



**McLean Affiliates, Inc.**

**Residency Agreement**

**June 2024**

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This Residency Agreement (this “Agreement”) is made as of **[INSERT DATE]** between McLean Affiliates, Inc. (“McLean”) and **[INSERT NAME(S) OF RESIDENT(S)]** (“you” or “Resident”). If more than one person is signing this Agreement, these terms refer to each of you individually, and to both of you together, and the rights and obligations of each of you are joint and several, except as the context of this Agreement otherwise requires.

## **I. INTRODUCTION**

### **A. McLean Affiliates, Inc.**

1. McLean is a non-stock corporation organized under Connecticut law and exempt from taxation under section 501(c)(3) of the Internal Revenue Code. McLean is a subsidiary of the McLean Fund, a trust, created by the will of Senator George P. McLean. McLean is registered with the Connecticut Department of Social Services as a life plan community. The life plan community, which consists of villas and apartments, is operated as an entrance fee community for qualified persons aged sixty-two (62) and older.
2. You have applied for residency at McLean, and McLean has approved you for admission to the Village.

### **B. Effective Date**

1. This Agreement shall take effect once it is signed by all parties (“Effective Date”). McLean’s obligation to provide services and your obligation to pay the Monthly Service Fee shall not take effect, however, until the Occupancy Date, which is the date your residence becomes available for occupancy and you are medically and financially qualified for admission.
2. You agree to notify the Village Director promptly of any adverse change in your health or any decrease of ten percent (10%) or more in your income or assets between the date of this Agreement and the Occupancy Date. You agree to begin paying the Monthly Service Fee set forth in Section V.B.1. of this Agreement as of the date you assume occupancy or within thirty (30) days after the Occupancy Date, whichever is earlier.

### **C. Term of Agreement**

The term of this Agreement shall be month-to-month, unless and until it is terminated as set forth in Section VII of this Agreement.

### **D. Definition of Terms**

Certain terms used in this Agreement have specific meanings. For your convenience in reading and understanding this Agreement, some of the terms are defined as follows:

1. Agreement – this Residency Agreement between McLean and you.
2. Co-Resident – each of the persons approved by McLean to occupy an apartment, cottage or villa in the Village.
3. Entrance Fee – the amount Resident agrees to pay McLean to become a resident of the Village.
4. Resident Handbook – the rules and regulations that govern residency at the Village and which McLean may amend from time to time in its sole discretion, attached hereto as Exhibit A and incorporated by reference.
5. Monthly Service Fee – the amount the Resident agrees to pay McLean each month from the occupancy date until the cancellation date as consideration for the facilities, services and benefits provided under this Agreement.
6. Non-Resident – a person who is seeking approval to be a resident or co-resident at McLean.
7. Resident – you as a party to this Agreement. When the word resident in lower case is used, it is referring to any person occupying a residence at McLean.
8. Village – all independent living residences at McLean, including apartments, cottages, and villas.

## **II. OUR RESPONSIBILITIES TO YOU AS A RESIDENT**

In consideration for the Entrance Fee, Monthly Service Fee and other fees payable by you under this Agreement, McLean will furnish you with the following residence, services and amenities, subject to the terms and conditions of this Agreement.

### **A. Your Apartment or Villa**

1. You have selected **[INSERT APARTMENT/VILLA NUMBER]** in which you will live (“your Residence”). You will have a personal and non-assignable right to live in your Residence, subject to the terms of this Agreement and the Resident Guidelines, as amended from time to time, in McLean’s discretion. Exhibit A contains the Resident Guidelines.
2. Your residence includes the following:
  - Fully equipped kitchen – full sized stove, refrigerator, dishwasher and microwave
  - Washer and dryer
  - Individually controlled heat and air conditioning
  - Curtains or blinds
  - Wall-to-wall carpeting, hardwood, luxury vinyl tile flooring or combination
  - Phone/cable/internet connections
  - Emergency response system – residents are provided with an emergency response system, which is monitored 24 hours a day by a service. If the emergency response system is used inappropriately, you may be charged for the response.
  - Fire safety systems
  - One outside or covered parking place. Each villa has a garage.
  - Personal storage area (apartments)
  - Utilities except phone, cable and internet (apartments only)
  - Individual mail boxes in lobby or driveway
3. McLean is responsible for maintaining the buildings and grounds, paying property taxes, and hiring/supervising McLean staff.

## **B. Services**

Unless otherwise specified, the following services are included with your Monthly Service Fee. McLean reserves the right, in its sole discretion, to adjust services available under the Monthly Service Fee, and reserves the right to charge for additional services outside the scope of the Monthly Service Fee, as outlined in the Fee Schedule attached.

1. A flexible dining plan account with the equivalent of 25 pre-loaded, full dinners per monthly cycle.
  - a. Dining options include the Burkholder Restaurant, The Pines, Hop Meadow Country Club (with a social membership), Senator's Café, and Pfirman Dining Room. Hours of operation are available in each location.
  - b. You may choose to use two full fare credits per cycle at Hop Meadow Country Club as part of your meal plan.
  - c. Special diets will be considered.
  - d. Dinners may be delivered to your apartment/villa during a temporary illness, without a fee, when approved by the McLean Village Director, for up to ten days per incidence (twice per year). It is also available upon request, for a fee.
  - e. Dinner delivery service to a central location is available each evening, without a fee.
2. A variety of cultural, recreational, and educational activities.
3. Social Membership to Hop Meadow Country Club, including access to all activities at the clubhouse, use of the pub, pool (Monday – Thursday), use of facilities for parties and family gatherings, plus tennis and golf at the guest rate (with reservations).
4. As a resident of the life plan community, you are a member of the Boundless Wellness Program. Upon request, there is a complete list of offerings. Some may have additional fees. Individuals not living on this campus are welcome to become members of the Program.

5. Scheduled van or car transportation to local shops.
6. Scheduled local van or car transportation to doctors within the Farmington Valley (Simsbury, Granby, East Granby, Avon, Bloomfield, Canton and Farmington).
7. Every other week light housekeeping: which may include dusting, vacuuming, washing bathrooms and kitchen including the floors, changing linens, and twice annually washing the interior windows.
8. Our Campus Liaison helps to facilitate transitions and assists with identifying available resources.
9. Building and grounds maintenance.
10. Religious services with several area clergy.
11. Monthly health clinic is available for health screening, blood pressure monitoring, weight and diet checks.
12. Priority access to the Health Center and other McLean health care services.
13. Access to the McLean Game Refuge.
14. Guest rooms are available for a fee.

### **C. Amenities and Common Facilities**

You will be entitled to share with all residents the use of the grounds and common facilities subject to the McLean Village guidelines. McLean may expand, eliminate, or modify common facilities in its sole discretion.

Medical Clinic – Health Center  
 Burkholder Restaurant  
 Senator’s Café – Health Center  
 Pfirman Dining Room – Health Center  
 The Pines  
 Grouse & Quail  
 Private dining

The Hartford Community Room  
Fireplace lounges  
Garmany Performing Arts Center  
Game Room and Pool Table  
Glenn Creative Arts Studio  
Fitness Center  
Exercise Center  
The Harbor  
The Refuge  
Reading Nook  
Gardens and guided walking trails  
The Hideaway Salon  
Libraries and computers with internet access  
Sorenson Media Center – computers and technology support - Health Center  
Auxiliary Gift Shop – Health Center and Village satellite location  
Workshop  
Bordonaro Terrace overlooking the golf course

#### **D. Services Available at an Additional Charge**

The following services are available at an additional charge

1. McLean is pleased to have a vetted partnership with an agency to assist those who would benefit from a few hours of assistance a week, but who are not yet ready for assisted living.
2. Health Services
  - a. McLean offers several levels of care. You will have priority access to all levels of care and health care services.
  - b. There are medical professionals on campus that you may choose, or you may elect to continue to have your own physicians and other health care professionals in the community. McLean has a physician clinic and a dental office located in the Health Center. In addition, a podiatrist is available on a monthly basis. McLean's Health Center has outpatient rehab that offers physical,



occupational and speech rehabilitation services which you may access as prescribed by your physician. We also have geriatric psychiatry services available as well.

- c. McLean Home Care and Hospice is available to provide skilled nursing, therapy and social work services in your residence, if ordered by a physician. You may contract with any other home health care agency of your choice.
- d. A one-hour, free evaluation from a care coordinator is available for the resident, upon request to the McLean Home Care agency. A care coordinator will evaluate the current situation, health concerns, formal and informal supports and provide local, community resources. Additional care coordination visits are available on a private pay basis.
- e. McLean offers a campus liaison to assist you in navigating any changes in levels of care that may arise. The liaison can communicate with your family (if you choose), your medical team and the McLean staff regarding services you may need temporarily or on a permanent basis.

### 3. Other Services

- a. Additional housekeeping services and clothing exchanges from/to storage
- b. Special housekeeping for spills and accidents
- c. Additional outside, underground, and covered parking is available. Villas have garages. Guests may self-park in designated areas. Special arrangements must be made for RV parking. You may not store vehicles that do not belong to you in your designated parking places.
- d. Transportation to Bradley International Airport and other venues in the Farmington Valley (Simsbury, Granby, Avon, Canton, and Farmington)

### **III. YOUR RESPONSIBILITIES AS A RESIDENT**

#### **A. Maintenance of Your Unit**

You are responsible for the interior maintenance of your unit. McLean provides light housekeeping services included in your Monthly Service Fee.

#### **B. Decoration and Furnishing of your Residence**

You may furnish, equip and decorate your Residence in accordance with your own tastes and preferences provided the following conditions are met:

1. Decorations and all other modifications that will affect the exterior appearance of your Residence require the prior written approval of the Village Director.
2. If you wish to re-carpet or paint the interior of your Residence (prior to or after occupancy), you may do so at your own expense and subject to Section III.C., below.
3. You are at liberty to use your own furniture, minor appliances, and special equipment, provided that the safety standards of the Village, as outlined in the Resident Handbook, are met.

#### **C. Alterations**

1. You may make alterations, additions or modifications to your Residence, provided that you:
  - a. obtain prior written approval of the Village Director to make the specific alterations, additions or modifications and all changes are in accordance with applicable safety and government codes and regulations;
  - b. contract for these changes prior to beginning alterations, additions or modifications directly with McLean or with a contractor approved by the Village Director; and
  - c. assume sole financial responsibility for these changes.

2. You or your estate will be responsible for restoring the original décor when your Residence is vacated, unless the Village Director, in their sole discretion, exempts you in writing from this requirement. See Section V.D. regarding the treatment of any fees you pay to upgrade your Residence.

#### **D. Maintenance and Repairs**

McLean will be responsible for making all necessary repairs to your Residence. However, you are responsible for reimbursing McLean for the cost of any repairs to your Residence that are not the result of normal wear and tear. Refurbishment of your Residence may be performed from time to time at McLean's sole discretion.

#### **E. Guests**

1. Guests are always welcome in the Village. Cots are available on a first come basis with a sign-up sheet in the office. To make your guests' stay more pleasant, we ask that they comply with the rules and regulations in the Resident Handbook. Young visitors should be supervised and should respect the rights of residents.
2. Two guest rooms are available on a first come, first serve basis for a fee. Sheets and towels are provided by McLean and changed after guests leave. Guests are to provide their own toiletries. Contact the Village office for reservations. Room availability on holidays is assigned on a lottery basis. The guest rooms are currently offered by McLean and may be discontinued at McLean's sole discretion.
3. A guest may not stay in your residence for more than fourteen (14) consecutive days without prior written approval of the Village Director. Charges for guest meals, services and accommodations in the guest rooms are set forth in the Fee Schedule (Exhibit B). Guests may not stay in your Residence when you are not present unless you obtain prior written approval from the Village Director. Any private duty aides providing services to you are not considered guests and are not entitled to the same privileges as guests. Please refer to Sections VI.B2. and IX.D. for more information about private duty aides.

## **F. Right to Organize**

The Village residents have the right to form a Resident Council. The Resident Council shall have the right to meet without McLean staff present and to bring suggestions, issues, and concerns to the Village Director in writing or in a mutually agreed upon scheduled meeting.

## **G. Pets**

Pets are permitted subject to the Village Pet Policy as set forth in the Resident Guidelines which is subject to change in McLean's sole discretion.

## **H. Smoking**

McLean is a smoke free campus. You have the responsibility to adhere and to ensure that your guests adhere to the non-smoking policy.

## **I. Non-transferable**

This Agreement is non-transferable and your Residence may not be sublet.

## **J. Financial Statements, Auto Registration and Insurance**

While you are a resident, McLean may request a copy of your most recent income tax return and other current financial statements to confirm your net worth and your continuing ability to pay for fees.

If you will maintain a vehicle at the Village, upon request, a copy of your vehicle registration and proof of auto insurance shall be provided by you to McLean.

## **J. Preservation of Your Assets**

You are responsible for preserving your assets so they can be used to pay for your personal and health needs. Improper asset transfers could result in termination under Section VII.B.6. of this Agreement. McLean reserves the right to terminate this Agreement in the event it becomes clear, upon examination of future financial statements, that the commitment to preserving your assets has not been upheld.

## **IV. HEALTH SERVICES**

By entering into this Agreement, you have priority access to all of McLean's levels of care and health care services. McLean's campus liaison will work with you, your designated family members, and/or physician (as more fully described in Section II.B.8, above) on services you may need for temporary care or for a permanent change in your level of care. Should you need health services outside of your Residence, at another level of care, you will have priority access to the next available, appropriate residence or bed. While you reside in your Residence, you are responsible for arranging to meet your health care needs. You agree to keep McLean informed of any changes in your condition.

### **A. Services while you are a Resident of The Village**

1. While you reside in your Residence, you will have access to McLean's Campus Liaison. In addition, McLean staff will help you respond to your level of care needs for rehabilitation (short term, home care, or outpatient) or assisted living services, and will refer you to care consultant services as needed.
2. A free health clinic performing health screening, blood pressure monitoring, and weight and diet checks is offered monthly in the Village.
3. McLean Home Care and Hospice provides skilled nursing, therapy, and social work services in your Residence for additional fees or charges, if ordered by a physician. You have the right to contract with any licensed home health care agency or caregiver of your choice. If you choose to engage another agency or caregiver to provide services at your Residence, you must inform McLean of the caregiver within twenty-four (24) hours of the arrangement and comply with McLean's policies for private duty assistance, including sign-in procedures and the need to move to assisted living or skilled care if you need ongoing, daily activities-of-daily-living assistance.
4. McLean has a vetted partnership with an agency designed specifically for those in the Village who would benefit from a few hours of assistance a week, but who are not yet ready for assisted living.

5. You may also access the following clinics and professional services on the McLean campus for additional fees or charges, which shall be your responsibility and not the responsibility of McLean. Most are not billed by McLean, but rather are billed by the providers themselves.
  - a. Campus Clinic and Primary Care Physician. You may choose a McLean geriatric physician to serve as your primary care physician.
  - b. Podiatrist. A podiatrist is available, on a monthly basis, for appointments in the Village.
  - c. Dentist. A dental office is located in the Health Center.
  - d. McLean Outpatient Rehab. McLean's Rehab Clinic is located in the Health Center and offers outpatient physical, occupational and speech rehabilitation services that you may access, as prescribed by your physician and covered by Medicare, by your insurance, and/or paid by you.

## **B. Assisted Living/Memory Care**

1. If you need daily help with activities of daily living such as bathing, dressing and medication management, and/or if you need memory care support services, you may transfer to Assisted Living, which consists of residential studios and suites that are located on the McLean campus and offer licensed assisted living services.
2. If you need to transfer to an assisted living residence and one is not available, McLean will work with you to arrange for appropriate services, billed to you, in your current Residence or another residence, until an appropriate assisted living residence becomes available.
3. If you transfer to Assisted Living, you agree to sign a separate Assisted Living Addendum in its then current form prior to your admission. You may receive assisted living services as long as you require them, provided you meet the criteria to remain safely and appropriately at that level of care.

4. If you transfer to Assisted Living, you will pay an Assisted Living Monthly Service Fee, which will be subject to periodic increases as set forth in the Assisted Living Addendum. The one-time community fee, typically assessed upon entry to Assisted Living, will be waived. The terms of this Agreement shall continue to apply, and in the event of a conflict between the terms of this Agreement and the Assisted Living Addendum, this Agreement shall govern.

### **C. Health Center**

1. If you need skilled nursing care, you will have priority access, subject to availability of the appropriate bed, to receive skilled nursing care in the McLean Health Center.
2. You agree to sign a separate Health Center Addendum in its then current form prior to your admission. The terms of this Agreement shall continue to apply, and in the event of a conflict between the terms of this Agreement and the Health Center Addendum, this Agreement shall govern.
3. While receiving skilled nursing care in the Health Center, you will pay a Health Center Room and Board Fee, as may be adjusted from time to time. After you exhaust all of your skilled nursing benefits (under Medicare Part A and/or other insurance plans) you may receive a ten percent (10%) discount on your Health Center Room and Board Fee for the remainder of your stay at the Health Center, not to exceed sixty (60) days and limited to one instance. If your stay at the Health Center is not covered by Medicare Part A or other insurance plans, you may receive a ten percent (10%) discount on your Health Center Room and Board Fee not to exceed a total of sixty (60) days. These days or discounts are non-assignable.
  - a. If you are only receiving skilled nursing care in the Health Center temporarily, you will continue to pay the Monthly Service Fee described in Section V.B., in addition to the Health Center Room and Board Fee.

- b. If you transfer permanently for skilled nursing care in the Health Center, and do not wish to relinquish your apartment, you will continue to pay the Monthly Service Fee described in Section V.B., in addition to the Health Center Room and Board Fee.

**E. Health Services Away from the Village**

You may be relocated from the McLean campus for hospitalization or other health-related services, if McLean determines that: (1) McLean does not have adequate facilities or staff to provide the nursing services, medical care, or other care you need, (2) your continued occupancy of your Residence constitutes a danger or health hazard to you or others, or is detrimental to the peace or security of other residents, or (3) for any reason set forth in Section VI.I. If you are transferred from the Village under this section, you will be responsible for all fees resulting from the transfer.

**F. Level of Care Determinations**

The Medical Director or designee, in consultation with the Village Director or designee, will determine your care needs, your appropriate level of care placement and whether such placement is temporary or permanent, in consultation with you, your family/responsible party and your physician.

**V. FEES**

**A. Entrance Fee**

You have already paid McLean \$\_\_\_\_\_ as a deposit toward your Entrance Fee. The balance of your Entrance Fee, \$\_\_\_\_\_, is due on the Occupancy Date. Upon termination of this Agreement as specified in Section VII, and upon leaving the care of McLean permanently or by death, you will be entitled to any refund of a portion of your Entrance Fee pursuant to Section VII.E.



## **B. Monthly Service Fee**

1. Amount. The Monthly Service Fee applicable to your Residence, described in Section II., is currently \$\_\_\_\_\_. If your Residence is jointly occupied, the Additional Person Monthly Service Fee is currently \$\_\_\_\_\_. McLean may change your Monthly Service Fee in accordance with Section V.B.3., below.
  
2. Payment Procedures
  - a. McLean will bill you each month for the Monthly Service Fee. You will be obligated to pay the Monthly Service Fee by the 10th of the month.
  
  - b. Your continued residency at the Village is contingent upon timely and full payment of all fees due under this Agreement, including but not limited to, the Monthly Service Fee and fees for optional services. McLean may, in its sole discretion, charge interest at the maximum legal rate, plus a late charge covering its administrative costs, on all accounts not current by the last day of each calendar month. You will also be responsible for McLean's costs, including attorneys' fees, which are incurred to collect any unpaid fees.
  
  - c. If you routinely fail to pay your Monthly Service Fee or other charges in full by the last day of each calendar month, McLean may terminate this Agreement in accordance with Section VII.
  
3. Adjustments
  - a. Fees. McLean, in its discretion, may increase or decrease your Monthly Service Fee upon giving you thirty (30) day's prior written notice. Factors used in determining any increase or decrease may include, but not be limited to: actual and projected operating expenses, administrative costs and fees, reserves for expansion, lender reserve requirements, capital expenditures, costs of improvements, changes in the Consumer Price Index, changes in taxes, actuarial requirements, state and federal regulations, and changes in contract services.

- b. Services. McLean may modify the scope and/or frequency of services provided under this Agreement upon thirty (30) day’s prior written notice to you.

**C. Fees for Optional Services**

You will be billed for optional services either at the time such services are rendered or at the time you are billed your Monthly Service Fee. The current Fee Schedule of optional fees is attached as Exhibit B.

**D. Upgrade Fees**

You have paid \$\_\_\_\_\_ to McLean for upgrades to your Residence. Any amounts paid for upgrades to your Residence are not considered part of your Entrance Fee when the refund is calculated.

**E. Medicare and Supplemental Insurance**

- 1. As a condition of this Agreement, you are required to be enrolled in Medicare Parts A and B (or C), if you are eligible. If you are ineligible, then the equivalent insurance policy, acceptable to McLean, is required.
- 2. You agree to enroll in Medicare Part D, if eligible, or a policy providing equivalent coverage.
- 3. You agree to obtain supplemental (“Medigap”) coverage for Medicare co-payments and deductibles in a form and with a carrier acceptable to McLean. If a health maintenance organization (“HMO”) is available that is acceptable to McLean, the HMO may be used as a substitute for the required supplemental coverage. In the event the HMO no longer covers services at a rate acceptable to McLean, it will be your responsibility to secure a replacement policy acceptable to McLean.
- 4. You are responsible for obtaining and maintaining the insurance coverage described in this Section V.E. at your own expense.

**F. Responsibility for Fees**

If two of you are signing this Agreement, you shall be jointly and severally liable for all fees described in this Agreement.

## **G. Absence from the Village**

If you are absent from the Village for more than seven (7) consecutive days for a scheduled absence, you will be entitled to a credit toward your Monthly Service Fee. The number of days for the credit will be determined at the sole discretion of McLean.

## **H. Termination for Failure to Make Payments**

1. By entering into this Agreement, you accept responsibility for timely and complete payment of the Monthly Service Fee and all other charges now and in the future. You further represent that you have the means to pay such fees and charges.
2. If you fail to pay your Monthly Service Fee or other charges in a timely fashion, McLean, in its sole discretion, may terminate this Agreement under Section VII upon thirty (30) days prior written notice to you. In the event of such termination, you are responsible for all fees and charges, including late fees and interest, and any outstanding fees and charges will be deducted from any refund that McLean may owe you under Section VII.E.
3. In the event of possible financial difficulties due to a dramatic change in your assets which make it difficult to pay your Monthly Service Fee, you may request that McLean offer you the next available lower cost living unit. If moving to a lower cost unit is not sufficient to help you pay the Monthly Service Fee, you will need to update your financial information and submit to McLean's Vice President of Finance for a full financial review before permission is granted to spend down any refundable portion of your Entrance Fee (see Use of Entrance fee, Section VII. E). If you transfer permanently to the Health Center for skilled nursing services, you may qualify for Medicaid, which McLean accepts, for care.

## **VI. TRANSFER FROM YOUR RESIDENCE**

### **A. Service Limitations in Residential Living**

1. The Village has a preferred provider that offers supportive services to assist residents to remain living independently. Information on this program is available from the Supervisor of Resident Services.
2. You represent to McLean that you do not require any supportive assistance as of the Occupancy Date.

### **B. Transfer Due to Care Needs**

1. If at any time you develop a physical or mental condition that creates a danger to yourself or others, you agree to move promptly out of your Residence and into an appropriate, outside accommodation of your choice. Any determination that you are required to move for reasons set forth in this paragraph shall be made in the sole judgment of McLean's Medical Director.
2. If you require private duty care and/or home care on a daily or ongoing basis, but you do not engage or cannot pay for the assistance that you require, or if we determine that it is unsafe for you to remain in your Residence, even with daily or ongoing assistance, you agree to move from your Residence to the appropriate level of care.

### **C. Release from Responsibility for Your Care**

It is your responsibility to provide for your health care and personal care needs as long as you reside at McLean. You hereby indemnify, hold harmless and release McLean and its Trustees, Directors, agents, and employees from any and all liability, cost, and responsibility for injury and damage, including attorneys' fees, arising from your failure to obtain, or from the failure of others to furnish, appropriate health care or personal care services, and from all injury and damage which could have been avoided or reduced if such services had been obtained or furnished.

#### **D. Voluntary Residence Change**

1. If you request a voluntary change of residence to another residence within the Village, McLean will consider such request and may grant it in McLean's sole discretion. If another residence is not immediately available, you will be in line for the next available unit based upon your original Occupancy Date.
2. If your request to change residence is granted and a unit is available, you will enter into a new Residency Agreement and will pay the then current Entrance Fee for your new residence. If the new Entrance Fee is larger than the Entrance Fee you paid pursuant to Section V.A. of this Agreement, you will be expected to pay the difference in the Entrance Fee. If you move to a residence with a lower Entrance Fee than the one you paid pursuant to Section V.A., McLean will not refund the difference.
3. Pursuant to the new Residency Agreement, you will pay the applicable monthly service fee for the new residence beginning on your first day of occupancy. If you move on any day, other than the first of the month, the monthly service fee will be prorated. You will be responsible for all moving costs. You will also be responsible for paying a Transfer Fee at the prevailing rate to cover the costs of refurbishing the unit.

#### **E. Joint Occupancy by Residents**

1. If you and another resident, residing in two separate residences, decide to live together, you may release either of your residences and live in the other residence, or you may release both of your residences and move into a new residence, subject to availability. No Additional Person Entrance Fee will be charged if you move in with another resident. This Agreement will remain in effect.
2. If the residence you select or the new residence has a larger Entrance Fee, you will be responsible for payment of the difference between the new Entrance Fee and your Entrance Fee, recognizing the current refundable balance.

Such payment shall be made on the new date of occupancy. If the new residence has a lower Entrance Fee, whichever Entrance Fee is smaller shall be refunded within thirty (30) days of the re-occupation of the unit no longer used as a residence.

3. You will pay the applicable monthly service fee and additional person monthly service fee for the jointly occupied residence. In addition, you will both sign an amendment to this Agreement which states that one or both of you have agreed to live in a different residence, and identifies the residence, Entrance Fee and Monthly Service Fee for that residence. You will be responsible for all moving costs. You will also be responsible for paying a Transfer Fee at the prevailing rate to cover the costs of refurbishing the unit.
4. If the residents are not legally married in the state of Connecticut, then the Entrance Fee shall follow the residents as if they were married.

#### **F. Joint Occupancy by Resident and Non-Resident**

If you wish to live with a non-resident in your Residence, the non-resident must follow the standard application procedures for admission to the Village, including payment of the application fee. If the application is approved, the non-resident must enter into a separate Residency Agreement and shall pay the additional person Entrance Fee. Once the non-resident moves in, you will pay the Second Person Monthly Services Fee in addition to the Monthly Service Fee.

#### **G. Temporary Transfer for Health Reasons**

1. If you require temporary care outside of your Residence, you may retain your Residence during your absence as long as you to continue to pay the Monthly Service Fee. If you transfer on a temporary basis to McLean Assisted Living or the Health Center, then, in addition to the Monthly Service Fee, you will be responsible for payment of daily charges as applicable.
2. McLean shall determine the need for transfer, and whether the transfer is temporary or permanent, in accordance with Sections IV. and VI.

3. If you transfer to a facility away from the Village, you will receive an adjustment to your Monthly Service Fee as specified in Exhibit B.

## **H. Permanent Transfer for Health Reasons**

### 1. Joint Occupancy

- a. *One Resident Requires Transfer.* If two (2) people occupy your Residence and one (1) of you requires permanent care in the Assisted Living Center or the Health Center, the remaining person may continue to occupy your Residence. In that case, the remaining person will pay the single occupancy Monthly Service Fee, and the transferred person will pay the applicable fees for nursing or assisted living care, as determined by McLean. If the transferring resident requires permanent care outside McLean, this Agreement will terminate with respect to that resident and will continue with respect to the remaining resident.
- b. *Both Residents Require Transfer.* If two (2) people occupy your Residence, and both of you require permanent care outside of your Residence, you will be required to vacate your Residence and remove your property from the Residence within ten (10) days of the date that McLean determines your transfer is permanent. You will be responsible for payment of the Monthly Service Fee until your Residence is vacated. If you transfer to McLean Assisted Living or the Health Center, you will each pay the applicable fees for nursing or assisted living care, as determined by McLean. If you permanently transfer to an outside facility, this Agreement will terminate.

### 2. Single Occupancy

If you require permanent care outside of your Residence, you will be required to vacate and remove your property from your Residence within ten (10) days of the date that McLean determines your transfer is permanent. You will pay the Monthly Service Fee until your Residence is vacated. If you transfer to McLean Assisted Living Center or the Health Center, you will pay the applicable fee for nursing or assisted living care, as determined by McLean. If you permanently transfer to an outside facility, this Agreement will terminate.

## **I. Involuntary Transfer**

In accordance with Section IV, McLean may require that you be transferred to the Health Center, Assisted Living, or an outside facility, as appropriate, for good cause, including, but not limited to the following: (1) your transfer is necessary to protect your health and safety or the health and safety of others; (2) you require care that McLean is unable to furnish in your Residence or does not routinely provide in your Residence; or (3) transfer to a nursing facility, hospital, or other facility is appropriate and McLean does not have such facilities available. If such a determination is made, the provisions of Section VI.G and H, above, apply. If McLean incurs costs in obtaining possession of your Residence or storing your possessions, you will be responsible for such costs.

## **J. Recovery**

If, after your permanent transfer and release of your Residence, your health status improves so that you are able to return to a residential living or assisted living residence, McLean will offer you the next available, appropriate residence of the same style and size (or smaller if desired). You will enter into a new Residency Agreement and will pay the then current fees for your new residence. You shall be responsible for all moving costs.

## **VII. TERMINATION OF AGREEMENT; REFUNDS**

### **A. Termination by Resident**

#### **1. Prior to Occupancy**

- a. *Right of Rescission.* You may rescind this Agreement by notifying McLean of your decision to rescind within thirty (30) days of signing this Agreement. You shall not be required to move into your Residence before the expiration of the thirty (30) day period. In the event of such rescission, any money transferred to McLean shall be refunded less:
  - i. Additional costs incurred by McLean due to modifications in the structure or furnishings of your Residence which you specifically requested; and



- ii. If you have moved into your Residence, a pro-rated amount of Monthly Service Fee covering your actual number of days of occupancy plus any additional fees you incurred; and
- iii. A reasonable service charge, not to exceed the greater of One Thousand Dollars (\$1,000) or two percent (2%) of the Entrance Fee.

Any refund to which you are entitled under this Section VII.A. shall be made, without applicable interest, within thirty (30) days of McLean's receipt of your notice of rescission.

b. *Automatic Cancellation.* If, after the thirty (30) day rescission period set forth above, on account of death, illness, injury or incapacity, you are precluded from occupying your Residence under the terms of this Agreement, upon notice to McLean, this Agreement shall be cancelled automatically and you or your legal representative shall receive a refund of all money transferred to McLean less:

- i. Additional costs incurred by McLean due to modifications in the structure or furnishings of your Residence which you specifically requested; and
- ii. If the Residence was actually available for occupancy, a pro-rated amount of Monthly Service Fee covering your actual number of days of occupancy plus any additional fees you incurred; and
- iii. A reasonable service charge, not to exceed the greater of One Thousand Dollars (\$1,000) or two percent (2%) of the Entrance Fee.

Any refund to which you are entitled under this Section VII.A. shall be made, without applicable interest, within thirty (30) days of McLean's receipt of your notice of rescission.

c. *Other Termination by You Prior to Occupancy.* If this Agreement is not terminated pursuant to Sections VII.A.1.a. or b., above, you may terminate this Agreement at any time prior to occupancy upon

notice to McLean. In the event of a termination under this Section VII.A.1.c., any money transferred to McLean shall be refunded less:

- i. Additional costs incurred by McLean due to modifications in the structure or furnishings of your Residence which you specifically requested; and
- ii. A reasonable service charge, not to exceed the greater of One Thousand Dollars (\$1,000) or two percent (2%) of the Entrance Fee.

Any refund to which you are entitled under this Section VII.A. shall be made, without applicable interest, within thirty (30) days of McLean's receipt of your notice of rescission.

2. After Occupancy. After the Occupancy Date, you may terminate this Agreement at any time and for any reason by giving McLean thirty (30) days' prior written notice, unless you and McLean agree to a shorter notice period. If you give such notice, you will pay all applicable fees and charges until the expiration of such thirty (30) day period or until you vacate your Residence, whichever is later.

## **B. Termination by McLean**

McLean may terminate this Agreement at any time, for good and sufficient cause, by giving you thirty (30) days' prior written notice, unless you and McLean agree to a shorter notice period. Good and sufficient cause shall include, but not be limited to, the following:

1. Breach of Agreement/Failure to Pay Fees. Your failure to perform your obligations under this Agreement, including but not limited to, your obligation to pay the full Monthly Service Fee and other charges on a timely basis in accordance with Section V.;
2. Needs Beyond McLean's Capacity. You need care or services that McLean is not licensed to provide or does not routinely provide;

3. Violation of the Resident Handbook. Persistent failure on the part of you or your guests to abide by the Resident Handbook, as may be amended from time to time;
4. Nuisance. You or your guest(s) create a disturbance within the community or engage in conduct that is disruptive or detrimental to the health or safety of others or their peaceful enjoyment of the community;
5. Misrepresentation. There are omissions or misstatements in your Application for Residence Form, Financial Form, and/or Medical Form, or any other application documents, or in oral representations made to McLean;
6. Improper Asset Transfer. You make a material transfer of your assets or income for less than fair market value or intentionally transfer or deplete your assets to an extent that will render you unable to meet your financial obligations under this Agreement;
7. Failure to Make Financial Disclosure. You fail to disclose information about your financial condition after being asked to do so; and
8. Permanent Transfer. You transfer permanently (or, if there are two (2) of you, you both transfer permanently) from the premises of McLean.

### **C. Termination by Death**

This Agreement shall terminate upon your death (or if there are two (2) of you, the death of the last survivor). The death of the first Resident in a jointly-occupied residence shall not cause the Agreement to be terminated.

### **D. Monthly Service Fee Obligation; Unpaid Fees**

You shall pay the Monthly Service Fee throughout any and all notice periods described in this section and until you have vacated the Residence, removed all your possessions, and returned the Residence to McLean in its original condition. McLean will bill you and if not paid, may deduct from any refundable portion of the Entrance Fee and other refund due to you: (a) all unpaid fees and charges; and (b) the cost of restoring your Residence to its original clean condition (that is not the result of normal wear and tear).

## E. Refunds and Use of Entrance Fee

1. Termination Due to Death, Your Voluntary Termination or McLean's Termination.
  - a. If this Agreement is terminated due to your death, or due to your voluntary termination or McLean's termination when you are no longer living on the McLean campus in another level of care, McLean shall make a refund to you or your estate. The refund will be based upon a declining balance due, as shown in the Refund Balance Sheet attached hereto as Exhibit C and incorporated by reference. The amount due to you or your estate shall be equal to the indicated balance as shown on the Refund Balance Sheet, without interest and minus any unpaid fees, charges, and repair costs. If McLean must use any of the Entrance Fee for health care charges, McLean will charge the applicable interest rate on the funds expended.

The Entrance Fee refund shall be calculated based on the months lived at McLean for the second resident, if any, upon the death of the second resident. (See your Refund Balance Schedule attached as Exhibit C.)

You or your estate shall receive the refund either: (i) within thirty (30) days after the date that your former Residence is re-occupied by a new resident who has executed a Residency Agreement and paid the then-applicable Entrance Fee for the Residence; or (ii) three (3) years from the date this Agreement is terminated, whichever occurs first. Additional fees paid for refurbishment and the application processing fee will not be refunded.

- b. If you remain at McLean for care after leaving the Village, upon your death or termination of any subsequent care agreement (e.g. agreements for Assisted Living or Skilled Nursing Services) due to leaving the care of McLean, McLean shall make a refund to you or your estate if owed pursuant to Refund Balance Sheet, attached hereto as Exhibit C, equal to \_\_\_\_\_ percent (\_\_\_\_%) of your Entrance Fee without interest and minus any unpaid fees and charges (including any unpaid health care charges, plus late fees) and repair costs.

Any refundable portion of the Entrance Fee may be applied to pay for care in assisted living or skilled nursing only after all other assets have been depleted and a full financial review has been conducted in cooperation with our Vice President of Finance. If McLean must use any of your Entrance Fee for health care charges, McLean reserves the right to charge the applicable interest rate on the funds expended. You or your estate shall receive the refund either: (i) within thirty (30) days after the date that your Residence is re-occupied by a new resident who has executed a Residency Agreement and paid the then-applicable Entrance Fee for the Residence; or (ii) after three (3) years, whichever comes first.

2. Double Occupancy. If two (2) of you occupy the Residence and if one (1) of you leaves the campus or dies, this Agreement shall not terminate with respect to the remaining Resident. If the remaining Resident elects to keep this Agreement in effect, the Entrance Fee shall be deemed to apply to the remaining Resident and the Second Person Entry Fee shall be refunded. The remaining Resident shall pay the Monthly Service Fee for single occupancy. Any refund or repayment due shall be paid only upon termination of this Agreement as to the remaining Resident and shall be computed based upon the remaining Entrance Fee.
3. Upgrade Unit Fees. If you have paid a fee for any approved alteration, addition or modification of your Residence, you shall not be entitled to any refund of such payments when this Agreement is terminated.

## **F. Removal of Property**

Within ten (10) days after termination of this Agreement, all of your personal property shall be removed from your Residence. If your personal property is not removed within the required time period, McLean shall have the right to remove it from the Residence and place it in storage at your expense. Payment of the Monthly Service Fee shall continue on a prorated basis until all personal property is removed from your Residence; provided, however, that in the event of termination because of your death, your estate or family will only be responsible for payments for a period of time not to exceed fifteen (15) days following your death as long as your Residence has been vacated.

## **VIII. CO-RESIDENTS' RIGHTS AND RESPONSIBILITIES**

If two (2) people are approved to and live in your Residence, then all sections of this Agreement, as outlined for joint residency, apply to the rights and responsibilities of each of you severally and both of you jointly. In the event one of you passes away, the surviving Resident shall maintain all rights and obligations under the contract. If the first Resident transfers to a higher level of care, and then runs out of assets to pay for skilled nursing or assisted living care, the refundable portion of the Entrance Fee will be used to cover such costs for the first Resident before the first Resident may be deemed eligible to apply for Medicaid.

## **IX. MISCELLANEOUS**

### **A. Resident Rights Limited**

1. No Real Property or Trust Interest. This Agreement entitles you to occupy your Residence and to obtain the services specified in the Agreement. You shall have no estate, leasehold, or other real property interest in your Residence or the community or any ownership or managerial interest in McLean. You may not lease your Residence to any person or allow any person to occupy it in your place. All fees paid by you to McLean, including the Entrance Fee once it is released to McLean pursuant to Connecticut law, shall become the sole property of McLean and are not held in trust.
2. No Interest in Financial or Other Assistance. McLean reserves the right to apply for and receive all financial and other aid from federal, state or municipal sources to which it may be entitled to apply, and to apply for and receive aid or donations by will, deed, or otherwise from any source. You shall have no interest in any such aid or assistance received by McLean and no right to an accounting for such aid or assistance.
3. No Security Interest. This Agreement does not grant you or anyone else any security interest in any land, building, or other property owned or managed by McLean, whether at the campus in Simsbury or elsewhere. Your rights under this Agreement are and shall be subordinate to the rights of a secured lender under any mortgage, deed, trust or other senior security interest that is placed on McLean property, now or in the future. You agree that you will execute, upon request, any

documentation required to implement or serve as evidence of such subordination.

4. Rules and Regulations. You agree to be bound by all policies, rules and regulations of the community, as they now exist and as they later may be amended. You hereby acknowledge receipt of a copy of the current Resident Guidelines, attached hereto as Exhibit A.
5. Other Residents. You will have no right to object to or to determine the admission, terms of admission, placement or dismissal of any other resident. This Agreement alone sets forth your rights and obligations with respect to your care and residence at McLean.
6. Assignment. Your rights and privileges to use and enjoy the living accommodations, facilities and services of McLean are personal to you and may not be transferred or assigned by you. McLean reserves the right to assign this Agreement, and it shall inure to the benefit of McLean's successors and assigns.

## **B. Resident Representations**

1. Application Documents. As part of the application process, you submitted the Application for Residency, a Medical Form and a Financial Form, which are attached to this Agreement as Exhibit D and incorporated by reference into this Agreement. You warrant that all information contained in these attachments is true and correct, and you understand that McLean has relied on this information in accepting you for residency.
2. Resident's Financial Condition. Throughout the term of this Agreement, you agree to give McLean, upon request, information about your financial condition including, but not limited to, financial statements and tax returns.

## **C. Personal Planning**

1. Conservator. Within ninety (90) days of taking occupancy of your Residence, you agree to have in place a Financial Power of Attorney, which shall include a Designation of Conservator provision, naming who will handle your financial affairs in the event you become unable

to do so. You shall be responsible for keeping McLean informed of any changes in the name and address of your designated conservator. In the event that such person is unable or unwilling to serve as your conservator, you understand that a court may name an alternative conservator upon application of any interested party, including McLean, subject to all bonds, accounting and other legal requirements. Neither McLean nor any of its respective employees, directors, trustees or agents may be named a conservator.

2. Advance Health Care Directives. You agree to provide McLean with copies of any previously executive Advanced Health Care Directive, including, but not limited to, a Durable Power of Attorney for Health Care Decisions (executed prior to October 1, 2006) or an Appointment of a Health Care Representative. If you have not already executed such documents, you agree to execute an Appointment of Health Care Representative prior to your Occupancy Date.

#### **D. Private Duty Caregiver**

Should you choose a short-term caregiver, you must inform McLean within twenty-four (24) hours. You may continue to live in your Residence as long as you engage and pay for the private assistance that you require to continue occupying your Residence safely. If you are unable to engage or pay for private assistance to stay in your Residence, or if we determine that it may be unsafe for you to remain in your Residence, we may require you to move to the appropriate level of care (assisted living or skilled care). See Section VI.B.2 for details.

#### **E. Third Party Liability**

If you are injured as a result of an act or omission of a third party, you hereby grant McLean a lien of any judgment, settlement, or recovery in the amount of any expense incurred by McLean in caring for you as a result of such injury that is not reimbursed directly to McLean by you or by another source. You agree to cooperate in the diligent prosecution of any claim or action against the third party.



## **F. Liability and Property Matters**

1. Liability in General. You accept full responsibility for any injury or damage caused to others, or suffered by you, as a result of your own acts or omissions, and those of your guests or invitees, and you indemnify and hold harmless McLean and its respective directors, trustees, agents and employees from any and all liability for such injury or loss, including attorneys' fees.
2. Insurance. You agree to maintain general liability insurance in an amount and form satisfactory to McLean to cover such liability.
3. Property Damage. McLean shall not be responsible for the loss or damage to any property belonging to you due to theft, fire, or any cause beyond the control of McLean. You are required to obtain insurance protection to cover the replacement value of all of your personal property at McLean, and to furnish McLean with evidence of such protection upon request. You shall also be responsible for any loss or damage that you or your guests cause to the property of McLean that is not the result of ordinary wear and tear.

## **G. Right of Entry**

You agree that any duly authorized employee or agent of McLean shall have the right, at all reasonable times, to enter your Residence as necessary for purposes of management, housekeeping, maintenance, enforcement of applicable laws and regulations, emergency response and for any other reasonable purpose as permitted by law.

## **H. Relationships between Residents and Staff**

McLean employees must adhere to our code of conduct which expects staff to be cordial, helpful and respectful. The relationship between residents and staff should remain professional and at arm's length.

Employees may not be delayed or deterred by residents from performance of their duties. The staff is supervised solely by McLean and not the residents. Any complaints must be made to the Village Director or other McLean managers as appropriate.

Gratuities or bequests to employees or employee families are not permitted under any circumstances. Of course, a kind word or thank you note is always welcome. Residents are encouraged to recognize exceptional service with a gift or bequest to the Employee Fund, or a fund of your choosing, in McLean Development in honor of the staff member or members. They will be notified of the honor.

## **I. Notices**

All notices under this Agreement shall be in writing and addressed to the Village Director, or the President of McLean. Such notices will be in effect when personally delivered or placed in a mailbox and postmarked, provided they were properly addressed with postage pre-paid in full.

## **J. Entire Agreement**

This Agreement is the entire Agreement between you and McLean, and it may be amended only by a written document signed by you or your legal representative and by an authorized representative of McLean. This Agreement supersedes any promotional materials or other information given to you by McLean or any entity. The invalidity or amendment of any restriction, condition or other provision of this Agreement shall not impair or affect in any way the validity, enforceability or effect of the rest of this Agreement.

## **K. Waiver of Breach of Contract**

The failure of McLean in any instance(s) to require your full performance or observance of, or compliance with, any terms of provisions of this Agreement, shall not be construed to be a waiver or relinquishment of its right to require your full compliance with all of the terms and provisions of this Agreement. The acceptance of your Monthly Service Fee or payment of other charges under this Agreement shall not constitute a waiver of the right to require your full performance of all terms of this Agreement, nor shall it waive McLean's right to terminate this Agreement for any breach previously committed by you.

**L. Governing Law**

This Agreement is governed by Connecticut law.

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Resident Signature Date

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Resident Signature Date

McLean Affiliates, Inc.

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_