



An Active Life Plan Community

January 31, 2023

Mr. Rich Wysocki
Principal Cost Analyst
Office of CON & Rate Setting
State of Connecticut
Department of Social Services
55 Farmington Avenue,
Hartford, CT 06105-3724

Dear Rich:

Attached is a copy of Seabury's Disclosure Statement, as required by Section 17B-528 of Connecticut General Statutes.

The changes in Seabury's 2023 Disclosure Statement incorporate the following:

The Board of Directors' changes in membership has been reflected in **Section II Officers and Directors and Executive Management Team in Section III.**

Section XIX Financial Statements include the 2021-2022 audited and certified financial statements.

Section XX Pro Forma Income Statements, have been updated to include projected income for three years.

Exhibit A, Residence & Care Agreement, Section VI., #5 (b.), Relocation or Transfer: If a resident requests a move to a different Independent Living Apartment or Cottage, with a refund that is due to the previous resident's estate, the resident's Entrance Fee must cover the existing refund.

200 SEABURY DRIVE, BLOOMFIELD, CT 06002 PHONE (860) 286-0243 FAX (860) 242-4552
WEBSITE WWW.SEABURYLIFE.ORG EMAIL INFO@SEABURYLIFE.ORG



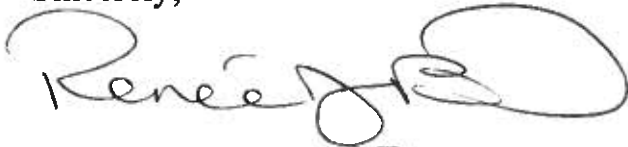
Exhibit A, Residence & Care Agreement, Section VI., #5 (c.,d.), Relocation or Transfer, has been changed to the Monthly Fee payable while you are a resident of Health Services will be the **higher** Monthly Fee paid (in the event you transfer to a different independent Living residence) for the Independent Living Apartment or Cottage you occupied before entering Health Services.

Exhibit D, Entrance Fees/Periodic Changes, has been revised to include new fee plans.

These are the only material changes to the Disclosure Statement from the January 2022 filing to our January 2023 filing.

If you have any questions, please do not hesitate to call.

Sincerely,

A handwritten signature in black ink, appearing to read "Renée J. Bernasconi". The signature is fluid and cursive, with a large loop at the end.

Renée J. Bernasconi, MBA, LNHA
President & CEO

ACKNOWLEDGMENT OF RECEIPT

SEABURY

DISCLOSURE STATEMENT

A Life Plan Contract (formerly known as a Continuing Care Contract) is a financial investment, and your investment may be at risk. Seabury's ability to meet its contractual obligations under such contract depends on Seabury's financial performance. We advise that you consult an attorney or other professional experienced in matters relating to investment in Life Plan Communities before you sign a Life Plan Contract (Continuing Care Contract). The Department of Social Services does not guarantee the security of your investment.

I acknowledge that I have reviewed the above statement as well as the Seabury Disclosure Statement and Residency Agreement.

Signature

Date

Seabury Staff Signature

Date



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Appendix: (Exhibits Updated as Required)

- Exhibit A, Residence & Care Agreement
- Exhibit B, Audited Financial Statements, including two previous years
- Exhibit C, Pro Forma Income Statements
- Exhibit D, Entrance Fees/Periodic Charges
- Exhibit E, Entrance Fee Escrow Agreement
- Exhibit F, Bill of Rights
- Exhibit G, Statement of Actuarial Opinion

DISCLOSURE STATEMENT

SEABURY

Sponsored by Seabury, Incorporated

January 2023

REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DEPARTMENT OF SOCIAL SERVICES OR THE STATE OF CONNECTICUT, NOR DOES SUCH REGISTRATION EVIDENCE THE ACCURACY OR COMPLETENESS OF THE INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT.

Note: Church Home of Hartford's fiscal year ends on September 30.



1. NAME AND ADDRESS OF PROVIDER

CHURCH HOME OF HARTFORD, INCORPORATED

d/b/a



200 Seabury Drive
Bloomfield, CT 06002

A NOT-FOR-PROFIT, NON-STOCK CONNECTICUT CORPORATION

VISION

To Revolutionize the Experience of Aging.

MISSION

Seabury Enhances Lives.

VALUES STATEMENT

We realize our mission by honoring the past while engaging in the present and planning for the future. To provide the highest quality of life (physical, spiritual and emotional) for residents, employees and other community members, we are guided by a philosophy of wellness, compassion and financial assistance so people may lead their lives with dignity and joy. We follow the Five-Star service standards in addition to striving for the best stewardship of our resources and the environment. Revolutionizing the experience of aging requires action, and we work ceaselessly to achieve our goals.

I. OFFICERS AND DIRECTORS

Church Home of Hartford, Incorporated, a non-profit corporation affiliated with the Episcopal Church in Connecticut, was established in 1876 as a retirement home for women. Seabury, Incorporated/Church Home's Board of Directors, who are responsible for managing Seabury, is listed below. No individuals or other entities hold any ownership interest in the corporation.

BOARD OF DIRECTORS

| | |
|---|---|
| <p>The Right Rev. Jeffrey Mello Ecclesiastical Authority Episcopal Diocesan House 290 Pratt Street, Box 52 Meriden, CT 06450 E-mail: jmello@episcopalct.org</p> | <p>BISHOP'S REPRESENTATIVE, Ex Officio The Reverend Anne Fraley St. Peter's Episcopal Church 99 Sand Hill Road South Windsor, CT 06074 E-mail: wolfdance9@gmail.com</p> |
| <p>Mr. Bradford S. Babbitt Robinson & Cole LLP 280 Trumbull Street, Hartford, CT 06103 E-mail: bbabbitt@rc.com</p> | <p>Ms. Eleanor Barnes 43 Ledyard Road West Hartford, CT 06117 E-mail: eleanor.barnes67@icloud.com</p> |
| <p>Ms. Cynthia Becker 237 Hollister Drive Avon, CT 06001 E-mail: cbecker16@netzero.net</p> | <p>Ms. Renée J. Bernasconi *(Non-Director) President Seabury 200 Seabury Drive Bloomfield, CT 06002 E-mail: reneebernasconi@seaburylife.org *Voice but no vote</p> |

| | |
|---|--|
| <p>Mr. Robert Hewey 307 Seabury Drive Bloomfield, CT 06002 E-mail: boltonbob@aol.com</p> | <p>* Mr. A. Raymond Madorin Director Emeritus 6405 Via Canada Rancho Palos Verdes, CA 90275 E-mail: ray.madorin@gmail.com *Voice but no vote</p> |
| <p>Mr. Ross Mezzanotte KBE Building Corp. 76 Batterson Park Road Farmington, CT 06032 E-mail: rmezzanotte@kbebuilding.com</p> | <p>Marian Moore 400 Seabury Drive, Apt 3189 Bloomfield, CT 06002 Email: msmo4@sbcglobal.net</p> |
| <p>Ms. Monique R. Polidoro, Esq. Rogin Nassau LLC City Place I, 22nd Floor 185 Asylum Street Hartford, CT 06103-3460 E-mail: mpolidoro@roginlaw.com</p> | <p>The Rev. Erl G. Purnell Board Chair 12 Pine Glen Road Simsbury, CT 06070 E-mail: puckpurnell@mac.com</p> |
| <p>Mr. Craig Scott Treasurer Aero Gear, Inc. 1050 Day Hill Road Windsor, CT 06095 E-mail: cwscott5@hotmail.com</p> | <p>Mr. Michael Sherrill Cigna 900 Cottage Grove Bloomfield, CT 06002 E-mail: michaelsherrill15@gmail.com</p> |
| <p>Mr. Ronald Theriault OneDigital Health and Benefits 5 Batterson Park Road, Suite 1 Farmington, CT 06032 E-mail: rtheriault@onedigital.com</p> | <p>Dr. Russ Tonkin 610 Inlet Lane Windsor, CT 06095 E-mail: rtonks@aol.com</p> |

| | |
|---|--|
| <p>Mr. John R. Wadsworth Secretary 292 Fern Street West Hartford, CT 06119 E-mail: 29Wadsworth@comcast.net</p> | |
|---|--|

President & CEO Renée J. Bernasconi, LNHA, MBA is responsible for the day-to-day management of the organization. Length of service: 26 years

III. EXECUTIVE MANAGEMENT TEAM

| | |
|--|---|
| <p>Renée J. Bernasconi, LNHA, MBA President & Chief Executive Officer Length of service: 26 years</p> | <p>Ruslan Kuzmenko, CPA Chief Financial Officer & Vice President, Finance Length of service: 8 years</p> |
| <p>Jacob S. Bompastore, LNHA Vice President of Health Services, Administrator, Skilled Nursing Length of service: 3.5 years</p> | <p>Michael W. Oakes Chief Operating Officer & Vice President, Engineering Length of service: 4 years</p> |
| <p>Gwynne C. Deveau, PHR, SHRM-CP Vice President, Human Resources Length of service: 14 years</p> | <p>Renaud Le Pape Assistant Vice President, Information Technology Length of service: 7 years</p> |
| <p>Christine T. Dupont Vice President, Marketing & Communications Length of service: 9 years</p> | <p>Matthew McGowan Assistant Vice President, Resident & Member Services Length of service: 11 years</p> |
| <p>Heather Cahill Assistant Vice President for Philanthropy and Engagement and Executive Director, Seabury Charitable Foundation Length of service: 1.6 years</p> | <p>Kim Rukas Assistant Vice President of Culinary Innovation & Excellence Length of service: 9 years</p> |

IV. BUSINESS EXPERIENCE

Church Home of Hartford, Incorporated has provided housing with support services for older adults in the Hartford area continuously since 1876.

V. CORPORATE RESTRUCTURING

At the Church Home of Hartford, Inc. (CHHI) Annual Meeting of the Members on November 2, 2017, a resolution was adopted to incorporate Seabury Inc., a Connecticut nonstock Corporation. The Board determined that it is in the best interest of CHHI and the affiliates to restructure the Corporation.

Among other things, the current Member of Seabury Charitable Foundation (SCF) and Seabury At Home (SAH) will cease to be CHHI. Seabury, Inc. will be a holding company and the sole member of CHHI, SAH, and SCF.

Amended bylaws state that in the absence of the Bishop at meetings, the Bishop's Representative has both a voice and a vote at Board meetings. The Chair of Church Home Auxiliary has been removed as the Auxiliary relinquished their charter several years ago. A new Standing Committee was introduced, Spirituality and Worship Committee, which will serve as an interface between the Corporation and The Episcopal Church in Connecticut (ECCT).

Appointment of Officers established that the President of the Board becomes the Chair of the Board and the Executive Vice President and CEO becomes the President and CEO. The Bishop is the Ecclesiastical Authority and shall serve as the principal pastor to the Corporation and as the chief liaison between the Corporation and the Episcopal Church in Connecticut. In that role, the Ecclesiastical Authority has oversight of the Bishops' Chapel and, in consultation with the President, will appoint the Chaplain.

The Board of Directors for Seabury Inc. and Church Home of Hartford, Inc. will be concurrent and SCF and SAH will maintain their separate boards. Seabury Inc. shall be operated exclusively for religious, charitable, scientific, literary, or educational purposes by operating for the benefit of, performing the functions, and carrying out the purposes of the Church Home of Hartford, Inc., Seabury Charitable Foundation, Inc., and Seabury At Home, Inc.

VI. JUDICIAL PROCEEDINGS

Seabury, Incorporated and Church Home of Hartford, Incorporated, nor any of its officers or directors, has been convicted of a felony or pleaded nolo contendere to a felony charge or held liable or enjoined in a civil action by final judgment involving fraud, embezzlement, fraudulent conversion or misappropriation of property. Neither have they had any business or health care licenses or permits suspended or revoked by any jurisdiction within the past five years or been subject to a currently effective injunction, or restrictive or remedial order of a court of record.

VII. AFFILIATION

Church Home of Hartford, Incorporated is affiliated with the Episcopal Church in Connecticut (ECCT) and is recognized as an Intentional Episcopal Community; however, the ECCT has no responsibility for the financial and contractual obligations of Church Home of Hartford, Incorporated.

Church Home of Hartford, Incorporated is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Seabury, Incorporated is the sole member of Church Home of Hartford, Incorporated. Seabury, Incorporated is also the sole member of Seabury At Home, Incorporated and Seabury Charitable Foundation, Incorporated.

Seabury At Home, Incorporated was incorporated in 2006 and began operating as a continuing care retirement community without walls in October 2008. Seabury, Incorporated is the sole member of Seabury At Home, Incorporated. The common areas and amenities Seabury offers are available to Seabury At Home Members. The assisted living and nursing home facilities are available on an as-needed and as-available basis.

The Board of Directors for both Seabury At Home, Inc. and the Seabury Charitable Foundation, Inc. developed a joint Limited Liability Corporation (Seabury at Powder Forest, LLC). This LLC was formed to purchase 15 acres of land at 200 Powder Forest Drive, Simsbury, CT. Each corporation will assume half the debt, which is merely the transfer of cash investment to land investment. This land is for future development of a second satellite campus.

VIII. DESCRIPTION OF PROPERTY

Seabury is an Active Life Plan Community (formerly known as a Continuing Care Retirement Community), providing housing, services, and health care. The Community is in Bloomfield, Connecticut, on a parcel of sixty-six acres north of Wintonbury Avenue at the intersection of School Street.

This site is three miles from the Bloomfield commercial center. Surrounded by flood control areas, wetlands, and reserved open space, the rural character of the site will be preserved and protected from urban growth and development. The main buildings are constructed on a knoll, which provides views of the surrounding countryside in all directions.

The major buildings of Seabury are linked together, providing weather-protected interior circulation between the residents' apartments and the services provided in the community center and health care buildings. Cottage clusters are also built around the main complex, creating a campus atmosphere.

Seabury is composed of the following individual components:

- The Commons – containing all social, recreational, and support services, including administrative suite, auditorium, chapel, salon and spa, bistro, community rooms, convenience shop, exercise rooms, library, game room, greenhouse, woodshop, community and private dining rooms, food preparation, maintenance, housekeeping, and laundry.
- Apartment Building – 217 apartments include studios, one- and two-bedroom and two bedrooms with a den.
- Cottage Clusters - 27 cottages include one- and two-bedroom and two bedrooms with a den, and 5 villas that are two-bedrooms with a den.
- Davis Center, Brewer Center and Larus Center (short-term rehabilitation) – 72 skilled nursing care beds.
- The Views – 58 assisted living beds, 22 of which are licensed Residential Care Facility beds.

- Rehabilitation Services – Physical, Occupational and Speech therapies.
- The Hartford Healthcare (HHC) Primary Care Suite – On the premises where residents and members may be examined and treated as outpatients. Staffed by nurses and physicians from HHC who have scheduled office hours at the clinic.
- Seabury Meadows – 58 beds, Memory Support/Assisted Living facility. There are 28 licensed Residential Care Facility beds.

The total number of independent living apartments and cottages is 249 and includes underground parking, natatorium, and fitness centers.

- Seabury At Home Incorporated (SAHI) – Office suite located at 200 Seabury Drive.
- Visiting Nurses – Seabury Visiting Nurses, a licensed Home Care Agency was dissolved in 2020. A Home Care Agency of your choice may be arranged at your request and at your expense for short-term assistance in your Independent Living Apartment or Cottage. Some home health agency services may be covered by Medicare or supplemental insurance.
- Seabury Care Now – is a non-medical homemaker-companion agency registered with the Connecticut Department of Consumer Protection. This agency provides homemaker, companion, and personal care assistance to residents on campus, Seabury At Home members and clients off-campus.

IX. STRATEGIC REPOSITIONING PLAN

The Seabury Strategic Repositioning Plan consisted of several phases of work which expanded, updated, and enhanced the existing campus. Construction of the project commenced in April 2015, and was completed in April 2019.

Phase A expanded the administrative offices, main entrance, lobby, and main kitchen. It included the renovation of the private dining room and a new expanded bistro addition. The resident post office boxes and an improved “Community Activity Space” have been constructed above the new salon and day spa (on the entrance level). In addition, all areas in the Commons building were redecorated. Additional parking spaces have been added at the North end of the campus. Full campus generation was also included as part of Phase A.

Seabury obtained a BB rating from Fitch. The finance team closed \$34.5 million in financing for Phase A with an average yield of 4.73%.

The start of construction for Phase B & C was contingent on several items, including appropriate level of pre-sales (60%) deposits (10% of entrance fee per residence) for Independent Living Apartments, financing, feasibility study, a Guaranteed Maximum Price construction contract with the qualified construction firm and Board approval. The project was funded with tax-exempt bonds. The total hard cost construction was estimated to be approximately \$48.5 million. The anticipated entrance fees collected during fill-up is estimated to be \$25.7 million.

Phase B included 68 new independent-living apartments, an underground parking garage (approx. 71 spaces), and a new chapel (seating for approx. 225). A fitness and wellness satellite area, additional meeting spaces for continuing education, and surface parking spaces for accessibility to the new wing was included as part of Phase B.

Phase C included a new building addition for Seabury’s Community Outreach Services (Seabury At Home, Seabury Care Now, and former Seabury Visiting Nurses), Primary Care (rental space), and specialized rehabilitation services. This addition included a new dedicated entry for health care, renovation of existing spaces to accommodate updated and new Assisted Living Apartments (20 one-bedrooms and 2 two-bedrooms (addition of two apartments), and updated dining, kitchen, and new fitness, living/activity spaces in Assisted Living.

Phase C also included 12 new short-term rehab private rooms (non-Medicaid), updated rooms, living/family rooms, salon, dining, and pantry spaces for skilled nursing. Expansion of the existing Rehab and Therapy Suite were included. The Clinic Suite was also included in this phase, as well as a new employee entrance.

Seabury plans to combine 28 West Wing residences (28 to 14 apartments), which will reduce its overall inventory.

On November 7, 2019, the Board approved the Strategic Plan for the “100” Cottages, which included demolishing six cottages, a carport, and a mail kiosk and constructing two new structures, each containing 12 apartments and a clubhouse. Paving work on Seabury Drive will be included as part of this project.

The start of construction is contingent on several items, including the appropriate level of pre-sales (60%) deposits (10% of the entrance fee per residence) for Independent Living Apartments, financing, Financial Consultant’s Report, and Guaranteed Maximum Price construction contract with a qualified construction firm and Board approval.

It is anticipated the project will be funded with a bank loan. The total project cost is expected to be approximately \$15 million. The anticipated entrance fees collected during fill-up is estimated to be \$10 million. As required by the bond issue, all first-generation Entrance Fees are pledged to retire the debt. The remaining \$5M will be retired after approximately five years.

Construction of the project was put on hold in March 2020 - 2023 due to the COVID-19 Pandemic and will commence when possible. The anticipated construction time is 12 months.

Approximately \$1.3M per year is expected as revenue for these new residences after the retirement of debt. This project will not negatively impact monthly service fees.

X. BENEFITS INCLUDED

Services provided without additional charge under the Life Plan Contract (Continuing Care Contract) are set forth in the Seabury Residence and Care Agreement (Exhibit A, Section II).

XI. INTEREST ON DEPOSITS

Reservation fees and all advance partial payments thereof shall earn interest at the escrow agent's variable rate. This interest, less the escrow agent's processing fees, shall be allocated to Seabury applicants and either refunded to them or credited to their Seabury account in accordance with the terms of the Reservation or Residence and Care Agreements.

XII. TERMINATION OF CONTRACT

Procedures and terms for termination are described in the Residence and Care Agreement (Section VII).

XIII. RIGHTS OF SURVIVING SPOUSE

The rights of a surviving spouse who is a resident of Seabury are set forth in Section VIII of the Residence and Care Agreement. A surviving spouse who is not a resident of Seabury has no rights to the services and benefits of a spouse who is a resident of Seabury (refer to Section III, Item Number 15 of the Residence and Care Agreement – Exhibit A).

XIV. MARRIAGE OF A RESIDENT

Section VIII of the Residence and Care Agreement describes the effect of a resident's marriage or remarriage on the Life Plan Contract (Continuing Care Contract).

XV. DISPOSITION OF PERSONAL PROPERTY

The Residence and Care Agreement describes the disposition of personal property in the event of death or transfer to a nursing facility or termination of the contract by Seabury (refer to Section VI and VII of the Agreement).

XVI. TAX CONSEQUENCES

Seabury is a qualified Type A Life Plan Community (formerly known as a Continuing Care Retirement Community). Payment of an entrance fee pursuant to a Life Plan Contract (Continuing Care Contract) may have significant tax consequences. Any person considering such a payment may wish to consult a qualified advisor.

XVII. MANAGED RESIDENTIAL COMMUNITY RESIDENTS' BILL OF RIGHTS

Seabury is registered as a “managed residential community” with the Connecticut Department of Public Health and therefore may provide the services of an assisted living services agency at the community. Seabury is required to provide and explain the Managed Residential Community Bill of Rights, which is attached in Exhibit F, at the time that you execute this agreement. You will be asked to separately sign the Bill of Rights to acknowledge that you have received it.

XVIII. RESERVE FUNDING AND ESCROWS

RESERVE FUND ESCROW:

Funds have been set aside in an endowment fund with Ziegler Capital Management, LLC, with sufficient funds to cover the total cost of operations of the facility for a one-month period, excluding long-term debt principal service. Ziegler Capital Management was formed in 1991 as the investment management division of the Ziegler Companies.

ENTRANCE FEE ESCROW:

Church Home of Hartford, Incorporated (CHHI) has established an entrance fee escrow account with Westfield Bank, 337 Cottage Grove Road, Bloomfield, CT 06002, (Telephone 860-310-2939), and will deposit within 72 hours of receipt all deposits, advance payments, and entrance fees received on behalf of applicants to Seabury. These funds will be invested as directed by the Investment Committee of CHHI. Refund procedures are described in the “Termination and Refunds” section of the Residence and Care Agreement (Exhibit A).

XIX. FINANCIAL STATEMENTS

Audited and certified financial statements of Church Home of Hartford, Incorporated, including the current balance sheet, income statements, and statements of cash flows are provided in Exhibit B.

XX. PRO FORMA FINANCIAL STATEMENTS

The income projected for Seabury for three years is set forth in Exhibit C.

XXI. ENTRANCE FEES/PERIODIC CHARGES

Entrance and monthly fees projected for Seabury are set forth in Exhibit D.

XXII. DEPARTMENT OF SOCIAL SERVICES – FILINGS

Church Home of Hartford, Incorporated has filed with the Department of Social Services all materials required by State Law governing the Management of Continuing Care Facilities. These materials include a Disclosure Statement and the Seabury Residence and Care Agreement. These materials are available for review at the Department of Social Services, located at 55 Farmington Avenue, Hartford, CT 06105-3724.

EXHIBIT A

RESIDENCE & CARE AGREEMENT

RESIDENCE AND CARE AGREEMENT

SEABURY

Sponsored by Seabury, Incorporated,
a not-for-profit organization affiliated with
the Episcopal Church in Connecticut

A Life Plan Contract (formerly known as Continuing Care Contract) is a financial investment, and your investment may be at risk. Seabury's ability to meet its contractual obligations under such contract depends on Seabury's financial performance. We advise that you consult an attorney or other professional experienced in matters relating to investments in Life Plan Communities before you sign a Life Plan Contract (Continuing Care Contract). The Department of Social Services does not guarantee the security of your investment.

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SEABURY
RESIDENCE AND CARE
AGREEMENT

I. INTRODUCTION

1. General - This is the Residence and Care Agreement between you (whom we shall refer to as "you") and Church Home of Hartford, Incorporated, d/b/a Seabury (which we shall refer to as "we," "us," "Seabury," or the "facility").

We have divided this Agreement into several parts in order to make it easier to read and to find any particular part.

2. Acceptance to Seabury

As a condition of residence at Seabury, applicants are required to be at least fifty (50) years of age or older, financially qualify, and provide a recent medical history. A physical evaluation must be completed within ninety (90) days before occupancy by medical professionals designated by Seabury. Based on this health information, Seabury may determine that you are required to pay a higher entrance fee for life care in order to accommodate you for specific diagnoses, medical status, and personal health history that are considered a future long-term care liability. Applicable fees will be stated in Exhibit A. Seabury will comply with the Health Insurance Portability and Accountability Act (HIPAA) of 1996, the HITECH Act of 2009, and amendments under the new HIPAA Omnibus Rule of 2013. Your consent to share medical information for the purpose of treatment and billing will be required as a resident of Seabury. As a further condition of residence at Seabury, applicants are required to qualify financially immediately prior to occupancy. You or Seabury may terminate this Agreement prior to occupancy as set forth in Section VII of this Agreement. If this Agreement is terminated for health reasons, Seabury will assist you and your family to identify possible alternatives.

3. Term of This Agreement

This Agreement takes effect once all parties have signed it.

Your occupancy of the Reserved Apartment or Cottage will begin on a scheduled date to which you and Seabury agree in writing, set forth in the

attached Exhibit A (the "Scheduled Occupancy Date"). You and Seabury may mutually agree on a different occupancy date.

Regardless of your Scheduled or Actual Occupancy Date, you are not entitled to Health Services as described in Section IV of this Agreement until the Entrance Fee has been paid.

This Agreement ceases to be in effect on the date it is terminated in accordance with the terms of this Agreement (refer to Section VII of this Agreement).

Your right to occupancy ends on the Termination Date.

II. OUR RESPONSIBILITIES TO YOU AS A RESIDENT

Seabury shall provide to you the following services and facilities on the conditions set forth in this Section and Section IV of this Agreement. Unless otherwise specified, charges for these services are included in the Monthly Fee set forth in Exhibit A attached to this Agreement (the "Monthly Fee").

1. Apartment or Cottage - You have the right to occupy and use the apartment or cottage selected by you and offered by us subject to certain conditions as hereinafter provided.
2. Furnishings - We will furnish wall-to-wall carpeting or comparable flooring, blinds, sink, stove, garbage disposal, refrigerator, dishwasher, microwave, emergency call system, grab bars in the tub and/or shower, and individual thermostatic controls for heating and air-conditioning. All other furnishings shall be provided by you.
3. Structural Changes - Any structural or physical change of any kind within or about your Independent Living Apartment or Cottage shall require our prior approval, and thereafter may be subject to our supervision. The cost of any changes you request, and the cost of restoring the Independent Living Apartment or Cottage to its original condition upon termination of this Agreement if deemed necessary by us, shall be at your expense. All built-in changes shall immediately become and remain the property of the facility.
4. Parking - One (1) space will be provided for each resident residing in the Independent Living Apartment or Cottage who owns and uses a properly

registered and functional automobile. We reserve the right to require you to remove any automobile that is not being used, or if the condition or appearance of the automobile is inappropriate. While Seabury encourages Electric Vehicles (EV), an EV will necessitate the installation of an EV charging station and meter at your expense. The cost of any electricity will be billed to you at Seabury's then-current electric rate.

5. Common Facilities - You may use, in common with other residents, common facilities of Seabury including but not limited to the dining room, lounges, lobbies, social and recreation rooms, and designated outdoor activity areas. There will be additional charges for your use of special services, such as salon & spa, and convenience items in the Marketplace and in the Hub.
6. Mail - A mailbox for each Independent Living Apartment or Cottage will be provided in a central location.
7. Storage - Storage space at a central location will be allocated to your Independent Living Apartment or Cottage. Additional storage is available for a fee.
8. Guests - You will be free to invite guests to your Independent Living Apartment or Cottage for daily and overnight visits. Guest rooms are available at a reasonable rate for overnight stays by your guests from time to time. Seabury reserves the right to make rules regarding visits and guest behavior and may limit or terminate a visit at any time for reasons it deems appropriate in its sole discretion.
9. Food and Meals:
 - Dining Room and Bistro Service - Seabury provides three (3) meal plans which are included in the monthly fee:
 - a) Full-Meal Plan: a meal allowance which is the equivalent of 20 meals per month, in the Main Dining Room. The meal allowance may also be used for meals in the Bistro. You may purchase additional meals for an extra charge.
 - b) Reduced-Meal Plan: a meal allowance which is the equivalent of ten (10) meals per month, in the Main Dining Room. The meal allowance may also

be used for meals in the Bistro. A credit for ten (10) meals will be provided per month. You may purchase additional meals for an extra charge.

- When you give Seabury advance notice that you are going to be away from Seabury for more than seven (7) consecutive days, you will be credited for the missed meals, according to a schedule periodically published by Seabury (the "Away Meal Credit"). The Away Meal Credit only applies to the Full-Meal Plan and the Reduced-Meal Plans.

c) No-Meal Plan: a credit based on 50% of the raw food costs will be applied to the monthly fee. Meals in the Main Dining Room will be charged at the full rate. Meals in the Bistro are on an ala- carte basis.

- Seabury will periodically publish a schedule of "meal rates" to establish the cost of such additional meals. You may purchase Marketplace grocery items separately.
 - Meals in Independent Living Apartment or Cottages - Tray service is available to you in your independent Apartment or Cottage for an additional charge.
 - Dietary Service - When authorized by us, meals accommodating special diets will be provided at an additional charge.
 - Dining Room Services for Guests - Dining room and Bistro service will be available to your guests. Guests will be charged for meals at the currently published meal rate and charges for such meals will be applied toward your Full or Reduced Meal Plans or will be included in your monthly service charge statement (referred to as the "Monthly Statement").
10. Housekeeping - Housekeeping services shall be provided in your Independent Living Apartment or Cottage by Seabury on a bi-weekly basis. These housekeeping services include vacuuming, floor maintenance, necessary cleaning of bathroom and kitchen, and other such tasks we deem necessary under the circumstances. Additional housekeeping services are available for a fee.
 11. Laundry - Seabury will provide washers and dryers for your use.
 12. Security - Seabury will use reasonable care in providing security on the premises for you and your property but will not be responsible for loss or damage to personal property. You should maintain private insurance on your own property.

13. Programs - Seabury will provide programs of social and recreational events/activities. Religious services will be available for interested persons. There may be an additional charge for some programs.
14. Transportation - Seabury will provide regularly scheduled local transportation to doctors' appointments and shopping. This does not include transportation for dialysis or frequent appointments recurring over a set period of time. Residents will be charged for transportation to off-site Physicians or other, non-nursing health professionals if services are provided at Seabury. There is no obligation to use the Hartford Healthcare Clinic or the Clinic Physicians or staff. You remain free to engage the services of the physician or other health professionals of your choice at your expense. If a private aide is necessary to accompany you for transport, you will be charged. Additional special transportation for personal or group use, and trips will be available at an additional cost.
15. Maintenance and Repair - Necessary repairs, maintenance, and replacement of property and equipment owned by Seabury, wherever located, will be performed and provided by us. Necessary repairs, maintenance, and replacement of your personal property will be your responsibility.
16. Grounds - We will furnish basic grounds-keeping care, including lawn service. You, at your own expense, may plant and maintain areas designated by Seabury, subject to the prior written approval of Seabury administration.
17. Utilities -shall provide utilities such as water, heating, electricity, air conditioning, Wi-Fi internet access, and expanded basic cable TV service (this service is not included when residing at Seabury Meadows) to the extent that such utilities are available to us. You shall be required to have telephone service (landline or cell phone) in your Independent Living Apartment or Cottage and will be responsible for the costs of its connection, maintenance, and use. You will be responsible for the cost of installing, maintaining, and using any cable TV beyond basic expanded cable including any personal Internet services. While Seabury encourages Electric Vehicles (EV), an EV will necessitate the installation of an EV charging station and meter at your expense. The cost of any electricity will be billed to you at Seabury's then-current electric rate.

18. Real Estate Taxes - Seabury will be responsible for the payment of all real estate taxes assessed on the facility.
19. Medical Director - Seabury will retain the services of a qualified physician ("Medical Director") to be responsible for the appropriateness and quality of all health services and health-related activities provided by Seabury.

III. YOUR RESPONSIBILITIES AS A RESIDENT

1. Commencing Occupancy - You agree that, unless this Agreement is terminated by you or Seabury prior to occupancy, you will commence occupancy of the Reserved Apartment or Cottage by the scheduled occupancy date set forth in the attached Exhibit A (the "Reserved Apartment or Cottage" and the "Scheduled Occupancy Date"). If Seabury is unable to make the Reserved Apartment or Cottage available on the Scheduled Occupancy Date, a revised Scheduled Occupancy Date shall be established by written, mutual agreement. If you fail to occupy the available Reserved Apartment or Cottage by the Scheduled Occupancy Date, you shall nevertheless become obligated on that date to begin and continue to pay the Monthly Fee applicable for your Reserved Apartment or Cottage less the published Meal Credit.
2. Policies, Rules, and Regulations - You agree to abide by the policies, rules, and regulations of Seabury, including such changes as may be subsequently adopted. These policies will be set forth in a Resident Handbook and will be made available to you through the management of Seabury.
3. Rights of Residents - Your rights as a resident under this Agreement are those rights and privileges expressly granted to you in this Agreement or by Connecticut law.
4. Right of Entry - You shall permit authorized employees' entry into your Independent Living Apartment or Cottage at all reasonable times for inspection, housekeeping, and maintenance, and at any time in case of emergencies. Seabury recognizes your right to privacy and will limit entry to your Independent Living Apartment or Cottage except in case of emergencies and as described above.
5. Real Property - Your rights and privileges, as granted herein, do not include any right, title, or interest whether legal, equitable, beneficial, or otherwise,

in or to any part of the real property, including land, buildings, and improvements owned or operated by Seabury.

6. Subordination of Rights - Seabury shall not subordinate your escrowed Entrance Fee payments to any other obligations of the facility except as allowed in accordance with Connecticut General Statutes Section 17b-525. As set forth in Section V of this Agreement, escrowed Entrance Fees are released to Seabury upon your Actual or Scheduled Occupancy Date, whichever first occurs.

Except for the terms stated above for escrowed Entrance Fee payments, any of your rights, privileges or benefits arising under this Agreement shall be subordinate and inferior to all mortgages, security interests, deeds of trust and leasehold interests granted to secure any loans or advances made to Seabury, its related entities, or its successors, now outstanding or made in the future, in the real property and improvements constituting Seabury, and subordinate and inferior to all amendments, modifications, replacements, refunding or refinancing thereof. You agree that, upon the request of Seabury, you will execute and deliver any and all documents, which are alleged to be necessary, or required to effect or evidence such subordination.

7. Responsibility for Damages - You will be responsible for any costs incurred in replacing, maintaining, or repairing any loss or damage to the real or personal property of Seabury caused by the negligence or willful misconduct of you, your guests, agents, employees, or pet. You are strongly encouraged to obtain insurance at your own expense to cover this obligation.
8. Protection of Personal Property - Seabury is not responsible for the loss of any personal property belonging to you due to theft, fire, or any other cause unless the said property is specifically entrusted in writing to our care and control and accepted by us, and then only for our gross negligence in failing to safeguard and account for such property. You will maintain personal-property insurance for the purpose of protecting against such losses. In the case where insurance has not been maintained, Seabury is not responsible for the replacement of personal property.
9. Indemnification - You will indemnify Seabury and hold it harmless for any injury to other residents, employees, or any third person, which arises from your negligent or intentional action. You may wish to obtain insurance at your own expense to cover this obligation.

10. Medicare, Supplemental Insurance Requirements and Third-party Reimbursement
You are, or shall be when eligible, enrolled in Medicare Part A, Medicare Part B, and Medicare Part D, or their equivalent. You authorize, as necessary, any provider of such medical and other health services, including Seabury, to receive reimbursement under Medicare Part A, Medicare Part B, and Medicare Part D or their equivalent as provided under these programs. You are required to secure and maintain a supplemental insurance policy (such as Blue Cross, Medicare, Extended Major Medical) to pay Medicare co-insurance deductible amounts and to provide major medical coverage, or show evidence of your ability to meet your future obligations to Seabury. This coverage is not provided by Seabury. If you are not eligible for Medicare programs, you agree to obtain and maintain equivalent insurance coverage acceptable to Seabury.

You agree to furnish evidence of your medical insurance coverage at any time upon our request. All changes to insurance plans must be reported to Seabury within 30 days of the change and copies of insurance card(s) with the policy information provided within the same time frame.

Should your supplemental coverage or equivalent health coverage not fully cover a Medicare-qualified stay at Seabury, or should you fail to purchase supplemental coverage or equivalent health coverage to fully cover such a Medicare-qualified stay, you will be financially responsible for paying deductibles, co-insurance amounts, and any other charges for each Medicare-qualified stay.

The aforementioned insurance requirements must be maintained throughout the term of this Agreement. If you do not comply with the aforementioned insurance requirements at any time during the term of this Agreement, you acknowledge and agree that Seabury shall have the right to, as permitted by applicable law, bill you directly for services not reimbursed by insurance.

If at any time you become entitled to payments for health services from governmental agencies, you agree to make a prompt application for such payments. Seabury will not be responsible for the cost of any health care for which you are entitled to reimbursement from a governmental agency or another third-party, i.e. workers' compensation, liability or PIP (personal injury protection), no-fault insurance, etc. You agree that upon receiving third-party reimbursement, you will repay Seabury for any third-party reimbursable costs, which Seabury incurred or paid on your behalf while your reimbursement approval was pending.

Seabury will assist you in submitting an application for health services or benefits under any programs for which you might qualify. In addition, Seabury will assist you in filing claims for payment for services rendered by Seabury. Upon request, you agree to execute an assignment of benefits to Seabury.

11. Furnishings - You will be responsible for furnishing your Independent Living Apartment or Cottage. All furniture and appliances provided by you are subject to our approval in order to keep the Independent Living Apartment or Cottages safe and sanitary.
12. Linens - You will provide your own bed and bath linens.
13. Housekeeping - You agree to maintain your Independent Living Apartment or Cottage in a clean, safe, and orderly condition, in conformance with all applicable health regulations, and to perform all usual light housekeeping. You further agree to arrange for the performance of light housekeeping at your own expense in the event Seabury determines, in Seabury's sole discretion, that you are unable or unwilling to perform such tasks yourself. Special housekeeping services will be provided by Seabury in the event of incidents such as spills or accidents, at an additional charge to you.
14. Right to Organize - Residents shall have the right to organize and operate a residents' association at Seabury, and shall have the right to meet privately to conduct business as an association. The officers of the Residents' Association shall serve as a liaison between the residents and Seabury. Seabury shall hold meetings with the residents for the purpose of free discussion of subjects of interest. Notice of meetings will be posted.
15. Non-Transferable - Your rights under this Agreement to the Independent Living Apartment or Cottage, facilities, and services provided for herein are personal to you and cannot be transferred or assigned by you to any other person or entity.
16. Preservation of Your Assets - You agree to manage your financial resources so as not to threaten or impair your ability or the ability of your estate to satisfy the financial obligations set forth in this Agreement. At the request of Seabury, you agree to make arrangements for the preservation and management of your

financial resources by a third party (or parties), including but not limited to the execution and funding of a trust agreement for your benefit whenever, in the sole judgment of Seabury, it appears that the continued management of your financial affairs may make you unable to meet your financial obligations to Seabury. Failure to comply with the requirements of this Paragraph may cause you to be ineligible for the subsidy assistance described in Section V, Paragraph 5 of this Agreement.

17. Financial Statements - Just as you have provided to Seabury a financial statement as part of the admissions process, you agree to continue to provide financial statements, including copies of your federal, state, and gift tax returns, insurance information, or other financially related information as requested by Seabury.
18. Representations Made by You in Connection With Application for Residency - Your application and the statements of your finances and health history which you filed with Seabury are incorporated into this Agreement, and all statements therein are deemed to be true as of the date made. You represent and warrant that there have been no material changes in the information provided since the date of application. Any material misstatement, or any material omission to state a fact called for, may result in the termination of this Agreement by Seabury.
19. Power of Attorney; Arrangements for Conservator - You agree to execute and maintain in effect a limited Durable Power of Attorney valid under Connecticut law. This Power of Attorney shall designate, as your attorney-in-fact, a bank, lawyer, relative, or other responsible person or persons of your choice to act for you in managing your financial affairs and filing for your insurance or other benefits, as fully and completely as you would if acting personally. It shall be in a form which survives your incapacity or disability and is otherwise satisfactory to Seabury. You will deliver a fully executed copy of this Power of Attorney to us before occupancy of your Independent Living Apartment or Cottage. If you become unable to care properly for yourself or your property and have made no designation of a person or legal entity to serve as a conservator of Person or Estate, you hereby authorize Seabury to propose, subject to approval by a court of competent jurisdiction as provided by law, a person or entity to serve as such conservator, and you release and hold harmless Seabury from any liability from proposing a conservator or from any acts or omissions of the conservator.
20. Pets - Pets or animals of any kind will be allowed on the premises only in strictest compliance with Seabury's written policies and with the prior written

consent of the facility. Seabury retains the right to modify pet policies at any time as it deems necessary, to assure the safety and comfort of all residents. If you have a pet in your Independent Living Apartment or Cottage, you agree to pay for the cost of replacing the carpeting in your Independent Living Apartment or Cottage as required by Seabury in its sole discretion, and for the cost of repairing any damage to the Independent Living Apartment or Cottage caused by your pet.

21. Smoke-Free Campus - You agree to maintain a smoke-free environment including your apartment, cottage, or anywhere on campus in accordance with Seabury's smoke-free policy. You are responsible for your guests and will ensure that they adhere to this policy when at Seabury.
22. Firearm Possession - You agree to abide by Seabury's strict policy of a gun-free environment, which includes possession of firearms or ammunition in your residence or on the Seabury Campus. You are responsible for your guests and will ensure their strict adherence to this policy when at Seabury. Failure to comply with the requirements of this paragraph may result in the termination of this agreement by Seabury.
23. Funeral Arrangements - You agree to make proper arrangements for funeral and burial. We will not be responsible for making such arrangements. You agree that Seabury shall be reimbursed by your estate for any expenses incurred by Seabury for such arrangements.

IV. HEALTH SERVICES

1. Health Services - Comprised of the Davis Center and the Brewer Center (skilled nursing - long-term care), and the Larus Center (skilled nursing - short-term rehabilitation), the Views (assisted living/residential care), and Seabury Meadows (assisted living Memory Support Center). When you receive health services in any of the above-named areas, you will continue to pay the Monthly Fee and additional charges according to your selected fee plan.

When in the Davis Center, the Brewer Center, and the Larus Center or Seabury Meadows, you will be served three meals per day and agree to pay such additional charges as may be due thereby. When in the Views, you agree to pay such additional charges for additional meals beyond 20 meals per month and occupying a larger studio, one-bedroom, or two-bedroom apartment.

There is no additional charge for special diets in the Davis Center, the Brewer Center, and the Larus Center.

In the rare event that space for you is not available in the Davis Center, the Brewer Center, the Larus Center or Seabury Meadows, Seabury will arrange and pay for your temporary care in another skilled nursing facility or memory care facility that can provide such care until space becomes available. Your Monthly Fee will continue to be payable according to your fee plan, and you will be liable for any additional charges imposed by the other skilled nursing facility or memory care facility that would be payable under the terms of this Agreement governing charges while a resident of the Davis Center, the Brewer Center, the Larus Center or Seabury Meadows. Seabury will not be responsible for any injury or damages that you may sustain or incur while you are receiving temporary care in another skilled nursing facility or memory care facility. If space is not available in the Views (assisted living/residential care), temporary care may be arranged at your expense.

2. Health Services Available in Your Independent Living Apartment or Cottage - Health services will be provided in your Independent Living Apartment or Cottage only in accordance with the provisions of this Section.
3. Hartford Healthcare (HHC) Clinic - A HHC Clinic (the "Clinic") is on the premises where residents and members may be examined and treated as outpatients. Arrangements will be made for one or more physicians selected by HHC (the "Clinic Physicians") to keep scheduled office hours at the Clinic. Residents will be charged for office visits to the Clinic Physicians or other health professionals at the Clinic. There is no obligation to use the HHC Clinic or the Clinic Physicians or staff. You remain free to engage the services of the physician or other health professionals of your choice at your expense.

Appointments with Seabury nursing staff are at no cost; however, additional charges are made for supplies and treatments (for example, administration of eye drops, injections, and dressing changes) as set forth in the schedule of charges for Assisted Living Services.

4. Emergency and Other Care in Your Independent Living Apartment or Cottage - Seabury's security staff and nursing staff, if required, will be available to provide emergency assistance in your Independent Living Apartment or

Cottage in accordance with Seabury's policies governing the provision of such care by our staff.

Subject to approval by the Medical Director, temporary health care services and oversight by our Clinic nursing staff may be provided in your Independent Living Apartment or Cottage in cases of temporary illness at no charge to you.

Subject to our approval and the approval of the Medical Director, home health agency services and assisted living services may be arranged at your request and at your expense, to provide home health or assisted living services on a scheduled and intermittent basis in your Independent Living Apartment or Cottage. Some home health agency services may be covered by Medicare or supplemental insurance. If you require frequent or continuous supervision or health services, you will be transferred to the appropriate level of care in accordance with the provisions of Section VI of this Agreement. You have the right to have scheduled and intermittent home health services provided by the licensed home health agency of your choice.

You may arrange to employ licensed private duty nurses, certified nurses' aides, or companions provided, however, such nurses, aides, and companions may not be employed for continuous care or supervision in your Independent Living Apartment or Cottage. You will pay all expenses, including meals, for your employees, who will be subject to all rules and regulations of Seabury. The employment of private duty nurses, aides, and companions requires Seabury's prior approval and must be in compliance with Seabury's private duty policy.

5. Therapy Services - You or your medical insurance will pay for all therapy and ancillary health services. Seabury may make arrangements for the services of a physical therapist, occupational therapist, podiatrist, or other therapy and ancillary health professionals to be available on the premises by appointment, but you are free to engage the services of the therapy and ancillary health professionals of your choice at their offices.
6. Hospital Coverage and Transfer Agreements - Seabury is not obligated to pay any charges for hospitalization or costs related thereto. In the event it becomes necessary for you to be transferred to a hospital, Seabury will provide the information necessary to meet the provisions of any hospital admissions

agreement, and you agree that Seabury has the right to provide such information, which may include part or all of your medical records.

Seabury is not designed or staffed to care for persons afflicted with certain diseases or conditions: for example, psychosis, substance abuse/addiction, contagious disease, or certain types of subacute care. If you require care for a disease or condition which Seabury determines: a) it cannot properly treat, or b) is a potential danger to the health and welfare of other residents or staff, you agree that Seabury has the authority, after consultations described in the transfer provisions of this Agreement, to transfer you elsewhere for hospitalization or nursing care as may be deemed necessary by the Medical Director, whether or not the condition is deemed to be temporary in nature. If the transfer is deemed permanent by the Medical Director, your Independent Living Apartment or Cottage may be released and refunds made in accordance with the termination provisions of this Agreement.

7. Exclusions - You agree to pay the costs of the following services, whether provided at Seabury or elsewhere, to the extent that they are not covered by other insurance or assistance programs.

- charges of any physician, APRN, podiatrist, chiropractor, or therapist;
- prescription drugs and medical supplies;
- vision, hearing, and dental care, including all supplies, equipment, and appliances;
- orthopedic appliances;
- mental health and substance abuse services;
- ancillary charges imposed by any outside health provider or institution;
- other health-related costs which are customarily considered extra charges by facilities providing services similar to those provided by the Davis Center, the Brewer Center, and the Larus Center or the Views;
- intravenous (IV) insertion;
- ventilator care;
- ambulance and other specialized medical transportation services, including the cost of a private aide, if needed, for transport.

In addition, you may require intensive subacute rehabilitative or other subacute care that Seabury does not customarily provide in the Davis Center, the Brewer Center, and the Larus Center. Because the need for such care may involve a wide variety of conditions and circumstances that cannot be specified in advance in all cases, Seabury reserves the right to determine, in Seabury's sole discretion, whether it is able to provide such care in the Davis Center, the Brewer Center, and the Larus Center, in any individual case and to require placement in another facility as appropriate. Usually, such care is covered by Medicare, Medicare managed care or supplemental insurance. To the extent that such care is not covered by such insurance, you are responsible for any charges for such care.

8. Illness or Injury Away from Seabury - In the event you suffer an illness or injury while away from Seabury, we shall have no responsibility to pay for your health care or nursing care resulting from such illness or injury unless such care is first authorized by Seabury after consultation with the treating physician. However, after you return to Seabury, we shall assume the responsibility to provide those services deemed necessary by your physician and by the Medical Director, in accordance with the terms of this Agreement. For purposes of this paragraph, you shall be considered to be away from Seabury if the injury or illness occurs when you are not within a twenty (20) mile radius of the facility.

V. FEES

1. Statement of Fees - The Entrance Fee and Monthly Fee set forth in attached Exhibit A represent payment for the services to be provided by Seabury under this Agreement.
2. Fees - The Reservation Fee and Entrance Fee for the Reserved Apartment or Cottage shall be determined and payable as follows:
 - The Reservation Fee shall equal five or ten percent (5% or 10%) of the Entrance Fee set forth in Exhibit A. It shall be paid before the execution of this Residence and Care Agreement and will be credited to the total Entrance Fee.

- Any additional partial advance payments ("Advance Payments") will be credited to the total Entrance Fee.
 - The balance of the Entrance Fee shall be due and payable at or before your Actual or Scheduled Occupancy Date, whichever first occurs.
 - Checks for all fees should be made payable to Seabury.
3. Escrow of Fees - All Reservation Fees and Advance Payments received from you shall be deposited within 72 hours of receipt with the facility's escrow agent (the "Escrow Agent"), which is:

Westfield Bank
337 Cottage Grove Road
Bloomfield, CT 06002

All Reservation Fees and Advance Payments received and held by the Escrow Agent shall earn interest at the Escrow Agent's current viable market rate. Such interest, less the Escrow Agent's processing fees, shall be allocated to you and refunded or credited to you in accordance with Section VI of this Agreement. In some instances, processing fees could be greater than the interest earned.

You shall be responsible for any taxes due on payments or credits of interest paid.

All Reservation Fees and Advance Payments deposited with the Escrow Agent are released to Seabury as of the Actual or Scheduled Occupancy Date, whichever first occurs. Interest earned on your Reservation Fee and Advance Payments, less the Escrow Agent's processing fees, will be credited to your Seabury account as of that date. After that date, any interest on these amounts that you have paid will accrue to Seabury's benefit.

4. Monthly Fees - You agree to pay Seabury the total Monthly Fee in advance on or before the fifth day of each month beginning with the Actual or Scheduled Occupancy Date, whichever first occurs. The Monthly Fee shall be prorated for any applicable period of less than one month. The Monthly Fee may be adjusted by Seabury at the sole discretion of Seabury upon at least sixty (60) days' advance written notice to you.

Seabury will endeavor to maintain the Monthly Fee at the lowest possible rate consistent with sound financial practice and maintenance of the quality

of services, including health care services called for herein, but we may exercise our discretion to increase the Monthly Fee periodically. When we decide to adjust periodic charges on other recurring fees, we will provide you with at least thirty (30) days' advance written notice of any increase in fees. You agree to pay the adjusted fee.

You agree to pay the Monthly Fee whether you are residing in your Independent Living Apartment or Cottage, the Davis Center, the Brewer Center, the Larus Center, the Views, or Seabury Meadows, or in another facility as set forth in Section IV of this Agreement.

If you are transferred after first occupancy to an Independent Living Apartment or Cottage for which the Monthly Fee is less than the Monthly Fee applicable to your original Independent Living Apartment or Cottage, the lower Monthly Fee will be charged while you reside in the smaller Independent Living Apartment or Cottage. Upon your transfer to the Davis Center, the Brewer Center, the Larus Center, the Views, or Seabury Meadows, the Monthly Fee payable while you are a resident of the Davis Center and the Brewer Center, the Views, or Seabury Meadows, will be the higher Monthly Fee paid for the Independent Living Apartment or Cottage you occupied before entering health services.

You will be invoiced monthly for any items and services provided for you that Seabury is not obligated to provide as part of your Monthly Fee, and you must pay those invoices within five days after receipt.

You agree to pay Seabury interest at reasonable rates, which we shall establish for overdue Monthly Fees and service charges.

5. Subsidy Assistance - If your funds become substantially reduced or depleted, and your income reduced to the extent that you are eligible to receive public benefits, including, but not limited to, Social Security Supplemental Income, Medicaid, etc., you agree to apply for these entitlements for benefits. Failure to do so may result in the termination of this Agreement by Seabury and release of its obligations hereunder. In the event that you are unable to meet your financial obligations to Seabury after qualifying for all available public benefits, Seabury will continue to provide the services to which you are entitled under this Agreement, but may require you to move to a smaller or less costly accommodation in order to reduce the cost of uncompensated services. Uncompensated services will be provided only to the extent and for as long as

Seabury deems the provision of such services to be consistent with the objectives of Seabury and its prudent financial management of Seabury. The total cumulative amount of uncompensated services and other subsidies provided to you by Seabury shall be deducted from any refund due to you or your estate upon the termination of this Agreement.

VI. TRANSFER FROM YOUR INDEPENDENT LIVING APARTMENT OR COTTAGE OR HEALTH SERVICES AREA

There may come a time when you must move from your Independent Living Apartment or Cottage to the Health Services area (the Davis Center, the Brewer Center, the Larus Center, the Views, or Seabury Meadows) or to another facility as provided in Section IV of this Agreement. We are aware that this is a critical transition and will follow the following procedures during any transfer:

1. Consultations - Except in case of emergency, Seabury agrees not to transfer you from your Independent Living Apartment or Cottage or the Davis Center, the Brewer Center, the Larus Center, the Views, or Seabury Meadows for health-related or other reasons unless we have consulted with you, or with anyone else you designate as a primary contact. In the case of an emergency transfer, the consultations described above will be scheduled by Seabury within ten days after the transfer.
2. Consents - When Seabury determines it to be appropriate, after consultations called for in the above Paragraph, to transfer you from your Independent Living Apartment or Cottage to another Independent Living Apartment or Cottage, to the Davis Center, the Brewer Center, the Larus Center, the Views, or Seabury Meadows, or to a suitable public or private facility for hospitalization, subacute or nursing care, or other health-related services, Seabury shall have the authority and right to transfer you without having to obtain your consent.

In the event Seabury determines that your continued occupancy of your Independent Living Apartment or Cottage or your continued occupancy in health services constitutes a danger to other residents or to yourself, violates the terms of this Agreement, or is detrimental to the peace or health of other residents, or to your health, Seabury shall have full authority to transfer you to another Independent Living Apartment or Cottage, to the Davis Center,

the Brewer Center, the Larus Center, the Views, or Seabury Meadows, or to another suitable public or private facility without having to obtain your further consent.

Seabury shall determine, in its sole discretion, whether a transfer is appropriate.

3. Temporary Transfer - When Seabury determines that the condition which requires your transfer has the potential to be resolved in a manner which may allow you to return to your Independent Living Apartment or Cottage within sixty (60) days from the date of the transfer, the Independent Living Apartment or Cottage will be held for your return. If Seabury initiated your transfer, the return to your Independent Living Apartment or Cottage is subject to the approval of Seabury. You agree to pay the Monthly Fee applicable to your Independent Living Apartment or Cottage during any temporary absence.
4. Permanent Transfer - When Seabury determines that the condition which required your transfer is not temporary in nature, your Independent Living Apartment, Cottage, or Views apartment shall be released and made available to a new resident.

You agree to the removal of your property from the Independent Living Apartment or Cottage, Views apartment, or storage room within fifteen (15) days of a permanent transfer. If after fifteen days your furniture and personal belongings remain in any of the areas listed above, you will continue to pay the monthly fee and be responsible for all additional charges for room and services in the Davis Center, the Brewer Center, the Larus Center, the Views, or Seabury Meadows. In addition, you will also pay your current monthly fee for the Apartment or Cottage, or room until such property is removed. After 30 days, the facility may store such property at your expense for 60 days, after which such property may be disposed of without liability.

5. Relocation or Transfer from one Independent Living Apartment or Cottage to another Independent Living Apartment or Cottage by a resident shall be handled in the following manner:
 - a. Prospects and residents will be given priority status on the Priority Wait List by date of their request. This request must be made in writing.

- b. **Entry Fee:** If a resident requests a move to a different Independent Living Apartment or Cottage with a refund that is due to the previous resident's estate, the resident's Entrance Fee must cover the existing refund. The additional Entrance Fee amount will be applied to the Refund Plan selected, and upon termination, the refund will be made in accordance with Section VII., Paragraph 6, or Paragraph 7, or Paragraph 8 on Page 24.
- c. **Monthly Fee:** Upon your transfer to the Davis Center, the Brewer Center, the Larus Center, the Views, or Seabury Meadows, the Monthly Fee payable, while you are a resident of the above Health Services areas will adjust to the higher monthly fee paid for the Independent Living Apartment or Cottage occupied before entering Health Services.
- d. If you transfer after first occupancy to a larger or smaller Independent Living Apartment or Cottage, you will be charged the current monthly fee on the Independent Living Apartment or Cottage to which you have transferred. Upon your transfer to the Davis Center, the Brewer Center, the Larus Center, the Views, or Seabury Meadows, the Monthly Fee payable while you are a resident of the above Health Services area will be the higher Monthly Fee paid for the Independent Living Apartment or Cottage you occupied before entering health services.
- e. **Relocation Fee:** When transferring to another Independent Living Apartment or Cottage, there will be a charge of one month's rental fee at the previous Independent Living Apartment or Cottage rate. The reason for this additional charge is to cover the loss of revenue to Seabury while refurbishing two Independent Living Apartments or Cottages.
- f. If a resident requests a move for health reasons, this request must be approved by Seabury's Medical Director, Vice President of Health Services, and the Admissions Committee in order to qualify for immediate relocation.

VII. TERMINATION OF AGREEMENT; REFUNDS

1. Termination By You Prior to the Scheduled Occupancy Date - You have certain rights as set forth in this Paragraph regarding the termination of this Agreement between the date this Agreement is executed by you and your Actual or Scheduled Occupancy date, whichever first occurs (the "Statutory Rescission Period").

You may terminate this Agreement for any reason within thirty (30) days following the date you signed this Agreement without penalty of forfeiture. You are not required to move to Seabury before the expiration of this thirty- day period.

From thirty (30) days following the execution of this Agreement until the end of the Statutory Rescission Period, you may terminate this Agreement due to death, illness, injury, or incapacity that prevents you from occupying your Independent Living Apartment or Cottage in accordance with the terms of this Agreement.

You must provide Seabury timely written notice via registered or certified mail of termination pursuant to this Paragraph. If the termination is due to death, illness, injury, or incapacity, Seabury reserves the right to require you to provide information to validate your claim that you are prevented from occupying the Reserved Apartment or Cottage.

Within sixty (60) days of Seabury's receipt of your written notice or acceptance of your claim as validated, Seabury will refund to you your Reservation Fee and Advance Payments, if any, together with accrued interest, less any processing fees charged by the Escrow Agent.

Seabury reserves the right to deduct from any refund due pursuant to this Paragraph (a) a processing fee of one thousand dollars (\$1,000) or two percent (2%) of the Entrance Fee, whichever is greater and (b) any costs specifically incurred by Seabury on your behalf and in accordance with your written request.

If you terminate your Agreement pursuant to this Paragraph, Seabury shall, at its option, have the right to reassign the Reserved Apartment or Cottage, and you then have no further right to the Reserved Apartment or Cottage.

2. Termination By You After the Actual or Scheduled Occupancy Date - You may terminate this Agreement after your Actual or Scheduled Occupancy Date by giving written notice to Seabury by registered or certified mail no less than thirty (30) days prior to termination.

This Agreement shall terminate upon your death.

Any Entrance Fee refund due to you will be made in accordance with Paragraph 6, or Paragraph 7, or Paragraph 8 of this Section, as applicable.

3. Termination by Seabury - Seabury shall have the right to terminate this Agreement for any cause, which, in its sole discretion, shall be good and sufficient. Good and sufficient cause shall include, but is not limited to, the following:

- You are not accepted by Seabury due to financial or medical reasons;
- Failure to perform your obligations under this Agreement, including the obligation to pay the Monthly Fees and other charges within ninety (90) days after they are due for payment;
- Failure to abide by the rules and regulations of Seabury, including such reasonable amendments as may be adopted from time to time;
- Material misstatements or failure to state a material fact in your application, financial statement, or health history statement filed with Seabury;
- Dissipation or commitment of your financial resources in a discretionary manner which impairs your ability to meet your financial obligation to Seabury;
- Permanent transfer to another public or private institution;
- Your behavior results in a threat to the safety, health, peace, or wellbeing of yourself or others.

Seabury shall give you reasonable notice of termination in writing via hand delivery, registered, or certified mail. Seabury's determination that your continued occupancy presents a threat to the safety of others or of yourself shall be a factor in determining the reasonableness of that notice period.

4. Conditions of Refund and Duties Upon Termination - If we terminate this Agreement prior to your Actual or Scheduled Occupancy date, whichever shall first occur, refund of your Reservation Fee and Advance Payments, if any, will be made in accordance with Paragraph 1 of this Section. If we or you terminate this

Agreement after the Actual or Scheduled Occupancy Date, the refund of the portion of the Entrance Fee to which you are entitled shall promptly be due to you in accordance with the provisions of Paragraphs 6, 7, or 8 of this Section. At the sole discretion of Seabury, payment of the refund may be made contingent on the reservation or occupancy of your Independent Living Apartment or Cottage by a new resident who has not previously occupied an Independent Living Apartment or Cottage at Seabury. If Seabury does require such a contingency, we will pay the refund no later than three years from the Termination Date.

Monthly Fees are to be paid through the Termination Date and for any part of a month in which your furnishings or belongings remain in your Independent Living Apartment or Cottage or Health Services room. In no event shall Seabury be obligated to refund more than one month's payment of the Monthly Fee. No refund of any portion of the Entrance Fee shall be due as a result of your transfer to the Davis Center, the Brewer Center, the Larus Center, the Views, or Seabury Meadows, or to another institution or facility unless this Agreement is terminated in accordance with its terms.

Upon termination by either you or Seabury, you agree to pay Seabury all amounts owed to it and any reasonable expenses incurred in connection with the termination, including, but not limited to:

- Costs of any repairs or replacement of property assigned to your use;
- Painting or other refurbishments of your Living Apartment or Cottage in excess of that required by normal wear;
- The cumulative amount of any uncompensated services or other subsidies provided to you by Seabury.

Seabury may deduct any amounts owed it by you against any refund due.

Timely notice of termination by you after your Actual or Scheduled Occupancy Date must be given by hand delivery or registered, or certified mail. The notice must specify the Termination Date.

5. Removal of Property - You agree to the removal of your property from the Independent Living Apartment or Cottage or room within fifteen (15) days after termination of the Agreement. After 15 days, the facility will store such property

at your or your estate's expense for thirty days, after which it may be disposed of without liability.

6. Provisions Applicable for 0% Plan Refund Option - If you have selected the 0% Plan Refund Option as shown on the attached Exhibit A, no refund shall be due to you or your estate.

If Seabury terminates this Agreement after your Actual or Scheduled Occupancy Date, you or your estate shall be due a refund equal to the amount of the Entrance Fee less two percent thereof for each calendar month between the date you signed this Agreement and the Termination Date. No refund shall be due if Seabury terminates this Agreement more than fifty months after the date you signed this Agreement.

7. Provisions Applicable for Plan 50% Refund Option - If you have selected the Plan 50% Refund Option as shown on the attached Exhibit A, you or your estate shall be due a refund equal to fifty percent (50%) of the Entrance Fee upon termination by you or by Seabury after the Actual or Scheduled Occupancy Date.

8. Provisions Applicable for Plan 80% Refund Option - If you have selected Plan 80% as shown on Exhibit A, you or your estate shall be due a refund equal to 80% of the entrance fee if you or your spouse have never transitioned to another level of care on a temporary or permanent basis.

If you transition to another level of care, you will continue to pay the Monthly Fee. You will also be responsible for the difference between the Monthly Fee and the private pay charges then in effect for the Views (assisted living), Seabury Meadows (assisted living Memory Support Center), or the Davis Center, the Brewer Center, the Larus Center (skilled nursing) determined by the level in which you are residing (unless your care is paid for by Medicare). The difference between your Monthly Fee and the cost of Assisted Living, Seabury Meadows, or Skilled Nursing will be deducted from your 80% refund. Maintaining your Independent Living Apartment or Cottage while residing in a different level of care will necessitate additional fees.

Limit of Financial Responsibility: If your 80% Entrance Fee refund is exhausted by deductions for health care charges, you will then need to pay

only the Monthly Fee for your Apartment or Cottage (or previous Apartment or Cottage) in Independent Living, plus additional meal charges.

Under Plan 80%, deductions from your 80% Entrance Fee refund for health care charges will be computed as described below:

a. Permanent Transfer to the Davis Center, the Brewer Center, the Larus Center, the Views, or Seabury Meadows

If you transition to the Views (assisted living), Seabury Meadows (assisted living Memory Support Center), or the Davis Center, the Brewer Center and the Larus Center (skilled nursing) and no longer have an assigned Independent Living Apartment or Cottage, you will continue to pay the Monthly Fee for your previous Independent Living Apartment or Cottage. Charges for the Views (assisted living), Seabury Meadows (assisted living Memory Support Center), or the Davis Center, the Brewer Center, and the Larus Center (skilled nursing) in excess of your Monthly Fee will be deducted from your 80% Entrance Fee refund (unless your care is paid for by Medicare).

b. Temporary Transfer to the Davis Center, the Brewer Center, and the Larus Center (skilled nursing)

If you receive care in the Davis Center, the Brewer Center, and the Larus Center (skilled nursing) temporarily (i.e., you maintain your Independent Living Apartment or Cottage and are expected to return to it), you will continue to pay your Monthly Fee. The full charges for care in the Davis Center, the Brewer Center, and the Larus Center (skilled nursing) will be deducted from your 80% Entrance Fee refund (unless your care is paid for by Medicare).

c. Shared Apartment or Cottages

The terms described above also apply to persons who share an Independent Living Apartment or Cottage; however, the total Monthly Fee due to Seabury will continue to include the Second Person Fee.

VIII. CO-RESIDENTS' RIGHTS AND RESPONSIBILITIES

1. Co-residents - Residents who will occupy the same Independent Living Apartment or Cottage ("Co-residents") shall each sign a separate Residence and Care Agreement with Seabury. Under the terms of this Agreement, married couples shall have rights and obligations identical to those of any other Co-residents.
2. Joint Liability - Each Co-resident shall be jointly and severally liable for all payments, which shall be due under the terms of this Agreement.
3. Termination of Agreement with One Co-resident - In the event that the Agreement of one Co-resident terminates for any reason, the total Entrance Fee shall be deemed to have been paid on behalf of the remaining resident, whose Agreement shall remain in effect. Any refund of Entrance Fee paid for Co-residents will be refunded for the benefit of the remaining resident, or their estate upon termination of the Agreement with the remaining resident subject to Section VII of this Agreement.

When the Agreement of one Co-resident terminates, the remaining resident shall have the option for a period of thirty (30) days thereafter to elect:

- to retain the same Independent Living Apartment or Cottage and to pay the then current single resident Monthly Fee applicable to that Independent Living Apartment or Cottage; or
 - to move to a different type of Independent Living Apartment or Cottage, if and when available, in accordance with the terms set forth in Section VI.
4. Transfer of One Co-resident to the Davis Center, the Brewer Center, the Larus Center, the Views, or Seabury Meadows - When one Co-resident transfers permanently from the Independent Living Apartment or Cottage to the Health Services area or to another facility, the Co-residents will continue to pay the Co-resident Monthly Fee set forth in Exhibit A applicable to the Independent Living Apartment or Cottage which they occupied at the time of transfer, subject to adjustment by Seabury in accordance with Section IV of this Agreement.

For a period of thirty (30) days from the date of transfer, the resident remaining in the Independent Living Apartment or Cottage shall have the

option to move to a different type of Independent Living Apartment or Cottage, if and when available, in accordance with the terms set forth in Section VI.

5. Addition of a Co-resident or Marriage - When a single resident occupies an Independent Living Apartment or Cottage in which Seabury policy permits double occupancy, the resident can allow another person to join him/her in occupancy of the Independent Living Apartment or Cottage if in the sole judgment of Seabury the new resident qualifies for acceptance. Before commencing occupancy, the new Co-resident shall be required to sign a separate Residence and Care Agreement, which will call for payment of the difference between the then-current single resident entrance fee and the present double occupancy entrance fee, and the applicable monthly fee for Apartment or Cottage.

6. Marriage or Co-Residency of Two Residents - When two single residents elect to live together, they may release one residence and reside together in the other or release both and move into another available Apartment or Cottage in which Seabury policy permits double occupancy. Co-residency residents shall be required to sign a separate Residence & Care Agreement establishing the applicable entrance and monthly fee for Apartment or Cottage; Co-residents will pay the applicable double occupancy monthly service fees. Termination of one Co-resident for any reason shall be in accordance with the terms set forth in Section VIII, paragraph 1, 2, and 3. No refund shall be due until termination, for any reason, by both Co-residents.

IX. MISCELLANEOUS

1. Confidentiality - Seabury has the responsibility to keep all of the personal, medical, and financial information you have supplied to Seabury in confidence. You agree that, as permitted by federal and state law, Seabury can provide such information to health care professionals, third-party payors, and others who have a need, in our judgment, or a right to know such information under federal or state law.

2. Management Authority - Seabury retains all authority regarding admission, adjustment of fees, and all aspects of the management of Seabury. You do not

have the right to prevent the admission of a new resident or the termination of another resident's Residence and Care Agreement, nor do you have the right to protest the fees charged to or financial assistance rendered to any other resident.

3. Waiver - In the event that Seabury does not, in any one or more instances, insist upon your strict performance, observance, or compliance with any of the terms or provisions of this Agreement, or if we waive a breach by you of this Agreement, it shall not be construed to be a waiver of our right to insist upon your strict compliance with all other terms and provisions of this Agreement.
4. Governing Laws - This Agreement, including its validity and the capacity of the parties to this Agreement, its form, interpretation of its language, and any questions concerning its performance and discharge, shall be governed by and construed in accordance with the laws and judicial decisions of the State of Connecticut.
5. Attorneys' Fees and Costs - If Seabury is obliged to take legal action to enforce this Agreement, to collect sums due to Seabury pursuant to this Agreement, or to recover damages of any kind, you are liable for the costs of such action, including but not limited to reasonable attorneys' fees.
6. Full and Complete Agreement - This Agreement has precedence over any representations previously made by Seabury representatives and over any descriptions of services in promotional materials or presentations. This Agreement constitutes the entire contract between you and Seabury and supersedes all previous understandings and agreements between you and Seabury. No waiver or modification shall be valid unless made in writing, signed by you and by Seabury and attached to this Agreement.
7. Interpretation - Headings are for convenience and reference purposes only and shall not affect the interpretation of any provision of this Agreement. Should any provision herein, for any reason, be held invalid or unenforceable in any jurisdiction in which it is sought to be enforced, such invalidity and unenforceability shall not affect any other provision of this Agreement, and such invalid and unenforceable provision shall be construed as if it were omitted. The remainder of the Agreement shall remain in full force and effect.

8. Right of Subrogation - Should you be injured by a third party and such injury requires us to provide health care services under this Agreement, we shall be subrogated, to the extent allowed by Connecticut law, to your rights against such other third party to the extent necessary to reimburse us for the costs incurred in providing health care services under this Agreement.
9. Force Majeure - Seabury shall not be in default hereunder if it is unable to fulfill or is delayed in fulfilling any of its obligations hereunder if it is prevented from fulfilling such obligations by reason of fire or other casualty, strikes of labor troubles, governmental preemption in connection with a national emergency, shortage of supplies or materials, or by reason of any rule, order or regulation of any governmental authority, or by reason of the condition of supply and demand affected by war or other emergency, or any other cause beyond its reasonable control.
10. Gender of Pronouns – All references in this Agreement by masculine pronouns and adjectives also include the feminine and vice versa.
11. Successors and Assigns – The duties owed Seabury under this Agreement shall inure to the benefit of its successors and assigns.
12. Statement of Non-Discrimination – Seabury complies with applicable federal and state laws that prohibit discrimination based on race, color, sex, religious beliefs, national origin and other protected classes of persons.
13. Notices – Until you reside at Seabury and when required by the terms of this Agreement, notices shall be given in writing and shall be given to Seabury or to you at the addresses set forth in Exhibit A, or at such address as we or you shall specify in writing to each other.

Your signature below certifies that you have read, understand and accept this Agreement and that you or your financial advisor have received the most current Disclosure Statement containing the current audited financial statements.

Signature - Resident

Date

CHURCH HOME OF HARTFORD, INCORPORATED

By: _____

Authorized Representative

Date

Last Name: _____

EXHIBIT

A

OCCUPANCY - The scheduled date agreed upon is _____
_____.

FEE SCHEDULE-Entry and monthly fees are based on the type of Independent Living Apartment or Cottage you occupy and the number of persons residing in the Apartment or Cottage. The Independent Living Apartment or Cottage you have selected and the applicable fees are stated below:

Reserved Apartment or Cottage Number _____

Apartment or Cottage Type _____

Total Entrance Fee for _____ Single Resident \$ _____
_____ Co-Residents \$ _____

Credit for Payment of Reservation Fee \$ _____

Seabury At Home Applied Membership Fee \$ _____
\$ _____

Parking Garage Fee (Buy-in):

Space Number # _____ \$ _____

ENTRANCE FEE BALANCE DUE AT AT
COMPLETION OF AGREEMENT \$ _____

TOTAL AMOUNT DUE AT AT
COMPLETION OF AGREEMENT \$ _____

Monthly Fee: _____ Single Resident \$ _____

_____ Two Residents \$ _____

Weekly Housekeeping: \$ _____

Parking Fee (Rental Option) Garage Carport

Space # # _____ # _____ \$ _____

Meal Plan: \$ _____

Reduced Meal Plan: \$ _____

No-Meal Plan Credit \$ _____

Other Charges: _____

TOTAL MONTHLY FEE \$ _____

Refund Option Selected

(____) Plan 0%

(____) Plan 50%

(____) Plan 80%

Addresses for Required Notice

to Seabury:

President and CEO

Seabury

200 Seabury Drive

Bloomfield, Connecticut 06002

to You:

Your signature below certifies that you have read, understand and accept this Exhibit

A.

Signature - Resident

Date

EXHIBIT B

AUDITED FINANCIAL STATEMENTS

INCLUDING CONSOLIDATED STATEMENTS OF
ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE PREVIOUS TWO YEARS.

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEARS ENDED SEPTEMBER 30, 2022 AND 2021



CPAs | CONSULTANTS | WEALTH ADVISORS

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SEABURY, INC. AND SUBSIDIARIES
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YEARS ENDED SEPTEMBER 30, 2022 AND 2021

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Seabury, Inc. and Subsidiaries
Bloomfield, Connecticut

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Seabury, Inc. and Subsidiaries, which comprise the consolidated statements of financial position as of September 30, 2022 and 2021, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Seabury, Inc. and Subsidiaries as of September 30, 2022 and 2021, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Seabury, Inc. and Subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Seabury, Inc. and Subsidiaries' ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Seabury, Inc. and Subsidiaries' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Seabury, Inc. and Subsidiaries' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Board of Directors
Seabury, Inc. and Subsidiaries

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules of financial position, activities and changes in net assets and cash flows as of and for the years ended September 30, 2022 and 2021 are presented for the purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

West Hartford, Connecticut
January 5, 2023

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2022 AND 2021

| ASSETS | 2022 | 2021 |
|--|----------------|----------------|
| CURRENT ASSETS | | |
| Cash and Cash Equivalents | \$ 9,282,028 | \$ 9,101,874 |
| Restricted Cash and Cash Equivalents Held by Trustee | 1,550,112 | 1,567,919 |
| Entrance Fee Deposits | 94,519 | 236,855 |
| Accounts Receivable, Net | 1,242,458 | 2,032,573 |
| Entrance Fees Receivable | 1,577,678 | 1,779,526 |
| Prepaid Expenses and Other Current Assets | 1,050,222 | 1,860,913 |
| Total Current Assets | 14,797,017 | 16,579,660 |
| INVESTMENTS | | |
| Investments | 30,865,493 | 31,509,844 |
| Investments Held by Trustee | 3,937,012 | 4,019,907 |
| Total Investments | 34,802,505 | 35,529,751 |
| PROPERTY AND EQUIPMENT, AT COST | | |
| Land and Improvements | 9,592,557 | 9,592,557 |
| Buildings and Improvements | 160,838,084 | 159,290,659 |
| Furniture, Fixtures, and Equipment | 9,684,044 | 10,095,465 |
| Vehicles | 123,800 | 199,795 |
| Construction in Progress | 393,080 | 393,080 |
| Total Property and Equipment | 180,631,565 | 179,571,556 |
| Less: Accumulated Depreciation | 83,880,718 | 76,683,786 |
| Net Property and Equipment | 96,750,847 | 102,887,770 |
| OTHER ASSETS | | |
| Deferred Compensation Investments | 96,782 | 353,052 |
| Beneficial Interest in Perpetual Trusts | 4,810,962 | 6,248,143 |
| Investment in Limited Partnerships | 534,963 | 435,218 |
| Pledges and Other Receivables | 131,388 | 131,388 |
| Total Other Assets | 5,574,095 | 7,167,801 |
| Total Assets | \$ 151,924,464 | \$ 162,164,982 |

See accompanying Notes to Consolidated Financial Statements.

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
SEPTEMBER 30, 2022 AND 2021

| | 2022 | 2021 |
|---|----------------|----------------|
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Current Portion of Bonds Payable | \$ 1,155,000 | \$ 1,100,000 |
| Current Portion of Capital Leases | 40,135 | 120,924 |
| Accounts Payable and Accrued Expenses | 2,693,358 | 2,730,473 |
| Entrance Fee Deposits | 94,519 | 236,855 |
| Deferred Revenue | 274,163 | - |
| Total Current Liabilities | 4,257,175 | 4,188,252 |
| ANNUITIES PAYABLE | 189,469 | 217,095 |
| BONDS PAYABLE, NET OF CURRENT PORTION AND BOND FINANCING COSTS | 78,357,245 | 79,496,865 |
| CAPITAL LEASES, NET OF CURRENT PORTION | - | 40,745 |
| DEFERRED COMPENSATION | 96,782 | 353,052 |
| REFUNDABLE AND NONREFUNDABLE ENTRANCE FEES | | |
| Entrance Fees Refunds Payable | 36,128,779 | 36,744,513 |
| Nonrefundable Deferred Fees, Net | 38,767,390 | 37,676,744 |
| Total Refundable and Nonrefundable Deferred Entrance Fees | 74,896,169 | 74,421,257 |
| Total Liabilities | 157,796,840 | 158,717,266 |
| NET ASSETS | | |
| Without Donor Restrictions | (12,078,856) | (4,332,377) |
| With Donor Restrictions | 6,206,480 | 7,780,093 |
| Total Net Assets | (5,872,376) | 3,447,716 |
| Total Liabilities and Net Assets | \$ 151,924,464 | \$ 162,164,982 |

See accompanying Notes to Consolidated Financial Statements.

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED SEPTEMBER 30, 2022 AND 2021

| | 2022 | 2021 |
|---|----------------|--------------|
| NET ASSETS WITHOUT DONOR RESTRICTIONS | | |
| Revenues, Gains, and Other Support: | | |
| Health Center Patients, Net of Contractuals | \$ 8,862,661 | \$ 8,533,326 |
| Assisted Living Services | 2,816,247 | 2,719,730 |
| Resident Services | 16,250,915 | 16,565,912 |
| Home Health Revenue | 904,185 | 731,449 |
| Seabury At Home, Inc. Revenue | 1,198,847 | 1,008,837 |
| Amortization of Nonrefundable Deferred Fees | 4,670,269 | 4,758,327 |
| Investment Income | 1,370,931 | 876,736 |
| Other Income | 2,879,163 | 2,162,867 |
| Paycheck Protection Program Loan Forgiveness | - | 3,208,620 |
| Contributions and Gifts | 185,159 | 233,353 |
| Total Revenues, Gains, and Other Support | 39,138,377 | 40,799,157 |
| Expenses: | | |
| Medical and Other Resident Care | 8,928,286 | 8,676,605 |
| General and Administrative | 12,830,838 | 11,910,136 |
| Dietary | 3,748,920 | 3,129,299 |
| Repairs and Maintenance | 3,445,210 | 2,895,482 |
| Housekeeping and Laundry | 1,270,474 | 1,162,893 |
| Interest Expense, Net | 4,065,497 | 4,115,394 |
| Depreciation | 7,586,926 | 7,649,452 |
| Total Expenses | 41,876,151 | 39,539,261 |
| INCOME (LOSS) FROM OPERATIONS | (2,737,774) | 1,259,896 |
| Other Changes in Net Assets Without Donor Restrictions: | | |
| Change in Net Unrealized Gain (Loss) on Investments | (5,011,980) | 1,834,233 |
| Net Assets Released from Restrictions | 3,275 | 1,194 |
| INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS | (7,746,479) | 3,095,323 |
| NET ASSETS WITH DONOR RESTRICTIONS | | |
| Contributions, Gifts, and Other Income, Net | 12,046 | 1,832 |
| Investment Gain | 208,821 | 177,757 |
| Change in Net Unrealized Gain (Loss) on Investments | (354,024) | 25,912 |
| Change in Interest in Perpetual Trusts | (1,437,181) | 992,760 |
| Net Assets Released from Restrictions | (3,275) | (1,194) |
| INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS | (1,573,613) | 1,197,067 |
| CHANGE IN NET ASSETS | (9,320,092) | 4,292,390 |
| Net Assets - Beginning of Year | 3,447,716 | (844,674) |
| NET ASSETS - END OF YEAR | \$ (5,872,376) | \$ 3,447,716 |

See accompanying Notes to Consolidated Financial Statements.

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED SEPTEMBER 30, 2022 AND 2021

| | 2022 | | | Total |
|---------------------------------------|----------------------|---------------------------|------------------|----------------------|
| | Program Services | Management and General | Fundraising | |
| Salaries and Wages | \$ 12,823,491 | \$ 1,610,727 | \$ - | \$ 14,434,218 |
| Employee Benefits | 3,290,357 | 290,160 | - | 3,580,517 |
| Depreciation and Amortization | 7,520,536 | 158,054 | - | 7,678,590 |
| Interest | 3,899,847 | 80,126 | - | 3,979,973 |
| Plant Operation and Maintenance | 3,129,098 | 54,730 | - | 3,183,828 |
| Other General and Administrative | 444,908 | 2,667,797 | - | 3,112,705 |
| Medical Supplies and Supporting Costs | 1,900,246 | - | - | 1,900,246 |
| Real Estate Taxes | 1,587,228 | 28,703 | - | 1,615,931 |
| Dietary Food and Supplies | 1,332,335 | - | - | 1,332,335 |
| Insurance | 751,693 | 16,142 | - | 767,835 |
| Resident Services | 263,074 | - | - | 263,074 |
| Events | - | - | 26,899 | 26,899 |
| Total Expenses | \$ 36,942,813 | \$ 4,906,439 | \$ 26,899 | \$ 41,876,151 |

| | 2021 | | | Total |
|---------------------------------------|----------------------|---------------------------|------------------|----------------------|
| | Program Services | Management and General | Fundraising | |
| Salaries and Wages | \$ 11,747,053 | \$ 1,522,128 | \$ - | \$ 13,269,181 |
| Employee Benefits | 3,361,394 | 337,315 | - | 3,698,709 |
| Depreciation and Amortization | 7,573,743 | 167,374 | - | 7,741,117 |
| Interest | 3,948,815 | 80,628 | - | 4,029,443 |
| Plant Operation and Maintenance | 3,209,897 | 57,060 | - | 3,266,957 |
| Other General and Administrative | 365,801 | 1,585,350 | - | 1,951,151 |
| Medical Supplies and Supporting Costs | 1,847,238 | - | - | 1,847,238 |
| Real Estate Taxes | 1,596,252 | 28,925 | - | 1,625,177 |
| Dietary Food and Supplies | 1,157,259 | - | - | 1,157,259 |
| Insurance | 719,269 | 22,377 | - | 741,646 |
| Resident Services | 186,497 | - | - | 186,497 |
| Events | - | - | 24,886 | 24,886 |
| Total Expenses | \$ 35,713,218 | \$ 3,801,157 | \$ 24,886 | \$ 39,539,261 |

See accompanying Notes to Consolidated Financial Statements.

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2022 AND 2021

| | 2022 | 2021 |
|---|----------------|---------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in Net Assets | \$ (9,320,092) | \$ 4,292,390 |
| Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities: | | |
| Proceeds from Entrance/Membership Fees, Net of Refunds | 5,145,181 | 4,031,905 |
| Depreciation | 7,586,926 | 7,649,452 |
| Bad Debt Expense | 32,567 | 59,090 |
| Loss on Disposal of Property | 107,208 | 53,934 |
| Amortization of Bond Financing Costs | 91,664 | 91,665 |
| Amortization of Bond Premium | (76,284) | (76,283) |
| Amortization of Nonrefundable Deferred Fees | (4,670,269) | (4,758,327) |
| Change in Net Unrealized Gain (Loss) on Investments | 5,366,004 | (1,860,145) |
| Change in Interest in Perpetual Trusts | 1,437,181 | (992,760) |
| Forgiveness of Paycheck Protection Program Loan | - | (3,208,620) |
| (Increase) Decrease in Operating Assets: | | |
| Entrance Fee Deposits | 142,336 | (79,658) |
| Accounts Receivable and Pledges Receivable | 757,548 | (290,260) |
| Entrance/Membership Fees Receivable | 201,848 | (835,075) |
| Prepaid Expenses and Other Current Assets | 810,691 | (893,086) |
| Increase (Decrease) in Operating Liabilities: | | |
| Accounts Payable and Accrued Expenses | (41,539) | 315,182 |
| Deferred Revenue | 274,163 | (444,173) |
| Entrance/Membership Fee Deposits | (142,336) | 79,658 |
| Annuities Payable | (27,626) | 89,548 |
| Net Cash Provided by Operating Activities | 7,675,171 | 3,224,437 |
| CASH PURCHASES FROM INVESTING ACTIVITIES | | |
| Purchases of Investments and Cash and Investments Held by Trustee, Net | (4,738,503) | (9,093,040) |
| Increase (Decrease) in Accounts Payable and Accrued Expenses Related to Construction | 4,424 | (76,735) |
| Purchases of Property and Equipment | (1,598,211) | (1,233,570) |
| Proceeds from Sale of Property and Equipment | 41,000 | 63,000 |
| Net Cash Used by Investing Activities | (6,291,290) | (10,340,345) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Principal Payments on Bonds Payable | (1,100,000) | (1,050,000) |
| Principal Payments on Capital Leases | (121,534) | (114,422) |
| Principal Payments on Paycheck Protection Program Note Payable | - | (70,501) |
| Net Cash Used by Financing Activities | (1,221,534) | (1,234,923) |
| NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH | 162,347 | (8,350,831) |
| Cash, Cash Equivalents, and Restricted Cash - Beginning of Year | 10,669,793 | 19,020,624 |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR | \$ 10,832,140 | \$ 10,669,793 |

See accompanying Notes to Consolidated Financial Statements.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 1 ORGANIZATION

Seabury, Inc. and Subsidiaries (the Company) is a Connecticut nonstock, tax-exempt organization operated exclusively for religious, charitable, scientific, literary or educational purposes by operating for the benefit of performing the functions of and carrying out the purposes of Church Home of Hartford, Inc. dba: Seabury (Seabury), Seabury At Home, Inc. (Seabury At Home), and Seabury Charitable Foundation, Inc. (the Foundation).

Seabury is a Connecticut nonstock, tax-exempt organization that has provided housing with support services for the elderly in the Hartford area since 1876. Seabury, which is affiliated with the Episcopal Diocese of Connecticut, currently operates a health center and independent living community. As of September 30, 2022, Seabury consists of 249 independent living units, 36 congregate living units, 22 residential care home beds, 72 skilled nursing beds, 30 assisted living dementia beds, and 28 dementia residential care home beds. As the Company is the sole member and beneficiary of Seabury, the activities of Seabury have been consolidated with those of the Company in the accompanying consolidated financial statements. All significant transactions between the Company and Seabury have been eliminated.

Overall occupancy levels at Seabury for the years ended September 30 are as follows:

| | <u>2022</u> | <u>2021</u> |
|----------------------------------|-------------|-------------|
| Independent Living | 82 % | 85 % |
| Congregate Living | 100 | 100 |
| Residential Care Home | 46 | 46 |
| Skilled Nursing Care | 79 | 74 |
| Assisted Living - Dementia | 13 | 62 |
| Residential Care Home - Dementia | 88 | 90 |

In May 1996, the Company formed the Foundation. The Foundation is incorporated under the Nonstock Corporation Act of the State of Connecticut and is a separate legal entity from the Company. The purpose of the Foundation is to operate exclusively for the benefit of, to perform the functions of and to further the charitable purposes and mission of Seabury and Seabury At Home. As the Company is the sole member and beneficiary of the Foundation, the activities of the Foundation have been consolidated with those of the Company in the accompanying consolidated financial statements. All significant transactions between the Company and the Foundation have been eliminated.

In March 2006, the Company formed Seabury At Home, which began operations in 2008. Seabury At Home is incorporated under the Nonstock Corporation Act of the State of Connecticut and is a separate legal entity from the Company. The purpose of Seabury At Home is to sponsor, initiate, develop, operate and maintain facilities and programs for the delivery of health care, personal care and support services to the elderly designed to promote and extend opportunities for independent living and personal health. As the Company is the sole member and beneficiary of Seabury At Home, the activities of Seabury At Home have been consolidated with those of the Company in the accompanying consolidated financial statements. All significant transactions between the Company and Seabury At Home have been eliminated.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 1 ORGANIZATION (CONTINUED)

In June 2015, the Company formed Seabury Powder Forest, LLC (Powder Forest). Powder Forest was formed as an LLC pursuant to laws of the state of Connecticut. The purpose of Powder Forest is to acquire and hold land for possible future development. Seabury At Home and the Foundation are equal members of Powder Forest. All transactions between the Foundation, Seabury At Home, and Powder Forest have been eliminated.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company includes revenues and expenses from healthcare and senior living services, investment income, and unrestricted grants and contributions in its measurement of results from operations. Unrealized investment activity and revenues with related donor restrictions are reported outside of this measurement.

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Company, the accounts are maintained on the accrual basis of accounting, and, accordingly, the accounts are recorded in the following net asset categories:

Net Assets Without Donor Restrictions – Net assets without donor restrictions represent available resources other than donor-restricted contributions. These resources may be expended at the discretion of the board of directors.

Net Assets With Donor Restrictions – Net assets with donor restrictions represent 1) contributions that are restricted by the donor as to purpose or time of expenditure, 2) contributions that require that the principal be maintained in perpetuity but permit the Company to expend the income earned thereon, and 3) the accumulated investment income and gains on donor-restricted endowment assets that have not been appropriated for expenditure.

Excess (Deficit) of Revenues over Expenses

The consolidated statements of activities and changes in net assets include income(loss) from operations. This is the performance indicator for the Company. Changes in net assets which are excluded from this operating measure, consistent with industry practice, include change in unrealized gains/losses on investments and assets acquired using contributions which by donor restriction were to be used for purposes of acquiring such assets.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. It is management's opinion that the estimates applied in the accompanying consolidated financial statements are reasonable.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash, Cash Equivalents, and Restricted Cash

Cash equivalents include cash and highly liquid investments purchased with an original maturity of three months or less. The Company maintains deposits in financial institutions that may, at times, exceed federal depository insurance limits. Management believes that the Company's deposits are not subject to significant credit risk.

Accounts Receivable

Accounts receivable are considered delinquent and written off when all attempts to collect from individuals or other payor sources have been exhausted. Management maintains an allowance for doubtful accounts of \$350,000 and \$378,000 at September 30, 2022 and 2021, respectively, which is based on a review of significant balances and past experience.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements. Purchases and sales of securities are recorded on the trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Unrealized gain (loss) on investments includes the Company's gains and losses on investments bought and sold as well as held during the year.

Realized and unrealized gains and losses and investment income on donor-restricted endowment assets are classified as increases or decreases in net assets with donor restrictions until appropriated for expenditure. The Company adopted a policy to review, for potential adjustment to cost, any investment where market value has decreased below cost by greater than 25% for a period of nine months or longer. No adjustments were necessary for the fiscal years ended September 30, 2022 and 2021. Refer to Note 5 for further detail on investment income for the years ended September 30, 2022 and 2021.

Property and Equipment

Depreciation of property and equipment is provided using the straight-line method over the estimated useful lives of the assets as follows:

| | |
|------------------------------------|----------------|
| Buildings and Improvements | 10 to 30 Years |
| Furniture, Fixtures, and Equipment | 3 to 20 Years |
| Vehicles | 4 Years |

Expenditures for maintenance and repairs are charged to operations as incurred. Expenditures in excess of \$5,000 for renewals and betterments are capitalized.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

Contributions are defined as voluntary, nonreciprocal transfers. Contributions without donor restrictions and unconditional contributions are recognized as support when received or pledged, if applicable. Contributions are reported as restricted support if they are received with donor stipulations that limit the use of such assets. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities and changes in net assets as net assets released from restrictions due to satisfaction of restrictions.

Revenue Recognition

The Company recognizes revenue at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods or services to its customers using the following five-step process:

1. Identify the contract(s) with the customer
2. Identify the performance obligation(s) in the contract
3. Determine the transaction price
4. Allocate the transaction price to performance obligations in the contract
5. Recognize revenue when (or as) the Company satisfies a performance obligation

See Note 9 for details on how the above five-step process is applied to the Company's contracts with customers.

Operating Reserve

The State of Connecticut Department of Social Services (DSS) monitors Connecticut retirement communities and their compliance with existing state regulations. Among other things, DSS requires that retirement communities maintain an operating reserve equal to approximately one month's cash operating costs. The Company maintained an adequate operating reserve as of September 30, 2022 and 2021.

Charitable Reserve

Pursuant to the agreed settlement with the state of Connecticut for the addition of 30 skilled nursing beds during fiscal 1996, the Company was required to segregate \$500,000 of its investments in a contingency fund account restricted to provide for the expenses of the continuum of care to be made available to private payor health center residents of Seabury that may not be covered by the residents' assets. This amount was increased by \$100,000 in each fiscal year through the fiscal year ended September 30, 2001 so that the reserve at September 30, 2022 and 2021 is in excess of the required \$1,000,000. This amount is included in net assets without donor restrictions in the accompanying consolidated statements of financial position.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Beneficial Interest in Perpetual Trusts

The Company is the beneficiary of several trust funds. Although the principal balances in the trust funds are restricted in perpetuity, the income earned on the trust funds is recorded as revenue without donor restrictions. The income is used for general expenses to maintain and operate the facilities. For the fiscal years ended September 30, 2022 and 2021, \$263,894 and \$220,730, respectively, is included in investment income without donor restrictions. Changes in market value for the Company's portion of the trusts were \$(1,437,181) and \$992,760 for the years ended September 30, 2022 and 2021, respectively.

Charitable Gift Annuity

The Foundation is the recipient of charitable gift annuities. Under the terms of the charitable gift annuity agreement with the individual donors, the Foundation is required to make monthly or quarterly payments to the donors over their remaining life. The proceeds from the gifts are without donor restrictions and are recognized as revenue to the extent that the fair market value of a gift on the date of receipt exceeds the present value of the estimated future annuity payments. The present value of the estimated future annuity payments is reflected as an annuity payable in the accompanying consolidated statements of financial position.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been reported on a functional basis in the consolidated statement of functional expenses. Program expenses include the provision of Seabury's senior living and healthcare services. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis. Expenses are allocated based on full-time equivalents or square footage.

The expenses that are allocated include the following:

| <u>Expense</u> | <u>Method of Allocation</u> |
|---------------------------------|--|
| Salaries and Wages | Direct / Sq. Footage / Full-Time Equivalents |
| Depreciation and Amortization | Direct / Sq. Footage |
| Interest | Direct / Sq. Footage |
| Employee Benefits | Direct / Full-Time Equivalents |
| General and Administrative | Direct / Sq. Footage / Full-Time Equivalents |
| Dietary Food and Supplies | Direct / Sq. Footage |
| Plant Operation and Maintenance | Direct / Sq. Footage |
| Real Estate Taxes | Direct / Sq. Footage |
| Insurance | Direct / Sq. Footage / Full-Time Equivalents |

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

Seabury, the Foundation and Seabury At Home are tax-exempt under Section 501(c)(3) of the Internal Revenue Code and are not subject to federal or state income taxes. Powder Forest is a limited liability company treated as a partnership for income tax purposes with the net activity of Powder Forest being passed through to the Foundation and Seabury At Home and reported on their respective Form 990s. As such, no recognition of income taxes for the Company has been provided for in the accompanying consolidated financial statements.

COVID-19

On March 11, 2020, the World Health Organization declared the coronavirus outbreak (COVID) to be a global pandemic. The situation is ongoing and dynamic. For the years ended September 30, 2022 and 2021, the Company incurred costs related to the pandemic response totaling \$82,440 and \$463,499, respectively. Certain of these costs were eligible for recovery during fiscal 2022 and 2021 under various federal grants and state programs as discussed in Note 10. The duration of uncertainties related to the COVID pandemic and its ultimate financial effects cannot be reasonably estimated at this time.

Subsequent Events

In preparing these consolidated financial statements, management has evaluated subsequent events through January 5, 2023, which represents the date the consolidated financial statements were available to be issued.

NOTE 3 CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated statements of financial position that sum to the total of the same such amounts shown in the consolidated statements of cash flows.

| | <u>2022</u> | <u>2021</u> |
|--|----------------------|----------------------|
| Cash and Cash Equivalents | \$ 9,282,028 | \$ 9,101,874 |
| Restricted Cash and Cash Equivalents Held by Trustee | <u>1,550,112</u> | <u>1,567,919</u> |
| Total Cash, Cash Equivalents, and Restricted Cash Shown in the Consolidated Statements of Cash Flows | <u>\$ 10,832,140</u> | <u>\$ 10,669,793</u> |

Restricted cash and cash equivalents held by trustee on the consolidated statements of financial position represents amounts pledged for debt service and collateral for bonds payable arrangements as contractually required by the related bond agreements. The restriction will lapse when the related bonds payable are paid off.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 4 FAIR VALUE MEASUREMENTS

GAAP established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The assets or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets (liabilities) measured at fair value:

Fixed Income and Equity Mutual Funds – Fixed income and equity mutual funds are valued at the quoted net asset value of shares held by the Company at year-end.

Common Stocks, Foreign Stocks and U.S. Government Securities – These items are valued at the closing price reported in the active market in which the individual securities are traded.

Beneficial Interest in Perpetual Trusts – Beneficial interest in perpetual trusts held by third parties are valued at the present value of the future distributions expected to be received over the term of the agreement, which is measured by the fair values of the underlying assets. The Company cannot access assets in the trust.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Investment in Limited Partnerships – Investment in limited partnerships (LPs) is valued at cost of capital contributions to the LPs, plus or minus the proportionate share of net income or loss in the LPs. Based on the current status of the LPs, management believes this approximates fair value.

There have been no changes in the methodologies used at September 30, 2022 and 2021.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Company's assets at fair value as of September 30:

| | September 30, 2022 | Fair Value Measurements Using | | |
|---|-----------------------|-------------------------------|---------|--------------|
| | | Level 1 | Level 2 | Level 3 |
| Cash Equivalents | \$ 3,418,688 | \$ 3,418,688 | \$ - | \$ - |
| Fixed Income Mutual Funds | 19,061,916 | 19,061,916 | - | - |
| U.S. Government Securities | 3,937,011 | 3,937,011 | - | - |
| Equity Mutual Funds | 1,656,788 | 1,656,788 | - | - |
| Common and Foreign Stocks | 6,728,102 | 6,728,102 | - | - |
| Total Investments | 34,802,505 | 34,802,505 | - | - |
| Investment in Limited Partnerships | 534,963 | - | - | 534,963 |
| Beneficial Interest in Perpetual Trusts | 4,810,962 | - | - | 4,810,962 |
| Total Assets at Fair Value | \$ 40,148,430 | \$ 34,802,505 | \$ - | \$ 5,345,925 |

| | September 30, 2021 | Fair Value Measurements Using | | |
|---|-----------------------|-------------------------------|---------|--------------|
| | | Level 1 | Level 2 | Level 3 |
| Cash Equivalents | \$ 1,268,819 | \$ 1,268,819 | \$ - | \$ - |
| Fixed Income Mutual Funds | 14,205,237 | 14,205,237 | - | - |
| U.S. Government Securities | 9,481,352 | 9,481,352 | - | - |
| Equity Mutual Funds | 3,361,089 | 3,361,089 | - | - |
| Common and Foreign Stocks | 7,213,254 | 7,213,254 | - | - |
| Total Investments | 35,529,751 | 35,529,751 | - | - |
| Investment in Limited Partnerships | 435,218 | - | - | 435,218 |
| Beneficial Interest in Perpetual Trusts | 6,248,143 | - | - | 6,248,143 |
| Total Assets at Fair Value | \$ 42,213,112 | \$ 35,529,751 | \$ - | \$ 6,683,361 |

There were no transfers between levels of investments during the years ended September 30, 2022 and 2021.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Assets Measured at Fair Value Using Significant Unobservable Inputs (Level 3)

The underlying subscription agreement for the Company's investment in limited partnerships allows for a maximum commitment of \$875,000. Unfunded capital commitments totaled \$281,250 as of September 30, 2022. The Company does not hold any redemption rights on the investment in limited partnerships. The limited partnerships have a life of 10 years that commenced on the date of filing of the certificate of limited partnership through the termination date, June 30, 2024.

The following table presents information about significant unobservable inputs related to the Company's investment in Level 3 assets at September 30, 2022:

| Type | Fair Value | | Valuation Technique | Significant Unobservable Inputs |
|---|--------------|--------------|----------------------------|--|
| | 2022 | 2021 | | |
| Beneficial Interest in Perpetual Trusts | \$ 4,810,962 | \$ 6,248,143 | FMV of Trust Investments | Value of Underlying Investments |
| Investment in Limited Partnerships | 534,963 | 435,218 | Determined by Fund Manager | Value of Underlying Assets and Liabilities |

NOTE 5 INVESTMENT INCOME

Investment income on cash and cash equivalents, perpetual trusts and investments is comprised of the following for the years ended September 30:

| | 2022 | 2021 |
|--|--------------|------------|
| Interest and Dividend Income from Investments | \$ 765,146 | \$ 512,274 |
| Net Realized Gain on Sales of Investments | 482,784 | 286,799 |
| Investment Fees | (152,110) | (143,067) |
| Income from Investments | 1,095,820 | 656,006 |
| Interest and Dividend Income from Perpetual Trusts | 263,894 | 220,730 |
| Total Investment Income, Net | \$ 1,359,714 | \$ 876,736 |

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 6 LONG-TERM DEBT

The following is a summary of long-term debt at September 30:

| <u>Description</u> | <u>2022</u> | <u>2021</u> |
|---|----------------------|----------------------|
| Public Finance Authority Healthcare Facility Expansion/Refunding Bonds (Seabury Incorporated Project) Series 2015A (PFA Bonds) dated April 1, 2015, \$34,510,000 original principal amount, plus original issue premium of \$760,619, maturing at various times through September 2038, with interest payable semi-annually on March 1 and September 1 at various interest rates from 4% to 5% and principal payable annually on September 1. Bonds are secured by a first mortgage lien on the property. | \$ 27,345,000 | \$ 28,445,000 |
| State of Connecticut Health and Educational Facilities Authority Revenue Bonds, Healthcare Facility Expansion Issue (Seabury Incorporated Project) Series 2016A (CHEFA 2016A Bonds) dated April 1, 2016, \$52,515,000 original principal amount, plus original issue premium of \$1,639,570, maturing in September 2046 (\$23,240,000) and September 2053 (\$29,275,000), with interest payable semi-annually on March 1 and September 1 at an interest rate of 5%. Sinking fund installments of principal begin in September 2039. Bonds are secured by a first mortgage lien on the property. | 52,515,000 | 52,515,000 |
| Total Long-Term Debt | 79,860,000 | 80,960,000 |
| Less: Current Portion | (1,155,000) | (1,100,000) |
| Less: Unamortized Bond Financing Costs | (2,223,392) | (2,315,056) |
| Plus: Unamortized Bond Premium | 1,875,637 | 1,951,921 |
| Net Long-Term Debt | <u>\$ 78,357,245</u> | <u>\$ 79,496,865</u> |

The following is a schedule of long-term debt principal payments over the next five fiscal years and thereafter:

| <u>Fiscal Years</u> | <u>PFA Bonds</u> | <u>CHEFA 2016A Bonds</u> | <u>Total</u> |
|---------------------|----------------------|----------------------------------|----------------------|
| 2023 | \$ 1,155,000 | \$ - | \$ 1,155,000 |
| 2024 | 1,215,000 | - | 1,215,000 |
| 2025 | 1,275,000 | - | 1,275,000 |
| 2026 | 1,340,000 | - | 1,340,000 |
| 2027 | 1,405,000 | - | 1,405,000 |
| Thereafter | 20,955,000 | 52,515,000 | 73,470,000 |
| Total | <u>\$ 27,345,000</u> | <u>\$ 52,515,000</u> | <u>\$ 79,860,000</u> |

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 6 LONG-TERM DEBT (CONTINUED)

Covenants

The Company, under provisions of the bond agreements, is required to maintain a debt service coverage ratio and meet a day's cash on hand liquidity requirement. In the opinion of management, the Company is in compliance with these covenants at September 30, 2022.

NOTE 7 PAYCHECK PROTECTION PROGRAM LOAN PAYABLE

During April 2020, the Company received a Paycheck Protection Program (PPP) loan of \$3,279,121 granted by the Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The Company considered the PPP loan to be debt and, accordingly, recorded the amount of forgiveness when legally released by the lender. The Company submitted the application for loan forgiveness on December 10, 2020 and received notification for forgiveness on June 22, 2021. The Company received forgiveness in the amount of \$3,208,620 and this amount is included in total revenue, gains and other support in the consolidated statement of activities as of September 30, 2021. The Company repaid principal amount of \$70,501 and interest in the amount of \$821 during the year ended September 30, 2021.

The forgiveness of this loan is subject to audit by the SBA for a period of seven years.

NOTE 8 LEASES

The Company entered into three lease agreements for phone, television and Internet equipment. The first lease requires monthly payments of principal and interest of \$4,886 with an interest rate of approximately 6.1%. The second lease requires monthly payments of principal and interest of \$3,411 with an interest rate of approximately 5.97%. The third lease requires monthly payments of principal and interest of \$2,366 with an interest rate of approximately 5.97%. The Company's cumulative property and obligation under lease arrangement at the start of the lease agreements was \$703,215 based on the fair value of the furniture, fixtures and equipment acquired. During the year ended September 30, 2021, the Company disposed of the first lease agreement asset but is still obligated to make the full payments under the lease. During the year ended September 30, 2022, the Company disposed of the second and third lease agreement assets but is still obligated to make the full payments under the lease. The net book value of the related property as of September 30, 2022 and 2021 was \$148,071 and \$166,580, respectively.

Amortization totaling \$18,509 and \$53,670 was incurred for the years ended September 30, 2022 and 2021, respectively, relative to the furniture, fixtures and equipment under capital lease is included in depreciation on the consolidated statements of activities and change in net assets.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 8 LEASES (CONTINUED)

The following is a schedule by years of future minimum payments under leases, together with the present value of minimum lease payments as of September 30, 2022:

| <u>Year Ending December 31,</u> | <u>Amount</u> |
|------------------------------------|---------------|
| 2023 | \$ 40,748 |
| 2024 | - |
| Total Minimum Lease Payments | 40,748 |
| Less: Amount Representing Interest | (613) |
| Lease Obligations | \$ 40,135 |

NOTE 9 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue

Health center, assisted living, resident service, home health and Seabury At Home revenue is reported at the amount that reflects the consideration the Company expects to receive in exchange for the services provided. Revenue that is recognized over time includes all of the resident services and healthcare revenue. These amounts are due from residents or third-party payors. Performance obligations are determined based on the nature of the services provided. Health center, assisted living, resident service, home health and Seabury At Home revenue is recognized as performance obligations are satisfied. The Company recognizes revenue in accordance with the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers* (ASC 606).

The Company's specific revenue recognition policies are as follows:

Health Center Patient Revenue

The Company recognizes health center patient revenue at estimated net realizable amounts from patients, third-party payors and others for services rendered on a per diem basis. Rates charged for health center services rendered, other than private-pay patients and third-party payors, are regulated by Medicare and Medicaid. Revenue under certain third-party payor agreements is subject to audit and retroactive adjustment. Provisions for estimated third-party payor 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. Changes in estimates of prior year settlements were not significant in 2022 or 2021. Management believes that all applicable government reimbursement principles have been properly applied and that no material adjustments will occur as result of an audit.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 9 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

Revenue (Continued)

Health Center Patient Revenue (Continued)

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Management believes that the Company is in compliance with the licensure, accreditation, government healthcare program participation requirements and other Medicaid fraud and abuse legislation, and with other government regulatory and statutory laws and provisions. While no material regulatory inquiries have been initiated by government agencies, compliance with such laws and regulations can be subject to future government review and can lead to other new statutory and regulatory interpretations, as well as other regulatory actions unknown or unasserted at this time.

Assisted Living Services Revenue

Under the assisted living services, the Company provides senior living services to residents for a stated daily service fee for private-pay patients and at the published Old Age Assistance (OAA) daily rate for Medicaid covered patients. The Company's assisted living agreements are for a term of 30 days, with resident fees billed monthly for room and board. Residents are charged on a fee schedule for any additional ancillary services. Revenue is recognized on a monthly basis for room and board fees and a daily basis for ancillary services provided.

Resident Service Revenue

Under the Company's independent living agreements, the Company provides senior living services to residents for a stated monthly service fee. Resident agreements are for a term of 30 days, with options. Revenue is recognized on a monthly basis upon the provision of the related service.

The Company's independent living agreements require the resident to pay an upfront entrance fee prior to moving into the community, which is partially refundable in certain circumstances. The nonrefundable portion of the entrance fee is recorded as deferred revenue and amortized over the estimated actuarial life of the resident. This amount is considered a contract liability under ASC 606. The refundable portion of a resident's entrance fee is recorded as a liability and refundable upon the resale and re-occupancy of the unit. The refundable portion of the fee is not amortized and is included in refundable entrance fees. The refundable portion of the entrance fees is not considered part of contract liabilities under ASC 606.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 9 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

Revenue (Continued)

Home Health Revenue

Under the Company's home health agreements, the Company provides home health services to residents for various stated fees. Home health agreements are for a term of 30 days, with options. Revenue is recognized upon the provision of each session of the related service. Rates charged for home health services rendered, other than private-pay patients and third-party payors, are regulated by Medicare and Medicaid. Revenue under certain third-party payor agreements is subject to audit and retroactive adjustment. Provisions for estimated third-party payor 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. Changes in estimates of prior year settlements were not significant in 2022 or 2021. Management believes that all applicable government reimbursement principles have been properly applied and that no material adjustments will occur as result of an audit.

Seabury At Home Revenue

Under the Company's At Home agreements, the Company provides home health services to residents for a stated monthly service fee. Resident agreements are for a term of 30 days, with options. Revenue is recognized on a monthly basis upon the provision of the related service.

The Company's At Home agreements require the resident to pay an upfront membership fee prior to rendering home health services, which is partially refundable in certain circumstances. The nonrefundable portion of the membership fee is recorded as deferred revenue and amortized over the estimated actuarial life of the resident. This amount is considered a contract liability under ASC 606. The refundable portion of a resident's membership fee is recorded as a liability and refundable upon termination from the At Home program. The refundable portion of the fee is not amortized and is included in refundable entrance fees. The refundable portion of the membership fees is not considered part of contract liabilities under ASC 606.

Other Income

Other income represents revenue from services from amenities and convenience services provided to residents and guests. This revenue is recognized on a daily basis upon the provision of the respective service.

Services to Seabury At Home, Inc.

This revenue represents revenue from services provided to Seabury At Home by Seabury employees. This amount is eliminated in the consolidated totals.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 9 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

Revenue (Continued)

The Company has elected the practical expedient under ASC 606 and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the Company's expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less. However, the Company does, in certain instances, enter into payment agreements with residents that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

The Company has applied the practical expedient provided by FASB ASC 340-40-25-4 and all incremental customer contract acquisition costs are expensed as they are incurred, as the amortization period of the asset that the Company otherwise would have recognized is one year or less in duration.

The composition of revenues by primary payor for the years ended September 30 is as follows:

| | 2022 | | | | |
|-----------------------------------|------------------------------|--------------------------------|----------------------|-------------------|-------------------------|
| | Health Center Patients | Assisted Living Services | Resident Services | Home Health | Seabury At Home Inc. |
| Lifecare Residents and Members | \$ 988,065 | \$ - | \$ 13,866,144 | \$ 904,185 | \$ 1,198,847 |
| Private | 2,316,858 | 1,992,676 | 2,088,725 | - | - |
| Medicare | 1,918,476 | - | 224,442 | - | - |
| Medicaid | 2,415,110 | 733,621 | - | - | - |
| Other Third-Party Payors | 1,224,152 | 89,950 | 71,604 | - | - |
| Total | <u>\$ 8,862,661</u> | <u>\$ 2,816,247</u> | <u>\$ 16,250,915</u> | <u>\$ 904,185</u> | <u>\$ 1,198,847</u> |
| | | | | | |
| | 2021 | | | | |
| | Health Center Patients | Assisted Living Services | Resident Services | Home Health | Seabury At Home Inc. |
| Lifecare Residents and Members | \$ 1,025,241 | \$ - | \$ 14,444,940 | \$ 736,906 | \$ 1,008,837 |
| Private | 1,683,676 | 1,918,323 | 1,860,175 | (30) | - |
| Medicare | 2,445,355 | - | 243,688 | - | - |
| Medicaid | 2,257,842 | 732,720 | - | - | - |
| Other Third-Party Payors | 1,121,212 | 68,687 | 17,109 | (5,427) | - |
| Total | <u>\$ 8,533,326</u> | <u>\$ 2,719,730</u> | <u>\$ 16,565,912</u> | <u>\$ 731,449</u> | <u>\$ 1,008,837</u> |

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 9 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

Revenue (Continued)

The opening and closing contract balances were as follows:

| | <u>Nonrefundable Entrance Fees</u> | <u>Accounts and Entrance Fees Receivable</u> |
|----------------------------------|--|--|
| Balance as of September 30, 2020 | \$ 37,849,606 | \$ 2,745,854 |
| Balance as of September 30, 2021 | 37,676,744 | 3,812,099 |
| Balance as of September 30, 2022 | 38,767,390 | 2,820,136 |

NOTE 10 COVID PROGRAMS

During the years ended September 30, 2022 and 2021, the Company received \$37,758 and \$87,235, respectively, in grant proceeds through the Provider Relief Program and Coronavirus Relief Fund under the CARES Act. Under the Provider Relief Program, the Company is required to use the grant proceeds to cover certain expenditures or lost healthcare revenues that occurred due to the COVID pandemic. Under the Coronavirus Relief Fund grant, the Company was required to use the proceeds to cover certain COVID expenditures prior to June 30, 2020. The Company recognized revenue under these programs of \$82,440 and \$531,408 during the years ended September 30, 2022 and 2021, respectively, as included within other income on the consolidated statement of activities and changes in net assets, for qualifying expenses incurred through that date.

The Company received an Employee Retention Credit (ERC) of \$1,960,683 related to eligible quarters of 2020 and 2021. The ERC is a credit against certain payroll taxes allowed to an eligible employer for qualifying wages, which was established by the CARES Act and further amended by the Consolidated Appropriations Act (CAA) and the American Rescue Plan (ARP). During the year ended September 30, 2022, the Company recognized \$1,686,520 as Employee Retention Credit revenue based on certain payroll tax credits allowed for qualified wages that the Company had incurred through September 30, 2022. The remaining amount of \$274,163 of ERC is recorded as deferred revenue as of September 30, 2022. There is a possibility that upon subsequent review the IRS could reach a different conclusion regarding the Company's eligibility to retain the ERC credits received, which could result in repayment of the credits, interest and potential penalties. The amount of liability, if any, from potential ineligibility cannot be determined with certainty.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 11 LIFE CARE AGREEMENT

A life care agreement is signed by all residents of Seabury and all enrollees of Seabury At Home. Some of the principal terms and conditions of the Seabury agreement are as follows:

In consideration for the resident's payment of a life care entrance fee, the Company agrees to furnish to the resident a living unit in the residence complex for his or her personal use and occupancy for the balance of the resident's lifetime unless sooner terminated under the provisions of the agreement. If the agreement includes two persons, the term "resident" shall include both persons, and on the death of one all rights pass to, and are retained by, the survivor for the survivor's lifetime. The life care agreements vary in terms of refund policy and monthly service fees.

An agreed-upon payment schedule for full payment of the life care entrance fee is obtained from the resident prior to occupancy. The fee consists of a refundable and nonrefundable portion. Seabury currently offers three life care contracts which are nonrefundable (0%) and 67% and 80% fixed refundable plans. Three other life care contracts for the declining refund, 85% and 95% plans have been discontinued and are no longer offered to new residents. The refundable portion varies depending upon which of the six life care contract plans was selected. One of the life care plans offered a declining refund at 2% per month, one plan is a nonrefundable plan (0%) and one plan offers a fixed 67% refund of the original life care entrance fee. The other three life care plans offer an 80%, 85%, or 95% refund, respectively, of the original life care entrance fees if the occupant never resides in the nursing facility. If the resident enters the nursing facility, the refundable amount can be reduced for the assisted living or skilled nursing facility charges. Under the resident agreements of the five refundable plans, amounts are refundable after the living unit is reoccupied and the new life care entrance fee is paid in full.

The 0%, 67%, 80%, 85%, and 95% refundable portions of the life care entrance fee are deferred. All currently held refundable amounts are shown as a liability in the consolidated statements of financial position. The 100%, 33%, 20%, 15%, and 5% nonrefundable portions of the life care entrance fee and the entire entrance fee for those who select a plan that offers the declining refund at 2% per month are amortized into income over the residents' actuarially determined remaining lives as calculated by the Company's actuaries.

For the duration of the resident's lifetime or until termination of the agreement, the Company agrees to furnish to the resident ample and healthful food, medical facilities, utility services, use of the community facilities and other personal services according to the terms and conditions specified in the residence agreement. In return, the resident agrees to pay the Company a monthly residence fee. The monthly residence fee may be increased or decreased at the sole discretion of the board of directors on 60 days' written notice.

The Company also provides medical facilities and nursing care in the health center. Costs incurred in providing this care are paid for by residents through the continuing payment of monthly service fees per the residence agreement. Residents without a life care agreement pay for nursing services based upon established per diem rates.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 11 LIFE CARE AGREEMENT (CONTINUED)

Some of the principal terms and conditions of the Seabury At Home agreement are as follows:

An agreed-upon member schedule for full payment of the life care membership fee is obtained from the member prior to enrollment. The fee consists of a refundable and nonrefundable portion. The refundable portion varies depending upon which of the eight contract plans is selected. During 2019, the six declining refund contracts were changed to be nonrefundable for new residents. The 90% plan has been discontinued and is no longer being offered to new members. Prior to that, the declining plan offered a declining refund at 2% per month and the other two plans offer a fixed 80% or 90% refund, respectively, of the original life care entrance fee. Within the six nonrefundable contracts, two offer 100% coverage of home and facility-based care, including assisted living and skilled nursing services, one offers a 30% co-pay option for these services, one offers 100% coverage of home-based care, one offers a 50% co-pay option for home-based care and the final contract provides caps on assisted living and skilled nursing services. The 80% and 90% refund of original life care membership fee contract offers 100% coverage of home and facility-based care, including assisted living and skilled nursing services. Under the member agreements of these plans, amounts are refundable after the individual has terminated their agreement. The 80% and 90% refundable portion of the life care membership fee is shown as a liability in the consolidated statements of financial position. The 20% and 10% nonrefundable portion of the life care membership fee and the entire membership fee for those who select the plans that offer the declining refund at 2% per month are amortized into income over the residents' actuarially determined remaining life as calculated by the Company's actuaries.

If a member with a declining refund of 2% per month transfers from Seabury At Home to Seabury to a plan with either a declining refund of 2% per month or nonrefundable (0%), 100% of their original Seabury At Home membership fee is transferred to Seabury and credited as a reduction to their Seabury entrance fee. Any historic amortization taken on this previously nonrefundable entrance fee is reversed in the year the transfer occurs.

For the duration of the member's lifetime, or until termination of the agreement, the Company agrees to furnish to the member use of the community facilities and other personal services according to the terms and conditions specified in the residence agreement. In return, the member agrees to pay the Company a monthly fee. The monthly fee may be increased or decreased at the sole discretion of the board of directors on 60 days written notice.

As noted above, the Company also provides medical facilities and nursing care in the health center. Costs incurred in providing this care are paid for by enrollees through the continuing payment of monthly service fees per the agreement as well as a deductible as noted in the agreement, if applicable.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 11 LIFE CARE AGREEMENT (CONTINUED)

The Company's actuaries annually calculate the present value of the net cost or benefit of future services and use of facilities to be provided to current residents of Seabury and members of Seabury At Home and compare that amount to the balance of refundable and nonrefundable deferred entrance fees and membership fees. If the present value of the net cost or benefit of future services and use of facilities exceeds the refundable and nonrefundable deferred entrance fees and membership fees, a liability is recorded with a corresponding charge to income. As of September 30, 2022 and 2021, no such obligation existed for Seabury and Seabury At Home. Any significant changes to the actuarial assumptions used in the calculation could significantly change the results of the calculation. It is management's opinion that the assumptions applied in the calculation are reasonable.

NOTE 12 LIQUIDITY AND AVAILABILITY OF RESOURCES

The Company's financial assets available within one year of the consolidated statements of financial position date for general expenditure are as follows:

| | 2022 | 2021 |
|--|---------------------|----------------------|
| Cash and Cash Equivalents | \$ 9,282,028 | \$ 9,101,874 |
| Restricted Cash and Cash Equivalents Held by Trustee | 1,550,112 | 1,567,919 |
| Entrance Fee Deposits | 94,519 | 236,855 |
| Accounts Receivable, Net | 1,242,458 | 2,032,573 |
| Entrance/Membership Fees Receivable | 1,577,678 | 1,779,526 |
| Investments | 30,865,493 | 31,509,844 |
| Investments Held by Trustees | 3,937,012 | 4,019,907 |
| Deferred Compensation Investments | 96,782 | 353,052 |
| Beneficial Interest in Perpetual Trusts | 4,810,962 | 6,248,143 |
| Total Financial Assets Available Within One Year | <u>53,457,044</u> | <u>56,849,693</u> |
| Less Amounts Unavailable for General Expenditures | | |
| Within One Year Due to: | | |
| Cash, Cash Equivalents, and Investments Held by Trustee for Debt Service | (5,487,124) | (5,587,826) |
| Cash, Cash Equivalents, and Investments With Donor Restrictions | (1,025,518) | (1,161,950) |
| Investments Restricted to Fund Deferred Compensation Liability | (96,782) | (353,052) |
| Restricted by Donors in Perpetuity | <u>(5,180,962)</u> | <u>(6,618,143)</u> |
| Total Amounts Unavailable for General Expenditure Within One Year | (11,790,386) | (13,720,971) |
| Amounts Unavailable Without Board's Approval: | | |
| Board-Designated Endowment | <u>(32,261,011)</u> | <u>(33,041,794)</u> |
| Total Financial Assets Available to Management for General Expenditure Within One Year | <u>\$ 9,405,647</u> | <u>\$ 10,086,928</u> |

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 12 LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

Liquidity Management

The Company maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Company invests cash in excess of weekly requirements in short-term investments.

NOTE 13 NET ASSETS

Net Assets With Donor Restrictions

The following is the composition of the Company's net assets with donor restrictions at September 30:

| | <u>2022</u> | <u>2021</u> |
|---|---------------------|---------------------|
| Restricted in Perpetuity | \$ 5,180,962 | \$ 6,618,143 |
| Other Net Assets with Donor Restrictions: | | |
| Endowment Investment Returns | 896,664 | 1,041,867 |
| Purpose Restricted - Pledges | 68,888 | 68,888 |
| Purpose Restricted - Programs | 59,966 | 51,195 |
| Total | <u>\$ 6,206,480</u> | <u>\$ 7,780,093</u> |

Net assets with donor restrictions were released from restrictions by incurring expenses satisfying program restrictions of \$3,275 and \$1,194 for the years ended September 30, 2022 and 2021, respectively.

NOTE 14 ENDOWMENT

The Company's endowment consists of various individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the board of directors to function as endowments. The income earned on investments comprising the Company's donor-restricted endowment funds is designated by the donors to fund operations. As required by GAAP, net assets associated with endowment funds, including funds designated by the board of directors to function as endowment, are classified and reported based on the existence or absence of donor-imposed restrictions.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 14 ENDOWMENT (CONTINUED)

Interpretation of Relevant Law

The board of directors of the Company has interpreted Connecticut Prudent Management of Institutional Funds Act (CTPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Company classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as permanent endowment is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Company in a manner consistent with the standard of prudence prescribed by

CTPMIFA. In accordance with CTPMIFA, the Company considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Company and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Company
- The investment policies of the Company

Endowment net asset composition by type of fund as of September 30 is as follows:

| | <u>2022</u> | <u>2021</u> |
|--|------------------------------------|------------------------------------|
| | <u>With Donor Restrictions</u> | <u>With Donor Restrictions</u> |
| Donor-Restricted Endowment Funds: | | |
| Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor | \$ 370,000 | \$ 370,000 |
| Endowment Investment Returns | 896,664 | 1,041,867 |
| Total | <u>\$ 1,266,664</u> | <u>\$ 1,411,867</u> |

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 14 ENDOWMENT (CONTINUED)

Interpretation of Relevant Law (Continued)

Changes in endowment net assets for the years ended September 30 are as follows:

| | <u>With Donor Restrictions</u> |
|---------------------------------------|------------------------------------|
| Endowment Assets - September 30, 2020 | \$ 1,208,198 |
| Investment Gain: | |
| Realized Gains | 42,362 |
| Unrealized Gains | 161,307 |
| Total Investment Gain | <u>203,669</u> |
| Endowment Assets - September 30, 2021 | 1,411,867 |
| Investment Gain: | |
| Realized Gains | 47,514 |
| Unrealized Losses | (192,717) |
| Total Investment Loss | <u>(145,203)</u> |
| Endowment Assets - September 30, 2022 | <u>\$ 1,266,664</u> |

Return Objectives and Risk Parameters

The Company has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, the Company expects its endowment funds, over time, to provide a total net return of approximately 4% over the average inflation rate of the preceding three years. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Company relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Company targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Company maintains a spending policy on board-restricted endowment funds, which limits the appropriation to up to 5% of the market value of endowment investment assets unless specifically approved by the board. The Company maintains a spending policy on the earnings of donor-restricted funds in which the amount of funds to be appropriated will be determined annually as part of the budgeting process. In establishing these policies, the Company considered the long-term expected return on its endowment. This is consistent with the Company's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 14 ENDOWMENT (CONTINUED)

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Company to retain as a fund of perpetual duration. There were no deficiencies of this nature that were reported in net assets with donor restrictions as of September 30, 2022 and 2021.

NOTE 15 CASH FLOWS

Additional Cash Flow Information

The Company paid cash for interest of \$4,065,497 and \$4,032,413 during the years ended September 30, 2022 and 2021, respectively.

The Company issued a note receivable for \$125,000 the sale of land during the year ended September 30, 2021. This note receivable is receivable over two years and is included in prepaid expenses and other assets and pledges and other receivable in the consolidated statement of financial position as of September 30, 2022 and 2021.

NOTE 16 RETIREMENT PLANS

The Company maintains a 403(b) defined contribution plan (the Plan). Employees are eligible to participate in the Plan upon employment and are eligible for employer matching contributions after 12 months of service. The Company matches employee contributions up to 5.0% of eligible employees' payroll for 2022 and 2021. Employees are fully vested in the Plan after three years of employment. Expenses for employer contributions recognized in fiscal 2022 and 2021 were approximately \$472,000 and \$443,000, respectively. The Company also maintains a nonqualified deferred compensation plan for key employees that is included as an asset and as a corresponding liability in the consolidated statements of financial position, which totaled \$96,782 and \$353,052 at September 30, 2022 and 2021, respectively.

NOTE 17 COMMITMENTS AND CONTINGENCIES

During 2017, the Company entered into 25-year Solar Photovoltaic Power Purchase Agreement with General Electric International, Inc. (Seller). The Company will provide the Seller with access to, and the right to occupy, a portion of their properties for the purpose of having the Seller design, install, own, operate and maintain a solar photovoltaic electric generating system. The Company will purchase all of the electricity generated by the system at a certain rate.

SEABURY, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 17 COMMITMENTS AND CONTINGENCIES (CONTINUED)

The Company is occasionally party to asserted and unasserted claims arising from the course of operations. Management is of the opinion that the outcome of any such claims will not have a material impact on the Company's financial position or results of operations or cash flows.

NOTE 18 HEALTHCARE INDUSTRY

The health care industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services and Medicare and Medicaid fraud and abuse. Government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes that the Company is in compliance with fraud and abuse, as well as other applicable government laws and regulations. While no material regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
SEPTEMBER 30, 2022

| ASSETS | Church Home of Hartford Incorporated | Seabury Charitable Foundation, Inc. | Seabury At Home, Inc. | Seabury at Powder Forest, LLC | Eliminations | Total |
|---|--|--|-----------------------------|--|-----------------------|-----------------------|
| CURRENT ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 5,774,538 | \$ 22,622 | \$ 3,480,905 | \$ 3,963 | \$ - | \$ 9,282,028 |
| Restricted Cash and Cash Equivalents Held by Trustee | 1,550,112 | - | - | - | - | 1,550,112 |
| Entrance Fee Deposits | 94,519 | - | - | - | - | 94,519 |
| Accounts Receivable, Net | 1,242,458 | - | - | - | - | 1,242,458 |
| Accounts Receivable, Related Party | 165,677 | - | - | - | (165,677) | - |
| Entrance/Membership Fees Receivable | 261,661 | - | 1,316,017 | - | - | 1,577,678 |
| Prepaid Expenses and Other Current Assets | 1,016,314 | - | 6,867 | 27,041 | - | 1,050,222 |
| Total Current Assets | <u>10,105,279</u> | <u>22,622</u> | <u>4,803,789</u> | <u>31,004</u> | <u>(165,677)</u> | <u>14,797,017</u> |
| INVESTMENTS | | | | | | |
| Investments | 18,769,444 | 4,247,033 | 7,849,016 | - | - | 30,865,493 |
| Investments Held by Trustee | 3,937,012 | - | - | - | - | 3,937,012 |
| Total Investments | <u>22,706,456</u> | <u>4,247,033</u> | <u>7,849,016</u> | <u>-</u> | <u>-</u> | <u>34,802,505</u> |
| PROPERTY AND EQUIPMENT, AT COST | | | | | | |
| Land and Improvements | 4,385,745 | - | 315,692 | 4,891,120 | - | 9,592,557 |
| Buildings and Improvements | 160,292,291 | - | 545,793 | - | - | 160,838,084 |
| Furniture, Fixtures, and Equipment | 9,507,474 | 77,333 | 99,237 | - | - | 9,684,044 |
| Vehicles | 123,800 | - | - | - | - | 123,800 |
| Construction in Progress | 393,080 | - | - | - | - | 393,080 |
| Total Property and Equipment | <u>174,702,390</u> | <u>77,333</u> | <u>960,722</u> | <u>4,891,120</u> | <u>-</u> | <u>180,631,565</u> |
| Less: Accumulated Depreciation | 83,354,175 | 24,733 | 501,810 | - | - | 83,880,718 |
| Net Property and Equipment | <u>91,348,215</u> | <u>52,600</u> | <u>458,912</u> | <u>4,891,120</u> | <u>-</u> | <u>96,750,847</u> |
| OTHER ASSETS | | | | | | |
| Deferred Compensation Investments | 96,782 | - | - | - | - | 96,782 |
| Beneficial Interest in Perpetual Trusts | 4,810,962 | - | - | - | - | 4,810,962 |
| Investment in Limited Partnerships | 534,963 | - | - | - | - | 534,963 |
| Investment in Seabury at Powder Forest, LLC | - | 2,461,062 | 2,461,062 | - | (4,922,124) | - |
| Pledges and Other Receivable | 62,500 | 68,888 | - | - | - | 131,388 |
| Total Other Assets | <u>5,505,207</u> | <u>2,529,950</u> | <u>2,461,062</u> | <u>-</u> | <u>(4,922,124)</u> | <u>5,574,095</u> |
| Total Assets | <u>\$ 129,665,157</u> | <u>\$ 6,852,205</u> | <u>\$ 15,572,779</u> | <u>\$ 4,922,124</u> | <u>\$ (5,087,801)</u> | <u>\$ 151,924,464</u> |

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION (CONTINUED)
SEPTEMBER 30, 2022

| LIABILITIES AND NET ASSETS | Church Home of Hartford Incorporated | Seabury Charitable Foundation, Inc. | Seabury At Home, Inc. | Seabury at Powder Forest, LLC | Eliminations | Total |
|---|---|--|--------------------------------------|--|-----------------------|-----------------------|
| CURRENT LIABILITIES | | | | | | |
| Current Portion of Bonds Payable | \$ 1,155,000 | \$ - | \$ - | \$ - | \$ - | \$ 1,155,000 |
| Current Portion of Capital Leases | 40,135 | - | - | - | - | 40,135 |
| Accounts Payable and Accrued Expenses | 2,630,710 | 16,449 | 46,199 | - | - | 2,693,358 |
| Accounts Payable, Related Party | - | - | 165,677 | - | (165,677) | - |
| Entrance Fee Deposits | 94,519 | - | - | - | - | 94,519 |
| Deferred Revenue | 274,163 | - | - | - | - | 274,163 |
| Total Current Liabilities | <u>4,194,527</u> | <u>16,449</u> | <u>211,876</u> | <u>-</u> | <u>(165,677)</u> | <u>4,257,175</u> |
| ANNUITIES PAYABLE | - | 189,469 | - | - | - | 189,469 |
| BONDS PAYABLE, NET OF CURRENT PORTION AND BOND FINANCING COSTS | 78,357,245 | - | - | - | - | 78,357,245 |
| DEFERRED COMPENSATION | 96,782 | - | - | - | - | 96,782 |
| REFUNDABLE AND NONREFUNDABLE ENTRANCE/MEMBERSHIP FEES | | | | | | |
| Entrance/Membership Fees Refunds Payable | 32,655,384 | - | 3,473,395 | - | - | 36,128,779 |
| Nonrefundable Deferred Fees, Net | 26,941,026 | - | 11,826,364 | - | - | 38,767,390 |
| Total Refundable and Nonrefundable Deferred Entrance Fees | <u>59,596,410</u> | <u>-</u> | <u>15,299,759</u> | <u>-</u> | <u>-</u> | <u>74,896,169</u> |
| Total Liabilities | 142,244,964 | 205,918 | 15,511,635 | - | (165,677) | 157,796,840 |
| NET ASSETS | | | | | | |
| Without Donor Restrictions | (18,663,010) | 6,523,010 | 61,144 | 4,922,124 | (4,922,124) | (12,078,856) |
| With Donor Restrictions | 6,083,203 | 123,277 | - | - | - | 6,206,480 |
| Total Net Assets | <u>(12,579,807)</u> | <u>6,646,287</u> | <u>61,144</u> | <u>4,922,124</u> | <u>(4,922,124)</u> | <u>(5,872,376)</u> |
| Total Liabilities and Net Assets | <u>\$ 129,665,157</u> | <u>\$ 6,852,205</u> | <u>\$ 15,572,779</u> | <u>\$ 4,922,124</u> | <u>\$ (5,087,801)</u> | <u>\$ 151,924,464</u> |

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
SEPTEMBER 30, 2021

| ASSETS | Church Home of Hartford Incorporated | Seabury Charitable Foundation, Inc. | Seabury At Home, Inc. | Seabury at Powder Forest, LLC | Eliminations | Total |
|---|--|--|-----------------------------|--|-----------------------|-----------------------|
| CURRENT ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 5,840,026 | \$ 69,223 | \$ 3,191,347 | \$ 1,278 | \$ - | \$ 9,101,874 |
| Restricted Cash and Cash Equivalents Held by Trustee | 1,567,919 | - | - | - | - | 1,567,919 |
| Entrance Fee Deposits | 236,855 | - | - | - | - | 236,855 |
| Accounts Receivable, Net | 2,032,573 | - | - | - | - | 2,032,573 |
| Accounts Receivable, Related Party | 345,574 | - | - | - | (345,574) | - |
| Entrance/Membership Fees Receivable | 914 | - | 1,778,612 | - | - | 1,779,526 |
| Prepaid Expenses and Other Current Assets | 1,826,885 | - | 6,986 | 27,042 | - | 1,860,913 |
| Total Current Assets | <u>11,850,746</u> | <u>69,223</u> | <u>4,976,945</u> | <u>28,320</u> | <u>(345,574)</u> | <u>16,579,660</u> |
| INVESTMENTS | | | | | | |
| Investments | 18,765,866 | 5,532,519 | 7,211,459 | - | - | 31,509,844 |
| Investments Held by Trustee | 4,019,907 | - | - | - | - | 4,019,907 |
| Total Investments | <u>22,785,773</u> | <u>5,532,519</u> | <u>7,211,459</u> | <u>-</u> | <u>-</u> | <u>35,529,751</u> |
| PROPERTY AND EQUIPMENT, AT COST | | | | | | |
| Land and Improvements | 4,385,745 | - | 315,692 | 4,891,120 | - | 9,592,557 |
| Buildings and Improvements | 158,744,866 | - | 545,793 | - | - | 159,290,659 |
| Furniture, Fixtures, and Equipment | 9,918,895 | 77,333 | 99,237 | - | - | 10,095,465 |
| Vehicles | 199,795 | - | - | - | - | 199,795 |
| Construction in Progress | 393,080 | - | - | - | - | 393,080 |
| Total Property and Equipment | <u>173,642,381</u> | <u>77,333</u> | <u>960,722</u> | <u>4,891,120</u> | <u>-</u> | <u>179,571,556</u> |
| Less: Accumulated Depreciation | 76,176,513 | 19,550 | 487,723 | - | - | 76,683,786 |
| Net Property and Equipment | <u>97,465,868</u> | <u>57,783</u> | <u>472,999</u> | <u>4,891,120</u> | <u>-</u> | <u>102,887,770</u> |
| OTHER ASSETS | | | | | | |
| Deferred Compensation Investments | 353,052 | - | - | - | - | 353,052 |
| Beneficial Interest in Perpetual Trusts | 6,248,143 | - | - | - | - | 6,248,143 |
| Investment in Limited Partnerships | 435,218 | - | - | - | - | 435,218 |
| Investment in Seabury at Powder Forest, LLC | - | 2,459,720 | 2,459,720 | - | (4,919,440) | - |
| Pledges and Other Receivable | 62,500 | 68,888 | - | - | - | 131,388 |
| Total Other Assets | <u>7,098,913</u> | <u>2,528,608</u> | <u>2,459,720</u> | <u>-</u> | <u>(4,919,440)</u> | <u>7,167,801</u> |
| Total Assets | <u>\$ 139,201,300</u> | <u>\$ 8,188,133</u> | <u>\$ 15,121,123</u> | <u>\$ 4,919,440</u> | <u>\$ (5,265,014)</u> | <u>\$ 162,164,982</u> |

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION (CONTINUED)
SEPTEMBER 30, 2021

| LIABILITIES AND NET ASSETS | Church Home of Hartford Incorporated | Seabury Charitable Foundation, inc. | Seabury At Home, Inc. | Seabury at Powder Forest, LLC | Eliminations | Total |
|---|--|--|-----------------------------|--|-----------------------|-----------------------|
| CURRENT LIABILITIES | | | | | | |
| Current Portion of Bonds Payable | \$ 1,100,000 | \$ - | \$ - | \$ - | \$ - | \$ 1,100,000 |
| Current Portion of Capital Leases | 120,924 | - | - | - | - | 120,924 |
| Accounts Payable and Accrued Expenses | 2,659,229 | 25,420 | 45,824 | - | - | 2,730,473 |
| Accounts Payable, Related Party | - | - | 345,574 | - | (345,574) | - |
| Entrance Fee Deposits | 236,855 | - | - | - | - | 236,855 |
| Total Current Liabilities | <u>4,117,008</u> | <u>25,420</u> | <u>391,398</u> | <u>-</u> | <u>(345,574)</u> | <u>4,188,252</u> |
| ANNUITIES PAYABLE | - | 217,095 | - | - | - | 217,095 |
| BONDS PAYABLE, NET OF CURRENT PORTION AND BOND FINANCING COSTS | 79,496,865 | - | - | - | - | 79,496,865 |
| CAPITAL LEASES, NET OF CURRENT PORTION | 40,745 | - | - | - | - | 40,745 |
| DEFERRED COMPENSATION | 353,052 | - | - | - | - | 353,052 |
| REFUNDABLE AND NONREFUNDABLE ENTRANCE/MEMBERSHIP FEES | | | | | | |
| Entrance/Membership Fees Refunds Payable | 33,259,077 | - | 3,485,436 | - | - | 36,744,513 |
| Nonrefundable Deferred Fees, Net | 27,254,746 | - | 10,421,998 | - | - | 37,676,744 |
| Total Refundable and Nonrefundable Deferred Entrance Fees | <u>60,513,823</u> | <u>-</u> | <u>13,907,434</u> | <u>-</u> | <u>-</u> | <u>74,421,257</u> |
| Total Liabilities | 144,521,493 | 242,515 | 14,298,832 | - | (345,574) | 158,717,266 |
| NET ASSETS | | | | | | |
| Without Donor Restrictions | (12,985,780) | 7,831,112 | 822,291 | 4,919,440 | (4,919,440) | (4,332,377) |
| With Donor Restrictions | 7,665,587 | 114,506 | - | - | - | 7,780,093 |
| Total Net Assets | <u>(5,320,193)</u> | <u>7,945,618</u> | <u>822,291</u> | <u>4,919,440</u> | <u>(4,919,440)</u> | <u>3,447,716</u> |
| Total Liabilities and Net Assets | <u>\$ 139,201,300</u> | <u>\$ 8,188,133</u> | <u>\$ 15,121,123</u> | <u>\$ 4,919,440</u> | <u>\$ (5,265,014)</u> | <u>\$ 162,164,982</u> |

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED SEPTEMBER 30, 2022

| | Church Home of Hartford Incorporated | | Seabury Charitable Foundation, Inc. | | Seabury At Home, Inc. | | Seabury at Powder Forest, LLC | | Total |
|--|--------------------------------------|-------------------------|-------------------------------------|-------------------------|----------------------------|-------------------------|-------------------------------|-------------------------|-----------------------|
| | Without Donor Restrictions | With Donor Restrictions | Without Donor Restrictions | With Donor Restrictions | Without Donor Restrictions | With Donor Restrictions | Without Donor Restrictions | With Donor Restrictions | |
| REVENUES, GAINS, AND OTHER SUPPORT | | | | | | | | | |
| Health Center Patients, Net of Contractuals | \$ 8,941,185 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,941,185 |
| Assisted Living Services | 2,816,247 | - | - | - | - | - | - | - | 2,816,247 |
| Resident Services | 16,803,489 | - | - | - | - | - | - | - | 16,250,915 |
| Home Health Revenue (Expense) | (2,246) | - | - | - | - | - | - | - | 904,185 |
| Seabury At Home, Inc. Revenue | - | - | - | - | - | - | - | - | 1,198,847 |
| Services to Seabury At Home, Inc. | 2,042,559 | - | - | - | - | - | - | - | (2,042,559) |
| Amortization of Nonrefundable Deferred Fees | 3,594,766 | - | - | - | - | - | - | - | 4,670,269 |
| Investment Income (Loss) | 1,117,669 | 208,821 | 348,248 | 348,248 | 348,248 | (202,302) | 107,316 | 107,316 | 1,579,752 |
| Other Income | 2,377,421 | - | 95,772 | 95,772 | 95,772 | 566,001 | (180,031) | (180,031) | 2,879,163 |
| Contributions and Gifts | - | - | 138,442 | 12,046 | 150,488 | - | - | - | 150,488 |
| Contributions from the Seabury Charitable Foundation, Inc. | 323,780 | - | - | - | - | - | - | - | 46,717 |
| Net Assets Released from Restrictions | - | - | 3,275 | (3,275) | - | - | - | - | (277,063) |
| Total Revenues, Gains, and Other Support | 38,014,870 | 208,821 | 585,737 | 8,771 | 594,508 | 3,564,480 | 107,316 | (3,023,435) | 39,359,244 |
| EXPENSES | | | | | | | | | |
| Medical and Other Resident Care | 8,904,378 | - | - | - | - | 2,577,796 | - | (2,553,888) | 8,928,286 |
| General and Administrative | 11,784,579 | - | 478,892 | - | 478,892 | 1,036,914 | 107,316 | (576,863) | 12,830,838 |
| Dietary | 3,748,920 | - | - | - | - | - | - | - | 3,748,920 |
| Repairs and Maintenance | 3,445,210 | - | - | - | - | - | - | - | 3,445,210 |
| Housekeeping and Laundry | 1,270,474 | - | - | - | - | - | - | - | 1,270,474 |
| Interest Expense, Net | 4,065,497 | - | - | - | - | - | - | - | 4,065,497 |
| Depreciation | 7,567,656 | - | 5,183 | - | 5,183 | 14,087 | - | - | 7,586,926 |
| Total Expenses | 40,786,714 | - | 484,075 | - | 484,075 | 3,628,797 | 107,316 | (3,130,751) | 41,876,151 |
| INCOME (LOSS) FROM OPERATIONS | (2,771,844) | 208,821 | 101,662 | 8,771 | 110,433 | (64,317) | (107,316) | 107,316 | (2,516,907) |
| Change in Net Unrealized Gain on Investments | (2,905,366) | (354,024) | (1,409,764) | - | (1,409,764) | (696,830) | - | - | (5,366,004) |
| Change in Interest in Perpetual Trusts | - | (1,437,181) | - | - | - | - | - | - | (1,437,181) |
| CHANGE IN NET ASSETS | (5,677,230) | (1,582,384) | (1,306,102) | 8,771 | (1,299,331) | (761,147) | (107,316) | 107,316 | (9,320,092) |
| Net Assets - Beginning of Year | (12,985,780) | 7,665,587 | 7,831,112 | 114,506 | 7,945,618 | 822,291 | 4,919,440 | (4,919,440) | 3,447,716 |
| Contributions from Members | - | - | - | - | - | - | 110,000 | (110,000) | - |
| NET ASSETS - END OF YEAR | \$ (18,663,010) | \$ 6,083,203 | \$ (12,579,807) | \$ 123,277 | \$ 6,646,287 | \$ 61,144 | \$ 4,922,124 | \$ (4,922,124) | \$ (5,872,376) |

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED SEPTEMBER 30, 2021

| | Church Home of Hartford Incorporated | | Seabury Charitable Foundation, Inc. | | Seabury At Home, Inc. | | Seabury at Powder Forest, LLC | | Total |
|--|--------------------------------------|-------------------------|-------------------------------------|-------------------------|----------------------------|-------------------------|-------------------------------|-------------------------|--------------|
| | Without Donor Restrictions | With Donor Restrictions | Without Donor Restrictions | With Donor Restrictions | Without Donor Restrictions | With Donor Restrictions | Without Donor Restrictions | With Donor Restrictions | |
| REVENUES, GAINS, AND OTHER SUPPORT | | | | | | | | | |
| Health Center Patients, Net of Contractuals | \$ 8,669,538 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,669,538 |
| Assisted Living Services | 2,719,730 | - | - | - | - | - | - | - | 2,719,730 |
| Resident Services | 16,805,741 | - | - | - | - | - | - | - | 16,805,741 |
| Home Health Revenue | (16,235) | - | - | - | - | - | - | - | (16,235) |
| Seabury At Home, Inc. Revenue | - | - | - | - | 747,884 | 1,008,837 | - | - | 1,756,721 |
| Services to Seabury At Home, Inc. | 1,639,844 | - | - | - | - | - | - | - | 1,639,844 |
| Amortization of Nonrefundable Deferred Fees | 3,579,961 | - | - | - | 1,178,366 | - | - | - | 4,758,327 |
| Investment Income | 588,546 | 177,757 | 128,625 | - | 51,413 | - | - | - | 1,054,493 |
| Other Income (Expense) | 1,902,703 | - | (73,566) | - | 381,219 | - | - | - | 2,162,867 |
| Paycheck Protection Program Loan Forgiveness | 3,208,620 | - | - | - | - | - | - | - | 3,208,620 |
| Contributions and Gifts | 2,322 | - | 231,031 | 1,832 | - | - | - | - | 235,185 |
| Contributions from the Seabury Charitable Foundation, Inc. | 301,020 | - | - | - | - | - | - | - | 301,020 |
| Net Assets Released from Restrictions | - | - | 1,194 | (1,194) | - | - | - | - | - |
| Total Revenues, Gains, and Other Support | 39,401,790 | 177,757 | 287,284 | 638 | 3,367,519 | 287,922 | - | - | 40,978,746 |
| EXPENSES | | | | | | | | | |
| Medical and Other Resident Care | 8,652,031 | - | - | - | 1,980,190 | - | - | - | 10,632,221 |
| General and Administrative | 11,152,388 | - | 349,389 | - | 708,985 | - | - | - | 12,210,762 |
| Dietary | 3,129,299 | - | - | - | - | - | - | - | 3,129,299 |
| Repairs and Maintenance | 2,895,482 | - | - | - | - | - | - | - | 2,895,482 |
| Housekeeping and Laundry | 1,162,893 | - | - | - | - | - | - | - | 1,162,893 |
| Interest Expense, Net | 4,115,394 | - | - | - | 22,304 | - | - | - | 4,137,698 |
| Depreciation | 7,621,965 | - | 5,183 | - | - | - | - | - | 7,627,148 |
| Total Expenses | 38,729,452 | - | 354,572 | - | 2,711,479 | 5,183 | - | - | 39,539,261 |
| INCOME (LOSS) FROM OPERATIONS | 672,338 | 177,757 | (67,288) | 638 | 656,040 | (66,650) | (108,154) | 108,154 | 1,439,485 |
| Change in Net Unrealized Gain on Investments | 1,044,654 | 25,912 | 683,080 | - | 106,499 | - | - | - | 1,860,145 |
| Change in Interest in Perpetual Trusts | - | 992,760 | - | - | - | - | - | - | 992,760 |
| CHANGE IN NET ASSETS | 1,716,992 | 1,196,429 | 615,792 | 638 | 762,539 | 616,430 | (108,154) | 108,154 | 4,292,390 |
| Net Assets - Beginning of Year | (14,702,772) | 6,469,158 | (8,233,614) | 7,215,320 | 59,752 | 7,329,188 | 4,919,594 | (4,919,594) | (844,674) |
| Contributions from Members | - | - | - | - | - | - | 108,000 | (108,000) | - |
| NET ASSETS - END OF YEAR | \$ (12,985,780) | \$ 7,665,587 | \$ (5,320,193) | \$ 7,831,112 | \$ 822,291 | \$ 7,945,618 | \$ 4,919,440 | \$ (4,919,440) | \$ 3,447,716 |

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2022

| | Church Home of Hartford Incorporated | Seabury Charitable Foundation, Inc. | Seabury At Home, Inc. | Seabury at Powder Forest LLC | Eliminations | Total |
|--|--|---|--------------------------|------------------------------------|--------------|----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| Change in Net Assets | \$ (7,259,614) | \$ (1,299,331) | \$ (761,147) | \$ (107,316) | \$ 107,316 | \$ (9,320,092) |
| Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities: | | | | | | |
| Proceeds from Entrance/Membership Fees, Net of Refunds | 2,677,353 | - | 2,467,828 | - | - | 5,145,181 |
| Depreciation | 7,567,656 | 5,183 | 14,087 | - | - | 7,586,926 |
| Bad Debt Expense | 32,567 | - | - | - | - | 32,567 |
| Loss on Disposal of Property | 107,208 | - | - | - | - | 107,208 |
| Amortization of Bond Financing Costs | 91,664 | - | - | - | - | 91,664 |
| Amortization of Bond Premium | (76,284) | - | - | - | - | (76,284) |
| Amortization of Nonrefundable Deferred Fees | (3,594,766) | - | (1,075,503) | - | - | (4,670,269) |
| Change in Net Unrealized Loss on Investments | 3,259,410 | 1,408,764 | 696,830 | - | - | 5,365,004 |
| Change in Interest in Perpetual Trusts | 1,437,181 | - | - | - | - | 1,437,181 |
| Loss on Investment in Seabury at Powder Forest, LLC (Increase) Decrease in Operating Assets: | - | 53,658 | 53,658 | - | (107,316) | - |
| Entrance Fee Deposits | 142,336 | - | - | - | - | 142,336 |
| Accounts Receivable and Pledges Receivable | 757,548 | - | - | - | - | 757,548 |
| Accounts Receivable, Related Party | 179,897 | - | - | - | (179,897) | - |
| Entrance/Membership Fees Receivable | (260,747) | - | 462,595 | - | - | 201,848 |
| Prepaid Expenses and Other Current Assets | 810,571 | - | 119 | 1 | - | 810,691 |
| Increase (Decrease) in Operating Liabilities: | | | | | | |
| Accounts Payable and Accrued Expenses | (32,943) | (8,971) | 375 | - | - | (41,539) |
| Accounts Payable, Related Party | - | - | (179,897) | - | 179,897 | - |
| Deferred Revenue | 274,163 | - | - | - | - | 274,163 |
| Entrance Fee Deposits | (142,336) | - | - | - | - | (142,336) |
| Annuities Payable | - | (27,626) | - | - | - | (27,626) |
| Net Cash Provided (Used) by Operating Activities | 5,970,864 | 132,677 | 1,678,945 | (107,315) | - | 7,675,171 |
| CASH PURCHASES FROM INVESTING ACTIVITIES | | | | | | |
| Purchases of Investments and Cash and Investments Held by Trustee, Net | (3,279,838) | (124,278) | (1,334,387) | - | - | (4,738,503) |
| Investment in Seabury at Powder Forest, LLC | - | (55,000) | (55,000) | - | 110,000 | - |
| Increase in Accounts Payable and Accrued Expenses Related to Construction | 4,424 | - | - | - | - | 4,424 |
| Purchases of Property and Equipment | (1,598,211) | - | - | - | - | (1,598,211) |
| Proceeds from Sale of Property and Equipment | 41,000 | - | - | - | - | 41,000 |
| Net Cash Used by Investing Activities | (4,832,625) | (179,278) | (1,389,387) | - | 110,000 | (6,291,290) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | |
| Principal Payments on Bonds Payable | (1,100,000) | - | - | - | - | (1,100,000) |
| Principal Payments on Capital Leases | (121,534) | - | - | - | (110,000) | (121,534) |
| Contributions from Members | - | - | - | 110,000 | (110,000) | - |
| Net Cash Provided (Used) by Financing Activities | (1,221,534) | - | - | 110,000 | (110,000) | (1,221,534) |
| NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH | (83,295) | (46,601) | 289,558 | 2,685 | - | 162,347 |
| Cash, Cash Equivalents, and Restricted Cash - Beginning of Year | 7,407,945 | 69,223 | 3,191,347 | 1,278 | - | 10,669,793 |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR | \$ 7,324,650 | \$ 22,622 | \$ 3,480,905 | \$ 3,963 | \$ - | \$ 10,832,140 |

SEABURY, INC. AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2021

| | Church Home of Hartford Incorporated | Seabury Charitable Foundation, Inc. | Seabury At Home, Inc. | Seabury at Powder Forest, LLC | Eliminations | Total |
|--|--|---|--------------------------|-------------------------------------|--------------|---------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| Change in Net Assets | \$ 2,913,421 | \$ 616,430 | \$ 762,539 | \$ (108,154) | \$ 108,154 | \$ 4,292,390 |
| Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities: | | | | | | |
| Proceeds from Entrance/Membership Fees, Net of Refunds | 1,690,871 | - | 2,341,034 | - | - | 4,031,905 |
| Depreciation | 7,621,965 | 5,183 | 22,304 | - | - | 7,649,452 |
| Bad Debt Expense | 59,090 | - | - | - | - | 59,090 |
| Loss on Disposal of Property | 53,934 | - | - | - | - | 53,934 |
| Amortization of Bond Financing Costs | 91,665 | - | - | - | - | 91,665 |
| Amortization of Bond Premium | (76,283) | - | - | - | - | (76,283) |
| Amortization of Nonrefundable Deferred Fees | (3,579,961) | - | (1,178,366) | - | - | (4,758,327) |
| Change in Net Unrealized Gain on Investments | (1,070,566) | (683,080) | (106,498) | - | - | (1,860,145) |
| Change in Interest in Perpetual Trusts | (992,760) | - | - | - | - | (992,760) |
| Loss on Investment in Seabury at Powder Forest, LLC | - | 54,077 | 54,077 | - | (108,154) | - |
| Forgiveness of Paycheck Protection Program Note Payable (Increase) Decrease in Operating Assets: | (3,208,620) | - | - | - | - | (3,208,620) |
| Entrance Fee Deposits | (79,658) | - | - | - | - | (79,658) |
| Accounts Receivable and Pledges Receivable | (290,260) | - | - | - | - | (290,260) |
| Accounts Receivable, Related Party | (101,212) | - | - | - | 101,212 | - |
| Entrance/Membership Fees Receivable | (914) | - | (834,161) | - | - | (835,075) |
| Prepaid Expenses and Other Current Assets | (892,604) | - | (212) | - | - | (893,086) |
| Increase (Decrease) in Operating Liabilities: | | | | | | |
| Accounts Payable and Accrued Expenses | 274,162 | 19,357 | 21,663 | - | - | 315,182 |
| Accounts Payable, Related Party | - | - | 101,212 | - | (101,212) | - |
| Deferred Revenue | (444,173) | - | - | - | - | (444,173) |
| Entrance Fee Deposits | 79,658 | - | - | - | - | 79,658 |
| Annuities Payable | - | 89,548 | - | - | - | 89,548 |
| Net Cash Provided (Used) by Operating Activities | 2,047,755 | 101,515 | 1,183,591 | (108,424) | - | 3,224,437 |
| CASH PURCHASES FROM INVESTING ACTIVITIES | | | | | | |
| (Purchases) Sales of Investments and Cash and Investments Held by Trustee, Net | (1,998,655) | 10,575 | (7,104,960) | - | - | (9,093,040) |
| Investment in Seabury at Powder Forest, LLC | - | (54,000) | (54,000) | - | 108,000 | - |
| Decrease in Accounts Payable and Accrued Expenses Related to Construction | (76,735) | - | - | - | - | (76,735) |
| Purchases of Property and Equipment | (1,233,570) | - | - | - | - | (1,233,570) |
| Proceeds from Sale of Property and Equipment | 63,000 | - | - | - | - | 63,000 |
| Net Cash Used by Investing Activities | (3,245,960) | (43,425) | (7,158,960) | - | 108,000 | (10,340,345) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | |
| Principal Payments on Bonds Payable | (1,050,000) | - | - | - | - | (1,050,000) |
| Principal Payments on Capital Leases | (114,422) | - | - | - | - | (114,422) |
| Principal payments on Paycheck Protection Program note payable | (70,501) | - | - | - | - | (70,501) |
| Contributions From Members | - | - | - | 108,000 | (108,000) | - |
| Net Cash Provided (Used) by Financing Activities | (1,234,923) | - | - | 108,000 | (108,000) | (1,234,923) |
| NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH | | | | | | |
| Cash, Cash Equivalents, and Restricted Cash - Beginning of Year | (2,433,128) | 58,090 | (5,975,369) | (424) | - | (8,350,831) |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR | 9,841,073 | 11,133 | 9,166,716 | 1,702 | - | 19,020,624 |
| | \$ 7,407,945 | \$ 69,223 | \$ 3,191,347 | \$ 1,278 | \$ - | \$ 10,669,793 |

EXHIBIT C

PRO FORMA FINANCIAL STATEMENTS

2023 SOURCES & USE OF FUNDS

Notes and Assumptions for Pro Forma Revenue and Expenses

2023 Revenue and Expense Assumptions

Seabury's occupancy is projected to average 86% for independent living apartments and cottages. Life Care contract holders' monthly fees increased by 4.00% effective October 1, 2022. Estimated earned entrance fees for the year - \$3,759,000.

Skilled nursing occupancy is projected at 86%, with a payer mix projected at 23 private pay, 12 continuing care contract holders, 11 Medicare and 16 Medicaid residents. A rate increase of 4.00% established a new daily fee of \$609.00 for private pay skilled care.

Views' occupancy is projected to average 88%, with a 4.00% rate increase used for the budget. The payer mix is projected to be 24 private pay, 19 continuing care contract holders, and 8 residential care residents.

Meadow's occupancy is projected to average 74%, with a 0.0% rate increase used for the budget. The payer mix is projected to be 19 private pay, 8 continuing care contract holders, and 16 residential care residents.

Budgeted staffing hours for FY2023 is in line with FY2022. Annual merit increases in salaries and wages – 4.00%. Total salaries are projected at \$15,200,000 for the 2023 operating budget.

Seabury's 2023 operating budget is projecting \$37,948,000 in revenues and \$41,829,000 in expenses, for a net loss of (\$3,881,000) before capital expenditures. Seabury is projected to spend approximately \$1,400,000 on capital expenditures for FY2023.

CHURCH HOME OF HARTFORD INCORPORATED
FORECASTED BALANCE SHEETS
FOR THE YEARS ENDING SEPTEMBER 30, 2022 - 2025
(IN THOUSANDS OF DOLLARS)

| | ACTUAL 2022 | BUDGET 2023 | FORECAST 2024 | FORECAST 2025 |
|--|------------------|------------------|------------------|------------------|
| ASSETS | | | | |
| CURRENT ASSETS: | | | | |
| CASH* | \$7,332 | \$6,725 | \$10,271 | \$10,801 |
| ACCOUNTS RECEIVABLE | 1,401 | 1,471 | 1,515 | 1,561 |
| ACCOUNTS RECEIVABLE - ENT FEE | 262 | 0 | 0 | 0 |
| OTHER | 954 | 983 | 1,012 | 1,043 |
| ESCROW DEPOSITS HELD | 102 | 105 | 107 | 109 |
| TOTAL CURRENT ASSETS | 10,051 | 9,284 | 12,906 | 13,514 |
| ENDOWMENT FUNDS* | 17,212 | 17,556 | 17,907 | 18,266 |
| TRUSTEE HELD FUNDS* | 5,487 | 5,597 | 5,709 | 5,823 |
| PROPERTY, PLANT AND EQUIPMENT, NET | 91,348 | 85,763 | 81,011 | 76,231 |
| BENEFICIAL INTEREST IN PERPETUAL TRUSTS | 4,811 | 4,811 | 4,811 | 4,811 |
| DEFERRED COMPENSATION PLAN | 97 | 120 | 143 | 166 |
| ZIEGLER LINKAGE INVESTMENT | 535 | 535 | 535 | 535 |
| TOTAL ASSETS | 129,541 | 123,666 | 123,022 | 119,345 |
| LIABILITIES AND NET ASSETS | | | | |
| CURRENT LIABILITIES: | | | | |
| ACCOUNTS PAYABLE/ACCRUED EXPENSES | 2,499 | 2,574 | 2,651 | 2,731 |
| CURRENT PORTION OF FY15 BOND DEBT | 1,155 | 1,215 | 1,275 | 1,340 |
| CURRENT PORTION OF CAPITAL LEASE | 40 | 0 | 0 | 0 |
| DEFERRED REVENUE | 274 | 0 | 0 | 0 |
| ESCROW DEPOSITS HELD | 102 | 105 | 107 | 109 |
| TOTAL CURRENT LIABILITIES | 4,070 | 3,894 | 4,033 | 4,180 |
| DEFERRED ENTRANCE FEES | 59,596 | 58,954 | 58,395 | 57,823 |
| FY16 BOND LONG-TERM DEBT, LESS CURRENT PORTION PLUS PREMIUM ON FY16 BONDS | 52,515 | 52,515 | 52,515 | 52,515 |
| FY15 BOND LONG-TERM DEBT, LESS CURRENT PORTION PLUS PREMIUM ON FY15 BONDS | 26,190 | 24,975 | 23,700 | 22,360 |
| GOVERNMENT LOAN | 0 | 0 | 0 | 0 |
| COST OF REFINANCING BONDS FY15 | (650) | (609) | (568) | (527) |
| CAPITAL LEASE PAYABLE | 0 | 0 | 0 | 0 |
| COST OF FINANCING FY16 BONDS | (1,573) | (1,522) | (1,471) | (1,420) |
| TOTAL LONG TERM DEBT | 78,358 | 77,159 | 75,900 | 74,576 |
| DEFERRED COMPENSATION PLAN | 97 | 120 | 143 | 166 |
| TOTAL LIABILITIES | 142,121 | 140,127 | 138,471 | 136,745 |
| NET ASSETS | (12,580) | (16,461) | (15,450) | (17,400) |
| TOTAL LIABILITIES AND NET ASSETS | \$129,541 | \$123,666 | \$123,022 | \$119,345 |

CHURCH HOME OF HARTFORD INCORPORATED
FORECASTED STATEMENTS OF REVENUE AND EXPENSES
FOR THE YEARS ENDING SEPTEMBER 30, 2022 - 2025
(IN THOUSANDS OF DOLLARS)

| | ACTUAL 2022 | BUDGET 2023 | FORECAST 2024 | FORECAST 2025 |
|--|----------------|----------------|------------------|------------------|
| OPERATING REVENUES: | | | | |
| MONTHLY FEES | \$13,058 | \$14,325 | \$15,041 | \$15,530 |
| EARNED ENTRY FEES | 3,595 | 3,580 | 3,759 | 3,872 |
| ASSISTED LIVING REVENUE | 4,318 | 4,136 | 4,343 | 4,484 |
| ASSISTED LIVING - MEADOWS REVENUE | 2,816 | 3,737 | 3,924 | 4,051 |
| SKILLED NURSING | 8,368 | 9,002 | 9,452 | 9,759 |
| SERVICES TO SEABURY AT HOME | 2,043 | 1,778 | 1,867 | 1,928 |
| OTHER REVENUE | 1,091 | 664 | 697 | 718 |
| INVESTMENT INCOME | 941 | 580 | 700 | 721 |
| CONTRIBUTIONS AND GIFTS | 148 | 146 | 150 | 155 |
| | ----- | ----- | ----- | ----- |
| TOTAL REVENUES | 36,378 | 37,948 | 39,933 | 41,218 |
| OPERATING EXPENSES: | | | | |
| GENERAL AND ADMINISTRATIVE | 11,653 | 11,848 | 12,263 | 12,631 |
| MEDICAL AND OTHER RESIDENT CARE | 9,342 | 9,942 | 10,290 | 10,599 |
| DIETARY | 3,491 | 4,093 | 4,216 | 4,342 |
| REPAIRS AND MAINTENANCE | 3,452 | 3,459 | 3,563 | 3,670 |
| HOUSEKEEPING AND LAUNDRY | 1,268 | 1,332 | 1,372 | 1,413 |
| INTEREST | 3,974 | 3,918 | 4,025 | 3,972 |
| BAD DEBT | 34 | 160 | 170 | 170 |
| DEPRECIATION | 7,568 | 6,985 | 6,352 | 6,280 |
| AMORTIZATION | 92 | 92 | 92 | 92 |
| | ----- | ----- | ----- | ----- |
| TOTAL EXPENSES | 40,874 | 41,829 | 42,342 | 43,168 |
| OPERATING LOSS | (4,496) | (3,881) | (2,409) | (1,950) |
| CHANGE IN NET UNREALIZED GAIN (LOSS) ON INVESTMENT | (3,051) | 0 | 0 | 0 |
| GOVERNMENT GRANTS (COVID-19) | 1,724 | 0 | 3,420 | 0 |
| CHANGE IN INTEREST IN PERPETUAL TRUST | (1,437) | 0 | 0 | 0 |
| NET LOSS | (7,260) | (3,881) | 1,011 | (1,950) |
| NET ASSETS, BEGINNING OF YEAR | (5,320) | (12,580) | (16,461) | (15,450) |
| NET ASSETS, END OF YEAR | (\$12,580) | (\$16,461) | (\$15,450) | (\$17,400) |

CHURCH HOME OF HARTFORD INCORPORATED
FORECASTED STATEMENTS OF CASH FLOW
FOR THE YEARS ENDING SEPTEMBER 30, 2022 - 2025
(IN THOUSANDS OF DOLLARS)

| | ACTUAL 2022 | BUDGET 2023 | FORECAST 2024 | FORECAST 2025 |
|--|-----------------|-----------------|------------------|------------------|
| CASH FLOW FROM OPERATING ACTIVITIES: | | | | |
| NET LOSS | (\$7,260) | (\$3,881) | \$1,011 | (\$1,950) |
| ADJUSTMENTS: | | | | |
| DEPRECIATION | 7,568 | 6,985 | 6,352 | 6,280 |
| AMORTIZATION | 92 | 92 | 92 | 92 |
| BAD DEBT | 34 | 160 | 170 | 170 |
| (GAIN) LOSS ON PERM RESTRICTED INVESTEMENTS | 1,437 | 0 | 0 | 0 |
| (GAIN) LOSS ON ASSET DISPOSAL | 107 | 0 | 0 | 0 |
| INTEREST EXPENSE - BONDS PREMIUM | (77) | (76) | (76) | (76) |
| EARNED ENTRY FEES | (3,595) | (3,580) | (3,759) | (3,872) |
| ENTRY FEES RECEIVED | 6,792 | 4,200 | 4,700 | 4,800 |
| ENTRY FEES REFUNDED | (4,375) | (1,000) | (1,500) | (1,500) |
| CHANGES IN ACCOUNTS RECEIVABLE | 933 | (230) | (214) | (215) |
| CHANGES IN CURRENT LIABILITIES | (415) | 101 | 102 | 105 |
| CHANGE IN DEFERRED REVENUE | 274 | (274) | 0 | 0 |
| CHANGES IN OTHER CURRENT ASSETS | 1,201 | (55) | (55) | (56) |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 2,716 | 2,442 | 6,824 | 3,778 |
| CASH FLOW FROM INVESTING ACTIVITIES: | | | | |
| CAPITAL IMPROVEMENTS AND EQUIPMENT | (1,598) | (1,400) | (1,600) | (1,500) |
| PROCEEDS FROM SALE OF PROPERTY AND EQUIPMENT | 41 | 0 | 0 | 0 |
| ZIEGLER LINKAGE INVESTMENT | (100) | 0 | 0 | 0 |
| NET CASH USED IN INVESTING ACTIVITIES | (1,657) | (1,400) | (1,600) | (1,500) |
| CASH FLOW FROM FINANCING ACTIVITIES: | | | | |
| REPAYMENT OF BOND DEBT 15 | (1,100) | (1,155) | (1,215) | (1,275) |
| REPAYMENT OF GOVERNMENT LOAN | 0 | 0 | 0 | 0 |
| REPAYMENT OF CAPITAL LEASE | (122) | (40) | 0 | 0 |
| NET CASH USED IN FINANCING ACTIVITIES | (1,222) | (1,195) | (1,215) | (1,275) |
| ANNUAL CASH FLOW | (163) | (153) | 4,009 | 1,003 |
| CASH BEGINNING OF YEAR | 30,194 | 30,031 | 29,878 | 33,887 |
| CASH END OF YEAR* | \$30,031 | \$29,878 | \$33,887 | \$34,890 |

NOTE: ACCOUNTS INCLUDED IN CASH END OF YEAR ARE INDICATED ON THE BALANCE SHEET WITH AN ASTERISK ().

CHURCH HOME OF HARTFORD INCORPORATED
 FORECASTED FINANCIAL RATIO COVENANTS
 FOR THE YEARS ENDING SEPTEMBER 30, 2022 - 2025

| <u>DEBT SERVICE COVERAGE RATIO</u> | | | | |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| | <u>ACTUAL</u> 2022 | <u>BUDGET</u> 2023 | <u>FORECAST</u> 2024 | <u>FORECAST</u> 2025 |
| NET INCOME (LOSS) | (\$7,260) | (\$3,881) | \$1,011 | (\$1,950) |
| ADJUSTMENTS: | | | | |
| EARNED ENTRY FEES | (3,595) | (3,580) | (3,759) | (3,872) |
| UNREALIZED (GAIN) LOSS | 3,051 | 0 | 0 | 0 |
| CHANGE IN INTEREST IN PERPETUAL TRUST | 1,437 | | | |
| DEPRECIATION | 7,568 | 6,985 | 6,352 | 6,280 |
| AMORTIZATION | 92 | 92 | 92 | 92 |
| INTEREST EXPENSE | 3,974 | 3,918 | 4,025 | 3,972 |
| GOVERNMENT GRANTS (COVID-19) | 0 | 0 | 0 | 0 |
| LOSS (GAIN) ON ASSET DISPOSAL | 107 | 0 | 0 | 0 |
| COVID EXPENSES | 82 | 0 | 0 | 0 |
| ENTRY FEES, NET OF REFUNDS | 2,417 | 3,200 | 3,200 | 3,300 |
| TOTAL | 7,873 | 6,734 | 10,921 | 7,822 |
| ANNUAL DEBT SERVICE | \$5,277 | \$5,189 | \$5,316 | \$5,323 |
| DEBT SERVICE COVERAGE RATIO (ANNUALIZED) | 1.49 | 1.30 | 2.05 | 1.47 |
| ANNUAL COVENANT REQUIREMENT | 1.20 | | | |

| <u>DAYS CASH ON HAND:</u> | | | | |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
| | <u>ACTUAL</u> 2022 | <u>BUDGET</u> 2023 | <u>FORECAST</u> 2024 | <u>FORECAST</u> 2025 |
| CASH AND CASH EQUIVALENTS | \$24,544 | \$24,281 | \$28,178 | \$29,067 |
| LESS RESTRICTED ENDOWMENT | (375) | (375) | (375) | (375) |
| TOTAL CASH | 24,169 | 23,906 | 27,803 | 28,692 |
| OPERATING EXPENSES | 40,874 | 41,829 | 42,342 | 43,168 |
| LESS DEPRECIATION/AMORTIZATION | (7,660) | (7,077) | (6,444) | (6,372) |
| LESS BAD DEBT | (34) | (160) | (170) | (170) |
| EXPENSES LESS NON-CASH EXPENSES FOR THE 12 MONTHS | \$33,180 | \$34,592 | \$35,728 | \$36,626 |
| DAYS CASH ON HAND | 266 | 252 | 284 | 286 |
| SEMI-ANNUAL REQUIREMENT | 180 DAYS | | | |

1/31/2023

GROWTH RATE ASSUMPTIONS

| | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|-------------------------|-------------|-------------|-------------|
| <u>Rate Increases:</u> | | | |
| ILU | 4.00% | 4.00% | 3.00% |
| Congregate | 4.00% | 4.00% | 3.00% |
| HFA | 4.00% | 4.00% | 3.00% |
| AL - Meadows | 0.00% | 3.00% | 3.00% |
| Skilled Nursing | 4.00% | 4.00% | 3.00% |
| Other Income | 4.00% | 3.00% | 3.00% |
| Entrance Fees | 4.00% | 4.00% | 3.00% |
| <u>Interest Income:</u> | | | |
| Marketable Securities | 3.00% | 3.00% | 3.00% |
| Operating Accounts | 0.00% | 0.00% | 0.00% |
| <u>Expenses:</u> | | | |
| Salaries | 4.00% | 4.00% | 3.00% |
| Other | 4.00% | 3.00% | 3.00% |

Church Home of Hartford Incorporated
Monthly/Daily Fee Increases

1/31/2023

| <u>Budget Year</u> <u>Ending 9/30</u> | <u>Seabury</u> <u>ILU</u> <u>% Increase</u> | <u>Seabury</u> <u>SNF</u> <u>% Increase</u> | <u>Seabury</u> <u>AL</u> <u>% Increase</u> | <u>Seabury</u> <u>Meadows</u> <u>% Increase</u> | <u>Seabury</u> <u>At Home</u> <u>% Increase</u> |
|--|---|---|--|---|---|
| 1994 | 5.0 | 5.0 | 5.0 | | |
| 1995 | 5.0 | 7.0 | 6.0 | | |
| 1996 | 4.0 | 4.0 | 0.0 | | |
| 1997 | 5.0 | 6.0 | 5.5 | | |
| 1998 | 3.5 | 5.0 | 3.25 | | |
| 1999 | 2.0 | 2.9 | 2.9 | | |
| 2000 | 2.0 | 2.9 | 2.9 | | |
| 2001 | 3.0 | 3.0 | 3.0 | | |
| 2002 | 5.0 | 5.0 | 5.0 | | |
| 2003 | 3.0 | 2.9 | 6.6 | | |
| 2004 | 4.0 | 4.0 | 4.0 | | |
| 2005 | 2.0 | 3.0 | 3.0 | 3.0 | |
| 2006 | 4.5 | 4.5 | 4.5 | 4.0 | |
| 2007 | 5.5 | 5.5 | 5.5 | 4.0 | |
| 2008 | 4.0 | 4.0 | 4.0 | 3.0 | |
| 2009 | 3.0 | 3.0 | 3.0 | 3.0 | |
| 2010 | 4.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| 2011 | 3.0 | 5.0 | 3.0 | 3.0 | 0.0 |
| 2012 | 2.5 | 2.0 | 2.5 | 0.0 | 0.0 |
| 2013 | 3.0 | 3.0 | 3.0 | 3.0 | 2.0 |
| 2014 | 3.5 | 4.0 | 4.0 | 3.5 | 2.0 |
| 2015 | 3.5 | 4.0 | 4.0 | 3.5 | 2.0 |
| 2016 | 3.5 | 4.0 | 4.0 | 4.0 | 2.0 |
| 2017 | 3.5 | 4.0 | 4.0 | 4.0 | 2.0 |
| 2018 | 3.25 | 4.0 | 3.5 | 4.0 | 3.0 |
| 2019 | 3.25 | 4.0 | 4.0 | 4.0 | 3.0 |
| 2020 | 3.5 | 4.0 | 4.0 | 4.0 | 2.0 |
| 2021 | 3.25 | 3.25 | 3.25 | 0.0 | 3.0 |
| 2022 | 3.25 | 3.25 | 3.25 | 0.0 | 3.0 |
| 2023 | 4.0 | 4.0 | 4.0 | 0.0 | 4.5 |
| Average last five years | 3.45 | 3.70 | 3.70 | 1.60 | 3.10 |
| Average since inception | 3.58 | 4.04 | 3.86 | 2.89 | 2.04 |

SEABURY

DISCLOSURE STATEMENT DATA

| Increase Effective Date | Monthly Fees % Increase | Entry Fees Plan A / Plan 2% / 0% % Increase | Entry Fees Plan B / Plan 95% / 85% / 80% % Increase | Entry Fees Plan C / Plan 67% / 50% % Increase |
|--------------------------------|--------------------------------|--|--|--|
| 10/01/1993 | 5.00% | 0.00% | 0.00% | 0.00% |
| 10/01/1994 | 5.00% | 4.00% | 4.00% | 4.00% |
| 10/01/1995 | 4.00% | 3.50% | 6.00% | 2.80% |
| 10/01/1996 | 5.00% | 0.00% | 0.00% | 0.00% |
| 10/01/1997 | 3.50% | 0.00% | 10.00% | 0.00% |
| 10/01/1998 | 2.00% | 5.00% | 10.00% | 5.00% |
| 10/01/1999 | 2.00% | 2.90% | 2.90% | 2.90% |
| 10/01/2000 | 3.00% | 3.00% | 3.00% | 3.00% |
| 10/01/2001 | 5.00% | 5.00% | 5.00% | 5.00% |
| 10/01/2002 | 3.00% | 3.00% | Plan 85% Implemented | 3.00% |
| 10/01/2003 | 4.00% | 4.00% | 4.00% | 4.00% |
| 10/01/2004 | 2.00% | 2.00% | 2.00% | 2.00% |
| 10/01/2005 | 4.50% | 4.50% | 4.50% | 4.50% |
| 10/01/2006 | 5.50% | 5.50% | 5.50% | 5.50% |
| 10/01/2007 | 4.00% | 4.00% | 4.00% | 4.00% |
| 10/01/2008 | 3.00% | 2.00% | 2.00% | 2.00% |
| 10/01/2009 | 4.00% | 3.00% | 3.00% | 3.00% |
| 10/01/2010 | 3.00% | 3.00% | 3.00% | 3.00% |
| 10/01/2011 | 2.50% | 0.00% | 0.00% | 0.00% |
| 10/01/2012 | 3.00% | 0.00% | 0.00% | 0.00% |
| 10/01/2013 | 3.50% | 0.00% | 0.00% | 0.00% |
| 10/01/2014 | 3.50% | 2.00% | 2.00% | 2.00% |
| 10/01/2015 | 3.50% | 2.00% | 2.00% | 2.00% |
| 10/01/2016 | 3.50% | 2.00% | 2.00% | 2.00% |
| 10/01/2017 | 3.25% | 2.00% | 2.00% | 2.00% |
| 10/01/2018 | 3.25% | 2.00% | 2.00% | 2.00% |
| 02/01/2019 | --- | Plan 0% Implemented | Plan 80% Implemented | --- |
| 10/01/2019 | 3.50% | 3.00% | 3.00% | 3.00% |
| 10/01/2020 | 3.25% | 3.00% | 3.00% | 3.00% |
| 10/01/2021 | 3.25% | 3.00% | 3.00% | 3.00% |
| 10/01/2022 | 4.00% | 4.00% | 4.00% | 4.00% |
| 02/01/2023 | | | | Plan 50% Implemented |

EXHIBIT D

ENTRANCE FEES/PERIODIC CHARGES

PAYMENT OF ENTRANCE FEE OR OTHER TRANSFER OF ASSETS PURSUANT TO A CONTINUING CARE CONTRACT MAY HAVE SIGNIFICANT TAX CONSEQUENCES. ANY PERSON CONSIDERING SUCH PAYMENT OR TRANSFER MAY WISH TO CONSULT A QUALIFIED ADVISOR.

PLAN 0%

Offers moderate entrance and monthly fees. After occupancy, the entrance fee is non-refundable upon termination (including withdrawal or death of the Resident or remaining Resident in the case of double occupancy).

| RESIDENCES | ENTRANCE | | MONTHLY | | |
|---------------------|--|------------|------------|----------|----------|
| | SINGLE | DOUBLE | SINGLE | DOUBLE | |
| COTTAGES | | | | | |
| The Griffin* | 1 BED / 1 BATH | \$ 170,000 | \$ 246,727 | \$ 4,006 | \$ 5,402 |
| The Cadwell* | 2 BED / 2 BATH | \$ 309,019 | \$ 385,746 | \$ 5,587 | \$ 6,983 |
| The Bidwell* | DELUXE 2 BED / 2 BATH | \$ 373,042 | \$ 449,769 | \$ 6,622 | \$ 8,018 |
| The Talcott* | 2 BED / DEN / 2.5 BATH | \$ 458,946 | \$ 535,673 | \$ 8,160 | \$ 9,556 |
| The Heublein** | 2 BED / 2 BATH / 2 CAR GARAGE | \$ 521,460 | \$ 598,187 | \$ 8,232 | \$ 9,628 |
| The Ely | STUDIO | \$ 112,173 | N/A | \$ 3,026 | N/A |
| VILLA | | | | | |
| APARTMENTS | | | | | |
| The Baterson I & II | 1 BED / 1 BATH | \$ 165,610 | \$ 242,337 | \$ 3,712 | \$ 5,108 |
| The Loomis I | 1 BED / DEN / 1 BATH | \$ 232,595 | \$ 309,317 | \$ 4,413 | \$ 5,809 |
| The Loomis II | 1 BED / DEN / 1 BATH | \$ 237,595 | \$ 314,322 | \$ 4,507 | \$ 5,903 |
| The Goodwin | 2 BED / 2 BATH | \$ 250,370 | \$ 327,095 | \$ 4,786 | \$ 6,182 |
| The Newberry | 2 BED / 2 BATH | \$ 286,898 | \$ 363,621 | \$ 5,369 | \$ 6,652 |
| The Wilcox* | 1 BED / DEN / 1.5 BATH / GARAGE SPACE | \$ 302,164 | \$ 367,536 | \$ 4,945 | \$ 6,138 |
| The Buckingham* | 2 BED / 2 BATH / GARAGE SPACE | \$ 350,000 | \$ 426,727 | \$ 5,565 | \$ 6,906 |
| The Filley* | DELUXE 1 BED / DEN / 1.5 BATH | \$ 337,088 | \$ 414,565 | \$ 5,819 | \$ 7,215 |
| The Prosser | 2 BED / 2 BATH | \$ 340,138 | \$ 416,375 | \$ 6,007 | \$ 7,403 |
| The Barnard | 2 BED / DEN / 2 BATH | \$ 343,043 | \$ 419,770 | \$ 6,028 | \$ 7,424 |
| The Griswold* | 2 BED / 2 BATH / GARAGE SPACE | \$ 375,228 | \$ 451,955 | \$ 6,190 | \$ 7,586 |
| The Grant* | 2 BED / 2 BATH / OPTIONAL DEN / GARAGE SPACE | \$ 378,000 | \$ 454,727 | \$ 6,152 | \$ 7,624 |
| The Wintonbury | 2 BED / DEN / 2 BATH | \$ 394,992 | \$ 471,719 | \$ 6,126 | \$ 7,522 |
| The Gillette* | 2 BED / 2 BATH / OPTIONAL DEN / GARAGE SPACE | \$ 421,881 | \$ 504,772 | \$ 7,031 | \$ 8,712 |
| The Petersen* | 2 BED / DEN / 2 BATH / GARAGE SPACE | \$ 455,517 | \$ 530,738 | \$ 7,827 | \$ 9,223 |

*These Residences may have existing fireplaces. If fireplaces are not in place, one may be added at the Resident's expense.

**The Heublein Villas have fireplaces, stone counters, upgraded flooring, a body spa, a two-car garage and full basement.

A portion of your entrance and monthly fee may be considered as a deductible medical expense for federal income tax purposes.

PLAN 50%

Offers a higher entrance fee, a moderate monthly fee and a refund of 50%. At any time following occupancy, the entrance fee is refundable upon termination (including withdrawal or death of the Resident or remaining Resident in the case of double occupancy) equal to 50% of the entrance fee.

| PLAN 67% | | ENTRANCE | | REFUND | | MONTHLY | |
|----------------------|--|------------|------------|------------|------------|----------|----------|
| RESIDENCES | | SINGLE | DOUBLE | SINGLE | DOUBLE | SINGLE | DOUBLE |
| COTTAGES | | | | | | | |
| The Griffin* | 1 BED / 1 BATH | \$ 245,020 | \$ 321,747 | \$ 122,510 | \$ 160,874 | \$ 3,978 | \$ 5,374 |
| The Cadwell* | 2 BED / 2 BATH | \$ 413,441 | \$ 490,166 | \$ 206,721 | \$ 245,083 | \$ 5,558 | \$ 6,954 |
| The Bidwell* | DELUXE 2 BED / 2 BATH | \$ 504,804 | \$ 581,527 | \$ 252,402 | \$ 290,764 | \$ 6,554 | \$ 7,950 |
| The Talcott* | 2 BED / DEN / 2.5 BATH | \$ 619,332 | \$ 696,057 | \$ 309,666 | \$ 348,029 | \$ 8,160 | \$ 9,556 |
| The Heublein** | 2 BED / 2 BATH / 2 CAR GARAGE | \$ 680,211 | \$ 756,938 | \$ 340,106 | \$ 378,469 | \$ 8,386 | \$ 9,782 |
| VILLA | | | | | | | |
| The Ely | STUDIO | \$ 150,311 | N/A | \$ 75,156 | N/A | \$ 3,026 | N/A |
| APARTMENTS | | | | | | | |
| The Batterson I & II | 1 BED / 1 BATH | \$ 228,681 | \$ 305,408 | \$ 114,341 | \$ 152,704 | \$ 3,692 | \$ 5,088 |
| The Loomis I | 1 BED / DEN / 1 BATH | \$ 301,911 | \$ 378,634 | \$ 150,956 | \$ 189,317 | \$ 4,374 | \$ 5,770 |
| The Loomis II | 1 BED / DEN / 1 BATH | \$ 308,401 | \$ 385,128 | \$ 154,201 | \$ 192,564 | \$ 4,468 | \$ 5,864 |
| The Goodwin | 2 BED / 2 BATH | \$ 337,279 | \$ 414,005 | \$ 168,640 | \$ 207,003 | \$ 4,753 | \$ 6,149 |
| The Newberry | 2 BED / 2 BATH | \$ 388,101 | \$ 464,827 | \$ 194,051 | \$ 232,414 | \$ 5,350 | \$ 6,746 |
| The Wilcox* | 1 BED / DEN / 1.5 BATH / GARAGE SPACE | \$ 401,258 | \$ 466,631 | \$ 200,629 | \$ 233,316 | \$ 4,945 | \$ 6,138 |
| The Buckingham* | 2 BED / 2 BATH / GARAGE SPACE | \$ 465,537 | \$ 542,264 | \$ 232,769 | \$ 271,132 | \$ 5,565 | \$ 6,906 |
| The Filley* | DELUXE 1 BED / DEN / 1.5 BATH | \$ 454,529 | \$ 532,006 | \$ 227,265 | \$ 266,003 | \$ 5,819 | \$ 7,215 |
| The Prosser | 2 BED / 2 BATH | \$ 457,427 | \$ 535,131 | \$ 228,714 | \$ 267,566 | \$ 5,978 | \$ 7,374 |
| The Barnard | 2 BED / DEN / 2 BATH | \$ 461,041 | \$ 537,764 | \$ 230,521 | \$ 268,882 | \$ 5,982 | \$ 7,378 |
| The Griswold* | 2 BED / 2 BATH / GARAGE SPACE | \$ 498,759 | \$ 575,486 | \$ 249,380 | \$ 287,743 | \$ 6,382 | \$ 7,778 |
| The Grant* | 2 BED / 2 BATH / OPTIONAL DEN / GARAGE SPACE | \$ 503,403 | \$ 580,130 | \$ 251,702 | \$ 290,065 | \$ 6,152 | \$ 7,624 |
| The Wintonbury | 2 BED / DEN / 2 BATH | \$ 533,972 | \$ 610,699 | \$ 266,986 | \$ 305,350 | \$ 6,069 | \$ 7,465 |
| The Gillette* | 2 BED / 2 BATH / OPTIONAL DEN / GARAGE SPACE | \$ 562,685 | \$ 642,238 | \$ 281,343 | \$ 321,119 | \$ 7,031 | \$ 8,712 |
| The Petersen* | 2 BED / DEN / 2 BATH / GARAGE SPACE | \$ 608,027 | \$ 683,251 | \$ 304,014 | \$ 341,626 | \$ 7,827 | \$ 9,223 |

*These Residences may have existing fireplaces. If fireplaces are not in place, one may be added at the Resident's expense.

**The Heublein Villas have fireplaces, stone counters, upgraded flooring, a body spa, a two-car garage and full basement.

A portion of your entrance and monthly fee may be considered as a deductible medical expense for federal income tax purposes.

PLAN 80%

Offers an entrance fee that is higher and a monthly fee that is lower than Seabury's other rate schedules, in exchange for a refund of up to 80% of the entrance fee (20% is retained by Seabury and not refundable in any event). At any time following occupancy, the entrance fee is refundable upon termination (including withdrawal or death of the Resident or remaining Resident in the case of double occupancy) up to 80% of the entrance fee.

| RESIDENCES | ENTRANCE | REFUND | | MONTHLY | | |
|----------------------|---|------------|------------|------------|----------|----------|
| | | SINGLE | DOUBLE | SINGLE | DOUBLE | |
| COTTAGES | | | | | | |
| The Griffin* | 1 BED / 1 BATH \$ 297,354 | \$ 374,081 | \$ 237,883 | \$ 299,265 | \$ 2,948 | \$ 4,344 |
| The Cadwell* | 2 BED / 2 BATH \$ 501,380 | \$ 575,868 | \$ 401,104 | \$ 460,694 | \$ 4,154 | \$ 5,550 |
| The Bidwell* | DELUXE 2 BED / 2 BATH \$ 612,250 | \$ 686,744 | \$ 489,800 | \$ 549,395 | \$ 4,897 | \$ 6,293 |
| The Talcott* | 2 BED / DEN / 2.5 BATH \$ 752,215 | \$ 826,706 | \$ 601,772 | \$ 661,365 | \$ 6,622 | \$ 8,018 |
| The Heublein** | 2 BED / 2 BATH / 2 CAR GARAGE \$ 834,074 | \$ 910,801 | \$ 667,259 | \$ 728,641 | \$ 6,680 | \$ 8,076 |
| The Ely | STUDIO \$ 182,415 | N/A | \$ 145,932 | N/A | \$ 2,236 | N/A |
| VILLA | | | | | | |
| APARTMENTS | | | | | | |
| The Batterson I & II | 1 BED / 1 BATH \$ 277,527 | \$ 354,254 | \$ 222,022 | \$ 283,403 | \$ 2,736 | \$ 4,132 |
| The Loomis I | 1 BED / DEN / 1 BATH \$ 366,023 | \$ 440,517 | \$ 292,818 | \$ 352,414 | \$ 3,267 | \$ 4,663 |
| The Loomis II | 1 BED / DEN / 1 BATH \$ 373,891 | \$ 450,618 | \$ 299,113 | \$ 360,494 | \$ 3,337 | \$ 4,733 |
| The Goodwin | 2 BED / 2 BATH \$ 421,498 | \$ 483,441 | \$ 337,198 | \$ 386,753 | \$ 3,550 | \$ 4,946 |
| The Newberry | 2 BED / 2 BATH \$ 470,628 | \$ 545,118 | \$ 376,502 | \$ 436,094 | \$ 3,997 | \$ 5,393 |
| The Wilcox* | 1 BED / DEN / 1.5 BATH / GARAGE SPACE \$ 482,856 | \$ 546,327 | \$ 386,285 | \$ 437,062 | \$ 3,930 | \$ 5,126 |
| The Buckingham* | 2 BED / 2 BATH / GARAGE SPACE \$ 565,000 | \$ 641,727 | \$ 452,000 | \$ 513,382 | \$ 4,423 | \$ 5,768 |
| The Filley* | DELUXE 1 BED / DEN / 1.5 BATH \$ 551,233 | \$ 626,453 | \$ 440,986 | \$ 501,162 | \$ 4,629 | \$ 6,025 |
| The Prosser | 2 BED / 2 BATH \$ 554,191 | \$ 630,427 | \$ 443,353 | \$ 504,342 | \$ 4,463 | \$ 5,859 |
| The Barnard | 2 BED / DEN / 2 BATH \$ 559,140 | \$ 633,634 | \$ 447,312 | \$ 506,907 | \$ 4,467 | \$ 5,863 |
| The Griswold* | 2 BED / 2 BATH / GARAGE SPACE \$ 600,673 | \$ 677,400 | \$ 480,538 | \$ 541,920 | \$ 5,081 | \$ 6,477 |
| The Grant* | 2 BED / 2 BATH / OPTIONAL DEN / GARAGE SPACE \$ 606,664 | \$ 683,391 | \$ 485,331 | \$ 546,713 | \$ 4,895 | \$ 6,362 |
| The Wintonbury | 2 BED / DEN / 2 BATH \$ 647,349 | \$ 724,076 | \$ 517,879 | \$ 579,261 | \$ 4,539 | \$ 5,935 |
| The Gillette* | 2 BED / 2 BATH / OPTIONAL DEN / GARAGE SPACE \$ 678,628 | \$ 753,877 | \$ 542,902 | \$ 603,102 | \$ 5,594 | \$ 7,272 |
| The Petersen* | 2 BED / DEN / 2 BATH / GARAGE SPACE \$ 755,092 | \$ 830,313 | \$ 604,074 | \$ 664,250 | \$ 6,238 | \$ 7,634 |

*These Residences may have existing fireplaces. If fireplaces are not in place, one may be added at the Resident's expense.

**The Heublein Villas have fireplaces, stone counters, upgraded flooring, a body spa, a two-car garage and full basement.

A portion of your entrance and monthly fee may be considered as a deductible medical expense for federal income tax purposes.

See back page for more details on how plan 80% works.

PLAN 80% — Refund Provisions

Under Plan 80%, you pay an Entrance Fee that is higher and a Monthly Fee that is lower than Seabury's other rate schedules, in exchange for a refund of up to 80% of the Entrance Fee (20% is retained by Seabury and not refundable in any event).

If you transition to another level of care, you will continue to pay the Monthly Fee. You will also be responsible for the difference between the Monthly Fee and the private pay charges then in effect for Assisted Living, Seabury Meadows or Skilled Nursing (unless your care is paid for by Medicare). However, the difference between your Monthly Fee and the cost of care in Assisted Living, Seabury Meadows or Skilled Nursing will be deducted from your 80% Entrance Fee refund.

Maintaining your Independent Living Home while residing in a different level of care will necessitate additional fees.

Limit of Financial Responsibility: If your 80% Entrance Fee refund is exhausted by deductions for future charges, you will then need to pay only the Monthly Fee for your Home (or previous Home) in Independent Living, plus additional meal charges.

Under Plan 80%, deductions from your 80% Entrance Fee refund for future charges will be computed according to the charges then in effect for future services, and as described below. These health care charges may be increased from time to time.

A. Permanent Transfer to the Health Center

If you transition to Assisted Living, Seabury Meadows or Skilled Nursing and no longer have an assigned Independent Living Home, you will continue to pay the Monthly Fee for your previous Independent Living Home. Charges for Assisted Living, Seabury Meadows or Skilled Nursing in excess of your Monthly Fee will be deducted from your 80% Entrance Fee refund (unless your care is paid for by Medicare).

B. Temporary Transfer to Skilled Nursing

If you receive care in Skilled Nursing temporarily (i.e., you maintain your Independent Living Home and are expected to return to it), you will continue to pay your Monthly Fee. The full charges for care in Skilled Nursing will be deducted from your 80% Entrance Fee refund (unless your care is paid for by Medicare).

C. Shared Units

The terms described above also apply to persons who share an Independent Living Home; however, the total Monthly Fee due to Seabury will continue to include the second person fee.

Example (based on current charges): You have paid an Entrance Fee of \$600,673; your 80% Entrance Fee refund is \$480,538; your Monthly Fee is \$5,081. You spend two months in Skilled Nursing on a temporary basis. You will continue to pay your monthly fee of \$5,081. The full cost of your care in Skilled Nursing is \$37,149 (based on \$609 x 61 days) and is deducted from your 80% Entrance Fee refund. Later, some time after you have returned to your Independent Living Home, you transition permanently to Assisted Living, where you remain for three years. The difference between your Monthly Fee and the cost of care in Assisted Living (\$110,544 based on \$268 x 1,095 days less the Monthly Fee), is also deducted from your 80% Entrance Fee refund. Upon termination of your agreement with Seabury, you or your Estate will be entitled to a refund of \$332,845 (\$480,538 less \$37,149 less \$110,544).

Long-Term Care Insurance: You may already have purchased or may wish to purchase long-term care insurance. Such insurance will cover all or part of the cost of care in Assisted Living, Seabury Meadows and Skilled Nursing. Please review the terms of your policy carefully regarding its coverage provisions. The long-term care insurance provider will reimburse you directly.

NOTE: There may be tax implications under this plan. Please seek the advice of a qualified tax accountant.



200 SEABURY DRIVE • BLOOMFIELD, CT 06002
(860) 286-0243 • (800) 340-4709
WWW.SEABURLIFE.ORG • INFO@SEABURLIFE.ORG

SCHEDULE OF CHARGES (Effective 10/01/2022 – 09/30/2023)

ASSISTED LIVING SERVICES (ALSA)

- See attached. Includes fees for Seabury Care Now and Seabury Community Nurse

BEAUTY SALON

- See attached (Charges also posted outside salon on 5th floor)

CARPORT

- \$65 per month
- No fee for solar carports

COT/ROLL-A-WAY/PORT-A-CRIB

- \$15.00 per night

Electric Vehicle

- Market rate

GARAGE

- \$115 per month

GUEST ROOMS

- \$110 per night
- \$130 Two Bedroom Cottage while available
- \$150 Granberry Cottage
 - Overnight guest cancellation policy - 48 hours' notice to not be charged

Private party catering cost - varies depending on menu

- \$40/hr. for private party housekeeping
- \$40/hr. private party server/culinary clean-up
- \$40/hr. for additional setup. Chairs, tables etc.

MAINTENANCE SERVICES

- \$50 per hour for a Maintenance Technician
- \$75 per hour for electrician

HOUSEKEEPING

- \$40 per hour for an occasional additional cleaning of apartment or cottage
- \$30 for additional permanent cleaning
- \$40 per hour for additional carpet shampooing

Two weeks' notice required for cancellation; otherwise, full fee charged

SCHEDULE OF CHARGES (Effective 10/1/2022 – 9/30/2023)

KEYS

- \$10 card key replacement charge
- \$1.50 duplication charge for apartment, cottage, mailbox, or storage keys
- \$150.00 Sara Pendent Replacement

MEAL DELIVERY

- \$2 Tray delivery service

MEAL PLANS

- Full meal plan - \$280 available balance for meals
- Reduced meal plan - \$140 available balance for meals, with \$70 credit on the monthly bill
- No meal plan – \$0 no available balance for meals, with \$140 credit on the monthly bill
- Main Dining Room Dinners - \$16

NAME TAGS

- \$10 replacement fee

Pet Services

- Dog Walking \$15 per 30 mins. (When available). Please contact The Hub at 959-255-6425.

THE SALON AND SPA AT SEABURY

- Seabury Salon & Spa brochures available at the Spa across from Heritage Hall. Please see attached.

MESSAGE THERAPY

- 15 minutes-\$20
- 30 minutes-\$40
- 45 minutes-\$55
- 60 minutes-\$70

TRANSPORTATION

- Seabury will provide regularly scheduled local transportation to doctor's appointments and shopping.
- Charges will be incurred for the following:
 - Outside of 30-mile radius (\$3.00 per mile)

- Reoccurring doctors' appointments (chemotherapy, dialysis, wound care etc.)
- Medical services provided on campus
- Less than 24-hour notice of cancellation or transportation request.
- C.N.A. escort for medical appointments fee is \$35/hour

SCHEDULE OF CHARGES (Effective 10/01/2022 – 09/30/2023)

TRANSPORTATION Continued

- External resources available to Seabury residents rate vary based on vendor fee:
 - Town of Bloomfield Minibus (860-243-8361)
 - ITN (860-951-5873 or 860-253-6394)
 - Nutmeg Senior Rides (860-758-7833)
 - Ace Cab (860-222-2222)
 - Uber and Lifts Mobile Phone App
 - AMR-Wheelchair Service. Contact Transportation 860-243-6065
- Transportation fees for special activities vary. The standard charge for off campus events is \$18.
- Charges apply if a ride is cancelled within 24 hrs. of the scheduled trip.

TO BOOK TRANSPORTATION

- Call or email Melissa Beauchemin, Director of Resident Services, at 860-243-6065 or melissabeauchemin@seaburylife.org
- Submit a completed yellow transportation form to Karen Frawley at the Front Desk or submit a work-order for transportation on the Resident Portal/Intranet.

NUTRITION CONSULTATION

- Nutrition Consultation \$75 per hour; ongoing sessions \$60 per hour
- For an appointment contact Health Services at 860-243-6071.

PERSONAL TRAINING

- These services are available through the Fitness & Wellness Center.
Fees for individuals are: \$35 for 30 minutes
\$50 per hour
\$55 per hour Partner training
- Contact the Director of Fitness & Wellness at extension 14025 for more information.

SCHEDULE OF CHARGES (Effective 10/01/2022 – 09/30/2023)

REHABILITATION SERVICES

- Insurance coverage varies with Doctor Prescription and insurance plan.
- Private Pay charges for Physical, Occupational, and Speech Therapy services coincide with Medicare reimbursement rates for service codes rendered.
- For a full range of services please refer to the Rehabilitation brochure available at the Wellness Clinic desk or the HUB.
- Contact the Rehabilitation Director at extension 16078 for more information.

Tech Support Services (Provided by our Resident Services' Event Logistics & Tech Support Coordinator)

- Initial 10-minute diagnostic consultation, \$15
- Half hour charge thereafter, \$30
- Hourly charge thereafter, \$50

To request services, you can use the online work order system available through the Seabury Resident's Portal at <http://resident.seaburylife.org> or complete a paper work order and hand it in to the front desk or to The Hub.

PS Menu of Services SALON & SPA

Shampoo / Cond.

| | |
|---|----|
| Shampoo | 14 |
| Deep Conditioning Treatment..... | 12 |
| Scalp Treatment (not heated)..... | 16 |
| Paul Mitchell Anti-Thinning Treatment | 10 |

Sets & Cuts

| | |
|-------------------------------------|----|
| Comb-Out • Touch-up | 18 |
| Women's Cut & Shampoo Package | 43 |
| Shampoo, Cut & Style..... | 54 |
| Shampoo & Style..... | 38 |
| UpDo | 32 |
| Men's Cut & Shampoo Package | 26 |
| Clipper Cut..... | 21 |
| Neck Trim..... | 9 |

Color

| | |
|--|--------------|
| Single Process Color & Style | 64 |
| Single Process Color, Cut & Style..... | 81 |
| Temporary Color Rinse | 7 |
| Highlights..... | 62 • 75 • 87 |

Perms & Relaxers

| | |
|-------------------------|----|
| Perm & Style | 78 |
| Perm, Cut & Style | 91 |

Spa Treatments

| | |
|------------------------------------|----|
| Truist Moisturizing Manicure | 32 |
| Truist Gloves | 5 |
| Manicure | 27 |
| Pedicure | 35 |
| Polish Change • Nail Shaping..... | 19 |
| Toenail Clipping..... | 15 |
| 1 Step Gel Manicure..... | 33 |

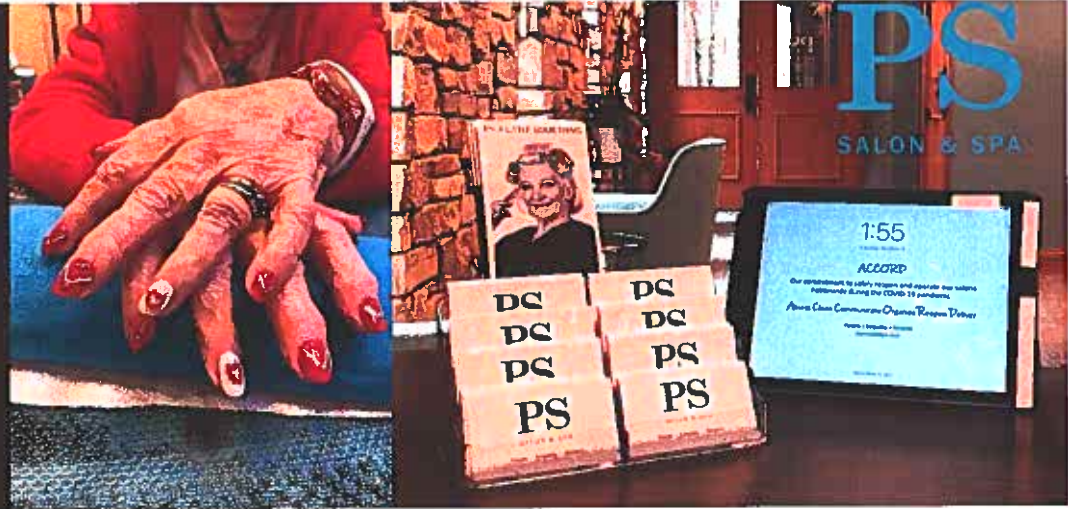
Aesthetics

| | |
|---|----|
| Facial Grooming..... | 10 |
| Hair Removal Service (per service for Chin or Lip)..... | 12 |
| Hair Removal Service (per service for Brow) | 12 |



Salon Offerings Update

People • Empathy • Respect



To Our Valued Clients:

PS Salon & Spa would like to thank you for your patronage, and for the privilege of being your community's professional salon operator!

We remain fully committed to providing our salon operations with the resources needed to operate safely for you and your well-being, and for that of our team – both during and after the COVID-19 pandemic. We will continue to make investments in securing the proper PPE for all services, as well as continue investing in the ongoing education and infection-control training of our salon professionals.

To maintain this level of support, we would like to share with you our new Salon Offerings menu. Please note that some of our service prices have increased to keep pace with rising costs, but other service prices remain unchanged. This new Salon Offering menu will become effective on **October 1st**.

We thank you again and look forward to many more years serving your salon and spa needs!!

THE PS SALON & SPA TEAM

Salon Payments Made Easy...and Rewarding!

Earn 4-5% Spending Rewards with PS Celebration Accounts!



CONNECT

\$5 when each Family Member or Friend accepts an invite to **Connect** and **Gift** a resident's PS Celebration Account



FILL-UP

\$1 for every \$25 fill-up spent on services and products in the salon

| PS ADDS | PS ADDS |
|-------------|--------------|
| \$50 → \$2 | \$200 → \$10 |
| \$75 → \$3 | \$300 → \$15 |
| \$100 → \$5 | \$500 → \$25 |

FOR EVERY \$100 FILL-UP PS ADDS A BONUS DOLLAR!



CELEBRATE

\$5 for every resident's birthday

(just because!)



Visit the salon or learn more online at www.salonps.com/celebrate

PS Covid-19 Salon Operation Plan: www.salonps.com/update

Seabury Community Nurse Services

- * Emergency call for aid
- * Nurse consultation in Clinic/Wellness Program
- * Nurse assessment after a hospital stay, Health Center stay, or emergency
- * As part of the Wellness Program, the following services, when provided in Health Services, will be at no charge to Seabury residents:

Wellness Counseling • Health Promotion • Diabetic Screening
Disease Prevention • Blood Pressures • Weight Monitoring
Coordination of physician orders
Coordination of Home Health services

Services Provided by a Licensed Nurse

- Pre-pour of medication \$ 60.00/week
Medication boxes
White, Large (daily) \$ 5.00
Blue/Green (week) \$ 12.00
- Nurse Medication Ordering/Faxing \$ 12.00/per order to mail order pharmacy
- Services provided by a Licensed Nurse in apartment/cottage (RN/LPN; under order of a physician) \$19.00/15 mins.
Treatments by appt. (with MD orders) \$12.00/15 mins. in Clinic; Supplies billed to resident on Seabury monthly statement
- Monthly B12 Injections in Clinic \$12.00
- Daily Injections in Clinic \$ 8.00/Injection
- Ear Flush \$30.00
- Administration of Eye Drops/Ear Drops:
In Clinic - per administration \$ 3.00
- Nasal Sprays and Inhalers \$ 3.00/per visit
- PCR/Covid/Flu Test \$75.00/per test
- Rapid Covid Test \$30.00/per test
- Oxygen tank filling \$ 7.00/per fill
- Assessment Stool Hemacult \$ 16.00

Seabury Care Now Private Duty

Seabury's Private Duty Services are not considered as part of the basic Skilled or Assisted Living programs; and therefore are not considered as part of the Life Care contract. Private Duty services may be arranged at an additional charge as outlined in the brochure.

- * Private nursing assessment visit in one's home \$95.00
- * Emergency unscheduled skilled visit \$65.00
- * Private nursing visit \$60.00

Services provided by a Certified Nurse Assistant

- * Supervision of self-medication \$ 35.00 / hour from 7 a.m.- 3 p.m.
- * Assistance with personal care activities (bathing, oral hygiene, feeding, dressing, toileting, and grooming) \$ 35.00 / hour from 3 p.m.-11 p.m.
- * Assistance with exercise, ambulation, transfer activities 11 p.m.-7 a.m.
- * Assistance with transportation to medical appointments \$ 35.00 / hour from 7 a.m.- 3 p.m.

Services provided by a Companion

Household services including shopping, meal preparation, laundry, house-cleaning, escort to apartment, transporting of wheelchair-bound residents, assisting with correspondence, sewing, mending, friendly visiting; assistance transporting to medical appointments

\$ 30.00 / hour from 7 a.m.- 3 p.m.
\$ 30.00 / hour from 3 p.m.- 11 p.m.
\$ 30.00 / hour from 11 p.m.- 7 a.m.

The Seabury Assisted Living Services, Seabury Care Now, or the Seabury Community Nurse coordinates with you and your physician to create a personalized program in your cottage, apartment or in The Views.

When indicated, Seabury will assess the resident's needs for Licensed Home Health Services if Medicare coverage is indicated.

The Assisted Living Services Agency at Seabury is licensed by the Connecticut Department of Public Health.

Seabury Care Now is registered with The Connecticut Department of Consumer Protection

Service fees will be billed at double time on holidays.

To learn more about Assisted Living Services, Seabury Care Now (Private Duty), or the Seabury Community Nurse Services Seabury or to arrange for services, please call the Health Center at Seabury at 860-243-6071.

**SERVICES AT SEABURY ARE
PROVIDED BY ASSISTED LIVING
SERVICES, SEABURY CARE
NOW, AND THE SEABURY
COMMUNITY NURSE**



EXHIBIT E

ENTRANCE FEE ESCROW AGREEMENT

Note: The Entrance fee Escrow Agreement is now held between Church Home of Hartford, Incorporated, d/b/a Seabury and Westfield Bank.



Escrow Management Master/Sub Account Agreement

This Escrow Management agreement (hereinafter, the "Agreement") is made and entered into by Church Home of Hartford Inc. DBA Seabury ^{Retirement Community} (hereinafter, the "Business" and WESTFIELD BANK, a federally chartered thrift with an office located at 141 Elm Street, Westfield, Massachusetts (hereinafter, the "Bank"), for the purposes of establishing and maintaining accounts for escrow management services by the Business for its customers (hereinafter, the Client").

The Master Checking Account is a non-interest-bearing commercial checking account maintained in the name of the Business

The Sub Savings or Sub Checking Accounts are interest-bearing accounts maintained for each Business's Client(s) with funds held in escrow by the Business. Each Sub Savings or Sub Checking Account will be opened and associated with the Client's name, address, and tax identification number ("TIN") along with the purpose of the escrowed funds (example- Tenant Security, Social Security Rep Payee, Personal Needs, etc). All disbursements from the Sub Savings Accounts must clear through the Master Checking Account. Disbursements from Sub Checking Accounts may clear directly from the Sub Checking or the Master Checking Account.

The Business will designate its authorized signers, and these signers will be added to the Master Checking Account and to all Sub Savings and Sub Checking Accounts. Clients are not authorized to transact on any Sub Savings or Sub Checking Account in their name(s).

A W-9 Form signed by each Client is required to ensure that a Form 1099-INT issues to the Client as the tax reported account owner rather than the Business. In the event that this information is not provided to the Bank, the Bank will be obligated by IRS rules to implement backup withholding on any interest earned on the applicable Sub Savings and Sub Checking Accounts at the statutory rates. If the Client is an exempt foreign person (a non-resident alien) and therefore, not subject to U.S. information return reporting or backup withholding rules, the Client must complete a W-8BEN Form and not the W-9 Form. By submitting the W-9 Form or the W-8BEN Form, the Business represent to the Bank that 1) the Business identified the Client using a primary form of identification that includes a photograph, which is either a valid state issued driver's license, state issued identification card, or U.S. passport (or foreign passport for non-resident alien only) and 2) the Client's signature is genuine, and if signed in a representative capacity, was signed by an individual authorized to make the certification on behalf of the Client. The Business represents and warrants to the Bank that it has the authority to establish and operate each Sub Savings or Sub Checking Account. Interest earned will be subject to taxation as ordinary income to the Client and a Form 1099-INT will be mailed directly to each Client.

The Business agrees not to use the Master Checking Account as an operating account and further agrees that it will only use the Master Checking Account for transactions related to the Sub Savings or Sub Checking Accounts. All Sub Savings or Sub Checking will be linked to the Master Checking account. Each month the Business will receive a combined statement detailing all transactions processed through the Master Checking Account and all linked Sub Savings or Sub Checking Accounts. Any additional account notices will be sent to the Business with the exception of the individual Form 1099-INT for the Sub Savings or Sub Checking Accounts, which will be sent to the Client as hereinabove stated.

All Sub Savings and Sub Checking Accounts linked to the Master Checking Account must be closed before the Business may close the Master Checking Account. The Bank has the right to refuse any request by the Business to open a Sub Savings or Sub Checking Account for any reason, including, but not limited to, presentment of an incomplete or illegible W-9 Form. Notwithstanding the foregoing, the Bank is not liable for errors or misinformation contained on any W-9 or W-8BEN Forms presented.

If any deposited item is returned unpaid to the Bank and the respective Sub Savings or Sub Checking Account or Master Checking Account to be charged does not contain sufficient funds to cover the returned item, the Business agrees to immediately deposit sufficient funds to the account to be charged to cover the returned item.

Each of the aforementioned accounts is governed by: (1) the laws of the Commonwealth of Massachusetts; (2) the supervisory rules and regulations of the Office of the Comptroller of the Currency; (3) local clearing house rules; and (4) the Bank's rules and regulations pertaining to deposit accounts (to the extent that they are not inconsistent with the terms of this Agreement). The Business agrees to provide any and all information, requested from time to time, by the Bank in order to comply with all such applicable laws, to assist the Bank in compliance therewith, and to hold the Bank harmless from liability in connection with the Bank's compliance.

Signature: Date: 7/25/2022
 7/25/2022

EXHIBIT F

BILL OF RIGHTS

SEABURY

MANAGED RESIDENTIAL COMMUNITY RESIDENT'S BILL OF RIGHTS

Name of Resident: _____

As a resident of a Managed Residential Community, you have the right to:

- Live in a clean, safe and habitable private residential unit.
- Be treated with consideration, respect and due recognition of personal dignity, individuality and the need for privacy.
- Privacy within your private residential unit, subject to our rules that are reasonably designed to promote your health, safety and welfare.
- Retain and use your own personal property within your private residential unit so as to maintain individuality and personal dignity provided the use of personal property does not infringe on the rights of other residents or threaten the health, safety and welfare of other residents.
- Treat your residential unit as your home and have no fewer rights than any other resident of the state, including but not limited to, (A) associating and communicating privately with persons of your choice, (B) purchasing and using technology of your choice, including, but not limited to, technology that may facilitate virtual visitation with family and other persons, provided operation and use of such technology shall not violate any individual's right to privacy under state or federal law, and (C) engaging in other private communications, including receiving and sending unopened correspondence and telephone access.
- 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 residential unit, or such other space as we may make 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 us, government officials or any other person without restraint, interference, coercion, discrimination or reprisal from us, including access to representatives of the Department of Public Health at:

Donna Ortelle, R.N., M.S.N
Section Chief
Facility Licensing and Investigations Section
Connecticut Department of Public Health
410 Capitol Ave., MS# 12 HSR
Hartford, CT 06134-0308
Phone: (860) 509-7400
Fax: (860) 730-8390
Email: dph.fliscomplaint@ct.gov
<https://dphflisevents.ct.gov/Complaints>

or the Office of the Long-Term Care Ombudsman at:

Mairead Painter
Connecticut Long-Term Care Ombudsman Program
55 Farmington Avenue
Hartford, Connecticut 06105-3730
Phone: (860) 424-5200
Toll Free In-State: (866) 388-1888
Fax: (860) 424-4966
E-mail: lccop@ct.gov

- Upon request, obtain the name of the service coordinator 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 our capacity and with due consideration given to the rights of other residents.
- Be fully advised of the relationship that the managed residential 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 our rules or regulations.
- Privacy when receiving medical treatment or other services within the capacity of the managed residential community.
- Refuse care and treatment and participate in the planning for the care and services you need or receive, provided the refusal of care and treatment may preclude you from being able to continue to reside in the managed residential community.
- All rights and privileges afforded to tenants under Title 47a of the Connecticut General Statutes.

Revised July 2021

I HEREBY ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THIS RESIDENTS' BILL OF RIGHTS AND THAT IT HAS BEEN EXPLAINED TO ME.

Signature

Date

If signed by someone other than Resident:

Name of person signing on behalf of Resident

Print Name

Signature

Relationship to Resident

Date

EXHIBIT G

STATEMENT OF ACTUARIAL OPINION



415 Main Street
Reisterstown, MD 21136-1905
410-833-4220
410-833-4229 (fax)
www.continuingcareactuaries.com

Seabury

**Statement of Actuarial Opinion
December 19, 2022**

I, Dave Bond, am a Fellow of the Society of Actuaries, a member of the American Academy of Actuaries, the Managing Partner in the firm Continuing Care Actuaries, LLC, and I meet the qualification standards to render Statements of Actuarial Opinion for continuing care retirement communities. I have been retained by Seabury to render a Statement of Actuarial Opinion, in accordance with Section 17b-527 of the Regulations implementing the Continuing Care Statutes, regarding the following actuarial projections included in Seabury's 2022 Annual Financial Filing:

- Exhibit I Residential Turnover Rates
- Exhibit II Average Age of Residents
- Exhibit III Health Care Utilization Rates
- Exhibit IV Occupancy Rates
- Exhibit V Number of Health Care Admissions
- Exhibit VI Days of Care
- Exhibit VII Number of Permanent Transfers

I have examined the above items as shown in Seabury's Annual Financial Filing. These items are attached to this Statement of Actuarial Opinion. In the course of my review, I relied upon the accuracy and completeness of data and supporting documentation prepared by Seabury. In the course of my examination, nothing came to my attention that causes me to believe that the underlying data information is unreasonable or inappropriate. My examination included such review as I consider necessary of the data, methods, and underlying assumptions used by and the resulting actuarial projections reported by Seabury with respect to the above items as shown in Seabury's 2022 Annual Financial Filing.

In my opinion, the above items as shown in Seabury's 2022 Annual Financial Filing:

- are based upon methods which are consistent with sound actuarial principles and practices; and
- are based upon methods and underlying assumptions that appear reasonable and appropriate in this instance.

Should you have any questions or concerns regarding this information, please do not hesitate to contact our offices.

Respectfully,

A handwritten signature in black ink that reads 'Dave Bond' in a cursive script.

Dave Bond, F.S.A., M.A.A.A.
Managing Partner
dbond@continuingcareactuaries.com

Residential Turnover Rates

The Independent Living Unit residential turnover rates for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

| | | | | | |
|-------------|-------------|-------------|-------------|-------------|-------------|
| <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> |
| 8.1% | 7.9% | 7.7% | 7.6% | 7.6% | 7.7% |

Average Age of Residents

The projected average age for the next five years for independent living residents is as follows:

| | | | | |
|-------------|-------------|-------------|-------------|-------------|
| <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> |
| 85 | 86 | 86 | 86 | 86 |

Health Care Utilization Rates

Health care utilization rates, including admission rates and days per 100 residents by level of care for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

| Year | Skilled Nursing Facility | | | | <u>Days per 100 Residents</u> |
|------|---------------------------------|----------|-----------------------|----------|-----------------------------------|
| | <u>Utilization Rate</u> | | <u>Admission Rate</u> | | |
| | <u>Patients</u> | <u>%</u> | <u>Patients</u> | <u>%</u> | |
| 2022 | 20.8 | 6.7% | 81.0 | 30.2% | 2,461 |
| 2023 | 23.1 | 7.4% | 78.4 | 28.5% | 2,692 |
| 2024 | 23.1 | 7.2% | 80.6 | 28.3% | 2,618 |
| 2025 | 23.4 | 7.1% | 83.1 | 28.5% | 2,595 |
| 2026 | 23.9 | 7.1% | 85.7 | 28.7% | 2,589 |
| 2027 | 24.4 | 7.1% | 87.8 | 29.0% | 2,604 |

| Year | Assisted Living Units | | | | <u>Days per 100 Residents</u> |
|------|------------------------------|----------|-----------------------|----------|-----------------------------------|
| | <u>Utilization Rate</u> | | <u>Admission Rate</u> | | |
| | <u>Patients</u> | <u>%</u> | <u>Patients</u> | <u>%</u> | |
| 2022 | 26.0 | 8.4% | 11.0 | 4.1% | 3,081 |
| 2023 | 22.6 | 7.2% | 8.2 | 3.0% | 2,633 |
| 2024 | 22.1 | 6.9% | 8.5 | 3.0% | 2,503 |
| 2025 | 22.2 | 6.7% | 8.9 | 3.0% | 2,460 |
| 2026 | 22.6 | 6.7% | 9.2 | 3.1% | 2,447 |
| 2027 | 23.1 | 6.7% | 9.5 | 3.1% | 2,464 |

Occupancy Rates

Occupancy rates for independent living units for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

| <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 84% | 86% | 89% | 91% | 93% | 94% |

Number of Health Care Admissions

The number of health care admissions, by level of care, for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

| <u>Year</u> | <u>Skilled Nursing</u> | <u>Assisted Living</u> |
|-------------|------------------------|------------------------|
| 2022 | 81.0 | 11.0 |
| 2023 | 78.4 | 8.2 |
| 2024 | 80.6 | 8.5 |
| 2025 | 83.1 | 8.9 |
| 2026 | 85.7 | 9.2 |
| 2027 | 87.8 | 9.5 |

Days of Care

The number of days of care, by level of care, for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

| <u>Year</u> | <u>Skilled Nursing</u> | <u>Assisted Living</u> |
|-------------|------------------------|------------------------|
| 2022 | 7,579 | 9,490 |
| 2023 | 8,435 | 8,250 |
| 2024 | 8,448 | 8,077 |
| 2025 | 8,544 | 8,098 |
| 2026 | 8,710 | 8,233 |
| 2027 | 8,913 | 8,431 |

Number of Permanent Transfers

The number of permanent transfers to the skilled nursing or assisted living facility for the most recently completed fiscal year are:

| <u>Facility transferred to:</u> | <u>Transferring from:</u> | | <u>Total</u> |
|---------------------------------|---------------------------|------------------------|--------------|
| | <u>Independent Living</u> | <u>Assisted Living</u> | |
| Skilled Nursing | 2.0 | 8.0 | 10.0 |
| Assisted Living | 11.0 | N/A | 11.0 |

