety, comfort, or peaceful living of others;

9.1.3 You (or either of you if there are two of you) become infected with a dangerous and contagious disease or become mentally or emotionally disturbed, and the Medical Director determines that such condition is detrimental to the health, safety, or welfare of others, and such condition cannot be cared for in an Assisted Living Apartment or in The Health Center at Meadow Ridge within the limits of our license from the State of Connecticut;

9.1.4 You (or either of you if there are two of you) refuse medical treatment which in the opinion of your attending physician or the Medical Director is medically required for your health and such refusal will affect the health and safety of others;

9.1.5 You (or either of you if there are two of you) do not comply with the terms of this Agreement or the published operating procedures, covenants, rules, regulations and policies now existing or later created or amended by us; or

9.1.6 Your material misrepresentation or omission of information in the materials provided by you in the residency process, including without limitation, the representations and information provided pursuant to Section 15 of this Agreement, which, if such information had been accurate, would have been material to our decision whether or not to accept you for residency.

Notwithstanding the above, if there are two of you and a termination event under Section 9.1.2, 9.1.3, 9.1.4 or 9.1.5 occurs that involves only one of you, this Agreement shall continue with respect to whichever of you is not the subject of such termination event and such remaining person shall continue to occupy the Apartment, pay the Monthly Fee (first person only) and all other applicable Regular Monthly Charges.

9.2. Limitations on Termination Rights for Financial Inability

If after you have paid the Entrance Fee, Second Person Entrance Fee, if applicable, and made the Loan, you encounter financial difficulties making it impossible for you to pay the full Regular Monthly Charges; then:

9.2.1 You may remain until any applicable **Title XVIII** Medicare benefits and/or third party insurance benefits received by us on your behalf have been earned;

9.2.2 You shall in any case be permitted to remain at The Community for ninety (90) days after the date of failure to pay, during which time you shall continue to pay reduced Regular Monthly Charges based on your current income; and

9.2.3 Because it is and shall continue to be our declared policy to not terminate your residency solely by reason of your financial inability to pay the full Regular Monthly Charges, you shall be permitted to remain at The Community at reduced Regular Monthly Charges based on your ability to pay for so long as you establish facts to justify deferral of the usual charges, and the deferral of such charges can, in our sole discretion, be granted without impairing our ability to operate on a sound financial basis. In such circumstances, we reserve the right to relocate you to a smaller apartment. This Section 9.2.3 shall be rendered inoperative if you have impaired your ability to meet your financial obligations or made any

misrepresentations with respect to your financial ability. Any such deferred charges shall be offset against repayment of your Loan as provided in Section 2.4.

9.3. Notice of Termination

Prior to any termination of the Agreement by us, we will give you notice in writing of the reasons and you will have thirty (30) days thereafter within which the problem may be corrected. If the problem is corrected within such time, this Agreement shall not be then terminated. If the problem is not corrected within such time, this Agreement will be terminated and you must leave The Community.

9.4. Emergency Termination

Notwithstanding the above, if the Medical Director determines that either the giving of notice or the lapse of time as provided above might be detrimental to you or others, then such notice and/or waiting period prior to termination and relocation to a hospital or other appropriate facility shall not be required and termination of this Agreement shall be deemed to have occurred when you are relocated. In such event, we are expressly authorized to transfer you to a hospital or other appropriate facility and will promptly notify your representative or your attending physician.

10. MISCELLANEOUS PROVISIONS WITH RESPECT TO YOUR APARTMENT

10.1. Use of Apartment

The Apartment is for living only, but may be used for carrying on any business or profession; provided, however, that you comply with all applicable zoning restrictions and any other applicable municipal, state, or federal law and provided that you do not cause a disturbance of others in The Community.

10.2. Occupancy of Apartment

Except as hereinafter provided, no person other than you (or both of you) may occupy the Apartment except with our express written approval. In the event that a second person who is not a party to this Agreement is accepted for residency under this Agreement at a time subsequent to the date hereof (said acceptance to be in accordance with financial and other admission policies governing all other admissions), you shall pay an Entrance Fee and, if applicable, a Second Person Entrance Fee, as determined by us, and each month thereafter the then current applicable Regular Monthly Charges for second persons shall be paid. If such second person does not meet the requirements for residency, such second person will

not be permitted to occupy the Apartment for more than thirty (30) days (except with our express written approval) and you may cancel this Agreement as provided in Section 8. Meadow Ridge reserves the right to adopt and revise, from time to time, its admission guidelines.

10.3. Compliance Changes

We may effect changes in The Community at any time to meet the requirements of the law. You agree to temporarily relocate to other facilities provided by us without additional cost to you if it becomes necessary to vacate your Apartment in order to make such changes.

10.4. Furnishings

Furnishings within the Apartment will not be provided by us except to the extent provided in consideration for the Monthly Fee. Furnishings provided by you shall not be such as to interfere with the health, safety, and general welfare of other residents or the staff of The Community. If removal of your furniture and other property is not accomplished within thirty (30) days after your death (or the death of the resident survivor) or termination of this Agreement, then we may remove and store such furniture and other property at the expense of you or your estate. We may dispose of such furniture or other property that is not claimed within ninety (90) days after your death (or the death of the resident survivor) or termination of this Agreement, provided that we will remit to you or your estate any balance after deducting costs of disposition.

10.5. Alterations by You

You may not undertake any alterations to your Apartment without our prior written approval which shall not be unreasonably withheld.

10.6. Additional Charges

The Community shall charge you for a refurbishment fee to refurbish your Apartment after the termination of this Agreement and shall deduct the same from any amount of the Loan to be repaid pursuant to the Loan Agreement.

11. AMENDMENTS

11.1. This Agreement

This Agreement may be amended by agreement of the parties to this Agreement.

11.2. Laws and Regulations

This Agreement may be modified by us at any time in order to comply with laws and regulations upon thirty (30) days' notice to you.

12. MISCELLANEOUS LEGAL PROVISIONS

12.1. Governing Law

This Agreement will be governed by and interpreted according to the laws of the State of Connecticut and will become effective upon acceptance and execution by us. The Glossary which sets forth the definitions of certain terms used in this Agreement is by this reference incorporated herein and made a part of this Agreement.

12.2. Consent to Forum

Regardless of any present or future domicile of Resident, Resident hereby consents and agrees that the Connecticut Superior Court for the Judicial District of Danbury, or, at our option, the United States District Court for the District of Connecticut, shall have exclusive jurisdiction to hear and determine any claims or disputes between Resident and Meadow Ridge pertaining to this Residency Agreement or to any matter arising out of or related to this Residency Agreement. Resident expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and Resident hereby waives any objection which Resident may have based upon lack of personal jurisdiction, improper venue or *forum non conveniens* and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Nothing in this Residency Agreement shall preclude the enforcement by Meadow Ridge of any judgment or order obtained in such forum or the taking of any action under this Residency Agreement to enforce same in any other appropriate forum or jurisdiction.

12.3. Separability

The invalidity of any restriction, condition or other provision of this Agreement, or any part of the same, shall not impair or affect in any way the validity or enforceability of the rest of this Agreement.

12.4. Capacity

This Agreement has been executed on our behalf by our duly authorized agent, and no partner, officer, director, member, agent or employee of Meadow Ridge shall have any personal liability hereunder to Resident under any circumstances.

12.5. Residents

When Resident consists of more than one person, the rights and obligations of each are joint and several, except as the context otherwise requires.

12.6. Resident Rights

As a resident of The Community, you have certain rights under the Connecticut continuing care law (Conn. Gen. Stat. §17b-520 *et. seq.*), a copy of which is available upon request. You also have certain rights as a resident of The Community because it is a Managed Residential Community. A copy of the Managed Residential Community Residents' Bill of Rights is attached hereto as Exhibit C.

12.7. Nature of Rights

You understand and agree that (a) this Agreement or your rights (including the use of the Apartment) under it may not be assigned and no rights or benefits under this Agreement shall inure to the benefit of your heirs, legatees, assignees, or representatives, except as to reimbursement of the amounts as described in Section 2; (b) this Agreement and your contractual right to occupy the Apartment shall exist and continue to exist during your lifetime unless canceled by you or terminated by us as provided herein; (c) this Agreement grants you a revocable license to occupy and use space in The Community but does not give you exclusive possession of the Apartment as against us and you shall not be entitled to any rights of specific performance but shall be limited to such remedies as set forth herein; (d) this Agreement is not a lease or easement and does not transfer or grant you any interest in real property owned by us; and (e) this Agreement grants to us complete decision making authority regarding the management and operation of The Community.

12.8. Release

We are not responsible for loss of or damage to your personal property. You may want to obtain, at your own expense, insurance to protect against such losses.

12.9. Indemnity

We shall not be liable for, and you agree to indemnify, defend and hold us harmless from claims, damages, settlements, and expenses, including attorney's fees and court costs resulting from any injury or death to persons and any damages to property caused by, resulting from, attributable to or in any way connected with your negligent or intentional act or omission.

12.10. Entire Agreement

This Agreement and any Addenda or Exhibits contain our entire understanding with respect to your residency.

12.11. Tax Considerations

Each person considering executing this Agreement should consult with his or her tax advisor regarding the tax consequences associated with this Agreement and the Loan Agreement.

12.12. Subordination

Except for your right of cancellation prior to occupancy and your rights under the Trustee Mortgage securing the Loan, you agree that all your rights under this Agreement will always be subordinate and junior to the lien of all indentures of trust, mortgages or other documents creating liens encumbering The Community or any of the assets of Meadow Ridge, which have been or will be executed by us. Upon request, you agree to sign, acknowledge and deliver to such lender or lenders such further written evidence of such subordination as such lenders may reasonably require. You will not be liable for any such indebtedness.

12.13. Transfers

We may from time to time issue additional equity interests, or sell The Community, provided that in such latter event the buyer shall agree to assume all existing residency agreements. In addition, we may sell or otherwise transfer the land or other portions of The Community and lease back such land or other portions. Your signature hereto constitutes your consent and approval to any such future transfer.

12.14. Law Changes

If changes are made in any of the statutes or regulations applicable to this Agreement prior to your occupancy of the Apartment, we shall have the right to

terminate this Agreement or submit to you a revised Agreement based on the changes in the law, and you agree to accept any such revisions which do not adversely affect you.

12.15. Residents' Association

Residents shall have the right to organize and operate a residents' association at The Community and to meet privately to conduct business of the residents' association.

12.16. Rights of Third Parties

Only parties who have executed this Residency Agreement will have any rights hereunder. Neither this Residency Agreement nor the disclosure statement creates any rights for parties other than those who have executed this Residency Agreement.

12.17. Estate Planning

This Agreement provides for the payment of the Admission Payments in two parts – the Entrance Fee and the Loan. The Entrance Fee Deposit is required to be paid by you upon execution of this Agreement and the balance of your Entrance Fee and the Second Person Entrance Fee, if applicable, is due and payable on the same day your Loan is due pursuant to Section 1.3. The Loan is repayable to your estate in the event of your death, or in the case of a double-occupied Apartment, the death of the surviving Resident, in accordance with the terms of the Loan Agreement. If you do not wish to have the Loan repayment made to your estate, you may choose to assign your right to repayment of the Loan to a trust or other person designated by you pursuant to a form of Assignment of Rights to Repayment approved by Meadow Ridge. In the absence of any agreement between the Residents of a double-occupied Apartment which has been provided to Meadow Ridge prior to the repayment of the Loan, then the Loan will be repayable to the estate of the last surviving Resident. No other rights under this Agreement are assignable.

12.18. Private Employees of Residents

If you need additional services, you can obtain these needed services from a private employee, an independent contractor, or through an agency (personal service provider). In such instances, we strongly advise you to obtain these needed services from a licensed and/or certified home health agency or assisted living services agency. Further, you must comply with our policy regarding personal service providers and ensure that your private employee, independent contractor, or person

you employ through an agency complies with our policies and rules of conduct set forth therein. If you fail to follow or enforce the policies and rules of conduct, then we may elect at our sole option to terminate this Agreement, in accordance with Section 9.1.5.

You have the right to be independent in decisions regarding your medical care, and we shall not prevent or otherwise infringe upon your right to obtain treatment, care and services from providers with which we do not have a contractual arrangement.

12.19. Compliance with Laws and Regulations

Meadow Ridge will comply with all applicable municipal, state, and federal laws and regulations, including consumer protection and protection from financial exploitation.

12.20. Complaint Resolution Process

We have established a complaint resolution process for residents and families, which is attached hereto as Exhibit D. Residents may use the complaint resolution process without fear of reprisal of any kind.

13. RESERVE POLICY

It will be our policy to maintain reserve funds as required by Chapter 319hh of the Connecticut General Statutes (Sec. 17b-520 et seq.) and the Connecticut Department of Social Services ("DSS").

14. RESIDENT REPRESENTATIONS

By executing this Agreement you represent and warrant that you are capable of independent living (in accordance with Meadow Ridge's current assessment criteria for living skills which are attached to the disclosure statement as Exhibit I and hereby incorporated by reference) and free of communicable disease and have assets and income which are sufficient under foreseeable circumstances and after provision for payment of your obligations under this Agreement to meet your ordinary and customary living expenses after assuming occupancy, and that all written representations made with respect to such matters by you or on your behalf to us are true. The foregoing representations shall be deemed made as of the date of your execution of this Agreement and as of your date of occupancy of your Apartment.

15. RESIDENT HANDBOOK

The Community has established certain rules, policies and guidelines in order to promote the health, safety and welfare of its residents. A copy of the Resident Handbook containing these rules, policies and guidelines will be provided to each resident upon admission to The Community. The Resident Handbook also contains a list of extra charges for additional services available to the residents of The Community. The Community will provide you with written notice of not less than thirty (30) days before any increase in any extra charge is implemented. The Community may revise the Resident Handbook from time to time and any revisions will be provided to the residents. Upon receipt of the Resident Handbook, you agree to sign an Acknowledgment form, a copy of which is attached hereto as Exhibit E. Your signed Acknowledgment will be placed in your resident file.

16. ACKNOWLEDGEMENT OF RECEIPT OF DOCUMENTS

You hereby certify that you received a copy of this Agreement and a copy of our latest disclosure statement on or before the date hereof, and have been permitted to inspect any additional relevant materials requested to be reviewed by you or your representatives prior to signing this Agreement.

17. PERSONAL REPRESENTATIVE

You agree to execute and deliver to us, at or before assuming residency in your Apartment, a durable power of attorney, trust documents, or other documentation naming a personal representative for personal and financial decision-making. These documents should be drafted to remain effective notwithstanding your incompetence or disability, in form acceptable to us. You shall keep such instrument in effect as long as this Agreement is in effect. The person named as your representative shall not be a person employed by The Community or any other entity engaged in the management of The Community.

18. ACKNOWLEDGEMENT

Under the requirements of applicable law, we are obligated to remind you that:

(1) this Agreement, which is a continuing care contract, is a financial investment and your investment may be at risk;

(2) our ability to meet our contractual obligations under this Agreement depends on our financial performance;

(3) you have been advised to consult an attorney or other professional experienced in matters relating to investments in continuing care facilities before you signed this Agreement; and

(4) DSS does not guarantee the security of your investment.

In addition, by executing this Agreement, you are acknowledging that this Agreement has been carefully reviewed by you or your legal representative.

Executed at _____, Connecticut this _____ day of _____, 20__.

RESIDENT:

**REDDING LIFE CARE, LLC
d/b/a Meadow Ridge**

Resident or Resident's Representative

By: _____
An Authorized Representative

Resident or Resident's Representative

Witness

Fee For Service Residency Agreement (2018-07-19)



Witness

EXHIBIT A
LOAN AGREEMENT

Pursuant to your Residency Agreement, you agree to loan \$_____ to Redding Life Care, LLC doing business as Meadow Ridge (hereafter referred to as "Meadow Ridge" or "The Community") and Meadow Ridge agrees to repay such amount upon the terms and conditions hereinafter set forth.

1. Payment of Loan Proceeds.

The Loan shall be made to Meadow Ridge on the date you occupy your Apartment in The Community or as provided in Section 1.3 of the Residency Agreement.

2. Interest.

Pursuant to the current below market interest provisions of Section 7872 of the Internal Revenue Code of 1986, as amended, no interest shall accrue or be paid on your Loan.

3. Security.

Your Loan, and all other loans to Meadow Ridge made by The Community residents (up to an aggregate of \$200,000,000, as may be increased from time to time), shall be secured by a mortgage on the real estate known as The Community which is owned by Meadow Ridge. The mortgage will be subject and subordinate to certain permitted encumbrances. A copy of the Mortgage and the Indenture of Trust is available to you upon request.

4. Repayment.

Your Loan shall become due and payable as follows:

(i) if your Residency Agreement is canceled or terminated whether by you or us (other than a cancellation or termination following an event described in subparagraphs (ii) through (iv) below), then your Loan shall become due and payable on the earlier of: (A) ninety (90) days after the date your Apartment is occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full, or (B) thirty-six (36) months from the Cancellation Date (as used herein, "Cancellation Date" shall mean the date the later of (x) the expiration of the one hundred twenty (120) day period set forth in Section

8 of the Residency Agreement if you cancel the Residency Agreement in accordance with Section 8 or (y) the actual release of your Apartment and the removal of the contents of your Apartment).

(ii) if you die or the survivor if there are two of you dies and at the time of such death your Apartment had not been released in connection with an admission to The Health Center at Meadow Ridge or an Assisted Living Apartment, then your Loan shall become due and payable on the earlier of: (A) ninety (90) days after the date that your Apartment is occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full, or (B) thirty-six (36) months from the date of the actual release of your Apartment and the removal of the contents of your Apartment;

(iii) if you die or the survivor if there are two of you dies while residing in The Health Center at Meadow Ridge or an Assisted Living Apartment and at the time of such death your Apartment had been released in connection with your (or such survivor's) admission to The Health Center at Meadow Ridge or an Assisted Living Apartment and your Apartment has been occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full prior to your death (or the death of the survivor if there are two of you), then your Loan shall become due and payable six (6) months after the date of such death, otherwise on the earlier of: (A) ninety (90) days after the date that your Apartment is occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full, or (B) thirty-six (36) months from the date of such death;

(iv) if you are residing or the survivor if there are two of you is residing in The Health Center at Meadow Ridge or an Assisted Living Apartment and you (or such survivor) decide to voluntarily relocate out of The Community and terminate your Residency Agreement and at the time of such move your Apartment previously had been released in connection with your (or such survivor's) admission to The Health Center at Meadow Ridge or an Assisted Living Apartment and your Apartment has been occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full prior to such relocation, then your Loan shall become due and payable six (6) months after the date that you actually move out of The Health Center at Meadow Ridge or the Assisted Living Apartment, as the case may be, otherwise on the earlier of (A) ninety (90) days after the date your Apartment is occupied by a new resident to The Community and the new resident has paid the applicable admission payment in full, or (B) thirty-six (36) months from the date of your move out of the Health Center or the Assisted Living Apartment, as the case may be; and

(v) if your Residency Agreement has not been canceled or terminated in accordance with the provisions of the Residency Agreement, then your Loan shall become due and payable thirty (30) years from the date hereof.

The amount of the loan proceeds repaid may be reduced by (1) any unpaid Regular Monthly Charges owed by you, (2) any unreimbursed health care expenses that we have advanced on your behalf, (3) any charges deferred due to your financial inability to pay as provided in Section 9.2.3 of the Residency Agreement, (4) any charges due under Section 10.6 of the Residency Agreement and (5) any other sums owed by you.

5. Successors and Assigns.

All terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Executed at _____, Connecticut this ____ day of _____, 20__.

RESIDENT:

**REDDING LIFE CARE, LLC
d/b/a Meadow Ridge**

Resident or Resident's Representative

By: _____

Resident or Resident's Representative

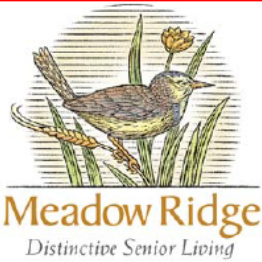
Witness

Witness



EXHIBIT B

Please Initial Receipt of Ancillary Charges _____



ANCILLARY CHARGES JANUARY 1, 2017 TO DECEMBER 31, 2018

SERVICE	CHARGE
GUEST SERVICES	
King Room	\$ 148.00* per night - King size bed \$ 25.00 cancellation fee if less than 24 hours' notice
Family Apartment	\$ 175.00* per night - 2 Double beds \$ 275.00* per night - sleeps 6 \$ 317.00* per night - sleeps 8-10 \$ 40.00 cancellation fee if less than 24 hours' notice
Late Check-Out Fee (until 3:00 p.m.)	\$40.00
Cot Rental	\$ 10.00 per cot/ per night * Includes 15% CT Room Tax
MEALS	
Guest Meals	\$ 18.00 when using meal credit \$ 26.50 without using meal credit
Children's Meals (10 years and under)	\$ 12.00 per meal
Sunday Brunch	\$ 23.50 when using meal credit \$ 32.00 without using meal credit
Special and Holiday Meals: New Years, Easter, Mother's Day, Father's Day, Thanksgiving & Christmas	\$ 38.00 meal credits may not be used
Memorial Day, July 4 th , Labor Day	\$ 27.00 meal credits may not be used
Meal Delivery Charges	\$5.00
Resident Meal (Additional)	\$18.00
Absence Meal Credit	\$6.65
Catering Charges	\$ Market Rate
SECURITY	
Replacement or Additional Spruce/Laurel Keys, Apartment Door Keys, or Slider Door Keys	\$ 13.00 per key
Replacement Mailbox Key	\$ 5.00 per key
Replacement/Extra Wand	\$ 25.00 per wand
Laurel and Spruce Building Keys	\$13.00
Additional Personal Help Button (PHB)	\$120.00

ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018

SERVICE	CHARGE
RIDGE CREST, HEALTH CENTER	
Private Room Differential	\$125.00 per day
Life Care Additional Meals	\$ 36.00 per day (Health Center & Assisted Living)

Other specialized equipment as medically necessary will be charged per current vendor pricing.
Please see Health Center Ancillary Charge document for details.

HOUSEKEEPING & MAINTENANCE SERVICES	
Additional Housekeeping Services	\$ 28.00 per hour
Additional carpet shampooing	\$ 75.00 per room or traffic area
Spot cleaning	\$ 50.00 per hour + \$15.00 service fee
Biohazard Fee (Biological clean up)	\$50.00
Additional maintenance services (Furniture repairs, moving furniture, hanging pictures, lightbulb changes, etc.)	\$ 40.00 per hour (plus supplies where applicable)
Box Spring & Mattress Removal	Per Moving Company Rates
Stuffed Chair or Dresser Removal	Per Moving Company Rates
Couch/love Seat Removal	Per Moving Company Rates
Mixed trash Removal	\$65.00
Installation of new lock and key	(per maintenance)

For additional housekeeping services including Fluff & Fold contact 504.

**ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018**

SERVICE	CHARGE
TRANSPORTATION	
Personal Transportation (Between 8:00 am & 4:30 pm. Additional fees may apply.)	
Personal trips on the weekend: 2 hour minimum applies	
– By car	\$ 32.00* per hour (plus .58 cents per mile**)
– By W/C Van or Bus	\$ 35.00* per hour (plus .58 cents per mile**)
Activity Bus Transportation	<i>(determined by Community Life Services Dir.)</i>
Coach Bus	<i>(determined by Community Life Services Dir.) Based on Trip Destination</i>
Event Bus Reservations	\$ 145.00 first 2 hours; \$31.00/hr thereafter
After-hour Branchville Rail Station Pick up	\$ 60.00 one way
* Holiday rate is \$45.00 per hour	
** The per mile fee fluctuates with current IRS guidelines	
<i>We are pleased to provide complimentary transportation to medical appoints as outlined in the Transportation Policy with a 48-hour advance notification. As a courtesy to other residents, residents are asked to provide a 24-hour advance notification for canceled appointments and to schedule their appointments in accordance with the North-South schedule to avoid a \$20.00 fee. Transportation outside the scheduled radius is also available. Kindly call 203-544-1222 to speak with the Transportation Department.</i>	
OFFICE SERVICES	
Copier/Printing	\$.15 per page (black and white)
Color Printouts	\$.50 per page
Fax (incoming and outgoing)	\$.50 per page (cover page no charge)
Business Envelope	\$.50 each
Large Envelope – 8.5" x 11"	\$ 1.00 each
IT Services	\$ 35.00 for 1 st half hour (with appointment)
(Computer hardware/software installation, repair or software training)	\$ 12.00 for every 15 minutes thereafter
Name Badges	\$ 11.00 Pin Type \$ 14.00 Magnet Type
Replacement Name Badge Magnet or Pin	\$3.00
Notary Services, appointment required	\$5.00
Laminating	\$ 2.00 per page
Shredding Services	\$ 1.30 per pound
Typing Services	\$ 32.00 per hour (\$16.00 per half hour)

**ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018**

SERVICE	CHARGE
Postage	\$ <i>as metered</i>
Garage Rental	\$ 170.00 per month
Resident Payment Late Fee	\$ <i>as per stated in contract</i>
Personal Assistant Services such as accompanying residents to medical appointments and pickups, shopping trips and other transports, dog walking, cat and dog sitting, bill paying, and other special services as needed.	\$ 28.00 per hour

A LA CARTE ASSISTANCE IN LIVING SERVICES (through Resident Health Services Office)

A One-Time Admission Fee to Initiate Assistance in Living Services	\$150.00
Nursing Visit	\$ 75.00 per hour billed in 30 minute increments
Certified Nursing Assistant (CNA) assistance	\$ 30.00 per hour billed in 30 minute increments
Escorted Wheelchair Roundtrip inside Facility	\$ 20.00 per trip
Safety check	\$ 15.00 per check
Registered Dietician Assessment and Consultation	\$ 75.00 per hour
Wheelchair Rental	\$ 20.00 per day

ASSISTANCE IN LIVING PACKAGES OFFERED (through Resident Health Services Office)

MEDICATION ASSISTANCE PACKAGES:

1. Weekly Pre-pour	\$ 300.00 per month
2. Pre-pour + 1 Daily medicine cue	\$ 650.00 per month
3. Pre-pour + 2 Daily medicine cues	\$ 1000.00 per month
4. Pre-pour + 3 daily medicine cues	\$ 1350.00 per month
1. Daily medication administration 1x daily	\$ 600.00 per month
2. Daily medication administration 2x daily	\$ 1200.00 per month
3. Daily medication administration 3x daily	\$ 1800.00 per month
4. Vitamin B-12 Injections	\$ 20.00 per injection
5. Blood Glucose testing 1x daily	\$ 500.00 per month
6. Blood Glucose testing 3x week	\$ 250.00 per month
7. Blood Glucose testing 1x week	\$ 100.00 per month

**ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018**

SERVICE	CHARGE
PERSONAL CARE PACKAGES:	
1. 15 minutes CNA assistance daily	\$350.00 per month
2. 15 minutes CNA assistance 2x daily	\$675.00 per month
3. 30 minutes CNA assistance daily	\$675.00 per month
4. 30 minutes CNA assistance 2x daily	\$1350.00 per month
5. 60 minutes CNA assistance daily	\$1350.00 per month
6. 60 minutes CNA assistance 3x week	\$600.00 per month
7. Roundtrip escort via wheelchair 1x daily	\$600.00 per month
SAFETY CHECK PACKAGES:	
1. Safety check 1x night	\$350.00 per month
2. Safety check 2x night	\$675.00 per month
3. Safety check 3x night	\$1000.00 per month

EXHIBIT C
MANAGED RESIDENTIAL COMMUNITY
RESIDENTS' BILL OF RIGHTS

You have the right to:

- Live in a clean, safe and habitable private residential unit;
- Be treated with consideration, respect and due recognition of your personal dignity, individuality and the need for privacy;
- Privacy within your private residential unit, subject to the Community's rules reasonably designed to promote your health, safety and welfare;
- Retain and use your personal property within your apartment so as to maintain individuality and personal dignity, provided that your use of personal property does not infringe on the rights of other residents or threaten the health, safety and welfare of other residents;
- Private communications, including receiving and sending unopened correspondence, telephone access and visiting with persons of your choice;
- Freedom to participate in and benefit from community services and activities so as to achieve the highest possible level of independence, autonomy and interaction within the community;
- Directly engage or contract with licensed health care professionals and providers of your choice to obtain necessary health care services in your private apartment, or such other space in the Community as may be available to residents for such purposes;
- Manage your own financial affairs;
- Exercise civil and religious liberties;
- Present grievances and recommend changes in policies, procedures and services to our Social Services Director, government officials or any other person without restraint, interference, coercion, discrimination or reprisal from the Community, including access to representatives of the Department of Public Health or the Office of the Long-Term Care Ombudsman;
- Upon request, obtain the name of the Resident Health Services Director or any other persons responsible for resident care or the coordination of resident care;
- Confidential treatment of all records and communications to the extent required by state and federal law;
- Have all reasonable requests responded to promptly and adequately within the capacity of the Community and with due consideration given to the rights of other residents;

- Be fully advised of the relationship that the Community has with any Assisted Living Services Agency, health care facility or educational institution to the extent that such relationship relates to resident medical care or treatment and to receive an explanation about the relationship;
- Receive a copy of any rules or regulations of the Community;
- Refuse care and treatment and participate in the planning for the care and services you need or receive, provided, however, that your refusal of care and treatment may preclude you from being able to continue to reside in the Community; and
- If you are a continuing care resident, all rights afforded under Conn. Gen. Stat. § 17b-520 et seq. and any other applicable laws. If you rent your apartment, all rights and privileges afforded to tenants under title 47a of the Connecticut General Statutes (Connecticut's landlord tenant laws).

We hope that any complaints or concerns that you have can be resolved by our staff. However, you also have the right to contact the following state agencies regarding complaints or concerns:

Department of Public Health
Facility Licensing Investigations Section
410 Capitol Ave., P.O. Box 340308
MS# 12 HSR
Hartford, CT 06134-0308
Phone: (860) 509-7400

Information/General: Loan Nguyen
Supervising Nurse Consultant (860) 509-7400

Complaints: Donna Ortelle, R.N.
Public Health Services Manager (860) 509-7400

Nancy Shaffer, State Long Term Care Ombudsman
Office of the Long Term Care Ombudsman
55 Farmington Avenue
Hartford, CT 06105-3730
(866) 388-1888 or (860) 424-5200

Dan Lerman, Regional Ombudsman
Long-Term Care Ombudsman Program
249 Thomaston Avenue
Waterbury, CT 06702
(203) 597-4181
1-866-388-1888

If you are receiving nursing or personal care from an Assisted Living Services Agency, you also have other rights set forth separately in the Assisted Living Clients' Bill of Rights.

Please sign below to acknowledge that we have provided you with a copy of the Managed Residential Community Residents' Bill of Rights and explained them to you.

Date

Resident

Resident's Representative

Relationship to Resident

Date

Resident

Resident's Representative

Relationship to Resident

EXHIBIT D

RESIDENT COMPLAINT RESOLUTION

It is the goal of The Community to take all problems and complaints seriously and to solve each one in a timely and caring fashion. Residents and family members are free to communicate grievances to the staff of The Community and to outside representatives of their choice, without restraint, interference, coercion, discrimination, or reprisal. All grievances will be properly documented and responded to.

A resident or his/her family member may pursue the resolution of a problem in any of the following ways:

- All emergency service problems can be resolved by calling the Reception Desk at The Community at (203) 544-1000. The Receptionist will contact the appropriate personnel to resolve the problem. Even after normal business hours, please contact the Reception Desk. Your call will automatically transfer to the Health Center if the Receptionist is not on duty.
- By contacting:
 - ✓ The Department Director by calling, writing a letter, and/or scheduling an appointment.
 - ✓ The Executive Director or Administrator by calling, writing a letter, and/or scheduling an appointment.
 - ✓ The Chairperson of the specific Meadow Ridge Committee.
 - ✓ A Residents Association Board Representative.
 - ✓ The Chairperson of the Residents Association Board.
- You may voice your concern or complaint at a monthly Resident Update Meeting.
- If your issues are not resolved by using the above channels, you may write a letter to Director of Operations Management; Life Care Services LLC; 1602 King Richard Circle; St. Charles, IL 60174. A copy of the letter should be provided to Ownership.
- As a final option, the resident may appeal to Ownership when the previous means have not resulted in a satisfactory outcome.

The Community has also publicized and posted information pertaining to all governmental regulatory resources available for use by residents in handling complaints. This information is included in the Managed Residential Community Bill of Rights, a copy of which is attached as Exhibit C to the Residency Agreement.

Dated: July 2018

EXHIBIT E
**ACKNOWLEDGEMENT OF RECEIPT OF
RESIDENT HANDBOOK**

I, the undersigned, acknowledge receipt of the Meadow Ridge Resident Handbook dated _____, 20____, which contains certain rules, policies, and guidelines in order to promote the health, safety and welfare of the residents of The Community.

The Resident Handbook also contains a list of extra charges as referenced in the Residency Agreement.

Date

Resident

Resident's Representative

Relationship to Resident

Date

Resident

Resident's Representative

Relationship to Resident

Meadow Ridge

100 Redding Road
Redding, CT 06896
203-544-1000
www.MeadowRidge.com

EXHIBIT E

Audited Financial Statements

**REDDING LIFE CARE, LLC
D/B/A MEADOW RIDGE
FINANCIAL STATEMENTS
YEARS ENDED
DECEMBER 31, 2017 AND 2016**

REDDING LIFE CARE, LLC D/B/A MEADOW RIDGE

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INDEPENDENT AUDITOR'S REPORT

To the Members
Redding Life Care, LLC d/b/a Meadow Ridge
Redding, Connecticut

We have audited the accompanying financial statements of Redding Life Care, LLC d/b/a Meadow Ridge (Company), which comprise the balance sheets as of December 31, 2017 and 2016 and the related statements of loss and members' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Redding Life Care, LLC d/b/a Meadow Ridge as of December 31, 2017 and 2016 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Beers, Hamerman, Cohen & Burger, P.C.

New Haven, Connecticut
April 27, 2018

REDDING LIFE CARE, LLC D/B/A MEADOW RIDGE
BALANCE SHEETS

ASSETS

	December 31,	
	<u>2017</u>	<u>2016</u>
Current Assets		
Cash	\$ 11,403,119	\$ 5,357,527
Accounts receivable, net	1,113,783	740,086
Notes receivable, residents	1,360,960	1,607,615
Accounts receivable - related party	-	82,736
Prepaid expenses	257,030	301,007
Inventory of supplies	<u>60,216</u>	<u>48,371</u>
Total Current Assets	<u>14,195,108</u>	<u>8,137,342</u>
Restricted cash	<u>9,101,068</u>	<u>7,768,867</u>
Property and Equipment		
Buildings and improvements	163,610,354	159,388,446
Land	7,018,216	7,018,216
Land improvements	9,374,472	9,288,082
Furniture and equipment	5,448,699	5,253,023
Vehicles	<u>445,096</u>	<u>412,609</u>
	185,896,837	181,360,376
Less: accumulated depreciation	<u>75,706,873</u>	<u>70,504,520</u>
Property and Equipment - Net	<u>110,189,964</u>	<u>110,855,856</u>
Other Assets	<u>9,216</u>	<u>529,745</u>
 TOTAL ASSETS	 <u>\$ 133,495,356</u>	 <u>\$ 127,291,810</u>

See accompanying notes to the financial statements.

REDDING LIFE CARE, LLC D/B/A MEADOW RIDGE
BALANCE SHEETS

LIABILITIES AND MEMBERS' DEFICIT

	December 31,	
	<u>2017</u>	<u>2016</u>
Current Liabilities		
Resident loans payable, current portion	\$ 8,822,191	\$ 10,203,791
Accounts payable	2,389,548	3,040,301
Accrued expenses	1,975,570	1,938,189
Advance deposits	577,325	430,569
Term loans payable, bank, current portion	<u>1,225,628</u>	<u>1,143,000</u>
Total Current Liabilities	<u>14,990,262</u>	<u>16,755,850</u>
Other Liabilities		
Resident loans payable, less current portion	130,004,224	127,230,879
Term loans payable, bank, less current portion	78,968,837	71,220,327
Loan payable - related party	2,500,000	2,500,000
Deferred revenue from entrance fees, net of amortization of \$15,356,813 and \$14,081,273 for 2017 and 2016, respectively	20,670,351	20,214,738
Accrued interest	100,318	44,531
Deposits	<u>36,952</u>	<u>36,934</u>
Total Other Liabilities	<u>232,280,682</u>	<u>221,247,409</u>
Total Liabilities	247,270,944	238,003,259
Members' Deficit	<u>(113,775,588)</u>	<u>(110,711,449)</u>
TOTAL LIABILITIES AND MEMBERS' DEFICIT	<u>\$ 133,495,356</u>	<u>\$ 127,291,810</u>

See accompanying notes to the financial statements.

REDDING LIFE CARE, LLC D/B/A MEADOW RIDGE
STATEMENTS OF LOSS AND MEMBERS' DEFICIT

	Year Ended December 31,	
	<u>2017</u>	<u>2016</u>
Operating Revenue		
Independent living services	\$ 19,367,141	\$ 18,379,772
Health center services	7,124,327	6,716,183
Assisted living services	1,508,560	1,307,196
Capital reserve assessment	246,015	180,000
Rental income	36,271	70,888
Other revenue	<u>16,024</u>	<u>9,252</u>
Total Operating Revenue	<u>28,298,338</u>	<u>26,663,291</u>
Operating Expenses		
General and administrative	7,396,176	7,402,927
Building operations	3,690,668	4,009,569
Food and beverage	4,373,925	4,049,706
Health center services	5,266,097	5,342,823
Environmental services	1,588,541	1,520,014
Resident services	1,444,057	1,188,557
Assisted living services	<u>1,105,286</u>	<u>834,426</u>
Total Operating Expenses	<u>24,864,750</u>	<u>24,348,022</u>
Other Operating Income		
Amortization of entrance payments	4,925,281	4,004,907
Administration fees	380,200	364,152
Interest and dividends	<u>17,238</u>	<u>7,408</u>
Total Other Operating Income	<u>5,322,719</u>	<u>4,376,467</u>
Other Operating Expenses		
Depreciation	5,662,317	5,869,496
Interest expense:		
Loan interest	4,992,174	4,325,756
Amortization of financing costs	627,716	168,389
Other general and administrative	489,113	690,815
Loss on sale of equipment	<u>49,126</u>	<u>1,306</u>
Total Other Operating Expenses	<u>11,820,446</u>	<u>11,055,762</u>
Net Loss	(3,064,139)	(4,364,026)
Members' Deficit at Beginning of Year	<u>(110,711,449)</u>	<u>(106,347,423)</u>
Members' Deficit at End of Year	<u>\$ (113,775,588)</u>	<u>\$ (110,711,449)</u>

See accompanying notes to the financial statements.

REDDING LIFE CARE, LLC D/B/A MEADOW RIDGE
STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
	<u>2017</u>	<u>2016</u>
Cash Flows From Operating Activities		
Net loss	\$ (3,064,139)	\$ (4,364,026)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	6,290,033	6,037,885
Allowance for uncollectable accounts receivable	(22,874)	(46,034)
Deferred revenue recognized	(4,925,281)	(4,004,907)
Loss on disposal of fixed assets	49,127	1,306
(Increase) decrease in operating assets:		
Accounts receivable	(389,135)	79,187
Prepaid expenses and other assets	43,977	(428,153)
Inventory of supplies	(11,841)	(4,550)
Increase (decrease) in operating liabilities:		
Accounts payable	(847,455)	234,643
Accrued expenses	93,168	1,409,960
Deposits	18	19
Net Cash Used in Operating Activities	<u>(2,784,402)</u>	<u>(1,084,670)</u>
Cash Flows From Investing Activities		
Increase in restricted cash	(1,332,201)	(44,970)
Proceeds from sale of property and equipment	-	2,600
Purchase of property and equipment	<u>(4,848,850)</u>	<u>(2,448,839)</u>
Net Cash Used in Investing Activities	<u>(6,181,051)</u>	<u>(2,491,209)</u>
Cash Flows From Financing Activities		
Deposits received	518,856	12,245
Entrance fees received	4,630,035	4,968,172
Entrance deposits returned	(252,960)	-
Proceeds from resident loans	17,080,459	14,731,003
Repayment of resident loans	(14,689,296)	(14,534,321)
Proceeds from term loan	10,000,000	-
Repayment of term loan	(1,216,666)	(1,065,943)
Deferred financing costs	(1,059,383)	-
Loan from related party	-	2,500,000
Net Cash Provided by Financing Activities	<u>15,011,045</u>	<u>6,611,156</u>
Increase in Cash	6,045,592	3,035,277
Cash at Beginning of Year	<u>5,357,527</u>	<u>2,322,250</u>
Cash at End of Year	<u>\$ 11,403,119</u>	<u>\$ 5,357,527</u>

See accompanying notes to the financial statements.

REDDING LIFE CARE LLC D/B/A MEADOW RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 1 - ORGANIZATION AND RELATED MATTERS

Redding Life Care, LLC (a limited liability company d/b/a Meadow Ridge) (Company) was organized to develop and operate a continuing care retirement community in Redding, Connecticut. The community consists of 332 independent living apartments, 20 assisted living apartments, and a 62-bed skilled nursing facility. The Company has a contract with a third-party management company to manage the retirement community.

The members are not liable for any obligations of Redding Life Care, LLC, except as disclosed in Note 4. Differences in members' status are for management and profit and loss allocation purposes only.

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES

Cash

The Company considers all temporary cash investments purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount the Company expects to collect from outstanding balances. The Company provides for losses on accounts receivable using the allowance method. The allowance is based on a review of the current status of existing receivables, historical collection experience, third party contracts, and other circumstances, which may affect the ability of residents to meet their obligations. It is the Company's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. The allowance at December 31, 2017 and 2016 was \$82,497 and \$59,623, respectively.

Notes Receivable Residents

Notes receivable from residents consist of short-term receivables from residents related to payment of the final installment of their admission payment. Often, there is a timing difference from when the sale of the prospective resident's home will be finalized and the due date of the final installment on their admission payment. In these cases, a short-term promissory note is issued to the resident, typically for 30 to 90 days. If the resident pays the note by the agreed upon due date, no interest is charged. For the years ended December 31, 2017 and 2016, all promissory notes were collected when due. Notes receivable from residents at December 31, 2017 and 2016 were \$1,360,960 and \$1,607,615, respectively.

Advertising

The Company expenses all advertising costs when incurred. Advertising expense for the years ended December 31, 2017 and 2016 was \$550,000 and \$716,424, respectively, and has been included in general and administrative expenses.

Inventory of Supplies

Inventory of supplies consists of various food and related supplies and is stated at the lower of cost or market using the first-in, first-out (FIFO) method.

REDDING LIFE CARE LLC D/B/A MEADOW RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES – (CONTINUED)

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method based on the following estimated useful lives:

	<u>Years</u>
Buildings	15 - 40
Land Improvements	20
Furniture and Equipment	3 - 10
Vehicles	5

When assets are disposed of, the asset and related accumulated depreciation are eliminated from the accounts, and any resulting gain or loss is reflected in the statements of loss and members' deficit.

Advance Deposits and Entrance Fees

After approval into the community, prospective residents wanting to reserve an independent living apartment must make an advanced deposit equal to 10% of the admissions payment. This deposit is held in the Entrance Deposit Escrow account until various statutory requirements are met and is applied to the Entrance Fee due at the time of closing. Residents may select between two types of residency contracts, one with a specified percentage of the entrance payment refundable upon termination, or one with the refundable percentage of the entrance payment decreasing over time.

The non-refundable portion of entrance fees paid by residents upon entering into a continuing care contract are recorded as deferred revenue. Income is recognized on a straight-line basis over the estimated remaining life expectancy of each resident. For the years ended December 31, 2017 and 2016, gross amortization of revenue was \$4,925,281 and \$4,004,907, respectively

Resident Loans Payable

Upon occupancy of the independent living apartments, residents loan the Company an amount ranging from 50% to 80% of their total admission payment. These loans are secured by a subordinate mortgage on the property held by a trustee for the benefit of all the residents. This mortgage is subordinated to the Company's term loans and any other related obligations. In addition, a member of the Company has guaranteed a portion of these resident loans under certain conditions. Upon termination of the residency agreement, the loans become payable on the earlier of 90 days after the date the apartment is reoccupied, or up to 36 months after release of the apartment by the resident. If the apartment has been previously released in connection with admittance to the health center or an assisted living apartment and a new admission payment has been received from re-occupancy of the apartment, the loan is payable six months after the date the resident moves out of the health center or assisted living apartment. If not repaid sooner, the loan is due and payable 30 years from the inception date of the residency agreement, the first of which would be in 2031.

Certain residents have entered into agreements with the Company which allows them to offset their monthly charges against their resident loan due to certain circumstances; others who have vacated the facility have authorized the Company to withhold their amounts due to the Company for services from their resident loan. At December 31, 2017 and 2016, the noncurrent portion of resident loans payable has been reduced by \$1,133,881 and \$1,012,833, respectively.

REDDING LIFE CARE LLC D/B/A MEADOW RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES – (CONTINUED)

Future Service Obligation

Annually, the Company calculates the present value of the net cost of future services and use of facilities to be provided to current residents and compares that amount with the balance of deferred revenue from entrance fees. If the present value of the net cost of future services and use of facilities exceeds the deferred revenue from advance fees, a liability for the obligation to provide future services is recorded with a corresponding charge to income. The Company has concluded that there is no liability as of December 31, 2017 and 2016 using a discount rate of 2.64% and 2.45%, respectively

Independent and Assisted Living Services Revenue

Independent living services revenue is generated from fees that residents pay for their monthly occupancy and are recorded in the period of the related occupancy. Ancillary fees, including billable services such as medical care, maintenance and housekeeping, and sales in the dining areas and convenience stores, are recorded in the period which the related services are rendered.

Health Center Service Revenue

Health center service revenue is reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered. Revenues from Medicare accounted for approximately 42% and 38%, respectively, of the Company's net health center revenues for the years ended December 31, 2017 and 2016.

Revenue under third-party payer agreements is subject to audit and retroactive adjustment. Provisions for estimated third-party payer settlements are provided in the period the related services are rendered. Differences between the estimated amounts accrued and interim and final settlements are reported in operations in the year of settlement.

Laws and regulations governing the Medicare program are complex and subject to interpretation. The Company believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. While no such regulatory inquiries are outstanding, compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties and exclusion from the Medicare program.

Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, accounts and notes receivable, accounts payable, other accrued expenses, loans payable to residents, notes payable to banks and financing companies. The carrying amount of these financial instruments approximates fair value.

Income Taxes

Redding Life Care, LLC is classified as a partnership for income tax purposes. Accordingly, income or loss from the Company is reported by the members on their individual income tax returns, and no provision for income taxes is required in the financial statements. The federal and state income tax returns for the Company are subject to examination by the Internal Revenue Service and state taxing authorities, generally for three years after they were filed.

REDDING LIFE CARE LLC D/B/A MEADOW RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES – (CONTINUED)

Debt Issuance Costs

Debt issuance costs are amortized over the life of the related financing using the straight-line method. Accounting principles generally accepted in the United States of America require that the effective interest method be used to amortize debt issuance costs; however, the effect of using the straight-line method is not materially different from the results that would be obtained under the effective interest method. Amortization of the debt issuance costs are reported in the statement of loss.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 3 - RESTRICTED CASH

Restricted cash consists of the following:

	December 31,	
	<u>2017</u>	<u>2016</u>
Debt service and operating reserve	\$ 5,098,695	\$ 4,689,176
Reserve for repair and replacement	361,263	133,263
Entrance deposit escrow	1,842,495	1,141,407
Reserve for patient care	516,528	516,005
Real estate taxes and insurance escrow	<u>1,282,087</u>	<u>1,289,016</u>
	<u>\$ 9,101,068</u>	<u>\$ 7,768,867</u>

Debt Service and Operating Reserve

The Connecticut Department of Social Services requires the Company to maintain a reserve account sufficient to cover one month's operating expenses and a portion of the principal and interest due on the Company's long-term debt.

Reserve for Repair and Replacement

The Company has established a Reserve for Repair and Replacement. These funds can be used for repairs, replacements and capital improvements to the community.

Entrance Deposit Escrow

The Company maintains an entrance deposit escrow as required by the Connecticut Department of Social Services. This account holds entrance deposits made by prospective residents until various statutory requirements have been met.

Reserve for Patient Care

The Company maintains a reserve for patient care as required by the Connecticut Department of Social Services. This reserve is available to residents to cover non-current expenses for the continuum of care which may not be covered by residents' assets, income, or insurance.

REDDING LIFE CARE LLC D/B/A MEADOW RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 3 - RESTRICTED CASH – (CONTINUED)

Real Estate Tax and Insurance Escrow

The Company has established a reserve for the payment of real estate taxes and casualty insurance on the Company's current property as required under the Term Loans (see Note 4).

NOTE 4 - TERM LOANS

The Company has a \$78,000,000 term loan. Beginning September 1, 2016 through the end of the term loan, interest is at LIBOR plus 3.75%, but not less than 5.80%. Prior to September 1, 2016 interest on the term loan was fixed at 5.8%. Outstanding principal is calculated using a thirty-year amortization schedule and an interest rate constant of 7%. The term loan matures on November 15, 2019, where all amounts of principal and interest are then due. The term loan is secured by a mortgage on the real and personal property of the Company and various assignments executed in connection with the mortgage. Certain members of the Company have guaranteed the payment of a portion of the term loan under certain conditions.

On February 14, 2017, the Company secured a three-year \$10,000,000 term loan secured by the Company's assets. Interest on the term loan is at an annual interest rate of 10%. Beginning on April 1, 2017, the Company is required to make monthly payments of interest only on the outstanding principle balance of the loan amount through the maturity date. The entire outstanding balance of the note shall be due and payable on the term loan's maturity date of February 14, 2020. Certain members of the Company have guaranteed a portion of the payment of the term loan under certain conditions. The loan is subordinate to the term loan discussed above, and senior to the related party loan discussed in Note 8.

Term loans payable at December 31, 2017 and 2016 consisted of the following:

	December 31,	
	<u>2017</u>	<u>2016</u>
Term loans payable to financial institution	\$ 82,006,138	\$ 73,149,139
Less: unamortized debt issuance costs	<u>1,811,673</u>	<u>785,812</u>
Term loans payable, less: unamortized debt issuance costs	80,194,465	72,363,327
Less: current portion	<u>1,225,628</u>	<u>1,143,000</u>
Total term loans payable, less: current portion	<u>\$ 78,968,837</u>	<u>\$ 71,220,327</u>

Aggregate principal payments of the term loans are as follows:

Year Ending <u>December 31,</u>	
2018	\$ 1,225,628
2019	70,780,510
2020	<u>10,000,000</u>
	<u>\$ 82,006,138</u>

REDDING LIFE CARE LLC D/B/A MEADOW RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 5 - OPERATING LEASES

The Company leases medical equipment, office equipment, and vehicles under non-cancelable operating leases which expire at various times through 2022. Annual rental expense for non-cancelable operating leases was \$49,483 and \$40,221 for the years ended December 31, 2017 and 2016, respectively.

The future minimum payments under operating leases are:

Year Ending <u>December 31,</u>	
2018	\$ 39,983
2019	22,920
2020	19,416
2021	19,416
2022	<u>11,326</u>
	<u>\$ 113,061</u>

NOTE 6 - CONCENTRATION OF CREDIT RISK

The Company maintains its cash and cash equivalents at various financial institutions. The balances held in these accounts at December 31, 2017 and 2016 exceeded the insured amounts by \$20,228,713 and \$13,466,854, respectively.

Receivables from residents, patients and third-party payers are as follows:

	December 31,	
	<u>2017</u>	<u>2016</u>
Private pay - independent living	21%	21%
Private pay - assisted living & health center	23%	29%
Medicare	45%	41%
Third-party insurance and other	<u>11%</u>	<u>10%</u>
	<u>100%</u>	<u>100%</u>

The Company provides health care services to its patients and generally does not require collateral or other security in providing these services; however, they do routinely obtain assignment of patients' benefits payable under their individual health care insurance programs, plans or policies.

NOTE 7 - MANAGEMENT AGREEMENTS

The Company has a contract with an unrelated management company to provide management services and administrative support under an agreement through January 31, 2022. The agreement provides for the payment of certain direct expenses, a management fee based on 4% of operating revenue subject to a cap, and a performance incentive fee based on community operating results.

REDDING LIFE CARE LLC D/B/A MEADOW RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 8 - RELATED PARTY TRANSACTIONS

The Company has agreed to pay its manager, an affiliate with common members, a monthly management fee for administrative services plus reimbursement of costs and expenses associated with any employees of the manager. For the years ended December 31, 2017 and 2016, the Company incurred management fees of \$120,000 and expenses of \$180,000, respectively. Amounts in accounts payable at December 31, 2017 and 2016 were \$410,563 and \$470,563, respectively.

The Company is also reimbursed for services provided to its manager by certain employees. The amount receivable at December 31, 2017 and 2016 was \$0 and \$82,736, respectively.

In 2016, the Company obtained a total of \$2,500,000 of financing from a related party at an annual interest rate equal to the Federal Funds Rate plus 2.0% (the Company and the lender have members in common). The loans are due and payable on the ninety-first day following the maturity date of the term notes (see Note 4), principal and interest are not due until maturity. As of December 31, 2017 and 2016, accrued interest on the loans was \$99,965 and \$44,531, respectively.

NOTE 9 - PROFIT SHARING PLAN

The Company maintains a salary reduction/profit-sharing plan (Plan) under the provisions of Section 401(k) of the Internal Revenue Code. The Plan covers substantially all full-time employees who have completed one year of service and attained age 21. Contributions to the Plan by the Company equal 50% of the salary reduction elected by each employee, up to a maximum reduction of 6% of annual salary. Employer contributions to the Plan for 2017 and 2016 were \$94,910 and \$76,264, respectively.

NOTE 10 - CONTINGENCIES

The Company purchases professional and general liability insurance to cover medical malpractice claims as well as general liability claims. Management believes the insurance coverage is sufficient to cover the ultimate settlement costs of asserted claims as well as any unasserted claims arising from services provided and general liability claims known or unknown against the Company.

REDDING LIFE CARE LLC D/B/A MEADOW RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 11 - SUPPLEMENTAL CASH FLOW INFORMATION

	Year Ended December 31,	
	<u>2017</u>	<u>2016</u>
Interest paid	<u>\$ 4,857,438</u>	<u>\$ 4,286,641</u>
Supplemental disclosures of non-cash investing and financing activities:		
Purchase of assets included in accounts payable	<u>\$ 196,702</u>	<u>\$ 451,687</u>
Accounts receivable offsetting entrance fees	<u>\$ 121,048</u>	<u>\$ 166,016</u>
Admissions payments financed via notes receivable	<u>\$ 1,360,960</u>	<u>\$ 1,607,615</u>
Prior year deposits applied to nonrefundable entrance fees	<u>\$ 119,140</u>	<u>\$ 371,755</u>

NOTE 12 - SUBSEQUENT EVENTS

The Company did not have any subsequent events through April 27, 2018 which is the date the financial statements were available to be issued.

EXHIBIT F

Entrance Fee Escrow Agreement

**ENTRANCE FEE ESCROW AGREEMENT
(PHASE I)**

of

REDDING LIFE CARE LLC

This Entrance Fee Escrow Agreement is made as of the 14 day of February, 1996 by and between REDDING LIFE CARE LLC d/b/a MEADOW RIDGE ("Provider"), a Connecticut limited liability company with an address at 100 Redding Road, Redding, Connecticut 06896, and FIRST UNION BANK OF CONNECTICUT, a banking institution with its principal place of business in the State of Connecticut ("Escrow Agent").

Recitals:

WHEREAS, Provider is the sponsor of a continuing-care retirement community ("Meadow Ridge") to be located in Redding, Connecticut, and as such is a "provider" within the meaning of Section 1(d) of Connecticut Public Act No. 86-252 (the "Act"), codified as Sections 17b-520 through 17b-535 of the Connecticut General Statutes; and

WHEREAS, in order to comply with Section 2 and Section 5 of the Act and to protect residents or prospective residents of Meadow Ridge, the parties desire to enter into this Entrance Fee Escrow Agreement (the "Agreement") setting forth the terms under which certain deposits will be made with the Escrow Agent for the purpose of maintaining an escrow account for entrance fee payments in compliance with the Act. Attached hereto as Exhibit "A" and incorporated herein by reference is a copy of the proposed form of continuing-care contract (the "Residency Agreement") as such may be amended by Provider from time to time, which will be entered into between Provider and each prospective resident of Meadow Ridge (a "Resident").

NOW THEREFORE, in consideration of these premises and the mutual covenants herein set forth, the parties agree as follows:

1. Deposits. In accordance with Section 1 of the Residency Agreement, Provider expects to receive from each Resident a payment of that Resident's Entrance Fee (as such term is described in the Residency Agreement) at the time of execution of the Residency Agreement and to receive from each Resident a payment of that Resident's Loan (as such term is described in the Residency Agreement) on or before the date Resident begins to reside at Meadow Ridge. On or after the date of this Agreement, Provider will deposit with the Escrow Agent, within seventy-two (72) hours of receipt thereof by Provider, all Entrance Fees received by Provider in connection with Meadow Ridge (Phase I) together with a letter substantially in the form of FORM 1 attached hereto, including a copy of the signature page of each Residency Agreement signed by a Resident.

2. Escrow Account. The Escrow Agent shall maintain all such deposits made to the Escrow Account separate and apart from any other funds of Resident or of Provider.

3. Investments. The Escrow Agent shall invest all amounts held by it from time to time in such obligations of the United States or its agencies (or in shares of a registered investment company which holds a portfolio of such securities) or such certificates of deposit, savings accounts, money market fund managed by the Escrow Agent, or other savings or investment securities as Provider may from time to time direct in writing or absent such direction, in such account or similar investments as the Escrow Agent in its sole discretion shall deem advisable. No amounts held by the Escrow Agent pursuant to this Agreement may be invested in any building or health-care facility of any kind, or used for capital construction or improvements or for the purchase of real estate or removed from the State of Connecticut if required to be maintained within such State. No amounts held by the Escrow Agent pursuant to this Agreement shall be pledged as collateral or subordinated to other loans or commitments of Meadow Ridge of any kind. The Escrow Agent shall not be liable for any loss resulting from any investment made pursuant to this Agreement in compliance with the provisions hereof or for the sufficiency of funds provided herein to make the payments required herein.

4. Reports and Certificates. The Escrow Agent agrees to issue periodic statements indicating the status of the Escrow Account maintained by the Escrow Agent pursuant to this Agreement. In any event, Escrow Agent agrees to provide monthly reports to the Provider, which include a summary of all additions to, disbursements from and interest on the Escrow Account during the current period, and a detail of the investments comprising the balance in the Escrow Account as of the end of the current period.

5. Disbursements. The Escrow Agent shall release any amounts then held by it in the Escrow Account in accordance with the following terms and subject to Paragraph 5.5 hereof:

5.1 Disbursement When Resident Rescinds Within Thirty (30) Days. Upon receipt by the Escrow Agent of written notice from a Resident by registered or certified mail, pertaining to the election by the Resident to rescind his or her obligations under the Residency Agreement prior to occupancy, the Escrow Agent shall immediately notify the Provider of such request (such notice to be given by telephone or telecopy and confirmed in a writing mailed to Provider at its address first set forth above) and, within five (5) business days of its receipt of a written confirmation of release of Provider (see FORM 2), release to the Resident, such portion of the Entrance Fee paid by such Resident as is required by his or her Residency Agreement, and shall remit the balance of such Entrance Fee, if any, to the Provider. The Escrow Agent shall provide Provider with a monthly written report of any such refund(s). Any Entrance Fees refundable to Resident pursuant to this Paragraph 5.1, are hereinafter referred to as "Refundable Deposits."

5.2 Disbursements When Resident Cancels For Any Other Reason. In the event that the Apartment at Meadow Ridge is not available for occupancy by the Resident within three (3) years after the date of execution of his or her Residency Agreement, or under any other circumstances permitting a refund of all or any portion of the Entrance Fee, the Escrow Agent shall, upon receipt of written notice thereof from the Provider certifying that such refund shall be made, return forthwith to the Resident such

portion of the Entrance Fee paid by such Resident as is required by his or her Residency Agreement and shall remit the balance of such Entrance Fee, if any, to the Provider.

5.3 Disbursements to Additional Reserve: The Escrow Agent shall release amounts to the additional reserve described in Paragraph 6 below, upon receipt by the Escrow Agent of written notice from Provider substantially in the form of FORM 4 attached hereto which certifies that all conditions required by the Act have been met to permit such release, and sets forth the amount to be released to such additional reserve. Upon receipt of such notice, the Escrow Agent shall forthwith release such amount of the aggregate Entrance Fees then deposited with the Escrow Agent for deposit into such additional reserve and the balance, if any, shall be released to the Provider as described in Paragraph 5.4.

5.4 Disbursements to Provider. The Escrow Agent shall release amounts to the Provider in accordance with the following terms:

(a) With respect to a previously occupied living unit, upon receipt by the Escrow Agent of written notice by registered or certified mail from Provider stating that the previously occupied living unit to which the Entrance Fee(s) relates is available for occupancy by the Resident, the Escrow Agent shall forthwith release to the Provider the balance of any Entrance Fee(s) then deposited with the Escrow Agent pursuant to this Agreement for that Resident.

(b) With respect to a living unit which has not been previously occupied, upon receipt by the Escrow Agent of written notice by registered or certified mail from the Provider certifying that the following conditions have been met:

(i) The sum of the Entrance Fees received or receivable by the Provider pursuant to the Residency Agreements, plus the anticipated proceeds of any first mortgage loan or other long-term financing commitment, plus funds from other sources in the actual possession of the Provider, equals or exceeds the sum of seventy-five per cent of the aggregate cost of constructing or purchasing, equipping and furnishing Meadow Ridge plus seventy-five per cent of the funds estimated in the statement of anticipated source and application of funds submitted by the Provider as part of its disclosure statement on file with the Department of Social Services (the "Disclosure Statement") to be necessary to fund start-up losses of Meadow Ridge plus seventy-five per cent of the amount of the reserve fund escrow required to be maintained by the Provider;

(ii) A commitment has been received by the Provider for any permanent mortgage loan or other long-term financing described in the statement of anticipated source and application of funds included in the Disclosure Statement and any conditions of the commitment prior to disbursement of funds thereunder, other than completion of the construction of Meadow Ridge, have been substantially satisfied; and

(iii) If construction of Meadow Ridge has not been substantially completed: all governmental permits or approvals necessary prior to the commencement of construction have been obtained; a maximum price,

contract has been entered into between the Provider and a general contractor responsible for construction of Meadow Ridge; a bond covering the faithful performance of the construction contract by the general contractor and the payment of all obligations arising thereunder has been issued by an insurer authorized to do business in the State of Connecticut with the Provider as obligee; a loan agreement has been entered into by the Provider for an interim construction loan in an amount, when combined with the amount of Entrance Fees then held in escrow under this Agreement plus the amount of funds from other sources then in the actual possession of the Provider, that will equal or exceed the estimated cost of constructing, equipping and furnishing Meadow Ridge; not less than ten per cent of the amount of the construction loan has been disbursed by the lender for physical construction or site preparation work completed; and orders at firm prices have been placed by the Provider for not less than fifty per cent in value, including installation charges if applicable, of items necessary for equipping and furnishing Meadow Ridge in accordance with the description set forth in the Disclosure Statement; or if construction or purchase of Meadow Ridge has been substantially completed, an occupancy permit covering the living unit has been issued by the local government having authority to issue these permits; the Escrow Agent shall release to the Provider the balance of any Entrance Fee then deposited with the Escrow Agent less any Refundable Deposits then being held by the Escrow Agent. The aggregate amount of Entrance Fees which may be released to the Provider hereunder prior to the date on which any reserve fund escrow that is required to be established pursuant to the Act is established, shall not exceed the aggregate amount of Entrance Fees then received or receivable by the Provider pursuant to binding Residency Agreements less the amount of the Entrance Fees received or receivable which may be required to be initially maintained in such reserve fund escrow.

(c) Upon receipt by the Escrow Agent of written notice from Provider, the Escrow Agent shall forthwith release to the Provider the aggregate of all interest earned on the Escrow Account, or such portion thereof as Provider desires released.

5.5 Written Confirmation by Provider of Disbursement. In any case in which the Provider believes that funds are required to be disbursed by the Escrow Agent hereunder, the Provider shall promptly give written notice to the Escrow Agent of the Provider's calculation of the amount(s) to be disbursed to Resident and/or Provider, as the case may be (refer to Paragraphs 5.2, 5.3, and 5.4 and FORM 3). In any case in which a Resident has notified the Escrow Agent that Escrowed Funds should be released to such Resident: (i) the Escrow Agent shall immediately notify the Provider of such request (such notice to be given by telephone and confirmed in a writing mailed to Provider at its address first set forth above); and (ii) the Escrow Agent shall not disburse any such funds except in accordance with written confirmation of the Provider, which confirmation shall be given by written notice substantially in the form attached hereto as FORM 2 (refer to Paragraph 5.1).

5.6 Notice to Residents. The Provider shall provide each prospective Resident of Meadow Ridge who has signed a Residency Agreement with the name,

address, and telephone number of the Escrow Agent and shall file a copy of this Agreement with the Department of Social Services.

6. Additional Reserve. To protect Residents and prospective Residents of Meadow Ridge and to comply with Section 6 of the Act, the Provider will establish the following additional reserve:

Operating Reserve. The Provider will establish an Operating Reserve, to be administered pursuant to a separate agreement. Such Operating Reserve shall be funded from the Escrow Account in accordance with Paragraph 5.3 above. If the Provider has already funded the Operating Reserve as required by Connecticut law, any amounts released from the Escrow Account which would have so funded the Operating Reserve shall be paid to the Provider to such extent.

7. Duties. The Escrow Agent undertakes to perform only such duties as are expressly set forth herein and no implied duties or obligations shall be inferred or otherwise imposed upon or against the Escrow Agent. The Escrow Agent may rely conclusively upon any writing or instrument under signature which it, in good faith, believes to be genuine; may assume the validity and accuracy of any statement or assertion contained in any such writing or instrument; and may assume that any person purporting to give any writing, notice, advice, or instruction in connection with the provisions hereof has been duly authorized to do so, unless Escrow Agent has reason to believe otherwise. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form or manner of execution or validity of any instrument deposited with or delivered to the Escrow Agent hereunder. The duties of the Escrow Agent hereunder shall be limited to the safekeeping of the deposits and other money, instruments, or other documents received by it as Escrow Agent and for its disposition of the same in accordance with the written instructions accepted by it as Escrow Agent. Each and every determination, payment, action or duty to be taken by the Escrow Agent under this Agreement shall be taken based solely on the written direction from the Provider and, in the case of disbursements made pursuant to Paragraph 5.1, from a Resident. The Escrow Agent will be fully released from any liability hereunder if it acts in accordance with such written direction. The Escrow Agent may consult with counsel and the written advice of such counsel shall be full and complete authorization for any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

8. Indemnity. Provider hereby agrees to indemnify the Escrow Agent including, without limitation, its directors, officers, employees and agents and hold the same harmless from any and all claims, liabilities, losses, actions, suits, or proceedings at law or in equity, or any other expense, fees, or charges in equity, or other expenses, fees, or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Agreement, unless caused by the Escrow Agent's willful misconduct or gross negligence; and in connection therewith, to indemnify the Escrow Agent including, without limitation, its directors, officers, employees and agents against any and all expenses including attorney's fees and the cost of defending any action, suit, or proceeding or resisting any claim. Any and all expenses incurred by the Escrow Agent hereunder shall be reimbursed by the Provider upon demand.

9. Termination. Either party may terminate this Agreement upon thirty (30) days written notice thereof to the other party, subject to the appointment of a successor escrow agent by Provider within such thirty (30) day period. Provider shall give prompt written notice to the Escrow Agent of the name and address of the successor escrow agent. If a successor escrow agent is not appointed by Provider within the thirty (30) day period, the Escrow Agent may petition the Court to appoint a successor. Upon the appointment of such successor escrow agent, the Escrow Agent agrees to deliver to such successor escrow agent all funds and documents in its possession within thirty (30) days from the date of its notice of termination or resignation, or five (5) business days from the date of appointment of the successor escrow agent, whichever shall later occur. The successor escrow agent shall also be required to have its principal place of business in Connecticut.

10. Fees. Provider shall pay the Escrow Agent its usual and customary fee for services as Escrow Agent as such amounts are set by the Escrow Agent from time to time and shall reimburse the Escrow Agent for its reasonable expenses incurred in connection with the execution of this Agreement. Fees for any additional or extraordinary services may be agreed upon by Provider and the Escrow Agent.

11. Amendments. This Agreement may be amended by the parties in writing signed by both, provided that no amendments be made without prior notification by the Provider to the Commissioner of the Connecticut Department of Social Services and prior to approval by the Commissioner of the proposed changes, if and to the extent required by the Act or regulations thereunder.

12. Governing Law. This Agreement shall be construed according to the laws of the State of Connecticut.

13. Superseder. This Agreement supersedes and replaces any and all prior agreements between the parties concerning the subject matter hereof.

IN WITNESS WHEREOF, the parties have executed this Entrance Fee Escrow Agreement as of the 14 day of February, 1996.

FIRST UNION BANK OF
CONNECTICUT

REDDING LIFE CARE LLC

By _____

By _____

David Reis

Its Vice President

Its Member

FORM 1
Entrance Fee Deposit

Date: _____

To: [Bank]

In accordance with the Entrance Fee Escrow Agreement entered into between Redding Life Care LLC d/b/a Meadow Ridge, and _____, please deposit this entrance fee payment into the established account for Meadow Ridge's entrance fees.

1. Date of Residency Agreement:
2. Amount: \$
3. Name on Residency Agreement:
4. Copy of Signature Page of Residency Agreement attached.

As a member of Redding Life Care LLC, I am authorized to act on behalf of Redding Life Care LLC.

Sincerely,

Member

FORM 2
Rescission

Date: _____

To: [Bank]

In accordance with Paragraph 5.1 or 5.2 of the Entrance Fee Escrow Agreement entered into between Redding Life Care LLC d/b/a Meadow Ridge, and _____, please release the Refundable Deposits paid to Meadow Ridge to the Resident named in the Residency Agreement, as outlined in Section 2 of the Residency Agreement.

1. Name on Residency Agreement;
2. Amount of deposit: \$
3. Any cancellation costs: \$
4. Amount to be refunded to Resident: \$
5. Amount to be refunded to Meadow Ridge: \$

As a member of Redding Life Care LLC, I am authorized to act on behalf of Redding Life Care LLC.

Sincerely,

Member

FORM 3
Release of Deposit/Balance Payment

Date: _____

To: [Bank]

In accordance with Paragraph 5.4 of the Entrance Fee Escrow Agreement (the "Escrow Agreement") entered into between Redding Life Care LLC d/b/a Meadow Ridge, and _____, please release the amount of Entrance Fees indicated below and deposited with you pursuant to the Escrow Agreement to Redding Life Care LLC. We hereby certify that the conditions set forth in Section 5.4 of the Entrance Fee Escrow Agreement have been satisfied and that the living unit referred to in the Residency Agreement is now available for occupancy by said Resident.

1. Amount to be released: \$
2. Name on Residency Agreement:

As a member of Redding Life Care LLC, I am authorized to act on behalf of Redding Life Care LLC.

Sincerely,

Member

FORM 4
Release to Operating Reserve

Date: _____

To: [Bank]

In accordance with Paragraph 5.3 of the Entrance Fee Escrow Agreement entered into between Redding Life Care LLC d/b/a Meadow Ridge, and _____, please release the amount set forth below for deposit into the operating reserve escrow for Meadow Ridge. The undersigned hereby certifies that all conditions required by applicable statute have been met to permit such release and that the amount to be released, together with other amounts to be deposited in such operating reserve escrow, are sufficient to cover: (1) all principal and interest, rental or lease payment due during the first 12 months after Meadow Ridge is first occupied by a Resident on account of any first mortgage loan or any other long-term financing of Meadow Ridge; and (2) the total cost of operations of Meadow Ridge for a one-month period, excluding debt service, rental or lease payments as described in subsection (1) above and excluding capital expenditures.

Amount of Entrance Fees to be released for deposit into operating reserve escrow:

\$ _____

As a member of Redding Life Care LLC, I am authorized to act on behalf of Redding Life Care LLC.

Sincerely,

Member

EXHIBIT G (1)

Operating Reserve Escrow Agreement

OPERATING RESERVE ESCROW AGREEMENT
of
REDDING LIFE CARE LLC

This Operating Reserve Escrow Agreement is made as of the 30th day of November, 2005, by and between Redding LIFE CARE LLC ("Provider"), a Connecticut limited liability company with an address at 19 Post Road, Westport, Connecticut 06880, and SOVEREIGN BANK, a banking institution with a principal place of business in the State of Connecticut ("Escrow Agent").

RECITALS:

WHEREAS, Provider is the sponsor of a continuing-care retirement community ("Meadow Ridge") located at 100 Redding Road, Redding, Connecticut and as such is a "provider" within the meaning of Sections 17b-520 through 17b-535 of the Connecticut General Statutes (the "Statute");

WHEREAS, in order to comply with Section 17b-525(2) of the Statute and to protect residents and prospective residents of Meadow Ridge, the parties desire to enter into this Operating Reserve Escrow Agreement (the "Agreement") setting forth the terms of and for the purpose of maintaining operating reserves in compliance with the Statute.

NOW THEREFORE, in consideration of these premises and the mutual covenants herein set forth, the parties agree as follows:

1. **Deposits.** On the date hereof, there shall be deposited with the Escrow Agent an amount equal to the amount of operating reserves required to be held in an escrow account (the "Escrow Account") under Section 17b-525(2) of the Statute, unless the Commissioner approves a lesser amount to be maintained by the Provider, and from time to time, Provider may re-certify to the Escrow Agent the amount required to be maintained in the Escrow Account, and, if necessary, there shall be deposited with the Escrow Agent an amount necessary to insure that the total funds then to be held in the Escrow Account will equal such amount so certified, provided that reductions in the balance of the Escrow Account below such certified amount are permissible pursuant to Section 5(b) of this Agreement. The certification to be provided is attached hereto as FORM 1, Operating Reserve Balance.

2. **Escrow Account.** The Escrow Agent shall maintain all such deposits made to the Escrow Account separate and apart from any other funds of residents or of Provider, and Escrow Agent hereby waives any and all rights it may have to funds in the Escrow Account whether by right of set off or otherwise in connection with any obligations the Provider may have to the Escrow Agent.

3. **Investments.** The Escrow Agent shall invest all amounts held by it from time to time in any of the following that are Permitted Investments as defined in that certain Construction and Term Loan Agreement by and among the Provider, the Escrow Agent and HSH Nordbank AG dated as of even date herewith: such obligations of the United States or its agencies (or in shares of a registered investment company which holds a portfolio of such securities) or such certificates of deposit, savings accounts, money market accounts, deposits, or other savings or investment securities including, without limitation, those of Escrow Agent, as Provider may from time to time direct in writing, or

absent such direction, in such accounts as the Escrow Agent shall deem advisable. No amounts held by the Escrow Agent pursuant to this Agreement may be invested in any building or health-care facility of any kind, or used for capital construction or improvements or for the purchase of real estate or removed from the State of Connecticut if required to be maintained within such State. No amounts held by the Escrow Agent pursuant to this Agreement shall be pledged as collateral. The Escrow Agent shall not be liable for any loss resulting from any investment made pursuant to this Agreement in compliance with the provisions hereof or for the sufficiency of funds provided herein to make the payments required herein.

4. Reports. The Escrow Agent agrees to issue periodic statements in the form typically provided by the Escrow Agent for deposit accounts of a similar type indicating the status of the Escrow Account maintained by the Escrow Agent pursuant to this Agreement. In any event, Escrow Agent agrees to provide monthly reports to the Provider, which include a summary of all additions to and disbursements from the Escrow Account during the current period, and a detail of the investments comprising the balance in the Escrow Account as of the end of the current period.

5. Disbursements. The Escrow Agent shall release any amounts then held by it pursuant to this Agreement in accordance with the following terms hereof:

- (a) Upon receipt by the Escrow Agent of written notice from the Provider substantially in the form of FORM 2 attached hereto which certifies that the amount required to be maintained in the Escrow Account under the Statute is less than the current balance held in the Escrow Account, the Escrow Agent shall promptly distribute to Provider an amount equal to such excess.
- (b) Upon receipt by the Escrow Agent of written notice from the Provider substantially in the form of FORM 3 attached hereto which certifies that the Commissioner of the Connecticut Department of Social Services has authorized the release of additional amounts from the Escrow Account, the Escrow Agent shall release to Provider such additional amounts. The Escrow Agent shall notify such Commissioner if escrow funds are so released are not replaced by Provider within one (1) year.
- (c) Upon receipt by the Escrow Agent of written notice from Provider, substantially in the form of FORM 4 attached hereto, the Escrow Agent shall promptly release to the Provider the aggregate of all interest earned and then held on the Escrow Account, or such portion thereof as Provider desires released. The Escrow Agent shall have no obligation to release such interest more than once in any calendar month.
- (d) The Escrow Agent shall not disburse any funds except in accordance with written notice of the Provider as specified herein.

6. Duties. The Escrow Agent undertakes to perform only such duties as are expressly set forth herein and no implied duties or obligations shall be inferred or otherwise imposed upon or against the Escrow Agent. The Escrow Agent may rely

conclusively upon any writing or instrument under signature which it, in good faith, believes to be genuine; may assume the validity and accuracy of any statement or assertion contained in any such writing or instrument; and may assume that any person purporting to give any writing, notice, advice, or instruction in connection with the provisions hereof has been duly authorized to do so. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form or manner of execution or validity of any instrument deposited with or delivered to the Escrow Agent hereunder, nor as to the identity, authority, or right of any person executing the same. The duties of the Escrow Agent hereunder shall be limited to the safekeeping of the deposits and other money, instruments, or other documents received by it as Escrow Agent and for its disposition of the same in accordance with the written instructions accepted by it as Escrow Agent and pursuant to the terms of this Agreement. Each and every determination, payment, action or duty to be taken by the Escrow Agent under this Agreement shall be taken solely on the written direction from the Provider as provided in this Agreement. If, in the good faith determination of Escrow Agent, there is a material question regarding its duties or responsibilities pursuant to this Agreement, the Escrow Agent may retain or consult counsel at Provider's expense in connection with such matter.

7. Indemnity. Provider hereby agrees to indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits, or proceedings at law or in equity, or any other expense, fees, or charges of any character or nature, which it may incur (including without limitation, those incurred in connection with the exercise of the Escrow Agent's duties or responsibilities pursuant to this Agreement) or with which it may be threatened by reason of its acting as Escrow Agent under this Agreement, unless caused by the Escrow Agent's willful misconduct or gross negligence; and in connection therewith, to indemnify the Escrow Agent against any and all expenses, including attorney's fees and the cost of commencing or defending any action, suit, or proceeding or resisting any claim. Any and all of the foregoing costs and expenses incurred by the Escrow Agent hereunder shall be reimbursed by the Provider upon demand.

8. Termination. Either party may terminate this Agreement upon thirty (30) days' written notice thereof to the other party and to the Commissioner of the Connecticut Department of Social Services, subject to the appointment of its successor by Provider within such thirty (30) day period. Provider shall give prompt written notice to the Escrow Agent of the name and address of the successor escrow agent. If a successor escrow agent is not appointed by Provider within the thirty (30) day period, the Escrow Agent may: (i) appoint a successor escrow agent so long as such agent is a bank, financial institution, or trust company eligible to hold reserve accounts under the Statute and so long as such agent has assets of at least \$1,000,000,000; or (ii) petition the court to appoint a successor. Upon the appointment of such successor escrow agent, the Escrow Agent agrees to deliver to such successor escrow agent all funds and documents in its possession within thirty (30) days from the date of its notice of termination or resignation, or five (5) business days from the date of appointment of the successor escrow agent, whichever shall later occur. The successor escrow agent shall also be eligible to hold reserve accounts under the Statute.

9. Fees. Provider shall pay the Escrow Agent its usual and customary fee for services as Escrow Agent as such amounts are set by the Escrow Agent from time to time.

10. Amendment. This Agreement may be amended by the parties in writing signed by both, provided that prior notice of any such amendment(s) is given by the Provider to the Commissioner of the Connecticut Department of Social Services.

11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut.

12. Notice. Any notice to be given pursuant to this Agreement: (i) shall be hand delivered, sent by a nationally recognized overnight courier service, or sent by registered or certified mail, to the person intended to be notified; and (ii) shall be deemed given when received by the addressee if hand delivered, when delivered if sent by such a courier, or three (3) business days after postmarked if so mailed, to the following addresses, unless such address shall have been changed by written notice to all of the other parties in which event it shall be addressed to the changed address:

If to the Provider: Redding Life Care LLC
19 Post Road,
Westport, Connecticut 06880

With copies to: Tyler Cooper & Alcorn, LLP
Cityplace 35th Floor
185 Asylum Street
Hartford, Connecticut 06103
Attention: William S. Fish, Esq.

If to the Escrow Agent: Sovereign Bank
123 Church Street
New Haven, Connecticut 06510
Attention: Sarah J. Healy

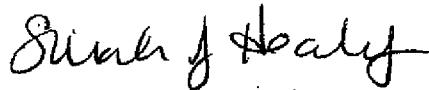
If to the Commissioner of the Connecticut Department of Social Services: Department of Social Services
25 Sigourney Street
Hartford, Connecticut 06106
Attention: Commissioner

IN WITNESS WHEREOF, the parties have executed, subscribed and sworn to this Operating Reserve Escrow Agreement as of the date first above written.

REDDING LIFE CARE LLC

By 
Its Managing Member

SOVEREIGN BANK


By Sarah J. Healy
Its Senior Vice President

STATE OF NEW YORK)

: ss.

Nov 30, 2005

COUNTY OF NEW YORK)

Personally appeared before me David Reis, the managing member of REDDING LIFE CARE, Signer and sealer of the foregoing instrument, and he acknowledged the same to be his free act and deed as the managing member of REDDING LIFE CARE LLC, and the free act and deed of REDDING LIFE CARE, LLC.


Notary Public

JAY L. SCHWARTZ
Notary Public, State of New York
No. 01SC6118837
Qualified in New York County
Commission Expires November 22, 2008

STATE OF NEW YORK)

: ss.

Nov 30, 2005

COUNTY OF NEW YORK)

Personally appeared before me Sarah J. Healy,
Senior Vice President of SOVEREIGN BANK, signer and sealer of the foregoing instrument, and he/she acknowledged the same to be his/her free act and deed as Senior Vice President of SOVEREIGN BANK and the free act and deed of SOVEREIGN BANK.


Notary Public

JAY L. SCHWARTZ
Notary Public, State of New York
No. 01SC6118837
Qualified in New York County
Commission Expires November 22, 2008

FORM 1
Operating Reserve Balance

TO: Sovereign Bank
123 Church Street
New Haven, Connecticut 06510

In accordance with the Operating Reserve Escrow Agreement (the "Escrow Agreement") entered into between Redding Life Care LLC, and Sovereign Bank, and as outlined in Section 17b-525 of the Statute (as defined in the Escrow Agreement), Redding Life Care LLC hereby certifies that as of the date hereof it is required to maintain \$_____ to comply with the Statute for the year ending _____.

As the managing member of Redding Life Care LLC, I am authorized to act of behalf of Redding Life Care LLC.

Sincerely,

Managing Member

FORM 2
Return of Excess Reserve

Date:

To: Sovereign Bank
123 Church Street
New Haven, Connecticut 06510

In accordance with the Operating Reserve Escrow Agreement (the "Escrow Agreement") entered into between Redding Life Care LLC, and Sovereign Bank, Redding Life Care LLC hereby certifies that the amount required to be maintained in the Escrow Account under the Statute (as defined in the Escrow Agreement) is less than the current balance held in the Operating Reserve Escrow Account. Please return \$ _____, which represents such excess, to Redding Life Care LLC.

As the managing member of Redding Life Care LLC, I am authorized to act on behalf of Redding Life Care LLC.

Sincerely,

Managing Partner

FORM 3
Release With State Authorization

Date:

To: Sovereign Bank
123 Church Street
New Haven, Connecticut 06510

In accordance with the Operating Reserve Escrow Agreement (the "Escrow Agreement") entered into between Redding Life Care LLC, and Sovereign Bank, please release \$_____ to Redding Life Care LLC, as authorized by the Commissioner of the Connecticut Department of Social Services (Letter attached). The undersigned hereby certifies that it has submitted to the Connecticut Department of Social Services a plan to repay such amount within one year.

As the managing member of Redding Life Care LLC, I am authorized to act on behalf of Redding Life Care LLC.

Sincerely,

Managing Member

FORM 4
Release of Interest Earned

Date:

To: Sovereign Bank
123 Church Street
New Haven, Connecticut 06510

In accordance with the Operating Reserve Escrow Agreement (the "Escrow Agreement") entered into between Redding Life Care LLC, and Sovereign Bank, please release \$_____ to Redding Life Care LLC, which amount represents interest earned on the escrowed funds.

As the managing member of Redding Life Care LLC, I am authorized to act on behalf of Redding Life Care LLC.

Sincerely,

Managing Member

EXHIBIT G (2)

Debt Service Reserve Escrow Agreement

DEBT SERVICE RESERVE ESCROW AGREEMENT
of
REDDING LIFE CARE LLC

This Debt Service Reserve Escrow Agreement is made as of the 30th day of November, 2005, by and between Redding LIFE CARE LLC ("Provider"), a Connecticut limited liability company with an address at 19 Post Road, Westport, Connecticut 06880, and SOVEREIGN BANK, a banking institution with a principal place of business in the State of Connecticut ("Escrow Agent").

RECITALS:

WHEREAS, Provider is the sponsor of a continuing-care retirement community ("Meadow Ridge") located at 100 Redding Road, Redding, Connecticut and as such is a "provider" within the meaning of Sections 17b-520 through 17b-535 of the Connecticut General Statutes (the "Statute");

WHEREAS, in order to comply with Section 17b-525(1) of the Statute and to protect residents and prospective residents of Meadow Ridge, the parties desire to enter into this Debt Service Escrow Agreement (the "Agreement") setting forth the terms of and for the purpose of maintaining debt service reserves in compliance with the Statute.

NOW THEREFORE, in consideration of these premises and the mutual covenants herein set forth, the parties agree as follows:

1. Deposits. On the date hereof, there shall be deposited with the Escrow Agent an amount equal to the amount of debt service reserves required to be held in an escrow account (the "Escrow Account") under Section 17b-525(1) of the Statute, unless the Commissioner approves a lesser amount to be maintained by the Provider, and from time to time, Provider may re-certify to the Escrow Agent the amount required to be maintained in the Escrow Account, and, if necessary, there shall be deposited with the Escrow Agent an amount necessary to insure that the total funds then to be held in the Escrow Account will equal such amount so certified, provided that reductions in the balance of the Escrow Account below such certified amount are permissible pursuant to Sections 5(b) and 5(c) of this Agreement. The certification to be provided is attached hereto as FORM 1, Debt Service Reserve Balance.

2. Escrow Account. The Escrow Agent shall maintain all such deposits made to the Escrow Account separate and apart from any other funds of residents or of Provider, and Escrow Agent hereby waives any and all rights it may have to funds in the Escrow Account whether by right of set off or otherwise in connection with any obligations the Provider may have to the Escrow Agent.

3. Investments. The Escrow Agent shall invest all amounts held by it from time to time in any of the following that are Permitted Investments as defined in that certain Construction and Term Loan Agreement by and among the Provider, the Escrow Agent and HSH Nordbank AG dated as of even date herewith: such obligations of the United States or its agencies (or in shares of a registered investment company which holds a portfolio of such securities) or such certificates of deposit, savings accounts, money market accounts, deposits, or other savings or investment securities including, without limitation, those of Escrow Agent, as Provider may from time to time direct in writing, or

absent such direction, in such accounts as the Escrow Agent shall deem advisable. No amounts held by the Escrow Agent pursuant to this Agreement may be invested in any building or health-care facility of any kind, or used for capital construction or improvements or for the purchase of real estate or removed from the State of Connecticut if required to be maintained within such State. No amounts held by the Escrow Agent pursuant to this Agreement shall be pledged as collateral. The Escrow Agent shall not be liable for any loss resulting from any investment made pursuant to this Agreement in compliance with the provisions hereof or for the sufficiency of funds provided herein to make the payments required herein.

4. Reports. The Escrow Agent agrees to issue periodic statements in the form typically provided by the Escrow Agent for deposit accounts of a similar type indicating the status of the Escrow Account maintained by the Escrow Agent pursuant to this Agreement. In any event, Escrow Agent agrees to provide monthly reports to the Provider, which include a summary of all additions to and disbursements from the Escrow Account during the current period, and a detail of the investments comprising the balance in the Escrow Account as of the end of the current period.

5. Disbursements. The Escrow Agent shall release any amounts then held by it pursuant to this Agreement in accordance with the following terms hereof:

- (a) Upon receipt by the Escrow Agent of written notice from the Provider substantially in the form of FORM 2 attached hereto which certifies that the amount required to be maintained in the Escrow Account under the Statute is less than the current balance held in the Escrow Account, the Escrow Agent shall promptly distribute to Provider an amount equal to such excess.
- (b) Upon receipt by the Escrow Agent of written notice from the Provider substantially in the form of FORM 3 attached hereto which certifies that the balance of the Escrow Account is in the amount required under Section 17b-525 of the Statute, the Escrow Agent shall promptly release to Provider up to one-twelfth (1/12) of such amount; provided, however, that the Escrow Agent shall not make any release under this Section 5(b) more than once during any calendar month. The Escrow Agent shall notify the Commissioner of the Connecticut Department of Social Services if escrow funds so released are not replaced by Provider within one (1) year.
- (c) Upon receipt by the Escrow Agent of written notice from the Provider substantially in the form of FORM 4 attached hereto which certifies that the Commissioner of the Connecticut Department of Social Services has authorized the release of additional amounts from the Escrow Account, the Escrow Agent shall release to Provider such additional amounts. The Escrow Agent shall notify such Commissioner if escrow funds are so released are not replaced by Provider within one (1) year.
- (d) Upon receipt by the Escrow Agent of written notice from Provider, substantially in the form of FORM 5 attached hereto, the Escrow

Agent shall promptly release to the Provider the aggregate of all interest earned and then held on the Escrow Account, or such portion thereof as Provider desires released. The Escrow Agent shall have no obligation to release such interest more than once in any calendar month.

- (e) The Escrow Agent shall not disburse any funds except in accordance with written notice of the Provider as specified herein.

6. Duties. The Escrow Agent undertakes to perform only such duties as are expressly set forth herein and no implied duties or obligations shall be inferred or otherwise imposed upon or against the Escrow Agent. The Escrow Agent may rely conclusively upon any writing or instrument under signature which it, in good faith, believes to be genuine; may assume the validity and accuracy of any statement or assertion contained in any such writing or instrument; and may assume that any person purporting to give any writing, notice, advice, or instruction in connection with the provisions hereof has been duly authorized to do so. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form or manner of execution or validity of any instrument deposited with or delivered to the Escrow Agent hereunder, nor as to the identity, authority, or right of any person executing the same. The duties of the Escrow Agent hereunder shall be limited to the safekeeping of the deposits and other money, instruments, or other documents received by it as Escrow Agent and for its disposition of the same in accordance with the written instructions accepted by it as Escrow Agent and pursuant to the terms of this Agreement. Each and every determination, payment, action or duty to be taken by the Escrow Agent under this Agreement shall be taken based solely on the written direction from the Provider as provided in this Agreement. If, in the good faith determination of Escrow Agent, there is a material question regarding its duties or responsibilities pursuant to this Agreement, the Escrow Agent may retain or consult counsel at Provider's expense in connection with such matter.

7. Indemnity. Provider hereby agrees to indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits, or proceedings at law or in equity, or any other expense, fees, or charges of any character or nature, which it may incur (including without limitation, those incurred in connection with the exercise of the Escrow Agent's duties or responsibilities pursuant to this Agreement) or with which it may be threatened by reason of its acting as Escrow Agent under this Agreement, unless caused by the Escrow Agent's willful misconduct or gross negligence; and in connection therewith, to indemnify the Escrow Agent against any and all expenses, including attorney's fees and the cost of commencing or defending any action, suit, or proceeding or resisting any claim. Any and all of the foregoing costs and expenses incurred by the Escrow Agent hereunder shall be reimbursed by the Provider upon demand.

8. Termination. Either party may terminate this Agreement upon thirty (30) days' written notice thereof to the other party and to the Commissioner of the Connecticut Department of Social Services, subject to the appointment of Escrow Agent's successor by Provider within such thirty (30) day period. Provider shall give prompt written notice to the Escrow Agent of the name and address of the successor escrow agent. If a successor escrow agent is not appointed by Provider within the thirty (30) day period, the Escrow Agent may: (i) appoint a successor escrow agent so long as such agent is a

bank, financial institution, or trust company eligible to hold reserve accounts under the Statute and so long as such agent has assets of at least \$1,000,000,000; or (ii) petition the court to appoint a successor. Upon the appointment of such successor escrow agent, the Escrow Agent agrees to deliver to such successor escrow agent all funds and documents in its possession within thirty (30) days from the date of its notice of termination or resignation, or five (5) business days from the date of appointment of the successor escrow agent, whichever shall later occur. The successor escrow agent shall also be eligible to hold reserve accounts under the Statute.

9. Fees. Provider shall pay the Escrow Agent its usual and customary fee for services as Escrow Agent as such amounts are set by the Escrow Agent from time to time.

10. Amendment. This Agreement may be amended by the parties in writing signed by both, provided that prior notice of any such amendment(s) is given by the Provider to the Commissioner of the Connecticut Department of Social Services.

11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut.

12. Notice. Any notice to be given pursuant to this Agreement: (i) shall be hand delivered, sent by a nationally recognized overnight courier service, or sent by registered or certified mail, to the person intended to be notified; and (ii) shall be deemed given when received by the addressee if hand delivered, when delivered if sent by such a courier, or three (3) business days after postmarked if so mailed, to the following addresses, unless such address shall have been changed by written notice to all of the other parties in which event it shall be addressed to the changed address:

If to the Provider: Redding Life Care LLC
19 Post Road,
Westport, Connecticut 06880

With copies to: Tyler Cooper & Alcorn, LLP
Cityplace 35th Floor
185 Asylum Street
Hartford, Connecticut 06103
Attention: William S. Fish, Esq.

If to the
Escrow Agent: Sovereign Bank
123 Church Street
New Haven, Connecticut 06510
Attention: Sarah J. Healy

If to the

Commissioner of the
Connecticut
Department of
Social Services:

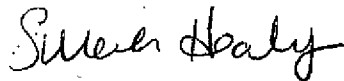
Department of Social Services
25 Sigourney Street
Hartford, Connecticut 06106
Attention: Commissioner

IN WITNESS WHEREOF, the parties have executed, subscribed and sworn to
this Debt Service Reserve Escrow Agreement as of the date first above written.

REDDING LIFE CARE LLC

By 
Its Managing Member

SOVEREIGN BANK


By Sarah J. Healy
Its Senior Vice President

STATE OF NEW YORK)

: ss.

Nov 30, 2005

COUNTY OF NEW YORK)

Personally appeared before me David Reis, the managing member of REDDING LIFE CARE LLC, Signer and sealer of the foregoing instrument, and he acknowledged the same to be his free act and deed as the managing member of REDDING LIFE CARE LLC, and the free act and deed of REDDING LIFE CARE LLC.



Notary Public

JAY L. SCHWARTZ
Notary Public, State of New York
No. 01SC6118837
Qualified in New York County
Commission Expires November 22, 2008.


STATE OF NEW YORK)

: ss.

Nov 30, 2005

COUNTY OF NEW YORK)

Personally appeared before me Sarah J. Healy
Senior Vice President of SOVEREIGN BANK, signer and sealer of the foregoing instrument, and he/she acknowledged the same to be his/her free act and deed as Senior Vice President of SOVEREIGN BANK and the free act and deed of SOVEREIGN BANK.



Notary Public

JAY L. SCHWARTZ
Notary Public, State of New York
No. 01SC6118837
Qualified in New York County
Commission Expires November 22, 2008

FORM 1
Debt Service Reserve Balance

TO: Sovereign Bank
123 Church Street
New Haven, Connecticut 06510

In accordance with the Debt Service Reserve Escrow Agreement (the "Escrow Agreement") entered into between Redding Life Care LLC, and Sovereign Bank, and as outlined in Section 17b-525 of the Statute (as defined in the Escrow Agreement), Redding Life Care LLC hereby certifies that as of the date hereof it is required to maintain \$_____ to comply with the Statute for the year ending _____.

As the managing member of Redding Life Care LLC, I am authorized to act of behalf of Redding Life Care LLC.

Sincerely,

Managing Member

FORM 2
Return of Excess Reserve

Date:

To: Sovereign Bank
123 Church Street
New Haven, Connecticut 06510

In accordance with the Debt Service Reserve Escrow Agreement (the "Escrow Agreement") entered into between Redding Life Care LLC, and Sovereign Bank, Redding Life Care LLC hereby certifies that the amount required to be maintained in the Escrow Account under the Statute (as defined in the Escrow Agreement) is less than the current balance held in the Debt Service Reserve Escrow Account. Please return \$ _____, which represents such excess, to Redding Life Care LLC.

As the managing member of Redding Life Care LLC, I am authorized to act on behalf of Redding Life Care LLC.

Sincerely,

Managing Partner

FORM 3
Release of 1/12th of Reserve

Date:

To: Sovereign Bank
123 Church Street
New Haven, Connecticut 06510

In accordance with the Debt Service Reserve Escrow Agreement (the "Escrow Agreement") entered into between Redding Life Care LLC, and Sovereign Bank, Redding Life Care LLC hereby certifies that the Escrow Account contains not less than the amount required under the Statute (as defined in the Escrow Agreement). Please release \$_____ from the Debt Service Reserve Escrow Account, which represents not more than one-twelfth (1/12th) of such Escrow Account.

As the managing member of Redding Life Care LLC, I am authorized to act on behalf of Redding Life Care LLC.

Sincerely,

Managing Member

FORM 4
Release With State Authorization

Date:

To: Sovereign Bank
123 Church Street
New Haven, Connecticut 06510

In accordance with the Debt Service Reserve Escrow Agreement (the "Escrow Agreement") entered into between Redding Life Care LLC, and Sovereign Bank, please release \$_____ to Redding Life Care, as authorized by the Commissioner of the Connecticut Department of Social Services (Letter attached). The undersigned hereby certifies that it has submitted to the Connecticut Department of Social Services a plan to repay such amount within one year.

As the managing member of Redding Life Car LLC, i am authorized to act on behalf of Redding Life Care LLC.

Sincerely,

Managing Member

FORM 5
Release of Interest Earned

Date:

To: Sovereign Bank
123 Church Street
New Haven, Connecticut 06510

In accordance with the Debt Service Reserve Escrow Agreement (the "Escrow Agreement") entered into between Redding Life Care LLC, and Sovereign Bank, please release \$_____ to Redding Life Care LLC d/b/a Meadow Ridge, which amount represents interest earned on the escrowed funds.

As the managing member of Redding Life Care LLC, I am authorized to act on behalf of Redding Life Care LLC.

Sincerely,

Managing Member

EXHIBIT H

Statements from Escrow Agents



Capital One, N.A
Capital One Healthcare & Technology
275 Broadhollow Road, 1st Floor
Melville, NY 11747

STATEMENT OF ESCROW AGENT

The undersigned hereby represents that Redding Life Care, LLC, has established and does maintain the following escrow accounts (account #7528420146) with Capital One, National Association.

- Operating Reserve Escrow
- Debt Service Reserve Escrow

Escrow Agent: Capital One, National Association

Chris Bellwell

Signature

Treasury Management Consultant

Title

Date

July 3, 2018

NOTARY:

State of

New Jersey

County of

Essex

SS:

On this 3rd day of July, 2018 personally appeared Chris Bellwell,
As an officer of Capital One, National Association, known to me (or satisfactorily proven)
to be the person whose name is subscribed to within this document and acknowledged
that he/she executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand.

Signature of Notary Public

Date Commission Expires:

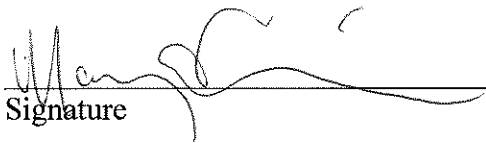
10/09/2022

STATEMENT OF ESCROW AGENT

The undersigned hereby represents that Redding Life Care, LLC has established and does maintain the following escrow accounts with US Bank, National Association.

- Entrance Fee Escrow Account

Escrow Agent: US Bank, National Association



 Signature

Trust Officer – Assistant Vice President
Title

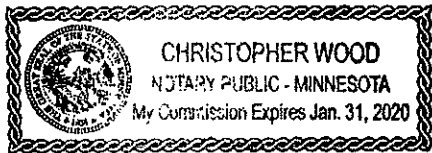
05/23/2018
Date

NOTARY:

State of Minnesota)
) SS:
 County of Ramsey)

On this 23rd day of May, 2018 personally appeared Mary Finn, as an officer of US Bank, National Association, known to me (or satisfactorily proven) to be the person whose name is subscribed to within this document and acknowledged that he/she executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand.



(Notary Seal or Stamp)

Christopher Wood

 Signature of Notary Public
 Date Commission Expires: Jan. 31, 2020
Christopher Wood

 Printed Name of Notary Public

EXHIBIT I

Current Fee Schedules

RATE SCHEDULE

January 1, 2018

ADMISSION PAYMENTS – 80% ROC PLAN

A1	AVON	One Bedroom	\$531,300
A	ESSEX	One Bedroom	\$614,300
A2	FAIRFELD	One Bedroom with Den	\$690,900
B	GREENWICH	Two Bedroom	\$720,300
C	SAUGATUCK	Two Bedroom with Den	\$850,500
D	WINDSOR	Two Bedroom Deluxe	\$1,475,000

Second Person Admission Fee \$35,000

ADMISSION PAYMENTS – 50% ROC PLAN

A1	AVON	One Bedroom	\$451,600
A	ESSEX	One Bedroom	\$522,200
A2	FAIRFELD	One Bedroom with Den	\$587,300
B	GREENWICH	Two Bedroom	\$612,300
C	SAUGATUCK	Two Bedroom with Den	\$722,900
D	WINDSOR	Two Bedroom Deluxe	\$1,254,000

Second Person Admission Fee \$35,000

ADMISSION PAYMENTS – Declining Refund

A1	AVON	One Bedroom	\$371,900
A	ESSEX	One Bedroom	\$430,000
A2	FAIRFELD	One Bedroom with Den	\$483,600
B	GREENWICH	Two Bedroom	\$504,200
C	SAUGATUCK	Two Bedroom with Den	\$595,400
D	WINDSOR	Two Bedroom Deluxe	\$1,032,700

Second Person Admission Fee \$35,000

Meadow Ridge reserves the right to offer new prospective residents alternative forms of residency agreements from time to time.

January 1, 2018

MONTHLY FEES

A1	AVON	One Bedroom	\$4,757
A	ESSEX	One Bedroom	\$5,298
A2	FAIRFELD	One Bedroom with Den	\$5,793
B	GREENWICH	Two Bedroom	\$6,220
C	SAUGATUCK	Two Bedroom with Den	\$7,136
D	WINDSOR	Two Bedroom Deluxe	\$8,860

Second Person Monthly Fee \$1,960

Note: There is a one-time Capital Improvements Fee of \$6,000



ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018

SERVICE	CHARGE
GUEST SERVICES	
King Room	\$ 148.00* per night - King size bed \$ 25.00 cancellation fee if less than 24 hours' notice
Family Apartment	\$ 175.00* per night - 2 Double beds \$ 275.00* per night - sleeps 6 \$ 317.00* per night - sleeps 8-10 \$ 40.00 cancellation fee if less than 24 hours' notice
Late Check-Out Fee (until 3:00 p.m.)	\$40.00
Cot Rental	\$ 10.00 per cot/ per night * Includes 15% CT Room Tax
MEALS	
Guest Meals	\$ 18.00 when using meal credit \$ 26.50 without using meal credit
Children's Meals (10 years and under)	\$ 12.00 per meal
Sunday Brunch	\$ 23.50 when using meal credit \$ 32.00 without using meal credit
Special and Holiday Meals: New Years, Easter, Mother's Day, Father's Day, Thanksgiving & Christmas	\$ 38.00 meal credits may not be used
Memorial Day, July 4 th , Labor Day	\$ 27.00 meal credits may not be used
Meal Delivery Charges	\$5.00
Resident Meal (Additional)	\$18.00
Absence Meal Credit	\$6.65
Catering Charges	\$ Market Rate
SECURITY	
Replacement or Additional Spruce/Laurel Keys, Apartment Door Keys, or Slider Door Keys	\$ 13.00 per key
Replacement Mailbox Key	\$ 5.00 per key
Replacement/Extra Wand	\$ 25.00 per wand
Laurel and Spruce Building Keys	\$13.00
Additional Personal Help Button (PHB)	\$120.00

ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018

SERVICE	CHARGE
RIDGE CREST, HEALTH CENTER	
Private Room Differential	\$125.00 per day
Life Care Additional Meals	\$ 36.00 per day (Health Center & Assisted Living)

Other specialized equipment as medically necessary will be charged per current vendor pricing.

Please see Health Center Ancillary Charge document for details.

HOUSEKEEPING & MAINTENANCE SERVICES

Additional Housekeeping Services	\$ 28.00 per hour
Additional carpet shampooing	\$ 75.00 per room or traffic area
Spot cleaning	\$ 50.00 per hour + \$15.00 service fee
Biohazard Fee (Biological clean up)	\$50.00
Additional maintenance services (Furniture repairs, moving furniture, hanging pictures, lightbulb changes, etc.)	\$ 40.00 per hour (plus supplies where applicable)
Box Spring & Mattress Removal	Per Moving Company Rates
Stuffed Chair or Dresser Removal	Per Moving Company Rates
Couch/love Seat Removal	Per Moving Company Rates
Mixed trash Removal	\$65.00
Installation of new lock and key	(per maintenance)

For additional housekeeping services including Fluff & Fold contact 504.

ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018

SERVICE	CHARGE
TRANSPORTATION	
Personal Transportation (Between 8:00 am & 4:30 pm. Additional fees may apply.) Personal trips on the weekend: 2 hour minimum applies	
– By car	\$ 32.00* per hour (plus .58 cents per mile**)
– By W/C Van or Bus	\$ 35.00* per hour (plus .58 cents per mile**)
Activity Bus Transportation	<i>(determined by Community Life Services Dir.)</i>
Coach Bus	<i>(determined by Community Life Services Dir.) Based on Trip Destination</i>
Event Bus Reservations	\$ 145.00 first 2 hours; \$31.00/hr thereafter
After-hour Branchville Rail Station Pick up	\$ 60.00 one way
* Holiday rate is \$45.00 per hour	
** The per mile fee fluctuates with current IRS guidelines	

We are pleased to provide complimentary transportation to medical appoints as outlined in the Transportation Policy with a 48-hour advance notification. As a courtesy to other residents, residents are asked to provide a 24-hour advance notification for canceled appointments and to schedule their appointments in accordance with the North-South schedule to avoid a \$20.00 fee. Transportation outside the scheduled radius is also available. Kindly call 203-544-1222 to speak with the Transportation Department.

OFFICE SERVICES

Copier/Printing	\$.15 per page (black and white)
Color Printouts	\$.50 per page
Fax (incoming and outgoing)	\$.50 per page (cover page no charge)
Business Envelope	\$.50 each
Large Envelope – 8.5" x 11"	\$ 1.00 each
IT Services (Computer hardware/software installation, repair or software training)	\$ 35.00 for 1 st half hour (with appointment) \$ 12.00 for every 15 minutes thereafter
Name Badges	\$ 11.00 Pin Type \$ 14.00 Magnet Type
Replacement Name Badge Magnet or Pin	\$3.00
Notary Services, appointment required	\$5.00
Laminating	\$ 2.00 per page
Shredding Services	\$ 1.30 per pound
Typing Services	\$ 32.00 per hour (\$16.00 per half hour)

**ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018**

SERVICE	CHARGE
Postage	\$ <i>as metered</i>
Garage Rental	\$ 170.00 per month
Resident Payment Late Fee	\$ <i>as per stated in contract</i>
Personal Assistant Services such as accompanying residents to medical appointments and pickups, shopping trips and other transports, dog walking, cat and dog sitting, bill paying, and other special services as needed.	\$ 28.00 per hour

A LA CARTE ASSISTANCE IN LIVING SERVICES (through Resident Health Services Office)

A One-Time Admission Fee to Initiate Assistance in Living Services	\$150.00
Nursing Visit	\$ 75.00 per hour billed in 30 minute increments
Certified Nursing Assistant (CNA) assistance	\$ 30.00 per hour billed in 30 minute increments
Escorted Wheelchair Roundtrip inside Facility	\$ 20.00 per trip
Safety check	\$ 15.00 per check
Registered Dietician Assessment and Consultation	\$ 75.00 per hour
Wheelchair Rental	\$ 20.00 per day

ASSISTANCE IN LIVING PACKAGES OFFERED (through Resident Health Services Office)

MEDICATION ASSISTANCE PACKAGES:

1. Weekly Pre-pour	\$ 300.00 per month
2. Pre-pour + 1 Daily medicine cue	\$ 650.00 per month
3. Pre-pour + 2 Daily medicine cues	\$ 1000.00 per month
4. Pre-pour + 3 daily medicine cues	\$ 1350.00 per month
1. Daily medication administration 1x daily	\$ 600.00 per month
2. Daily medication administration 2x daily	\$ 1200.00 per month
3. Daily medication administration 3x daily	\$ 1800.00 per month
4. Vitamin B-12 Injections	\$ 20.00 per injection
5. Blood Glucose testing 1x daily	\$ 500.00 per month
6. Blood Glucose testing 3x week	\$ 250.00 per month
7. Blood Glucose testing 1x week	\$ 100.00 per month

**ANCILLARY CHARGES
JANUARY 1, 2017 TO DECEMBER 31, 2018**

SERVICE	CHARGE
PERSONAL CARE PACKAGES:	
1. 15 minutes CNA assistance daily	\$350.00 per month
2. 15 minutes CNA assistance 2x daily	\$675.00 per month
3. 30 minutes CNA assistance daily	\$675.00 per month
4. 30 minutes CNA assistance 2x daily	\$1350.00 per month
5. 60 minutes CNA assistance daily	\$1350.00 per month
6. 60 minutes CNA assistance 3x week	\$600.00 per month
7. Roundtrip escort via wheelchair 1x daily	\$600.00 per month
SAFETY CHECK PACKAGES:	
1. Safety check 1x night	\$350.00 per month
2. Safety check 2x night	\$675.00 per month
3. Safety check 3x night	\$1000.00 per month