ANN'S CHOICE, INC.

DISCLOSURE STATEMENT

LOCATED AT

10000 Ann's Choice Way
Warminster, Pennsylvania 18974

PROVIDER:

Ann's Choice, Inc.
10000 Ann's Choice Way
Warminster, Pennsylvania 18974

Effective Date of Disclosure Statement: April 2026

THIS DISCLOSURE STATEMENT IS NOT A CONTRACT AND THE PROVIDER RESERVES ALL RIGHTS TO AMEND, REVISE, UPDATE AND OTHERWISE CHANGE THE DISCLOSURE STATEMENT AT ANY TIME, IN ACCORDANCE WITH APPLICABLE LAWS.

THE ISSUANCE OF A CERTIFICATE OF AUTHORITY DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT OF THE FACILITY BY THE INSURANCE DEPARTMENT OF THE COMMONWEALTH OF PENNSYLVANIA, NOR IS IT EVIDENCE OF, NOR DOES IT ATTEST TO, THE ACCURACY OR COMPLETENESS OF THE INFORMATION SET OUT IN THE DISCLOSURE STATEMENT.

Table of Contents

SUMMARY PAGE ..... **ii**

1. NAMES AND BUSINESS ADDRESS OF CONTINUING CARE PROVIDER **1**

2. NAMES AND ADDRESSES OF OFFICERS, DIRECTORS, TRUSTEES, ... **1**

3. WITH RESPECT TO PROVIDER, ANY PERSON NAMED IN SECTION 2, AND THE PROPOSED OPERATOR, IF ANY **1**

3.1 THE BUSINESS EXPERIENCE IN THE OPERATION OR MANAGEMENT OF SIMILAR FACILITIES. 1

3.2 THE NAME AND ADDRESS OF ANY PROFESSIONAL SERVICE FIRM, ASSOCIATION, TRUST, PARTNERSHIP OR CORPORATION IN WHICH THE PERSONS NAMED IN SECTION 2 ABOVE HAVE A 10% OR GREATER INTEREST AND WHICH MAY PROVIDE GOODS, LEASES OR SERVICES TO THE FACILITY AT A VALUE OF $500 OR MORE WITHIN ANY YEAR 2

3.3 A DESCRIPTION OF THE GOODS, LEASES OR SERVICES THAT WILL BE PROVIDED PURSUANT TO 3.2 ABOVE AND THE PROBABLE OR ANTICIPATED COST THEREOF TO THE FACILITY OR PROVIDER 2

3.4 A DESCRIPTION OF ANY MATTER IN WHICH ANY OF THE PERSONS HAVE BEEN CONVICTED OF A CRIME OR PLEADED NOLO CONTENDERE TO A CRIMINAL CHARGE, OR HAVE BEEN HELD LIABLE OR ENJOINED IN A CIVIL ACTION WHICH INVOLVED FRAUD, EMBEZZLEMENT, FRAUDULENT CONVERSION, OR MISAPPROPRIATION OF PROPERTY. 2

3.5 A DESCRIPTION OF ANY MATTER IN WHICH THE PERSONS ARE SUBJECT TO A CURRENTLY EFFECTIVE INJUNCTIVE OR RESTRICTIVE COURT ORDER, OR, WITHIN THE PAST FIVE YEARS, HAD A STATE OR FEDERAL LICENSE OR PERMIT SUSPENDED OR REVOKED AS A RESULT OF AN ACTION BROUGHT BY A GOVERNMENTAL AGENCY OR DEPARTMENT, WHICH AROSE OUT OF OR RELATED TO BUSINESS ACTIVITY OR HEALTH CARE, INCLUDING ACTIONS AFFECTING A LICENSE TO OPERATE A RESIDENTIAL HEALTH CARE COMMUNITY, ROOMING OR BOARDING HOUSE, NURSING HOME, RETIREMENT HOME, HOME FOR THE AGED OR COMMUNITY CERTIFIED UNDER THE ACT OR A SIMILAR ACT IN ANOTHER STATE. 3

4. A STATEMENT OF WHETHER PROVIDER IS OR HAS BEEN AFFILIATED WITH A RELIGIOUS, CHARITABLE OR OTHER NON-PROFIT ORGANIZATION **3**

5. LOCATION AND DESCRIPTION OF THE EXISTING AND PROPOSED PHYSICAL PROPERTY OF THE FACILITY **3**

6. SERVICES PROVIDED OR PROPOSED TO BE PROVIDED UNDER THE CONTRACT FOR CONTINUING CARE **4**

7. A DESCRIPTION OF ALL FEES REQUIRED OF RESIDENTS **4**

8. PROVISIONS FOR ESTABLISHING RESERVE FUNDING OR SECURITY **4**

9. PROVIDER'S CERTIFIED FINANCIAL STATEMENTS **5**

10. PROVIDER'S INCOME STATEMENT **5**

11. OTHER MATERIAL INFORMATION REQUIRED BY THE DEPARTMENT OR AS PROVIDER WISHES TO INCLUDE. **5**

SUMMARY PAGE

The name and address of the facility: Ann's Choice, Inc., 10000 Ann's Choice Way, Warminster, Pennsylvania 18974.

The name and address of the licensed provider: Ann's Choice, Inc., 10000 Ann's Choice Way, Warminster, Pennsylvania 18974.

The name, location, and telephone number of the person to be contacted to discuss admissions: Ryan Doherty, Director of Sales, Ann's Choice, Inc., 10000 Ann's Choice Way, Warminster, Pennsylvania 18974 (1-800-576-1453) or 215-672-2900.

A description of the physical property of the facility, including a designation of the facility as urban, suburban, or rural, the number of acres occupied by the facility, and a specification of the type of residential units available: The community is located on approximately 98 acres in a suburban setting in Warminster, Pennsylvania. The community is designed to emulate a college campus atmosphere for senior citizens and is comprised of small clusters of brick buildings of various sizes and shapes. Sloped roofs, varying building heights and architecture will be utilized to establish a "campus" feeling. All of the buildings are interconnected with air-conditioned and heated bridges and walkways. Residential buildings have balconies, awnings, and patios and are interspersed with two-story clubhouse-style community buildings that feature expansive windows and welcoming entrances.

A specification of the minimum age for admission, including exceptions for spouses and companions: The community is intended to be housing for older persons age 62 and over pursuant to the Federal Fair Housing Act. Residents must be at least 62 years of age in order to occupy a living unit. Persons under the age of 62 may join the community's waiting list.

A disclosure of the provider's or facility's affiliations with religious, fraternal, charitable or other nonprofit organizations with an identification of the affiliated organizations: Ann's Choice, Inc. is intended to be a charitable organization, exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code. The sole member of Ann's Choice, Inc. is National Senior Communities, Inc., a nonprofit corporation ("NSC"), formerly known as National Senior Campuses, Inc.

A statement of the current resident population: Ann's Choice, Inc. is a continuing care retirement community, which is open to all people at least 62 years of age and over. The current resident population includes approximately 1,831 residents in independent living, approximately 75 residents in assisted living, approximately 60 residents in skilled nursing and approximately 42 residents in memory care.

A sample of the fees charged to residents based upon occupancy of a one-bedroom unit by one and two persons, including entrance and periodic fees: A one-bedroom Entrance Fee begins at **$218,000** with a Monthly Service Package of **$2,916-3,787**. If there are two people in the unit, the second person will pay up to an additional **$1,179** per month. The Monthly Service Package covers all utilities in the living unit (except telephone calls), use of all activities areas, a meal plan, maintenance of your living unit and grounds, on-site Fitness Center basic membership; transportation, cable or satellite television, and 24-hour security.

ANN'S CHOICE, INC.
DISCLOSURE STATEMENT

1. Names and Business Address of Continuing Care Provider. The name and business address of the Provider for the continuing care retirement community (sometimes referred to as the "Community"), is: Ann's Choice, Inc., 10000 Ann's Choice Way, Warminster, Pennsylvania 18974. Ann's Choice, Inc., Inc. (referred to as "Ann's Choice") is a non-stock corporation domesticated under the laws of the Commonwealth of Pennsylvania. Residents will enter into the Residence and Care Agreement with Ann's Choice, Inc. A copy of the Residence and Care Agreement is attached as Exhibit 1 to this Disclosure Statement. The telephone number to call for information regarding admissions is 1-800-576-1453.

2. Names and Addresses of Officers, Directors, Trustees, Managing and General Partners and any Person having 10% or Greater Equity or Beneficial Interest in Provider and a Description of These Persons' Interests. Because Ann's Choice, Inc. is a non-stock corporation, it has no owners as such. The sole member of Ann's Choice, Inc. is NSC. A list of the Directors and Officers of Ann's Choice, Inc., together with their respective biographies and addresses, is attached as Exhibit 2 to this Disclosure Statement.

Ann's Choice, Inc. has entered into a Management and Marketing Agreement with Erickson Senior Living, LLC (known as "Erickson Senior Living), formerly known as Erickson Living Management, LLC, to provide certain services for the Community. Erickson Senior Living (referred to as "Manager") is organized as a limited liability company under the laws of the State of Maryland and is qualified to do business in the Commonwealth of Pennsylvania.

3. With Respect to Provider, any Person Named in Section 2, and the Proposed Operator, if any:

3.1 The Business Experience in the Operation or Management of Similar Facilities. Ann's Choice, Inc. was formed to act as a provider for the Community and has operated it since opening. The Board of Directors of Ann's Choice, Inc. has experience in similar communities since its members are also members of the Board of Directors for Maris Grove in Concordville, Pennsylvania and of other communities affiliated with NSC, the sole member of Ann's Choice.

Erickson Senior Living has managed the community since May 2010. Erickson Senior Living's management team has experience in managing and developing retirement communities including the current network of communities that combine a maintenance-free active lifestyle with a host of amenities, social activities, and wellness and medical centers.

Erickson Senior Living currently manages the Charlestown Retirement Community in Catonsville, Maryland, Oak Crest Village in Parkville, Maryland, Greenspring Village in Springfield, Virginia, Seabrook Village in Tinton Falls, New Jersey, Riderwood Village in Silver Spring, Maryland, Brooksby Village in Peabody, Massachusetts, Cedar Crest

Village in Pompton Plains, New Jersey, Ann's Choice in Warminster, Pennsylvania, Fox Run Village in Novi, Michigan, Linden Ponds in Hingham, Massachusetts, Eagle's Trace in Houston, Texas, Highland Springs in Dallas, Texas, Maris Grove in Concordville, Pennsylvania, Wind Crest in Denver, Colorado, Tallgrass Creek in Overland Park, Kansas, Ashby Ponds in Ashburn, Virginia, Lantern Hill in New Providence, New Jersey, Devonshire in West Palm Beach, Florida, Windsor Run in Matthews, North Carolina, Siena Lakes in Naples, Florida, Avery Point in Richmond, Virginia, Woodleigh Chase in Fairfax, Virginia, and The Grandview, in Bethesda, Maryland.

Executive biographies for the directors of Ann's Choice, Inc. and the officers of Ann's Choice, Inc., and Erickson Senior Living are included in Exhibit 2.

3.2 The Name and Address of any Professional Service Firm, Association, Trust, Partnership or Corporation in which the Persons Named in Section 2 above have a 10% or Greater Interest and which may provide Goods, Leases or Services to the Facility at a Value of $500 or More within any Year. Ann's Choice, Inc. does not have any interest in any other professional service firm, association, foundation, trust, partnership corporation or any business or legal entity which presently intends to or may provide goods or services to Ann's Choice, Inc. or the Community at a value of $500 or more within any year. Ann's Choice, Inc. has entered into a management agreement for the management of the Community.

If and when future development is planned, Ann's Choice will engage development services through Erickson Living Development, LLC for the completion of the community. Erickson Living Development, LLC is also a wholly owned subsidiary of Erickson Living Holdings, LLC, which is the sole member of Erickson Senior Living. The cost of future construction will be competitively bid as new buildings are planned.

3.3 A Description of the Goods, Leases or Services that will be provided pursuant to 3.2 above and the Probable or Anticipated Cost Thereof to the Facility or Providers. As indicated in Section 1 of this Disclosure Statement, Ann's Choice, Inc. has entered into a Management and Marketing Agreement with Manager. Under this agreement, Manager provides certain management services such as finance services, human resources services, administrative and legal services, and other services for the Community.

A diagram of the structure described in this section is attached to this Disclosure Statement as Exhibit 3.

3.4 A Description of any Matter in which any of the Persons have been Convicted of a Felony or Pleaded Nolo Contendere to a Felony Charge, or have been Held Liable or Enjoined in a Civil Action by Final Judgment or Felony Charge which Involved Fraud, Embezzlement, Fraudulent Conversion, or Misappropriation of Property. Neither Ann's Choice, Inc., Manager nor any of their officers, directors, trustees, managing or general partners or persons holding equity or beneficial interests, as the case may be, have been convicted of a felony or pleaded nolo contendere to a felony charge or have been held liable or

enjoined in a civil action by final judgment or felony charge which involved fraud, embezzlement, fraudulent conversion or misappropriation of property.

3.5 A Description of any Matter in which the Persons are Subject to a Currently Effective Injunctive or Restrictive Court Order, or, within the Past Five Years, had a State or Federal License or Permit Suspended or Revoked as a result of an Action brought by a Governmental Agency or Department, which arose out of or relating to Business Activity or Health Care, including without limitation, Actions Affecting a License to Operate a Foster Care Facility, Nursing Home, Retirement Home, Home for the Aged or Facility Registered under the Act or a Similar Act in Another State. Neither Ann's Choice, Inc., Manager, nor any of their officers, directors, trustees, managing or general partners or persons holding equity or beneficial interests, as the case may be, are subject to a currently effective injunctive or restrictive court order, or within the past five years have had a state or federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, which arose out of or relating to business activity or health care, including actions without limitation, affecting a license to operate a foster care facility, nursing home, retirement home, home for the aged or facility registered under the Act (as hereinafter defined) or a similar act in another state.

4. A Statement of whether Provider is or has been Affiliated with a Religious, Charitable or Other Non-Profit Organization. Ann's Choice, Inc. is a charitable organization, exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code. The sole member of Ann's Choice, Inc. is NSC. NSC does not assume the financial or contractual obligations of Ann's Choice.

5. Location and Description of the Existing and Proposed Physical Property of the Facility; and as to Proposed Property, the Estimated Completion Date, Date Construction Shall Begin and the Contingencies to which the Construction may be Deferred. The Community is located on approximately 98 acres in a suburban setting in Warminster, Pennsylvania. Construction of the Community began in the fall of 2002.

Erickson Senior Living communities are designed to emulate a college campus atmosphere for senior citizens. The Community is comprised of small clusters of buildings of various sizes and shapes. All of the buildings are currently interconnected with air-conditioned and heated bridges and walkways but future buildings may not be connected. As of 2014, the Community is a smoke-free campus and residents and their guests must abide by the Community's rules restricting smoking.

The independent living component of the Community is planned to include approximately 2000 independent Living Units divided into four neighborhoods. Each neighborhood will include a community building containing a dining area, a library, classrooms, activity spaces and other common areas. Certain community buildings include unique amenities such as a beauty salon, a bank, a convenience store, and an aquatics center/pool serving the

entire Community. The Community includes an on-site medical center with services anticipated to be provided by both primary care practitioners and subspecialists.

The Community also includes a healthcare neighborhood (the "Continuing Care Facility"), with 44 Memory Care Units for residents who need memory/ dementia programming, 82 Assisted Living Units with several levels of care for residents who need assistance with the activities of daily living, and 66 Nursing Units for residents who need comprehensive or skilled nursing care. The Continuing Care Facility includes dining rooms, resident lounges and activity areas, on-site therapy and a beauty salon. As of January 2019, the Continuing Care Facility has been completed.

Construction of the main portion of the Community will be phased in depending on demand. The Anticipated Construction Schedule for the Community is attached to this Disclosure Statement as Exhibit 4. Construction may be delayed or expedited, as the case may be, depending upon finalization of plan approvals and permits, weather conditions and market demand.

6. Services Provided or Proposed to be Provided under the Contract for Continuing Care; Extent to which Medical Care and Other Services are Furnished under the Basic Contract; and Other Services Available at the Facility for an Additional Charge. The Residence and Care Agreement, attached as Exhibit 1 to this Disclosure Statement, provides in full detail the services included as part of the continuing care contract between Provider and residents. Section 4 of the Residence and Care Agreement contains a description of the services included in the Monthly Service Package for each level of care in the Community. Section 5 of the Residence and Care Agreement contains a description of the ancillary services that will be available for an additional periodic charge. Each Residence and Care Agreement will be executed by Ann's Choice, Inc. and the resident.

7. A Description of All Fees Required of Residents Subject to the Residence and Care Agreement and Manner for Periodic Adjustment of Such Fees. For a description of the fees payable by residents of the Community and their adjustment, please refer to the following provisions of the Residence and Care Agreement—Section 7 (Entrance Fees), Section 8 (Monthly Service Packages) and Section 9 (Application Fee and periodic charges for Ancillary Services, refurbishing and miscellaneous expenses). The Entrance Fees, Monthly Service Packages and periodic charges for Ancillary Services are also specified in Exhibit 5, attached to this Disclosure Statement. An exhibit showing the changes in fees for the Community for the previous five years or such time that the Community has been operating, if less than five years, is attached as Exhibit 6.

8. Provisions for Establishing Reserve Funding or Security to Ensure Performance of Obligations under the Residence and Care Agreement. In accordance with the provisions set forth in 40 P.S. § 3209, Ann's Choice, Inc. will establish and maintain liquid reserves in the amount equal to or exceeding the greater of (1) the total of all principal and interest payments due during the next 12 months on account of any mortgage loan or other long-

term financing of the Community; or (2) ten percent (10%) of the projected annual operating expenses of the Community, exclusive of depreciation, as reserve funding to ensure its performance under the Residence and Care Agreements. The reserve funds will be deposited in an Ann's Choice, Inc. account with a banking association which is authorized to do business in Pennsylvania. Investments for Ann's Choice are overseen by the directors of Ann's Choice and managed by Christian Sweetser, CFO for Erickson Senior Living. Biographies for the board and for Mr. Matthiesen are included in Exhibit 2.

9. Provider's Certified Financial Statements. A certified financial statement for Ann's Choice, Inc. is attached to this Disclosure Statement as Exhibit 7.

10. Provider's Income Statement. The Provider's pro forma income statement for the current fiscal year is attached to this Disclosure Statement as Exhibit 8. Exhibit 8 also includes an explanation of any variance between the audited financial statement and the pro forma income statement for the last fiscal year.

In addition, Exhibit 8 includes a description of the 2020 financing for Ann's Choice as a participant in an obligated group financing with several other retirement communities under common control. Please refer to the Exhibit for details.

11. Other Material Information Required by the Department or as Provider Wishes to Include. Ann's Choice, Inc. has arranged for Entrance Fees paid by residents to be deposited with PNC Bank, a national banking association, having its principal offices at Two Hopkins Plaza, Baltimore, Maryland 21201, as escrow agent, in a regulatory escrow account.

The Community is intended to be housing for older persons aged 62 and over pursuant to the Federal Fair Housing Act. Residents must be at least 62 years of age in order to occupy a living unit. Persons under 62 may join the Community's waiting lists. Ann's Choice is an equal housing opportunity provider.

TABLE OF EXHIBITS

EXHIBIT 1:	Residence and Care Agreement
EXHIBIT 2:	Owners, Directors and Officers of Provider/Owners; Executive Biographies
EXHIBIT 3:	Diagram of Community Operating Structure
EXHIBIT 4:	Anticipated Construction Schedule
EXHIBIT 5:	Current Entrance Fees and Periodic Charges for Ancillary Services
EXHIBIT 6:	Changes in Fees
EXHIBIT 7:	Certified Financial Statements of Provider
EXHIBIT 8:	Provider's pro forma Income Statement and Variance Explanation
EXHIBIT 9:	Form of Notice of Right to Rescind

EXHIBIT 1

RESIDENCE AND CARE AGREEMENT

Summary:
Exhibit One, the Residence and Care Agreement, is the most pertinent document in this Disclosure Statement for the prospective resident. The Residence and Care Agreement details the services the resident will receive, the facilities the resident will use, the rights and responsibilities the resident will accept, and the costs associated with living at the Community. Ann's Choice, Inc. has detailed its policies on a full range of issues, including common every day issues such as meal policies, fee-for-service health care, and the procedure for the return of the resident's 90% refundable Entrance Fee. In addition to the Residence and Care Agreement, there are various sample forms such as the refund forms, note, etc. These are samples only and do not necessarily apply to every resident.

ANN'S CHOICE
RESIDENCE AND CARE AGREEMENT

April 2026

THIS MATTER INVOLVES A SUBSTANTIAL FINANCIAL INVESTMENT AND A LEGALLY BINDING CONTRACT. IN EVALUATING THE DISCLOSURE STATEMENT AND THE CONTRACT PRIOR TO ANY COMMITMENT, IT IS RECOMMENDED THAT YOU CONSULT WITH AN ATTORNEY AND FINANCIAL ADVISOR OF YOUR CHOICE, IF YOU SO ELECT, WHO CAN REVIEW THESE DOCUMENTS WITH YOU.

TABLE OF CONTENTS

Section 1.	**DESCRIPTION OF COMMUNITY**	3
1.1	**Independent Living Units**	**3**
1.2	**Continuing Care at Ann's Choice**	**3**
Section 2.	**TERM**	4
Section 3.	**LIVING ACCOMMODATIONS**	4
3.1	**Resident's Right to Occupy**	**4**
3.2	**Joint Residents**	**4**
3.3	**Rights of New Spouse**	**5**
3.4	**Resident's Obligation to Furnish Unit and Maintain Unit**	**5**
3.5	**Customized Improvements**	**5**
Section 4.	**SERVICES TO RESIDENTS**	5
4.1	**Independent Living Services**	**5**
4.2	**Assisted Living Services**	**6**
4.3	**Personal Care**	**6**
4.4	**Nursing Services**	**7**
Section 5.	**ANCILLARY SERVICES**	8
5.1	**Services Available through Ann's Choice**	**8**
5.2	**Services Available through Outside Providers**	**8**
5.3	**Services Not Provided**	**9**
Section 6.	**OTHER RESIDENT RIGHTS**	9
6.1	**Residents' Association**	**9**
6.2	**Resident Guests**	**9**
6.3	**Physicians and Other Professionals**	**9**
Section 7.	**ENTRANCE FEE**	9
7.1	**Payment of Entrance Fee**	**9**
7.2	**Escrow and Release from Escrow**	**9**
7.3	**Adjustments to Entrance Fee**	**10**
7.4	**Refund Within Rescission Period or Prior to Occupancy**	**11**
7.5	**Refund after Occupancy**	**11**
7.6	**Refund Account & Refund Eligibility**	**12**
Section 8.	**MONTHLY SERVICE PACKAGES**	12
8.1	**Monthly Service Package**	**12**
8.2	**Monthly Service Package for Joint Residents**	**13**
8.3	**Adjustments to the Monthly Service Package**	**13**
8.4	**Monthly Service Package in the Event of a Temporary Transfer**	**13**
8.5	**Monthly Service Package in the Event of a Permanent Transfer to a Different Living Unit**	**14**
8.6	**Monthly Service Package in the Event of a Termination of Agreement**	**14**
Section 9.	**OTHER FEES, PERIODIC CHARGES, AND COSTS**	14
9.1	**Processing Fee**	**14**
9.2	**Ancillary Services**	**14**
9.3	**Other Services**	**15**
9.4	**Refurbishing a Vacated Living Unit and Repairing Extraordinary Damage**	**15**

9.5 Medical and Other Insurance 16
9.6 Funeral Arrangements and Burial Expenses 16
9.7 Non-Solicitation of Employees 16
9.8 Lump Sum Charges 16
Section 10. FINANCIAL INABILITY TO PAY 17
Section 11. TRANSFERS 18
11.1 Temporary and Permanent Transfers 18
11.2 Transfer at the Election of Resident 18
11.3 Transfer at the Election of Ann's Choice - Non-Emergency 18
11.4 Transfer at the Election of Ann's Choice - Emergency 19
11.5 Use of Living Unit 19
Section 12. TERMINATION 20
12.1 Termination Within Rescission Period or Prior to Occupancy 20
12.2 Termination by Resident 20
12.3 Termination by Ann's Choice 20
12.4 Vacating the Living Unit 21
Section 13. RIGHTS OF ANN'S CHOICE 21
13.1 Community Rules and Regulations 21
13.2 Access to Living Units at the Community 21
13.3 Property Rights 21
13.4 Limitation of Liability 22
13.5 Unauthorized Transfers of Property 22
13.6 Religious Affiliation and Sponsorship 22
13.7 Non-Smoking Policy 22
Section 14. MISCELLANEOUS PROVISIONS 23
14.1 Documents Incorporated by Reference 23
14.2 Rules of Construction 23
14.3 Non-waiver 23
14.4 Entire Agreement 23
14.5 Amendment 23
14.6 Severability 23
14.7 Paragraph Headings 23
14.8 Dispute Resolution 24
14.9. Assignment 24
14.10 Electronic Signatures & Counter-Parts. 24
14.11 Survival. 24
Section 15. DEFINITIONS 25

SCHEDULE I - SCHEDULE OF FEES
SCHEDULE II NOTICE OF RIGHT TO RESCIND
SCHEDULE III- DOCUMENTS INCORPORATED

ANN'S CHOICE
RESIDENCE AND CARE AGREEMENT

This Residence and Care Agreement (the "Agreement") is made and entered into the ____ day of _____, _____ by and between ANN'S CHOICE, INC. (referred to in this Agreement as "We", "us" or "Ann's Choice") and _____ (referred to in this Agreement as "You" or the "Resident(s)").

RECITALS

R.1 Ann's Choice (the "Community") is a continuing care retirement community located in Warminster, Pennsylvania developed in phases to offer various living accommodations and services to seniors, as described herein.

R.2 ANN'S CHOICE is the operator of the Community and is a registered continuing care provider under the laws of the Commonwealth of Pennsylvania. Ann's Choice desires to provide certain services listed in this Agreement to Resident and Resident desires to receive such services.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. DESCRIPTION OF COMMUNITY

Our Community will consist of Independent Living Units, Personal Care Units, and Nursing Units. As of 2014, the Community is a smoke-free campus and you hereby agree to abide by our rules restricting smoking.

1.1 Independent Living Units. The Community is planned to have approximately 2000 Independent Living Units within four (4) residential neighborhoods. Each residential neighborhood is planned to be comprised of five (5) residential buildings containing Independent Living Units and one (1) community building. Each community building includes a dining room, classrooms, card rooms, lounges and other common areas. Each residential neighborhood is planned to include at least one unique facility, such as the Medical Center, the swimming pool, health club, or the like.

1.2 Continuing Care at Ann's Choice. Continuing Care at Ann's Choice refers to the Community's on-site health care neighborhood. Continuing Care at Ann's Choice houses the Assisted Living Units, Personal Care Units, and the Nursing Units. Each floor of Continuing Care at Ann's Choice includes a dining room, a resident lounge, activity rooms and a bathing core. Continuing Care at Ann's Choice was completed January 2019.

1.2.1 Assisted Living Units. Continuing Care at Ann's Choice currently includes approximately 82 Assisted Living Units, with varied service packages. We anticipate that the aggregate number of Assisted Living Units planned for the Community will adequately serve the needs of Community residents. However, in the unusual circumstances that the Assisted Living Units are fully occupied, our Medical Director, or his or her designee, first will arrange for Ancillary Services to be offered in your Independent Living Unit and second, if necessary, will assist in arranging for a transfer to an Off-Site Facility in the immediate area. See Section 8.4 for fees payable by you in the event of such a transfer

1.2.2 Personal Care Units. Continuing Care at Ann's Choice currently includes approximately 44 Personal Care Units, some of which have memory care programming and services. We anticipate that the aggregate number of Personal Care Units planned for the Community will adequately serve the needs of Community residents. However, in the unusual circumstances that the Personal Care Units are fully occupied, our Medical Director, or his or her designee, first will arrange for Ancillary Services to be offered in your Independent Living Unit and second, if necessary, will assist in arranging for a transfer to an Off-Site Facility in the immediate area. See Section 8.4 for fees payable by you in the event of such a transfer

1.2.3 Nursing Units. Continuing Care at Ann's Choice currently includes approximately 66 Nursing Units, many of which are private rooms. We anticipate that the aggregate number of Nursing Units will adequately serve the needs of Community residents. However, in the unusual circumstance that the Nursing Units are fully occupied, our Medical Director, or his or her designee, will assist in arranging for a transfer to an Off-Site Facility in the immediate area. See Section 8.4 for fees payable by you in the event of such a transfer.

Section 2. TERM

The Term of this Agreement shall commence on the date on which this Agreement is executed by both parties and shall continue for your lifetime unless the Agreement is terminated earlier per Section 12 of this Agreement.

Section 3. LIVING ACCOMMODATIONS

3.1 Your Right to Occupy. You have the right to occupy and to use the following Living Unit: _____, as-is, from the Occupancy Date to the Departure Date, subject to provisions for a change in accommodations as provided in Section 11 of this Agreement. You may not assign or sublet the right to occupy a Living Unit to any other person. We will provide the Living Unit, in good condition, with neutral painted walls, and with standard carpeting and/ or floors.

3.2 Joint Residents. When two (2) or more residents enter into the same Residence and Care Agreement, they are considered to be Joint Residents. Each Joint Resident is required to meet our financial requirements for entrance into the Community, as well as our health qualifications for occupancy of a selected Living Unit, whether the prospective Joint Residents move to the Community together or on different dates.

3.3 Rights of New Spouse. If during the term of residency you marry a person who is not a resident of the Community, your new spouse will be required to meet our financial and health-related qualifications for entrance into the Community. The financial qualifications are meant to serve as a financial protection for our larger community of residents. We reserve the right to determine the appropriate level of care within the Community for the spouse or to determine that there is not an appropriate level of care within the Community for the spouse. If your spouse is not accepted, you may terminate this Agreement per Section 12.2 hereof. If your spouse is accepted for residency, the fee structure described in Sections 7.3.2 and 8.2 for Joint Residents will apply.

3.4 Resident's Obligation to Furnish and Maintain Unit. You are responsible for furnishing the Independent Living Unit and the Personal Care Unit and for procuring insurance for personal possessions and furnishings. We will provide furnishings and equipment, as required by law, for Nursing Units. You are also responsible to maintain any Living Unit in which you reside in a reasonably clean and habitable condition.

3.5 Customized Improvements. You may decorate the Living Unit to your personal taste with pictures, window treatments, and the like, so long as such decorations are not permanent fixtures to the Unit or can be easily removed without damaging the structural integrity of the Living Unit. All other customized improvements to any Independent Living Unit, Assisted Living Unit, or Personal Care Unit that you want to undertake either before or after the Occupancy Date must be approved in writing by the Executive Director. If you contract with an outside contractor, the selection of your contractor and the proposed plans or work must be approved by the Executive Director. If you contract with us to do the work, we will sign a contract to agree upon the extent of work and the charges related to the work to be done. For charges related to the removal of any improvements, please see Section 9.4. We cannot permit structural changes or customized improvements to a Nursing Unit.

Section 4. SERVICES TO RESIDENTS

We will make the following services available to you, as applicable, for the appropriate Monthly Service Package, during your residency here, unless the Agreement is terminated earlier per Section 12. We may change the Monthly Service Package or scope of services or care to Resident only after providing Resident with thirty (30) days advance notice of the change, except for changes required by State or Federal assistance programs. The average annual cost of providing care to residents is currently estimated at $38,910 per resident.

4.1 Independent Living Services. We provide the following Covered Services included in the Monthly Service Package for Independent Living:

Monthly Meal Plan (see Section 15);
All utilities in the living unit (except personal telephone, but see definition of Ann's Choice Connect);
Basic cable/ satellite television service (except premium channels);
24 hour security system with security officer(s) and emergency alert system;

On-site Fitness Center basic membership;
Pre-wiring for telephone;
On-campus shuttle transportation;
Scheduled off-campus transportation to local shopping, as determined by us;
General Maintenance of buildings, grounds and fixtures;
Insurance of buildings and grounds including insurance for the Living Unit, including the structures and fixtures in such unit, except items owned by Resident (See Section 9.5);
Sewage, trash and general snow removal from common areas; and
Use of all public rooms and common areas of the Community.

4.2 Assisted Living Services. We provide these Covered Services in Assisted Living Care as listed below. We provide several care packages to serve different care needs and some services may not be available for certain care packages. Further details on the services available at each level of care, including your and our rights and obligations in Assisted Living will be set forth in the Assisted Living Addendum to the Residence and Care Agreement:

Provision of supervision, verbal cuing and physical assistance, as appropriate for the Resident's designated care package, in the performance of activities of daily living ("ADLs"), including ambulation, personal hygiene, dressing, toileting and eating;
Medication management;
Service plan designed by a care team;
At least three meals per day;
Regularly scheduled Registered Nurse review and assessment;
Fresh linens and personal laundry service (1 load per week);
Light housekeeping care on a weekly basis;
Medical appointment scheduling, as needed;
Social/recreational activities;
24 hour security system with security officer(s) and emergency alert system;
Incontinence Care;
Regular social work team services related to cognitive, behavioral and safety issues;
Licensed nurse management of chronic/ stable conditions on a regular basis;
All utilities in the Living Unit;
Basic cable television service (except premium channels);
On-campus shuttle transportation;
Scheduled local shuttle transportation to local shopping, as determined by Community (if medically appropriate);
General Maintenance of buildings, grounds and fixtures;
Insurance of buildings and grounds including insurance for the Living Unit, including the structures and fixtures in such unit, except items owned by Resident (See Section 9.5);
Sewage, trash and general snow removal from common areas; and
Use of all public rooms and common areas of the Community.

4.3 Personal Care. We provide these Covered Services in Personal Care as listed below. We provide several Personal Care packages to serve different care needs and some services may not be available for certain care packages. Further details on the services available

at each level of Personal Care, including your and our rights and obligations in Personal Care will be set forth in the Personal Care Addendum to the Residence and Care Agreement:

Provision of supervision, verbal cuing and physical assistance, as appropriate for the Resident's designated care package, in the performance of activities of daily living ("ADLs"), including ambulation, personal hygiene, dressing, toileting and eating;
Memory Care programming with Memory Care Service Package;
Prescription evaluation and planning;
Medication administration;
Service plan designed by a care team;
At least three meals per day;
Regularly scheduled Registered Nurse review and assessment;
Fresh linens and personal laundry service (1 load per week);
Housekeeping services on a weekly basis;
Medical appointment scheduling, as needed;
Social/recreational activities;
24 hour security system with security officer(s) and emergency alert system;
Incontinence Care;
Licensed nurse management of chronic/ stable conditions on a regular basis;
All utilities in the Living Unit (except personal telephone);
Basic cable television service (except premium channels);
Pre-wiring for telephone;
On-campus shuttle transportation;
Scheduled local shuttle transportation to local shopping, as determined by Community (if medically appropriate);
General Maintenance of buildings, grounds and fixtures;
Insurance of buildings and grounds including insurance for the Living Unit, including the structures and fixtures in such unit, except items owned by Resident (See Section 9.5);
Sewage, trash and general snow removal from common areas; and
Use of all public rooms and common areas of the Community.

4.4 Nursing Services. We provide the following Covered Services included in the Monthly Service Package for Nursing Units. Further details on the services and additional rights and obligations in the Nursing Unit will be set forth in the Nursing Contract Addendum to the Residence and Care Agreement.

Nursing care; highest level of care;
Prescription evaluation and planning;
Medication administration;
Service plan designed by a care team;
At least three meals per day;
24 hour security system with security officer(s) and emergency alert system;
Regularly scheduled Registered Nurse review and assessment;
Fresh linens and personal laundry service;
Daily Housekeeping services;
Planned recreation;

Mental Health Services, as needed;
Incontinence care;
More frequent involvement of licensed medical personnel to manage chronic conditions;
All utilities in the Living Unit (except personal telephone);
Basic cable television service (except premium channels);
Pre-wiring for telephone;
Campus shuttle transportation;
General Maintenance of buildings, grounds and fixtures;
Insurance of buildings and grounds including insurance for the Living Unit, including the structures and fixtures in such unit, except items owned by Resident (See Section 9.5);
Sewage, trash and general snow removal from common areas; and
Use of all public rooms and common areas of the Community.

Section 5. ANCILLARY SERVICES

5.1 Services Available through Ann's Choice. In addition to the Covered Services described earlier in Sections 4.1, 4.2, 4.3 and 4.4, we also make the following services available to you for an additional fee. These Ancillary Services will be phased in as the Community is developed. Other services that are not currently listed may also be available. We may change the scope of or fees charged for such Ancillary Services only after providing thirty (30) days advance notice, except for changes required by State or Federal assistance programs.

Tray service to residents in Independent Living, Assisted Living, or Personal Care;
Housekeeping and laundry service for residents in Independent Living, Assisted Living, or Personal Care;
Extra meals for residents in Independent Living;
Guest meals (unless covered by Monthly Meal Plan as defined);
Lodging in guest rooms on a temporary and space available basis;
On-site Fitness Center premium services, classes or personalized training;
Personal storage space;
Reserved parking space;
Off-campus shuttle transportation within a radius determined by Ann's Choice;
Home health services in an Independent Living Unit; and
Home health services in an Assisted Living or Personal Care Unit for one-on-one care by a nursing aide assigned to a resident

5.2 Services Available through Outside Providers. We contract with outside providers to provide the following services to you at the Community: medical services through the on-site Medical Center; laboratory services; medical supplies; prescription drugs, physical, speech and occupational therapy and hospice care. Such services may be covered by Medicare or by Resident's other medical insurance. We do not charge you any additional fee for access to these outside providers. These services will be provided at an additional fee and will be billed separately by the outside provider.

5.3 Services Not Provided. We do not provide hospice care, acute hospital care, or any institutional care other than care that is appropriate in a Personal Care Unit and comprehensive care in a Nursing Unit or otherwise covered under the terms of this Agreement. We will assist with any necessary transfers to such facilities; however, you will be responsible for the cost of such care.

Section 6. OTHER RESIDENT RIGHTS

6.1 Residents' Association. You have the right to participate fully in a Residents' Association, or other organization of residents by whatever name designated and to meet privately to conduct business.

6.2 Resident Guests. You have the right to receive guests and visitors at the Community and to allow such guests and visitors to stay in an Independent Living Unit on a temporary basis, subject to our reasonable policies and procedures for use of the Community. Guest meals (unless covered by the Monthly Meal Plan as defined), guest cots, or rental of one of the Community's guest rooms will be treated as an Ancillary Service, the costs of which are chargeable to you.

6.3 Physicians and Other Professionals. You have the right to select attending physicians and other health care professionals, provided such physicians or other health care professionals shall agree to follow our reasonable policies and procedures and applicable federal and state laws, rules and regulations. You are not required to use the on-site Medical Center or the physicians practicing there. We agree that you will not be responsible for payments for services rendered by any health care providers which are included as a Covered Service under your Monthly Service Package.

Section 7. ENTRANCE FEE

7.1 Payment of Entrance Fee. You will pay or have paid to us a total Entrance Fee as shown in Schedule I. The payment of the Entrance Fee may be made in a series of deposits on or before taking occupancy of your Living Unit at the Community. In the case of Joint Residents, the Entrance Fee shall be deemed to be a joint asset of the Joint Residents with a right of survivorship and may be used for the care of either Joint Resident. We do not require an additional Joint Resident Entrance Fee if Joint Residents occupy the same Living Unit. Ten percent (10%) of your Entrance Fee is designated as the non-refundable Community Fee. The Community Fee is earned by the Community upon termination of this Agreement either by your death or pursuant to subsections 12.2 or 12.3 of this Agreement.

7.2 Escrow and Release from Escrow. The deposits made by you towards the total Entrance Fee, in excess of the $1000 Priority Deposit, will be held in escrow in a bank authorized in Pennsylvania, acting as an escrow agent, until you either occupy the Living Unit or the Living Unit is available for your immediate occupancy. Entrance Fees shall be released when you occupy the selected Living Unit or when such Living Unit is ready for you occupancy, whichever first occurs, and when your right of rescission as described in Section 12.1 of this Agreement has expired.

When the Entrance Fee is released in full, we can fully use the Entrance Fee including the Community Fee. We normally use the Entrance Fees for financing, operational costs, or future refunds for the Community. Appreciation in new Entrance Fees is normally used by us generally for capital repairs, improvements to benefit the Community, and for any reserve funds, but we may use the Entrance Fees for any other mission related purpose. However, you will retain the right to the 90% Refund Amount as discussed in this Section 7. In the case of Joint Residents, the Entrance Fee shall be deemed to be a joint asset of the Joint Residents with the right of survivorship and may be used for the care of either Joint Resident. No interest shall be accrued or paid to you on your Entrance Fee.

Prior to occupancy, Entrance Fees deposited in escrow and the Priority Deposit will be returned by the escrow agent to a prospective resident: (a) upon receiving notice that the prospective resident has requested a return of the Entrance Fee, (b) the prospective resident dies before occupying the Living Unit or is otherwise precluded from occupying the Living Unit; or (c) if the funds have not been released within three (3) years after placement in escrow, or longer, if so specified by us with the consent of the Insurance Commission of the Commonwealth.

7.3 Adjustments to Entrance Fee. You will not be required to pay an additional or increased Entrance Fee as long as you reside in your original Living Unit. You retain the right to the 90% Refund Amount, upon the termination of this Agreement, as discussed in Sections 7.4, 7.5, and 7.6 of this Agreement. Your Entrance Fee, minus the Community Fee, is also available for your maintenance and support as provided in Section 10.

7.3.1 If you request a permanent transfer from one Living Unit to another Living Unit with a higher Entrance Fee and we approve the transfer, you must pay to us an additional deposit for the new Living Unit to which you are transferring. The amount of the additional deposit will vary, depending on market conditions for your current Living Unit and for the desired new Living Unit at the time of the transfer and may be a full second Entrance Fee. We will advise you of the additional deposit/Entrance Fee prior to the transfer and you may then decide whether or not to proceed with the transfer. Ten percent (10%) of the additional deposit paid will be added to the Community Fee and will be non-refundable.

7.3.2 If your new spouse is accepted as a resident in the Community and is placed in a Living Unit other than your current Living Unit (see Section 3.2 of this Agreement), you and your new spouse must pay us an additional Entrance Fee for the spouse's Living Unit and the new spouse must sign a separate Residence and Care Agreement for the new Living Unit.

7.3.3 You will normally not be entitled to a refund or decrease of the Entrance Fee due to any temporary or permanent transfer, for whatever reason, during the Term of this Agreement. However, we may make a partial refund of the Entrance Fee, minus the Community Fee, to you in the following circumstances: 1) You transfer to a smaller Independent Living Unit than the Independent Living Unit which you currently occupy; and 2) the Entrance Fee for the smaller Independent Living Unit is currently lower than the Entrance Fee that the one you

originally paid for an Independent Living Unit. In these specific circumstances, we may elect to refund the difference between the current Entrance Fee for your new Independent Living Unit and the original Entrance Fee paid by you but minus the Community Fee.

7.4 Refund Within Rescission Period or Prior to Occupancy. We shall pay a refund of the Entrance Fee to you or your representative, as appropriate, if the Agreement is terminated within the rescission period as described in Section 12.1 hereof or if the Agreement is terminated after the rescission right expires but prior to the Occupancy Date as described in Section 12.1. We will refund the Entrance Fee within thirty (30) days following the rescission or termination, as the case may be, pre-occupancy. If one joint resident dies prior to occupancy, the remaining resident may, but is not required to, rescind this Agreement. The surviving resident may request a different living unit and we will refund or charge any difference in the Entrance Fee between the living units; provided, however, that this election is made in writing at least thirty (30) days prior to occupancy.

7.5 Refund after Occupancy. **After occupancy of the Living Unit and subject to the terms and conditions of this Agreement, we shall pay the 90% Refund Amount as provided in this Section 7.5 and Section 7.6. Your refund will be equal to ninety percent (90%) of the total Entrance Fee unless: (i) the Entrance Fee, minus the Community Fee, has been partially or fully spent down for your care and maintenance per Section 10 of this Agreement, or (ii) you or your representative, as the case may be, elect to deduct any outstanding fees and charges from the 90% Refund Amount for your convenience.**

7.5.1 Termination By Resident During Lifetime. If you terminate the Agreement at any time after the Occupancy Date and the expiration of the right of rescission, we will have earned the Community Fee and shall pay the 90% Refund Amount within sixty (60) days of the date that you become eligible for refund from the Refund Account per section 7.6. We will pay the 90% Refund Amount to the duly designated beneficiaries named in your Refund Form or, if there is no Refund Form, then to you as the Resident. If one Joint Resident terminates that Joint Resident's agreement, there will be no refund of any portion of the Refund Amount; instead, so long as the remaining resident continues to reside at the Community, the Entrance Fee (minus the Community Fee) shall be deemed to have been paid entirely on behalf of the remaining resident to be used for the remaining resident's care if necessary, and the Refund Amount will eventually be paid to the remaining resident, to the beneficiaries named in the remaining resident's Refund Form, or to the remaining resident's estate.

7.5.2 Termination Due To Death of Resident. If you die after the Occupancy Date and the expiration of the right of rescission, we will have earned the Community Fee and shall pay the 90% Refund Amount within sixty (60) days of the date that you become eligible for refund from the Refund Account per section 7.6. We will pay the 90% Refund Amount to the duly designated beneficiaries named in a Refund Form or, if there is no Refund Form, then to your Estate. If one Joint Resident dies, there will be no refund of any portion of the 90% Refund Amount; instead, so long as a surviving resident continues to reside at the Community, the Entrance Fee (minus the Community Fee) shall be deemed to have been paid entirely on behalf of the surviving resident to be used for the

survivor's care if necessary, and the 90% Refund Amount will eventually be paid to the survivor, to the beneficiaries named in the survivor's Refund Form, or to the survivor's estate.

7.5.3 Termination by Ann's Choice. If we terminate the Agreement for good cause (see subsection 12.3 of this Agreement), we will have earned the Community Fee and shall pay the 90% Refund Amount within sixty (60) days of the date that you become eligible for refund from the Refund Account per section 7.6. We will pay the 90% Refund Amount to the duly designated beneficiaries named in your Refund Form or, if there is no Refund Form, then to you as the Resident. If we terminate this Agreement without good cause (see subsection 12.3 of this Agreement), we will not earn the Community Fee.

7.6 Refund Account & Refund Eligibility. These provisions describe how we pay the 90% Refund Amount to you, your representative, or beneficiaries, as the case may be:

7.6.1 We have established a Refund Account for paying the 90% Refund Amount per the terms of this Agreement. The Refund Account is funded by the receipt of all or a portion of new Entrance Fees from new residents who subscribe Participating Independent Living Units. Please see the definition of "Refund Account" in Section 15 for explanation on funding the Refund Account and Participating Independent Living Units. When the Agreement terminates during your lifetime for any reason or if the Agreement terminates due to your death, you or your representative must (a) promptly vacate and remove all possessions from the Living Unit, (b) turn in the keys, (c) sign a Unit Release for the Living Unit, and (d) either pre-approve the final bill or, if you do not pre-approve the bill, then reach an agreement with us on the amount of the final bill. If you occupied any other Living Units at the Community, all previous units also must be vacated and released. When the foregoing steps are completed, we then assign you a Refund Number for the Refund Account.

7.6.2 We pay the 90% Refund Amount based on assigned Refund Numbers generally proceeding in sequential order. If you have the next assigned Refund Number in sequence, you are eligible for your 90% Refund Amount when: (i) your final bill has been generated and sent to you, (ii) you or your representative has paid your final bill, or, alternatively, has elected to have the final bill deducted from your refund, and (iii) the funds in the Refund Account are sufficient to fully pay the 90% Refund Amount to you.

Section 8. MONTHLY SERVICE PACKAGES

8.1 Monthly Service Package. During the term of this Agreement, you must pay the applicable Monthly Service Package for the Living Unit. As of the date of this Agreement, the applicable Monthly Service Package for Resident's current Living Unit is shown in Schedule I. Monthly Service Package The Monthly Service Package is due and payable each month, in advance, within five (5) days of the monthly statement; provided, however, that the Monthly Service Package for the month during which you first take occupancy of the Living Unit shall be

payable in arrears on a pro-rated basis with the payment of the Monthly Service Package for the first full calendar month occurring during the term of this Agreement. Our acceptance of partial payment of the Monthly Service Package does not constitute a waiver of such outstanding fees and charges unless we agree to a waiver in writing. We may charge interest at a rate of one and one-half percent (1.5%) per month on any overdue amounts.

8.2 Monthly Service Package for Joint Residents. Joint Residents occupying the same Living Unit shall pay the appropriate Monthly Service Package for double occupancy of the Living Unit. If Joint Residents occupy different Living Units, both Residents shall be jointly and severally liable for the full Monthly Service Package for both Living Units. This fee structure applies to Joint Residents who move to the Community together and to a Resident and a non-resident who are accepted to the Community on different dates.

8.3 Adjustments to the Monthly Service Package. The Monthly Service Package may be revised from time to time. We normally use the Monthly Service Package to cover the expenses of providing covered services to Residents but we may use the Monthly Service Package for any other mission related purpose. We generally adjust fees on an annual basis after having evaluated those factors that we perceive to be relevant to the costs associated with operating the Community and other financial requirements. Normally such changes will be made to become effective on January 1 of the next following calendar year. However, except for changes required by State or Federal assistance programs, we reserve the right, at any time, upon thirty (30) days' notice to you, to adjust the independent living Monthly Service Packages and upon sixty (60) days' notice to adjust the Monthly Service Package or daily rates in Continuing Care to reflect any additional cost or liability for which there is no adequate, budgeted reserve, including, but not limited to, tax liability for real estate taxes relating to the Community, increased operating expenses and inflation.

8.4 Monthly Service Package in the Event of a Temporary Transfer. In the event that you temporarily transfer to another Living Unit in the Community or to an Off-Site Facility, you must pay the Monthly Service Package for your permanent Living Unit in addition to the Monthly Service Package for the temporary Living Unit or the Off-Site Facility, as the case may be. Payment of the Monthly Service Package for your permanent Living Unit assures that such permanent Living Unit will remain available to you during the time of the temporary transfer. The Monthly Service Package for a temporary Living Unit at the Community shall be prorated on a daily basis for the period of the temporary transfer.

During the period of the temporary transfer, your Monthly Service Package for the permanent Living Unit shall be adjusted as follows: (1) if a single Resident or one Joint Resident transfers, the Monthly Service Package will be reduced by a single Non-Occupancy Credit as applicable 2) if both Joint Residents transfer from a double occupancy Unit, the Monthly Service Package will be reduced by the two-person Non-Occupancy Credit, as applicable, (3) if both Joint Residents transfer, one from a Living Unit and one from another Living Unit, each Resident's Monthly Service Package shall be reduced by the respective Non-Occupancy Credit as applicable.

Upon your return to the permanent Living Unit, you must continue to pay the current Monthly Service Package associated with such Living Unit.

8.5 Monthly Service Package in the Event of a Permanent Transfer to a Different Living Unit. If you permanently transfer from one Living Unit to another Living Unit at the Community, you are responsible for payment of the Monthly Service Package, pro-rated and less the Non-Occupancy Credit as applicable, for the vacated Living Unit until you completely vacate, remove all possessions from the vacated Living Unit, and return the keys for the vacated Living Unit to us.

8.6 Monthly Service Package in the Event of a Termination of Agreement. If you terminate this Agreement, or if we terminate this Agreement for good cause in accordance with Section 12.3, or if this Agreement should terminate by reason of your death, then you or your estate, as the case may be, shall be responsible for the payment of the Monthly Service Package for the vacated Living Unit, less the Non-Occupancy Credit as applicable, until and including ninety (90) days from the date that both of these conditions are fulfilled: (i) you vacate the Living Unit and remove all possessions, and (ii) you sign a Unit Release Form for the Living Unit and return your keys. If you are a permanent resident of our Continuing Care at the time that residency is terminated for any reason, please refer to the applicable Continuing Care service addendum for the applicable policy. If your vacated Living Unit is re-subscribed by another new resident in less than 90 days, then the Monthly Service Package will end on the Occupancy Date for that new resident. We do not automatically deduct the remaining Monthly Service Packages, Ancillary Fees, or other fees from the 90% Refund Amount unless you or your representative so direct. Your final bill will be generated and sent to you following the expiration of the time period outlined in this Section 8.6.

Section 9. OTHER FEES, PERIODIC CHARGES, AND COSTS

9.1 Processing Fee. You shall pay or have paid us a Processing Fee, as indicated in Schedule I, in connection with your application for residence at the Community. Such Processing Fee is refundable only if (1) you rescind the Residence and Care Agreement within seven (7) days of making an initial deposit toward the Entrance Fee or executing the Agreement, or (2) you pass away before occupying the Living Unit or are precluded from occupying the Living Unit because of illness, injury or incapacity.

9.2 Ancillary Services. During the term of this Agreement, you must pay us the periodic charges for any Ancillary Services (as described in Section 5) which we provide to you. The current periodic charges for Ancillary Services are attached in Schedule I. The charges for Ancillary Services are normally used by us to cover the expense of providing such Ancillary Services but we may use the Ancillary Services charges for any other mission related purpose. We may revise the periodic charges for Ancillary Services that we provide from time to time, and such change shall take effect upon our giving you thirty (30) days' notice of such increase in accordance with the rules and regulations of the Department. The charges which are based on published rates for State or Federal assistance programs (for example, Medicare rates) shall be revised upon the effectiveness of changes to such rates. All Ancillary Services which we provide to you shall be billed on your monthly statement, and payment is due within five (5) days of your

receipt of the monthly statement. Our acceptance of partial payment of the charges shall not constitute a waiver of the outstanding charges unless we agree to a waiver in writing. We may charge interest at a rate of one and one-half percent (1.5%) per month on any overdue amounts.

9.3 Other Services. Ancillary Services not provided by us and any other services that you arrange independently shall be billed directly to you, and we are not responsible for payment of or collecting payment for such services.

9.4 Refurbishing a Vacated Living Unit and Repairing Extraordinary Damage. Each time that you permanently vacate an Independent Living Unit, Assisted Living Unit, or Personal Care Unit, irrespective of the length of time of occupancy, we will perform work to clean, refurbish, and restore that Living Unit. This work will generally include, but is not limited to, cleaning or replacement of carpeting and flooring, spackling and/or painting of walls, removing any customized improvements, replacement of fixtures, or any other appropriate repairs repairing any extraordinary damage, in our sole discretion, to bring the Living Unit back to a like-new condition. The reasonable costs and expenses of this work (the "Refurbishing Charges") are charged as follows:

9.4.1 If you first entered the Community in an Independent Living Unit and you then permanently transfer from that Independent Living Unit to an Assisted Living Unit, Personal Care unit, or a Nursing Unit, we will cover any portion of the Refurbishing Charges for work that is due to ordinary wear and tear. You will only be responsible to pay the portion of the Refurbishing Charges for work needed to repair any extraordinary damage to the Living Unit. By way of example, such extraordinary damage may include, but is not limited to, material damage to the walls, structures, or fixtures, material damage caused by pets, or material odors, stains, or damage due to smoking in the Living Unit. You must also pay the reasonable costs and expenses of removing any customized improvements that you made to the Living Unit unless we specifically agree in writing to accept those improvements for re-subscription to a new resident.

9.4.2 If you first entered the Community in an Independent Living Unit and you then permanently leave the Community from an Independent Living Unit, we will cover the Refurbishing Charges for work that is due to ordinary wear and tear. You will only be responsible to pay the portion of the Refurbishing Charges for work needed to repair any extraordinary damage to the Living Unit. By way of example, such extraordinary damage may include, but is not limited to, material damage to the walls, structures, or fixtures, material damage caused by pets, or material odors, stains, or damage due to smoking in the Living Unit, or removing customized improvements. You must also pay the reasonable costs and expenses of removing any customized improvements that you made to the Living Unit unless we specifically agree in writing to accept those improvements for re-subscription to a new resident.

9.4.3 If your last residence at the Community is a Nursing Unit and you either permanently leave the Community from that unit or you pass away, we will cover the full Refurbishing Charges for the Nursing Unit.

9.4.4 If you transfer from one Independent Living Unit to another Independent Living Unit, or if you transfer from an Assisted Living or Personal Care Unit to any other Living Unit, or if you permanently leave the Community from an Assisted Living or Personal Care Unit, you are responsible to pay the full Refurbishing Charges.

9.5 Medical and Other Insurance. You must procure and maintain in force at your own cost the following insurance coverages:

9.5.1 You shall maintain, at your expense, one of the following coverages for health insurance: (a) the maximum coverage available to you under Medicare, Parts A, B & D and including a supplemental Medigap insurance policy; (b) a Medicare Part C/ Medicare Advantage Plan (including a Part D plan), or (c) Documented equivalent coverage, if submitted and accepted by us, if you are not eligible for Medicare or are insured under other adequate programs. Supplemental insurance is not provided by us.

9.5.2 You must also procure and maintain, at your own expense, insurance coverage against damage of, loss to, or theft of your personal property (contents) maintained at the Community, including general liability coverage for personal liability and medical payments should a claim be made or suit brought against you for damages because of a bodily injury, including death, or property damage caused by you. Such insurance shall include liability coverage for damage caused to the Living Unit or other living units or common areas which arise out of your negligent or intentional acts or omissions. We shall be responsible for insuring the building structures, common areas and building components, the Living Unit and fixtures in the Living Unit provided by us but not including any of your personal property. You are not included nor considered as an additional insured or co-insured under our policies. We reserve all rights of recovery or subrogation for damages caused to our property.

9.6 Funeral Arrangements and Burial Expenses. Funeral arrangements and burial expenses are your responsibility. We will not make such arrangements or provide such services.

9.7 Non-Solicitation of Employees. We expend significant resources on the hiring, training and development of their employees. Recognizing this expenditure, during the Term of the Agreement, you agree not to employ any person currently employed by us, either directly or indirectly by hiring the services of any such person through a third party. You also agree not to employ any person formerly employed by us, either directly or indirectly by hiring the services of any such person through a third party, until two years have elapsed from the employee's last date of employment with us. You further agree not to solicit any person employed by us to terminate his or her employment in order to work for you directly or indirectly through a third party.

9.8 Lump Sum Charges. The Pennsylvania Department of Insurance requires that we advise you that, per 40 P. S. 3214 (a) (11) any charges for care paid by you one lump sum shall not be increased or changed during the duration of the agreed upon care, except for changes required by State or Federal assistance programs. However, we do not use a lump sum model in the Community.

Section 10. FINANCIAL INABILITY TO PAY

It is our policy not to terminate a resident's occupancy for the resident's financial inability to pay provided that the resident is otherwise in compliance with the terms of such resident's Residence and Care Agreement. To the extent that it is financially feasible, we will assist residents who are unable to pay full Monthly Service Packages by providing financial assistance as described in this Section 10.

To insure that our charitable intentions are equitably allocated for the benefit of as many residents as possible, we require that, in the event that you claim to be unable to make full monthly payment by reason of financial inability, you must take any or all of the following actions, as directed by the Executive Director. We have the right, but not the obligation, to initiate financial assistance if we independently determine that you need financial assistance.

10.1 If your sources of funds, including expenditures of principal and the guaranty, if any, are inadequate for you to make the payments required under this Agreement, you must file with the Executive Director, on appropriate forms provided by the Executive Director, a Statement of Financial Inability to Pay. As part of the Statement of Financial Inability, you must disclose your remaining available assets and income. The Executive Director will review your financial position to determine the existence of any outside assets, including any guaranty agreements, which may first be spent for your care.

10.2 If you have outside assets other than the Entrance Fee, the Executive Director will establish a Spending Plan for you to spend the outside assets and to obtain assistance from other available means. If you can qualify, you will take the necessary steps to obtain county, state, and federal aid or assistance including Medicare, public assistance and any other public benefit program. You agree to execute any and all documents necessary to make and perfect such claims or rights. If you fail to cooperate with the Spending Plan for the outside assets, such failure may constitute good cause for termination of the Agreement due to non-payment of fees in accordance with Section 12.3 of this Agreement.

10.3 After you complete the Spending Plan or if you have no available assets other than the Entrance Fee, we will spend-down an amount up to the Entrance Fee minus the Community Fee. After depletion of outside assets, the Entrance Fee (less the Community Fee) is considered available to you for your maintenance and support. You may access these amounts, without moving from the Community, to pay any and all fees at the Community including any Monthly Service Packages or to pay another provider for support and maintenance if your income and other resources are insufficient to pay for support and maintenance. The Executive Director will notify you when spend-down is available and will give the effective date. You will receive periodic statements reflecting the remaining balance of the Entrance Fee (less the Community Fee).

10.4 Upon completion of the spend-down, you may qualify for assistance from the resident benevolent care fund established by us to the extent that it is financially feasible. If you are approved for such assistance, the Executive Director shall inform you of the amount which

the resident benevolent care fund will contribute to the monthly fees and the amount which you must contribute to the Monthly Service Package.

10.5 If requested by us, you will transfer to an alternate Living Unit at the Community if and when available.

10.6 You will provide periodic statements of financial condition and copies of income tax returns as the same may be requested from time to time by us. You will notify us of any and all assets acquired by you through any means thereafter, and you will assign or pay such property received to us in an amount equivalent to the total outstanding charges and fees, owed by you.

10.7 When you are notified by the Executive Director approximately three months before the projected depletion of your remaining Entrance Fee (less the Community Fee), you agree to immediately apply for Medicaid if available. You also agree to execute any and all documents necessary to make and perfect such claims or rights.

Section 11. TRANSFERS

11.1 Temporary and Permanent Transfers. For purposes of this Agreement, a temporary transfer is a transfer of an anticipated finite duration. During a temporary transfer, your permanent Living Unit shall remain available to you as long as you continue to pay the Monthly Service Package in accordance with Section 8.4. A permanent transfer is a transfer of indeterminate duration. During a permanent transfer, you will be requested to release the Living Unit. After a permanent transfer, if you are able to qualify to return to your previous Living Unit or to a different, medically appropriate Living Unit at the Community, you will have the right to occupy the Living Unit subject to our approval and to the availability of such Living Unit.

11.2 Transfer at the Election of Resident. You may elect to transfer, on a temporary or permanent basis, to an alternate Independent Living Unit, an Assisted Living Unit, or a Personal Care Unit, Nursing Unit or an Off-Site Facility by giving notice to us. All transfers within the Community shall be subject to the availability of the elected alternate Living Unit and to subject to our approval.

11.3 Transfer at the Election of Ann's Choice - Non-Emergency. All decisions regarding a transfer of any resident, except for emergency transfers, shall be made by a committee consisting of the Executive Director (or his or her designee) and the Medical Director (or his or her designee) (collectively referred to as the "Committee"). The Committee will consult with you or your legal representative. If you have a Guarantor or ombudsman, such person also will be consulted if you so request. We attempt to interact with you or your representative with the goal of achieving a consensus on the need for a transfer although a consensus is not always achieved.

You will not be transferred, temporarily or permanently, to a different Living Unit unless (1) in the opinion of the Committee, such transfer is deemed appropriate for the protection of your health and/or safety or the general and/or economic welfare of other residents, (2) in the opinion of the Committee, the transfer is deemed necessary due to financial inability to pay the

Monthly Service Package, or (3) in the case of a permanent transfer to an Off-Site Facility that provides treatment for mental disorders, the need for such transfer is certified by two physicians or one physician and one psychologist. If you are transferring due to event (1) or (3) listed above and the Living Unit is occupied by a Joint Resident, the remaining Joint Resident may continue to occupy the Living Unit.

The Committee shall give you thirty (30) days advance written notice of the proposed transfer. You or your representative shall notify us of any objection to the permanent transfer within ten (10) days of receipt of the notice. If you or your representative do not consent to the transfer, the Committee may, in its discretion and in lieu of a transfer, require Ancillary Services be provided to you if a higher level of care is deemed appropriate in the opinion of the Committee for the protection of your health and safety or the welfare of other residents. If you or your representative do not consent to either the transfer or the provision of Ancillary Services, we may consider such refusal to constitute good cause to terminate the Agreement in accordance with Section 12.3 hereof.

11.4 Transfer at the Election of Ann's Choice - Emergency. If your health and safety or the health and safety of other residents require immediate action, the Executive Director with the approval, if reasonably obtainable, of the Medical Director, may transfer you from your current Living Unit to a different Living Unit or an Off-Site Facility, on a temporary or permanent basis. Emergency circumstances arise when there is a danger of immediate, irreparable harm to your health and safety or to the health and safety of other people at the Community. In the event that you are required to be transferred to Continuing Care at Ann's Choice during a period that you are suffering from legal incompetency, you agree to be bound by the terms of the Agreement in effect at the time of such transfer.

11.5 Use of Living Unit. In the event of a temporary transfer, whether at your election or at our election, your prior Living Unit will remain available to you as long as you continue to pay the Monthly Service Package for the permanent Living Unit in accordance with Section 8.4 hereof.

In the event of a permanent transfer, whether at your election or our election, you or your representative shall sign Living Unit Release Transfer form unless you are one of Joint Residents and the other Joint Resident remains in the Living Unit. After receipt of notice of permanent transfer, you shall take all reasonable steps to vacate the Living Unit before the date set for the transfer. You or your representative shall then be responsible for vacating the Living Unit and removing all personal possessions from the Living Unit. We shall have the right to show the Living Unit to interested applicants as of the Departure Date indicated in the Unit Release Form.

If you fail to vacate the Living Unit by the indicated Departure Date or, in the event of a transfer by us, within sixty (60) days from the notice of transfer, we shall have the right to store your possessions in a general storage area at the Community or to arrange for storage in a commercial storage facility, all at your expense, until disposition thereof can be made. We assume no responsibility for your stored possessions.

Section 12. TERMINATION

12.1 Termination Within Rescission Period or Prior to Occupancy. Either party may terminate the Agreement in the following circumstances:

12.1.1 You may rescind this Agreement within seven (7) days of making an initial deposit or executing the Agreement. You are not required to move into the Living Unit until the expiration of this seven (7) day period. However, should you elect to occupy the Living Unit prior to the expiration of the seven (7) day rescission period, such occupancy shall not be considered a waiver of the rescission period;

12.1.2 You die before occupying the living unit or are precluded from occupying the Living Unit as a result of illness, injury or incapacity; or

12.1.3 We elect to terminate the Agreement if it is determined that you are ineligible for entrance into the Community.

If the Agreement is terminated as provided in this Section 12.1, you shall receive a refund of the Entrance Fee, as described in Section 7.4 and a refund of the processing fee as described in Section 9.1. You will not receive a refund of the costs of any custom improvements or other expenses specifically incurred at your request as set forth in a separate written addendum, signed by both parties.

12.2 Termination by Resident. After the Occupancy Date and after the expiration of the rescission period described in Section 12.1, you may terminate this Agreement at any time and for any reason by giving thirty (30) days' notice to us of your intention to terminate.

12.3 Termination by Ann's Choice. A decision by Ann's Choice to terminate this Agreement shall be made by the Executive Director of the Community. We may not terminate this Agreement without good cause. "Good cause" is defined as: (i) Non-payment of Fees including non-payment of the Entrance Fee; (ii) A good faith determination in writing, signed by the Executive Director and Medical Director of the Community, that you are a danger to yourself or others while remaining in the Community; (iii) Repeated conduct by you that interferes with other residents' quiet enjoyment of the Community; (iv) Persistent refusal to comply with reasonable written rules and regulations of the Community; (v) A material misrepresentation made intentionally or recklessly by you in your application for residency, or related materials, regarding information which, if accurately provided, would have resulted in either your failure to qualify for residency or a material increase in the cost of providing care and service to you under the Agreement; or (vi) Your material breach of the terms and conditions of this Agreement.

Except for termination due to non-payment of fees, we will give you thirty (30) days written notice of the termination and the reason for termination. In the event of non-payment of fees, we will give you written notice that you are in default under this Agreement for non-payment of fees. We may charge you interest on the overdue amount of one and one-half percent (1 ½%) per month. If you fail to make full payment of all outstanding fees and charges within thirty (30) days of receipt of the notice, we may, at our election, either terminate the Agreement

upon an additional thirty (30) days' notice or may require a spend-down of the Entrance Fee (less the Community Fee), in accordance with our spend-down procedures as generally set forth in Section 10 of this Agreement, to offset the overdue fees and charges. Our acceptance of partial payment of the fees does not constitute a waiver of the outstanding fees and charges unless we agree to a waiver in writing.

12.4 Vacating the Living Unit. Upon termination of the Agreement either at your election, our election, or due to your death, you or your representative, shall sign and give to us Unit Release Form advising of your Departure Date. You or your representative shall then be responsible to vacate the Living Unit and to remove all personal possessions from the Living Unit. We shall have the right to show the Living Unit to interested applicants as of the date indicated in the Unit Release Form.

If you fail to vacate the Living Unit by the indicated Departure Date or, in the event of a termination by us within the required time for the notice of termination as provided in Section 12.3, we shall have the right to store your possessions in a general storage area at the Community or to arrange for storage in a commercial storage facility, all at your expense, until disposition thereof can be made. We assume no responsibility for your stored possessions.

Section 13. RIGHTS OF ANN'S CHOICE

13.1 Community Rules and Regulations. We shall have the right to promulgate reasonable rules and regulations governing the conduct of the residents and to thereafter revise such rules and regulations. You agree and acknowledge that you have received such rules and regulations including those in our current Resident Handbook (as they may be further amended). You will enjoy the fullest measure of independence consistent with the accommodation in which you live, subject, however, to the limitations of our reasonable rules and regulations now or hereafter adopted for the conduct and care of all residents. You hereby agree to abide by all such rules and regulations (as in effect from time to time), and generally to conduct yourself in such a manner as to promote the peace and harmony of the Community.

13.2 Access to Living Units at the Community. You acknowledge and accept our ability and authority to enter the Living Unit in order to carry out the purpose and intent of this Agreement and you hereby authorize such entry. Such entry includes (1) performance of authorized housekeeping duties; (2) response to medical emergencies; (3) responses to fire protection systems; (4) entry by authorized personnel in the event that you are reported missing or have not responded to a call; (5) scheduled maintenance activities; (6) to fix, repair, maintain, or update building elements in common which would include plumbing, drywall, electrical system, HVAC, or similar; and (7) enforcement of the Community's rules and regulations. We acknowledge and respect your right to privacy and agree to limit uninvited entry into the Living Unit at the Community to the situations set forth in this paragraph.

13.3 Property Rights. You acknowledge that, except as expressly set forth in this Agreement, the rights and privileges granted by this Agreement do not include any right, title, lease, or any other interest in any part of the personal property or real property - including land, buildings and improvements - owned, leased or administered by us. Your rights are limited to

the rights provided in this Agreement for services and the occupancy of the Living Units. Except for your right to occupy the Living Unit, any rights, privileges or benefits under this Agreement shall be subordinate to any mortgage or deed of trust or leasehold interest on any of the premises or interest in our real and personal property, to all amendments, modifications, replacement or refunding, of any such mortgage or deed of trust or leasehold interest, and to such reasonable rules and regulations governing the use of the property as shall from time to time be imposed by us. You hereby agree, upon our request, to execute and deliver any document which is required to this effect by us, or by the holder of such mortgage or deed of trust or leasehold interest to effect such subordination or to evidence the same, and appoint Ann's Choice as your attorney-in-fact to accomplish that purpose.

13.4 Limitation of Liability. You agree that we, along with our sole member/owner, any subsidiaries, our management company, and all of their members, directors, officers, and employees, are not responsible for the loss of any of your personal property due to theft or any other cause. Liability for damage to or loss of your personal property shall be limited to damage or loss caused by negligent acts or omissions of Ann's Choice's employees acting within the scope of their employment.

13.5 Unauthorized Transfers of Property. The financial information which you submitted is a material aspect upon which we reasonably relied in determining your qualifications for becoming a resident of the Community. Being able to meet the financial criteria to become a resident helps assure the financial stability of this Community. Furthermore, we are committed to take every reasonable step to assist residents who have depleted those assets through normal living expenditures so that he or she may continue to remain as a resident of the Community. However, in order to protect us from a situation wherein a resident divests him/herself of those assets for the purpose of qualifying for assistance or reduction of Monthly Service Packages, you hereby agree not to divest yourself of, to sell, or transfer any assets or property interests (excluding expenditures for your normal living expenses) that reduces the assets that you or your representative disclosed as available assets for you on admission, without having first obtained our written consent.

13.6 Religious Affiliation and Sponsorship. The sole member of Ann's Choice, Inc. is National Senior Communities, Inc. (NSC), a nonprofit organization, formerly National Senior Campuses, Inc. There is no religious organization which maintains financial control over Ann's Choice.

13.7 Non-Smoking Policy. You agree to abide by our prohibition against smoking, e-smoking or vaping in the Living Unit and in common areas as designated. You and your guests, or contractors, are also prohibited from smoking, e-smoking or vaping in the Living Unit or in the common areas of the Community. You understand that certain prior residents will be permitted to continue smoking in their living units. You further understand that we may consider your failure to abide by the non-smoking policy as cause to terminate the Residence and Care Agreement.

Section 14. MISCELLANEOUS PROVISIONS

14.1 Documents Incorporated by Reference. This Agreement includes the Arbitration Agreement, Nursing Arbitration Agreement, Priority List Application for residence, the Financial Information Form, the Resident History/ Information Form, including Resident's medical records, if any, a Key Receipt Form, and the Refund Form. This Agreement may include a Promissory Note, a Guaranty Agreement, a Power of Attorney for property disposition, an Advance Directive, Appointment of Health Care Agent, or Living Will, and your medical insurance documentation, all of which documents are incorporated by reference and made a part of this Agreement (see Schedule III attached hereto). You acknowledge that we will rely on your statements in these documents and you warrant that all statements are true and complete to the best of your knowledge and information.

14.2 Rules of Construction. In this Agreement, the masculine, feminine and neuter genders shall be construed to be interchangeable and shall include one another to the extent that such context is necessary to provide a logical or meaningful construction of the text. Similarly, the singular and plural shall be interchangeable and shall include one another to the extent that such context is necessary to provide a logical or meaningful construction of the text. Section captions are for ease of reference only.

14.3 Non-waiver. The failure of any party in any one or more instances to insist on the strict performance, observance or compliance by the other party with any of the terms or provisions of this Agreement, shall not be a continuing waiver thereof nor construed to be a waiver or relinquishment by a party of its rights to insist upon strict compliance by the other party with all of the terms and provisions of this Agreement.

14.4 Entire Agreement. This Agreement and the documents referenced in Section 14.1 represent the entire Agreement between us, you and Guarantor, if any, and supersede all prior Agreements and negotiations. Except as contained herein or in any contemporaneous, written agreements, there are no promises or agreements between the parties.

14.5 Amendment. This Agreement shall be amended only in writing, signed by all parties.

14.6 Severability. The invalidity or unenforceability of any provision of this Agreement or the application of any such provision, shall not affect or impair any other provisions or the validity or enforceability of the remainder of this Agreement, or any application of any other provision of the remainder of this Agreement; however, the Resident, to the extent provided by law, retains the right to rescind this Agreement if any provision is in violation of the laws of the Commonwealth of Pennsylvania, as amended from time to time.

14.7 Paragraph Headings. Paragraph headings are added solely to aid in the review of this Agreement and are not to be construed to affect the interpretation of this Agreement.

14.8 Dispute Resolution.

14.8.1 Simultaneously with the signing of this Agreement, the parties shall enter into an Arbitration Agreement, which is attached hereto and incorporated herein by reference. Pursuant to the Arbitration Agreement, all parties agree that all Claims other than Excluded Claims (as such terms are defined in the Arbitration Agreement) shall be resolved through binding, individual arbitration in accordance with the terms of the Arbitration Agreement; provided that Claims involving or asserted by Joint Residents may be adjudicated in the same arbitration proceeding. The parties further agree that venue for the adjudication of any Excluded Claims shall be in Bucks County, Pennsylvania.

14.8.2 Notwithstanding the foregoing, if you occupy a Nursing Unit (whether temporarily or permanently), you (or your legal representative, individually and on your behalf) may elect to enter into a separate Nursing Arbitration Agreement with respect to claims arising out of or related to the Nursing Facility Addendum to the Residence and Care Agreement or the care you receive while residing in the Nursing Unit, but entering into the Nursing Arbitration Agreement will not be a condition of admission to or a requirement for continuing to receive care in the Nursing Unit. The Nursing Arbitration Agreement, if entered into, will be incorporated herein by reference. If you do not enter into the Nursing Arbitration Agreement (or if the Nursing Arbitration Agreement is not entered into on your behalf), venue for any action for the enforcement, construction, termination of, or any action arising out of or related to the Nursing Contract Addendum to the Residence and Care Agreement or the care you receive while residing in the Nursing Unit shall be in Bucks County, Pennsylvania.

14.8.3 All parties agree that the filing of any arbitration demand pursuant to the Arbitration Agreement or the Nursing Arbitration Agreement or of any action not subject to either arbitration agreement may include a request for an expedited hearing.

14.9. Assignment. In the event that we or any of our successors or assigns shall give you notice that any or all of the rights, duties and obligations of Ann's Choice have been assigned to a new person or entity registered as a continuing care provider under the laws of the Commonwealth of Pennsylvania to provide services at the Community, you agree to recognize such new person or entity as the provider under this Agreement, to the extent of such assignment.

14.10 Electronic Signatures & Counter-Parts. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

14.11 Survival. The provisions of Sections 7, 8, 9, 12, 13, 14, and 15 shall survive any termination of this Agreement. Additionally, any obligation, or liability of either party under this Agreement or under any ancillary agreement executed in connection herewith, or any subsequent addenda hereto that by its nature and context are intended to survive the termination of the Agreement, shall survive the termination of this Agreement.

Section 15. DEFINITIONS

Whenever the following words or phrases appear in this Agreement beginning with a capital letter, these definitions shall apply:

Act: The Pennsylvania Continuing-Care Provider Registration and Disclosure Act, as the same shall be amended and in effect from time to time hereunder.

Agreement: This document, including all exhibits, supplements, amendments or addenda, as signed by us, you, and Guarantor, if any.

Ancillary Services: Those services specified in Section 5 of this Agreement which either we provide or are provided by approved outside providers, the cost of which is not included in the Monthly Service Package. Periodic charges for Ancillary Services may be changed from time to time by us as specified in Section 9.2 or by the outside providers.

Ann's Choice (We/ Us): Ann's Choice, Inc.

Ann's Choice Connect: The current utility plan for Residents excludes personal telephone and dedicated internet. In the future, Independent Living residents will transition to Ann's Choice Connect which will include local, long-distance and international landline calling, and wireless internet for residents. We will advise residents at least 60 days in advance when the Community phases from one plan to another.

Assisted Living Unit: Accommodations for residents who need a higher level of care and more daily assistance than is available in an Independent Living Unit, but who need a lesser degree of medical care, personal care and service than is provided in the Nursing Units.

Community: The physical site and structures which we operate as a retirement community in Warminster, Pennsylvania.

Community Fee: The Community Fee is defined as ten percent (10%) of the original Entrance Fee paid by you at admission. The Community Fee is earned by the Community upon termination of this Agreement either by your death or pursuant to subsections 12.2 or 12.3 of this Agreement. If you later transfer to a Living Unit with a larger Entrance Fee and paid an additional sum towards the larger Entrance Fee, then the Community Fee is defined as ten percent (10%) of your original Entrance Fee paid at admission plus ten percent (10%) of the additional Entrance Fee paid by you on transfer to the Living Unit with the larger Entrance Fee. The Community Fee does not decrease if you move to a Living Unit with a lower Entrance Fee.

Continuing Care at Ann's Choice: The Community building in which the Assisted Living Units, Personal Care Units and the Nursing Units are situated. The Continuing Care facility is licensed for assisted living, personal care, skilled and intermediate nursing care but will not be licensed to provide chronic or acute hospital care or other institutional care. Such services, if required by you, are not services covered under the scope of this Agreement.

Covered Services: Those services specified in Section 4 of this Agreement which we make available for the applicable Monthly Service Package.

Department: The Insurance Department of the Commonwealth of Pennsylvania.

Departure Date: The date on which you or, in the event of your death, your personal representative or family, vacates the Living Unit after providing us with a signed Unit Release Form, removing all possessions from such Living Unit, and turning in the Living Unit keys. If you or your personal representative or family do not timely provide us with a signed Unit Release Form, remove the possessions, or turn in the keys, the Departure Date shall be the date on which we remove all possessions from the Living Unit and places them in a general storage area at the Community or in a commercial storage facility, all at your expense, until disposition thereof can be made. We assume no responsibility for your stored possessions.

Entrance Fee: The Entrance Fee required to be paid to us on or before the Occupancy Date as set forth in Section 7.1 of this Agreement, as may be modified, which Entrance Fee is generally paid in a series of deposits. The 10% Community Fee is deducted from the Entrance Fee.

Executive Director: The chief administrative officer of the Community appointed as such by Ann's Choice.

Guarantor: Any person or persons who guarantee your obligations to pay the Monthly Service Package or any other fees or periodic charges payable by you under the terms of this Agreement.

Independent Living Unit: Living accommodations at the Community for a resident who is able to live independently within our guidelines.

Joint Residents: Two or more residents who enter into the same Residence and Care Agreement.

Living Unit: An Independent Living Unit, Assisted Living Unit, Personal Care Unit or Nursing Unit.

Medical Director: A licensed physician whom we officially designate as the person responsible for the direction and control of medical services offered at the Community.

Monthly Meal Plan: The standard meal plan for residents in Independent Living Units. Residents will have a plan offering either: (i) a fixed number of standard meals per month, equal to the number of days in the calendar month; or (ii) a fixed meal credit per month which allows purchase of one standard meal per day in the calendar month with a declining monetary balance as the credit is used. We will advise residents at least 60 days in advance if the Community phases from one plan to another. You may use the Monthly Meal Plan on a daily basis or as otherwise desired through the calendar month until either the number of meal allowance or the

meal credit balance is exhausted for that calendar month. The Monthly Meal Plan may also be used by you for guest meals during the calendar month (some restrictions may apply for designated holiday or special cuisine meals). At the beginning of each calendar month, you receive a new set of meals or meal credits for that new month. If you do not use the all of the meal allowance or meal credit within the calendar month, any unused portion is forfeited, does not carry over to the next month, and no credit will be due to you.

Monthly Service Package: The fee payable with respect to a particular Living Unit as specified in Section 8.1 hereof, which fee includes the Covered Services specified in Section 4 hereof. Monthly Service Packages may be adjusted as provided in Section 8.3 hereof.

(Ninety Percent) 90% Refund Amount: The refund payable to you or your beneficiaries, as the case may be, upon termination of this Agreement. Your refund will be equal to ninety percent (90%) of the total Entrance Fee unless: (i) the Entrance Fee, minus the Community Fee, has been partially or fully spent down for your care per Section 10 of this Agreement, or (ii) you or your representative, as the case may be, elect to deduct the outstanding fees and charges from the 90% Refund Amount for your convenience.

Non-Occupancy Credit: You may receive a Non-Occupancy Credit to reduce your Monthly Service Package when you are, or if one of Joint Residents, then the Joint Residents are, transferred temporarily to a different Living Unit. You may receive a Non-Occupancy Credit upon request in other circumstances in the sole discretion of the Executive Director. The current Non-Occupancy Credit is provided on Schedule I, Fee Schedule. Adjustments to and policies concerning the Non-Occupancy Credit are made by us in our sole discretion. Credit is given based on the required consecutive days of absence.

Notice: For the purposes of this Agreement, notice shall be deemed to have been given to you when deposited in your community mailbox or personally delivered to you, and given to Ann's Choice when either personally delivered or delivered with return receipt to the office of the Executive Director at the Community and to General Counsel at the corporate office situated at 701 Maiden Choice Lane, Baltimore, Maryland 21228. If you have not yet taken possession of the Living Unit, then notice to you shall be given by first-class mail, postage pre-paid, to your last known address and such notice shall be deemed to be effective on the third day following such mailing. If you have been transferred to an Off-Site Facility, notice shall be given by first-class mail, postage pre-paid, to you at such Off-Site Facility and shall be deemed to be effective on the third day following such mailing.

Nursing Unit: Accommodations for residents who are unable to perform those functions necessary to live in an Independent Living Unit and who need the degree of medical care, personal care, and service that is provided in the Nursing Center.

Occupancy Date: The date on which you are authorized by Ann's Choice to take possession of a Living Unit. On this date, you are allowed access to move belongings or to personally inhabit the Living Unit pursuant to this Agreement. Delivery of keys to you shall be deemed authorization to take possession.

Off-Site Facility: Any housing or health care facility not located within the Community and which is neither owned nor operated by Ann's Choice.

Participating Independent Living Unit: A Participating Independent Living Unit is an Independent Living Unit whose prior resident had either: (i) a Residence and Care Agreement with a 90% or 80% Refund Amount obligation, as applicable, or (ii) a Residence and Care Agreement with a refund obligation of less than 80% as applicable. We fund the Refund Account with all or a portion of such Entrance Fees. A Living Unit that has not been previously occupied with an initial Entrance Fee is not a participating unit.

Personal Care Unit: Accommodations for residents who need personal care, including memory care services, and more daily assistance than is available in an Independent Living Unit, but who need a lesser degree of medical care, personal care and service than is provided in the Nursing Units.

Processing Fee: The fee payable when you submit an application for residency at the Community or for a position on the futures or standby list.

Refund Account: The balance(s) which we establish to fund the contracted Refund Amount to eligible residents upon termination of the Agreement. The Refund Account is a ledger which is credited/funded when we receive all or a portion of new Entrance Fees from new residents who sign a Residence and Care Agreement for Participating Independent Living Units. The new resident's right of rescission must also be expired for the Refund Account to receive all or a portion of the Entrance Fee. We make continued refunds from the Refund Account as new available funds are received into the Refund Account. We have the right to temporarily suspend refunds if the Refund Account has insufficient funds to pay the next sequential refund that is due. We pay the 90% Refund Amount based on assigned Refund Numbers generally proceeding in sequential order.

Refund Form: An agreement signed by you, when accepted by us, designating to whom the 90% Refund Amount shall be made upon termination of this Agreement.

Refund Number: The number assigned per Section 7.6 which determines eligibility for a refund of the 90% Refund Amount.

Refurbishing Charges: The reasonable costs and expenses of work performed to clean, refurbish, and restore that Living Unit after a resident permanently vacates the unit. This work will generally include, but is not limited to, cleaning or replacement of carpeting and flooring, spackling and/or painting of walls, removing any customized improvements, replacement of fixtures, or any other appropriate repairs repairing any extraordinary damage, in our sole discretion, to bring the Living Unit back to a like-new condition. It is intended that the Living Unit shall be restored to the condition that it was in before it was occupied by the recent resident. The determination as to the extent of refurbishment shall be established by the Executive Director.

Repairing Extraordinary Damage: By way of example, such extraordinary damage may include, but is not limited to, material damage to the walls, structures, or fixtures, material damage caused by pets, or material odors, stains, or damage due to smoking in the Living Unit. You must also pay the reasonable costs and expenses of removing any customized improvements that you made to the Living Unit unless we specifically agree in writing to accept those improvements for re-subscription to a new resident. The extent of refurbishing is determined by Ann's Choice, in our sole discretion to put the Living Unit into like-new condition.

Resident/You: Each person designated by name in the first paragraph of this Agreement, who is a party to this Agreement.

Spending Plan: A plan set forth by the Executive Director of the Community in the event that you are financially unable to pay your Monthly Service Packages.

SIGNATURES

IN WITNESS WHEREOF the parties have hereunto set their hands on the date appearing next to their respective signatures.

ANN'S CHOICE, INC.

_____ By:_____ _____
Witness Date

NOTICE TO RESIDENT: YOU MAY RESCIND AND TERMINATE YOUR RESIDENT'S AGREEMENT, WITHOUT PENALTY OR FORFEITURE, WITHIN SEVEN (7) DAYS OF THE ABOVE DATE. YOU ARE NOT REQUIRED TO MOVE INTO THE CONTINUING CARE FACILITY BEFORE THE EXPIRATION OF THIS SEVEN (7) DAY PERIOD. NO OTHER AGREEMENT OR STATEMENT YOU SIGN SHALL CONSTITUTE A WAIVER OF YOUR RIGHT TO RESCIND YOUR AGREEMENT WITHIN THE SEVEN (7) DAY PERIOD.

_____ _____ _____
Witness Resident Date

_____ _____ _____
Witness Resident Date

If applicable: Guarantors: I (We) _____ have read and understand the provisions of this Agreement and by signing my (our) name(s) below, agree to guaranty Resident's obligations incurred under this Agreement in accordance with the Guaranty Agreement.

_____ _____ _____
Witness Guarantor Date

_____ _____ _____
Witness Guarantor Date

Schedule I
Schedule of Fees

Total Entrance Fee for Unit: $ _____

Minus the 10% Community Fee: $_____ (non-refundable)

Current Monthly Service Package for Unit: $ _____ per month

Current Processing Fee: $ _____ per applicant

Current Ancillary Fee Schedule: See next page

2026 Periodic Charges for Ancillary Services

SERVICE	2026 CHARGE
Non-Occupancy Credit – Independent Living Credit for Absences per day (credit starts after 11 consecutive nights or more): Single Occupancy Double Occupancy	 $16.00 $24.00
Non-Occupancy Credit – Assisted Living	Monthly Fee drops to Assisted Living Level A package starting 1st day of absence for duration of consecutive absence. Note: if resident is already at Level A for Assisted Living, no credit is applied.
Non-Occupancy Credit- Personal Care	Monthly Fee drops to Personal Care Level A package starting 1st day of absence for duration of consecutive absences. Note: if resident is already at Level A for Personal Care, no credit is applied.
Non-Occupancy Credit – Memory Care	Monthly Fee drops to Memory Care Package C Leave Rate starting on the 1st day of absence for the duration of consecutive days of absence.
Guest Meal	$25.00
Guest Meal – Sunday Brunch	$25.00
Guest Meal – Holiday	$25.00
Guest Meal – Child under 11	$6.00
Convalescent Meal	$2.50
Nutrition Consult	$75.00
RG/RGT Early Riser Guest Meal	$6.00
RG/RGT Guest Brunch	$7.50
RG/RGT Guest Dinner Meal	$11.60
Meal Delivery Charge	$7.00

SERVICE	2026 CHARGE
Additional Living Unit Key	$10.00
Additional Exterior Door Key	$66.00
Additional Mailbox Key	$8.50
Visitor Bar Code	$12.00
Resident Bar Code Additional Vehicle / New Vehicle	$12.00
Padlock for Storage Bin	$12.00
Reserved Parking per month (resident registered car only)	$27.60
Storage Bin per month	$14.00*
Guest Room per night (Single)	$135.00*
Efficiency Guest Room per night	$145.00*
Roll Away Bed Roll Away Bed With Linen	$14.50 $22.00
Maintenance Service per hour plus materials (1/2 hour minimum)	$58.00
Car Battery Jump Start	$16.00
Grounds service per hour (hour minimum)	$38.00
Grounds Patio Cleaning	$37.50
Snow removal from car	$40.00
Snow removal from car – same day request	$47.00
Housekeeping per hour (hour minimum)	$48.00*
Television Recycling (fee varies per model and size)	$39.00-$85.80
Mattress, Box Spring and/or Frame Removal (fee varies per items disposed)	$17.00-$40.00
Wheel Chair Rental	$12.00
Wheel Chair Escort	$26.00
Transportation Emergency Pendent Installation (one time fee) Emergency Pendent Monthly Fee	$6 Per Mile $190.00 $15.00
Enhanced Fitness Membership	$25.00
Waterproof Watch	$200.00
ID Vade Replacement (With a Computer Chip)	$30.00
Electric Care Charging Overtime Fee (After 8 Hours)	$25.00
Ongoing Individual Assistance –Personal Trainer – 5 ½ hour sessions (minimum)	$100.00
New Punch Card for 10 Classes	$26.00
Therabands (per band)	$5.00
Balance and Mobility Classes	$60.00
Virtual Fitness Programs (digital) Group Fitness Classes (in-person) Memory Fitness Class (12 classes) Erickson Resident Computer Services – 30 Minute Minimum Appointment Erickson Resident Computer Services – Additional 15 Minute Increment	Included Add'l fees apply $55.00 $50.00 $18.00

SERVICE	2026 CHARGE
Ann's Club	$62 Per 4 Hour Session

* For these services, a 6% Sales Tax will also be charged as required by the state of PA. Ancillary fees in continuing care are available on request.

Ann's Choice Home Support Services – 2026 Fee Schedule

Aide Services	**Price**
Per Hour	$48.00
Per Hour (Premium Time)	$51.00
>/= 4 Hours (per hour)	$38.00
Couple Visit – Add'l charge for second person (per hour)	$10.00
Medication Reminder (per visit)	$25.00

RN Services	
Assessment	$150.00
Nurse Visit (per visit)	$132.00
Nurse Service (per hour)	$132.00

Note: Holiday fees are 1.5 times the regular rate and are in effect on: New Year's Day, Martin Luther King Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

Schedule II
Notice of Right to Rescind

_____
Date rescission period begins

You may rescind and terminate your Residence and Care Agreement, without penalty or forfeiture, within seven (7) days of the above date. You are not required to move into Ann's Choice, Inc. before the expiration of this seven (7) day period. No other agreement or statement you sign shall constitute a waiver of your right to rescind your agreement within the seven (7) day period.

To rescind your Residence and Care Agreement, mail or deliver a signed and dated copy of this notice, or any other dated written notice, letter or telegram, stating your desire to rescind to Ann's Choice, Inc. at 10000 Ann's Choice Way, Warminster, Pennsylvania 18974 not later than midnight of _____.

Pursuant to this notice, I hereby cancel my Residence and Care Agreement.

_____
DATE

_____
RESIDENT'S SIGNATURE

Schedule III
Documents Incorporated

A. Arbitration Agreement/Nursing Arbitration Agreement
B. Priority List Application
C. Financial Information Form
D. Resident History Profile
E. Refund Form
F. Key Receipt Form
G. Unit Release and Unit Release-Transfer Forms
H. Guaranty Agreement (if any)
I. Power of Attorney for property disposition (if any)
J. Advance Directive, Appointment of Health Care Agent, or Living Will (if any)
K. Resident's medical insurance documentation (if any)
L. Promissory Note (if any)
M. Allonge to Promissory Note

ANN'S CHOICE

ARBITRATION AGREEMENT

This Arbitration Agreement ("Agreement") is entered into between Ann's Choice, Inc. (the "**Provider**") and **[Resident (Or Resident's Representative) Name(s)].** The Agreement binds and benefits the Provider, the Resident, and the other Provider Parties and Resident Parties, as defined in Section 3 below (the "**Parties**"). This Agreement is an exhibit to and part of the Residence and Care Agreement (the "**Care Agreement**") governing the services rendered by the Provider to the Resident at Ann's Choice (the "**Community**").

1. **Binding Arbitration.** Arbitration can provide a faster and more efficient way of resolving disputes or controversies than going to court. It can also promote more amicable dispute resolution than a court proceeding. In an arbitration, rather than a jury or a judge deciding the outcome of the dispute in a public courtroom, a neutral third-party arbitrator (the "**Arbitrator**") decides the outcome after a confidential hearing including the Parties and/or their attorneys. The Arbitrator's decision is binding and, except in limited circumstances described in Section 5(H) below, cannot be appealed.

2. **Claims Subject to Arbitration**.

A. **Claims.** The Parties hereby agree that, other than **Excluded Claims** (as defined in Section 2(B) below), this Agreement applies to any and all disputes and disagreements ("**Claims**") between any Resident Party and any Provider Party that arise out of or in any way relate to the Care Agreement, the Resident's residency at the Community, the Resident's admission to and stay at the Community (including any Claims arising out of or relating to pre-admission communications and processes), and the provision of services to the Resident pursuant to or in connection with the Care Agreement and any amendments, exhibits, or addenda thereto that may be made a part of the Care Agreement from time to time, including such addenda or additional agreements signed by a Resident Party in relation to any transfer of the Resident (whether temporary or permanent) from one place of residence and/or level of care at the Community to another. Claims include, but are not limited to, any disputes or causes of action arising out of or relating to admission, care, treatment, or diagnoses; claims related to injury or death, including from negligence or intentional tort; claims related to property damage or premises liability; claims seeking equitable relief or specific performance; statutory causes of action; medical malpractice; questions as to whether any medical services rendered were unnecessary or unauthorized or were improperly, negligently, or incompetently rendered; breach of the Care Agreement; claims for declaratory relief; and questions about the interpretation, validity, construction, and enforceability of this Agreement and the Care Agreement. The Parties agree to resolve all such Claims through binding arbitration, at the election of any Party bringing or defending a Claim, whether the conduct or events giving rise to the Claim occurred prior to or after the Parties' execution of this Agreement or the Care Agreement.

The Parties acknowledge and agree that, for all Claims subject to arbitration under this Agreement, they are waiving their constitutional right to trial by jury and/or the right to bring or participate in a class action. Any such Claims will be resolved exclusively through binding individual arbitration.

B. **Excluded Claims.** This Agreement applies only to disputes and disagreements between the Resident and the Community and does not preclude or restrict any governmental oversight, investigation, or enforcement action. In addition, the Parties acknowledge and agree that claims involving unlawful detainer or involuntary discharge or transfer and claims eligible for small claims court proceedings can often be handled more quickly and efficiently without arbitration. Accordingly, the Parties hereby agree that (1) claims asserting unlawful detainer or seeking to enforce or challenge the involuntary discharge or transfer of the Resident from the Community, each of which will remain subject to any applicable state procedures; and (2) claims eligible (in the aggregate) for resolution in small claims court shall be "**Excluded Claims**" and shall not subject to this Agreement. If the Resident transfers to a Nursing Unit (as defined in the Care Agreement) and enters into the Nursing Facility Addendum to the Care Agreement (the "**Nursing Addendum**") or the Nursing Addendum is entered into on the Resident's behalf, Excluded Claims shall also include any claims arising out of or related to the Nursing Addendum and/or the care the Resident receives while residing in the Nursing Unit.

3. **Parties to Whom This Agreement Applies.** This Agreement and the definitions in this Section 3 will be interpreted as broadly as possible so as to bind and benefit any person who asserts any Claim or against whom a Claim is asserted. The Parties intend to allow any person alleged to be liable for any actions or inactions of the Community or the Resident or related to any care provided to the Resident to demand arbitration pursuant to this Agreement.

A. The term "**Provider Party**" includes (a) the Community, (b) the Provider, (c) any management or administrative services company engaged by the Provider, (d) any party holding an ownership interest in the real property or buildings on or at which the community is located and operated, and (e) the respective governing bodies, officers, directors, owners, members, shareholders, administrators, managers, employees, contractors, agents, parent companies, subsidiaries, or affiliates of the parties named in subsections (a) through (d), and each of their successors, heirs, and assigns.

B. The term "**Resident Party**" includes the Resident and each of the Resident's legally designated representatives, powers of attorney, guardians, attorneys-in-fact, agents, sponsors, or any other persons asserting a Claim, including any spouse, child, parent, executor, administrator, personal representative, heir, or survivor, as well as anyone entitled to bring a wrongful death claim relating to the Resident.

C. The Resident Parties and Provider Parties are intended third-party beneficiaries of this Agreement.

4. Governing Law and Venue.

A. **Federal Arbitration Act ("FAA") Applies.** The Parties agree that the Community's services and operations, the Care Agreement, and this Agreement involve interstate commerce. Thus, this Agreement is governed by the FAA, which preempts any state arbitration law or other state laws with respect to arbitration procedure and the enforceability of this Agreement.

B. **Substantive Laws.** Except for Claims arising out of or relating to the validity and enforceability of this Agreement and the arbitration process it creates, the Arbitrator shall apply the substantive laws of the state where the Community is located, which would have applied had the Claims been brought in court, including (but not limited to) laws with respect to applicable limitation periods and any caps on punitive or other damages.

C. **Conflict of Laws.** Where the substantive state law conflicts with the FAA, the FAA, along with federal court decisions interpreting the FAA, shall control. The Parties stipulate that the FAA shall preempt any inconsistent state law and shall not be reverse preempted.

D. **Venue.** Unless otherwise agreed by the Parties, the arbitration will take place in the county in which the Community is located.

5. Arbitration Procedures.

A. **Arbitration Demand.** A mediation and/or subsequent arbitration is initiated by sending a written demand ("**Demand**") to the other Party by certified mail or commercial overnight delivery service (e.g., FedEx or UPS.). The Demand must identify the issue(s) in dispute and the amount of damages and/or other relief claimed. All Claims based in whole or in part on the same incidents or circumstances must be included in the Demand or they will be deemed waived upon the conclusion of the arbitration. A Claim is barred if not asserted in a Demand within the limitation period prescribed for that type of claim by applicable law (the "**Claim Deadline**").

For any Demand issued to a Resident Party, the Demand must be sent by certified mail or commercial overnight delivery service to the Resident, with a copy to the Resident's legal representative then on file at the Community, if applicable. For any Demand issued to a Provider Party, the Demand must be sent by certified mail or commercial overnight delivery service to General Counsel at the corporate office located at 701 Maiden Choice Lane, Baltimore, Maryland 21228.

B. **Mediation.** The Parties agree that, prior to initiating arbitration, the Parties will first attempt to resolve any Claims in good faith through a mediation conducted by a neutral mediator selected by mutual agreement of the Parties or, if the Parties cannot agree on a mediator within thirty (30) days of the issuance of a Demand, either Party may petition a court of competent jurisdiction in the county in which

the Community is located to select the mediator. The mediation shall commence within sixty (60) days following the selection of the mediator unless otherwise agreed to in writing by the Parties and may be ended by either Party to the dispute upon notice to the other Party that it desires to terminate the mediation and proceed to arbitration; provided, however, that neither Party may so terminate the mediation process prior to the occurrence of at least one (1) mediation session with the mediator.

C. **Arbitration Administration**. After a proper Demand is made and a Party provides notice to the other Party that it desires to terminate the mediation and proceed to arbitration, the Parties will work cooperatively to select a commercial arbitration service (the "**Arbitration Service**") to administer the arbitration process. If the Parties cannot agree upon an Arbitration Service within thirty (30) days of conclusion of a mediation, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the Arbitration Service (or, alternatively, an arbitrator who will conduct the arbitration without the assistance of an Arbitration Service). The court will not consider the validity or enforceability of the Agreement or the merits of the Demand. The Parties agree that the arbitration will be conducted in accordance with the rules of the selected Arbitration Service then in place (or the rules adopted by an arbitrator acting without the assistance of an Arbitration Service). The Party that issued the Demand shall initiate arbitration with the Arbitration Service by the Claim Deadline, which will be tolled for the period between the date of the original Demand for mediation through the conclusion of the mediation.

D. **Selection of Arbitrator.** The Parties will work cooperatively to select a neutral Arbitrator within fourteen (14) days after the Arbitration Service has been selected. If possible, the Arbitrator will be an attorney or retired judge with experience in one or more of the substantive areas of law invoked by the Claim(s) and will be chosen from a list of arbitrators to be provided by the Arbitration Service in accordance with its rules. If the parties choose not to use an Arbitration Service and cannot agree upon an Arbitrator, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the Arbitrator.

E. **Arbitrator's Authority.** The Arbitrator has the sole jurisdiction to resolve all Claims (other than the Excluded Claims), including but not limited to wrongful death claims and any disputes about the signing, validity, enforceability, scope, applicability, interpretation, severability and waiver of this Agreement or competency of the parties. No Claim may be asserted in arbitration on a class basis or, except as a court determines otherwise, by a Party seeking a public injunction. The Arbitrator does not have jurisdiction to certify any person as a representative or member of a class of persons and, by doing so, hear Claims of persons not directly taking part in arbitration.

F. **Scheduling Order and Hearing.** With the input of the parties, the Arbitrator will enter a scheduling order in keeping with arbitration being a streamlined and cost-effective process with expedited and limited discovery. Unless the Parties consent or the Arbitrator otherwise orders, the hearing must occur within 180 days after selection of the Arbitrator. Unless the Parties otherwise agree, the Arbitrator will conduct any in-person arbitration at a location in the same county as the Community. The Arbitrator will conduct the arbitration in accordance with the FAA and the rules of the Arbitration Service (if an Arbitration Service is used). The Arbitrator will determine the scope of and place such limitations on written discovery and witness testimony as the Arbitrator deems appropriate for the Claims at issue and as advisable to ensure efficiency and cost effectiveness of arbitration.

G. **Decision.** The Arbitrator must make written findings on each matter in controversy. The decision must be marked "confidential," must state the Arbitrator's findings of fact and conclusions of law, and must be signed. If any damages are awarded, the decision must specify an amount for each type of damages awarded. The Arbitrator shall serve the decision, which shall state findings of fact and conclusions of law, within thirty (30) working days after the conclusion of the arbitration hearing.

H. **Appeals.** The Parties agree that the Arbitrator's decision shall be final and binding, except that either Party may appeal the decision for the limited reasons for which the decision may be vacated, modified, or corrected under the FAA.

I. **Refusal to Participate.** If any party refuses to respond to a Demand or participate in arbitration, the party making the Demand may proceed with arbitration and obtain an award or a default award against the non-participating party.

6. **Fees and Costs**

A. **Mediation Fees and Costs.** The Parties agree that the cost of mediation, including filing fees, the fees of the mediator and any administrative fees of the mediation provider, shall be shared equally by the Parties.

B. **Arbitration Fees and Costs.** The Parties agree that the costs of arbitration, including the filing fees, the fees of the arbitrator(s) and any administrative fees of the arbitration provider, shall be shared equally by the Parties, unless otherwise required by law or determined by the arbitrator in the final award.

C. **Counsel and Attorneys' Fees.** Each Party may be represented by its own counsel in any mediation and/or arbitration. Each party agrees to bear its own attorneys' fees and costs, unless otherwise specifically awarded by the Arbitrator under state or federal law.

7. **Severability.** The Parties agree that the only essential terms of this Agreement are the agreement and willingness of both parties to arbitrate on an individual basis and the limits on class and representative actions in Section 5(E). Accordingly, notwithstanding any other provision of the Care Agreement to the contrary, if Section 5(E) is deemed invalid, the remainder of this

Agreement (other than this sentence) will be null and void, and if any other provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, the remaining provisions of the Agreement shall remain in full force and effect.

8. **Merger.** Upon execution, this Agreement shall merge into and become part of the Care Agreement.

9. **No Restrictions on Communications.** This Resident retains the right to communicate with federal, state, or local officials, including but not limited to, federal and state surveyors, other federal or state health department employees, and representatives of the state long-term care ombudsman, or any other regulatory agency. This Agreement in no way prohibits or otherwise discourages the Resident from communicating with such agencies and officials.

10. **Confidentiality**. All proceedings and materials related to the Arbitration including all depositions, documents, and other materials are confidential. Neither the information and documentation shared or specific to arbitration under this Agreement, nor the Arbitrator's findings and decision can be used by any other party or in any other legal proceeding. All originals and copies of documents exchanged during discovery and the arbitration hearing must be returned to the producing party within thirty (30) days following receipt of the Arbitrator's decision. The Community will maintain the Arbitrator's decision for five (5) years after the resolution of the dispute and, upon request, will make the decision available for inspection to Centers for Medicare and Medicaid Services (CMS) or its designee.

11. **Survival.** This agreement to arbitrate survives and will not be discharged or cancelled by the death of any party hereto, the termination of the Care Agreement, nor by the Resident ceasing to reside at the Community.

BY SIGNING THIS ARBITRATION AGREEMENT, THE RESIDENT AND/OR THE RESIDENT'S REPRESENTATIVE AFFIRM THE FOLLOWING (PLEASE INITIAL):

_____ _____ This Agreement has been explained to me in a form and manner and in a language that I understand.

_____ _____ I have read and understand this Arbitration Agreement.

_____ _____ I have had the opportunity to ask questions about this Agreement and my questions have been answered to my satisfaction.

_____ _____ I have had the opportunity to discuss this Agreement with an attorney (even if I did not choose to do so).

_____ _____ I understand that, in the future, I may need or choose to move to another location or level of care within the Community one or more times and that I may be required to sign an addendum to the Care Agreement (or have such an addendum signed on my behalf) in connection with such a move. I acknowledge and agree that this Agreement will remain in effect following each move within the Community, and I hereby authorize any individual who signs such an addendum on my behalf to reaffirm this Agreement and/or enter into a new arbitration

agreement on my behalf (including a separate arbitration agreement covering those Excluded Claims relating to or arising out of the Nursing Addendum). I understand that this Agreement will remain in effect even if it is not reaffirmed.

_____ _____ **I understand, that by signing this Agreement, I have waived the right to a trial by jury and that all legal disputes I may have against the Provider, Community, and related parties, aside from those specifically excluded by this Agreement shall be resolved through binding, individual arbitration.**

_____ _____ **I understand that, by signing this Agreement, I am agreeing to have all Claims I may have against the Provider, Community, and related parties, decided by binding individual arbitration and that I am giving up my right to have such claims determined in court by a judge or a jury or in a class action.**

EACH OF THE UNDERSIGNED ACKNOWLEDGES THAT HE/SHE FULLY UNDERSTANDS AND VOLUNTARILY CONSENTS TO THE TERMS AND CONDITIONS OF THIS ARBITRATION AGREEMENT, WHICH IS MADE PART OF THE RESIDENCE AND CARE AGREEMENT. EACH OF THE UNDERSIGNED FURTHER CERTIFIES THAT HE OR SHE IS THE RESIDENT OR A PERSON AUTHORIZED BY THE RESIDENT, OR OTHERWISE AUTHORIZED, TO ACCEPT THE TERMS OF THIS ARBITRATION AGREEMENT.

Resident Signature: _____

Print Name: _____ Date: _____

Resident Signature: _____

Print Name: _____ Date: _____

If Resident is unable to sign this Agreement, then a legal representative of the Resident may sign on his/her behalf below.

My signature indicates that I am authorized or have authority to sign and enter into this Arbitration Agreement on behalf of the Resident, _____. I represent that the Resident (or a court) has vested in me the authority to sign this Agreement on the Resident's behalf. **By signing, I agree to be bound by this Arbitration Agreement in my individual capacity and on behalf of the Resident.**

Resident's Legal Representative
Signature (if applicable): _____

Print Name: _____ Date: _____

***Copy of legal documents evidencing relationship/authority must be provided to Community**

My signature indicates that I am authorized or have authority to sign and enter into this Arbitration Agreement on behalf of the Resident, _____. I represent that the Resident (or a court) has vested in me the authority to sign this Agreement on the Resident's behalf. **By signing, I agree to be bound by this Arbitration Agreement in my individual capacity and on behalf of the Resident.**

Resident's Legal Representative
Signature (if applicable): _____

Print Name: _____ Date: _____

***Copy of legal documents evidencing relationship/authority must be provided to Community**

Authorized Agent
of the Community Signature: _____

Print Name: _____ Date: _____

ANN'S CHOICE

NURSING ARBITRATION AGREEMENT

This Nursing Arbitration Agreement ("Agreement") is entered into between Ann's Choice, Inc. (the "**Provider**") and **[Resident (Or Resident's Representative) Name(s)].** The Agreement binds and benefits the Provider, the Resident, and the other Provider Parties and Resident Parties, as defined in Section 3 below (the "**Parties**"). This Agreement is an exhibit to and part of the Residence and Care Agreement (the "**Care Agreement**") governing the services rendered by the Provider to the Resident at Ann's Choice (the "**Community**").

1. **Binding Arbitration.** Arbitration can provide a faster and more efficient way of resolving disputes or controversies than going to court. It can also promote more amicable dispute resolution than a court proceeding. In an arbitration, rather than a jury or a judge deciding the outcome of the dispute in a public courtroom, a neutral third-party arbitrator (the "**Arbitrator**") decides the outcome after a confidential hearing including the Parties and/or their attorneys. The Arbitrator's decision is binding and, except in limited circumstances described in Section 5(H) below, cannot be appealed.

2. **Claims Subject to Arbitration**.

A. **Claims.** The Parties hereby agree that, other than **Excluded Claims** (as defined in Section 2(B) below), this Agreement applies to any and all disputes and disagreements ("**Claims**") between any Resident Party and any Provider Party that arise out of or in any way relate to the Care Agreement, the Resident's residency at the Community, the Resident's admission to and stay at the Community (including any Claims arising out of or relating to pre-admission communications and processes), and the provision of services to the Resident pursuant to or in connection with the Care Agreement and any amendments, exhibits, or addenda thereto that may be made a part of the Care Agreement from time to time, including such addenda or additional agreements signed by a Resident Party in relation to any transfer of the Resident (whether temporary or permanent) from one place of residence and/or level of care at the Community to another. Claims include, but are not limited to, any disputes or causes of action arising out of or relating to admission, care, treatment, or diagnoses; claims related to injury or death, including from negligence or intentional tort; claims related to property damage or premises liability; claims seeking equitable relief or specific performance; statutory causes of action; medical malpractice; questions as to whether any medical services rendered were unnecessary or unauthorized or were improperly, negligently, or incompetently rendered; breach of the Care Agreement; claims for declaratory relief; and questions about the interpretation, validity, construction, and enforceability of this Agreement and the Care Agreement. The Parties agree to resolve all such Claims through binding arbitration, at the election of any Party bringing or defending a Claim, whether the conduct or events giving rise to the Claim occurred prior to or after the Parties' execution of this Agreement or the Care Agreement.

The Parties acknowledge and agree that, for all Claims subject to arbitration under this Agreement, they are waiving their constitutional right to trial by jury and/or the right to bring or participate in a class action. Any such Claims will be resolved exclusively through binding individual arbitration.

B. **Excluded Claims.** This Agreement applies only to disputes and disagreements between the Resident and the Community and does not preclude or restrict any governmental oversight, investigation, or enforcement action. In addition, the Parties acknowledge and agree that claims involving unlawful detainer or involuntary discharge or transfer and claims eligible for small claims court proceedings can often be handled more quickly and efficiently without arbitration. Accordingly, the Parties hereby agree that (1) claims asserting unlawful detainer or seeking to enforce or challenge the involuntary discharge or transfer of the Resident from the Community, each of which will remain subject to any applicable state procedures; and (2) claims eligible (in the aggregate) for resolution in small claims court shall be "**Excluded Claims**" and shall not subject to this Agreement.

3. **Parties to Whom This Agreement Applies.** This Agreement and the definitions in this Section 3 will be interpreted as broadly as possible so as to bind and benefit any person who asserts any Claim or against whom a Claim is asserted. The Parties intend to allow any person alleged to be liable for any actions or inactions of the Community or the Resident or related to any care provided to the Resident to demand arbitration pursuant to this Agreement.

A. The term "**Provider Party**" includes (a) the Community, (b) the Provider, (c) any management or administrative services company engaged by the Provider, (d) any party holding an ownership interest in the real property or buildings on or at which the community is located and operated, and (e) the respective governing bodies, officers, directors, owners, members, shareholders, administrators, managers, employees, contractors, agents, parent companies, subsidiaries, or affiliates of the parties named in subsections (a) through (d), and each of their successors, heirs, and assigns.

B. The term "**Resident Party**" includes the Resident and each of the Resident's legally designated representatives, powers of attorney, guardians, attorneys-in-fact, agents, sponsors, or any other persons asserting a Claim, including any spouse, child, parent, executor, administrator, personal representative, heir, or survivor, as well as anyone entitled to bring a wrongful death claim relating to the Resident.

C. The Resident Parties and Provider Parties are intended third-party beneficiaries of this Agreement.

4. Governing Law and Venue.

A. **Federal Arbitration Act ("FAA") Applies.** The Parties agree that the Community's services and operations, the Care Agreement, and this Agreement involve interstate commerce. Thus, this Agreement is governed by the FAA, which

preempts any state arbitration law or other state laws with respect to arbitration procedure and the enforceability of this Agreement.

B. **Substantive Laws.** Except for Claims arising out of or relating to the validity and enforceability of this Agreement and the arbitration process it creates, the Arbitrator shall apply the substantive laws of the state where the Community is located, which would have applied had the Claims been brought in court, including (but not limited to) laws with respect to applicable limitation periods and any caps on punitive or other damages.

C. **Conflict of Laws.** Where the substantive state law conflicts with the FAA, the FAA, along with federal court decisions interpreting the FAA, shall control. The Parties stipulate that the FAA shall preempt any inconsistent state law and shall not be reverse preempted.

D. **Venue.** Unless otherwise agreed by the Parties, the arbitration will take place in the county in which the Community is located.

5. <u>Arbitration Procedures</u>.

A. **Arbitration Demand.** A mediation and/or subsequent arbitration is initiated by sending a written demand ("**Demand**") to the other Party by certified mail or commercial overnight delivery service (e.g., FedEx or UPS.). The Demand must identify the issue(s) in dispute and the amount of damages and/or other relief claimed. All Claims based in whole or in part on the same incidents or circumstances must be included in the Demand or they will be deemed waived upon the conclusion of the arbitration. A Claim is barred if not asserted in a Demand within the limitation period prescribed for that type of claim by applicable law (the "**Claim Deadline**").

For any Demand issued to a Resident Party, the Demand must be sent by certified mail or commercial overnight delivery service to the Resident, with a copy to the Resident's legal representative then on file at the Community, if applicable. For any Demand issued to a Provider Party, the Demand must be sent by certified mail or commercial overnight delivery service to General Counsel at the corporate office located at 701 Maiden Choice Lane, Baltimore, Maryland 21228.

B. **Mediation.** The Parties agree that, prior to initiating arbitration, the Parties will first attempt to resolve any Claims in good faith through a mediation conducted by a neutral mediator selected by mutual agreement of the Parties or, if the Parties cannot agree on a mediator within thirty (30) days of the issuance of a Demand, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the mediator. The mediation shall commence within sixty (60) days following the selection of the mediator unless otherwise agreed to in writing by the Parties and may be ended by either Party to the dispute upon notice to the other Party that it desires to terminate the mediation and proceed

to arbitration; provided, however, that neither Party may so terminate the mediation process prior to the occurrence of at least one (1) mediation session with the mediator.

C. **Arbitration Administration**. After a proper Demand is made and a Party provides notice to the other Party that it desires to terminate the mediation and proceed to arbitration, the Parties will work cooperatively to select a commercial arbitration service (the "**Arbitration Service**") to administer the arbitration process. If the Parties cannot agree upon an Arbitration Service within thirty (30) days of conclusion of a mediation, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the Arbitration Service (or, alternatively, an arbitrator who will conduct the arbitration without the assistance of an Arbitration Service). The court will not consider the validity or enforceability of the Agreement or the merits of the Demand. The Parties agree that the arbitration will be conducted in accordance with the rules of the selected Arbitration Service then in place (or the rules adopted by an arbitrator acting without the assistance of an Arbitration Service). The Party that issued the Demand shall initiate arbitration with the Arbitration Service by the Claim Deadline, which will be tolled for the period between the date of the original Demand for mediation through the conclusion of the mediation.

D. **Selection of Arbitrator.** The Parties will work cooperatively to select a neutral Arbitrator within fourteen (14) days after the Arbitration Service has been selected. If possible, the Arbitrator will be an attorney or retired judge with experience in one or more of the substantive areas of law invoked by the Claim(s) and will be chosen from a list of arbitrators to be provided by the Arbitration Service in accordance with its rules. If the parties choose not to use an Arbitration Service and cannot agree upon an Arbitrator, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the Arbitrator.

E. **Arbitrator's Authority.** The Arbitrator has the sole jurisdiction to resolve all Claims (other than the Excluded Claims), including but not limited to wrongful death claims and any disputes about the signing, validity, enforceability, scope, applicability, interpretation, severability and waiver of this Agreement or competency of the parties. No Claim may be asserted in arbitration on a class basis or, except as a court determines otherwise, by a Party seeking a public injunction. The Arbitrator does not have jurisdiction to certify any person as a representative or member of a class of persons and, by doing so, hear Claims of persons not directly taking part in arbitration.

F. **Scheduling Order and Hearing.** With the input of the parties, the Arbitrator will enter a scheduling order in keeping with arbitration being a streamlined and cost-effective process with expedited and limited discovery. Unless the Parties consent or the Arbitrator otherwise orders, the hearing must occur within 180 days after

selection of the Arbitrator. Unless the Parties otherwise agree, the Arbitrator will conduct any in-person arbitration at a location in the same county as the Community. The Arbitrator will conduct the arbitration in accordance with the FAA and the rules of the Arbitration Service (if an Arbitration Service is used). The Arbitrator will determine the scope of and place such limitations on written discovery and witness testimony as the Arbitrator deems appropriate for the Claims at issue and as advisable to ensure efficiency and cost effectiveness of arbitration.

G. **Decision.** The Arbitrator must make written findings on each matter in controversy. The decision must be marked "confidential," must state the Arbitrator's findings of fact and conclusions of law, and must be signed. If any damages are awarded, the decision must specify an amount for each type of damages awarded. The Arbitrator shall serve the decision, which shall state findings of fact and conclusions of law, within thirty (30) working days after the conclusion of the arbitration hearing.

H. **Appeals.** The Parties agree that the Arbitrator's decision shall be final and binding, except that either Party may appeal the decision for the limited reasons for which the decision may be vacated, modified, or corrected under the FAA.

I. **Refusal to Participate.** If any party refuses to respond to a Demand or participate in arbitration, the party making the Demand may proceed with arbitration and obtain an award or a default award against the non-participating party.

6. **Fees and Costs**

A. **Mediation Fees and Costs.** The Parties agree that the cost of mediation, including filing fees, the fees of the mediator and any administrative fees of the mediation provider, shall be shared equally by the Parties.

B. **Arbitration Fees and Costs.** The Parties agree that the costs of arbitration, including the filing fees, the fees of the arbitrator(s) and any administrative fees of the arbitration provider, shall be shared equally by the Parties, unless otherwise required by law or determined by the arbitrator in the final award.

C. **Counsel and Attorneys' Fees.** Each Party may be represented by its own counsel in any mediation and/or arbitration. Each party agrees to bear its own attorneys' fees and costs, unless otherwise specifically awarded by the Arbitrator under state or federal law.

7. **Severability.** The Parties agree that the only essential terms of this Agreement are the agreement and willingness of both parties to arbitrate on an individual basis and the limits on class and representative actions in Section 5(E). Accordingly, notwithstanding any other provision of the Care Agreement to the contrary, if Section 5(E) is deemed invalid, the remainder of this Agreement (other than this sentence) will be null and void, and if any other provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, the remaining provisions of the Agreement shall remain in full force and effect.

8. **Merger.** Upon execution, this Agreement shall merge into and become part of the Care Agreement unless it is cancelled as described in Section 12 of this Agreement.

9. **No Restrictions on Communications.** This Resident retains the right to communicate with federal, state, or local officials, including but not limited to, federal and state surveyors, other federal or state health department employees, and representatives of the state long-term care ombudsman, or any other regulatory agency. This Agreement in no way prohibits or otherwise discourages the Resident from communicating with such agencies and officials.

10. **Confidentiality**. All proceedings and materials related to the Arbitration including all depositions, documents, and other materials are confidential. Neither the information and documentation shared or specific to arbitration under this Agreement, nor the Arbitrator's findings and decision can be used by any other party or in any other legal proceeding. All originals and copies of documents exchanged during discovery and the arbitration hearing must be returned to the producing party within thirty (30) days following receipt of the Arbitrator's decision. The Community will maintain the Arbitrator's decision for five (5) years after the resolution of the dispute and, upon request, will make the decision available for inspection to Centers for Medicare and Medicaid Services (CMS) or its designee.

11. **Not a Condition of Admission or Care. You are not required to sign this Agreement as a condition of admission to the Community or to continue to receive care at the Community. You are encouraged to discuss this Agreement with an attorney before signing.**

12. **Right to Cancel Agreement.** If you sign this Agreement but change your mind within thirty (30) days of signing it, you may cancel the Agreement by providing written notice, sent by certified mail, return receipt requested, to the Community's Executive Director.

13. **Survival.** This agreement to arbitrate survives and will not be discharged or cancelled by the death of any party hereto, the termination of the Care Agreement, nor by the Resident ceasing to reside at the Community.

BY SIGNING THIS ARBITRATION AGREEMENT, THE RESIDENT AND/OR THE RESIDENT'S REPRESENTATIVE AFFIRM THE FOLLOWING (PLEASE INITIAL):

_____ _____ This Agreement has been explained to me in a form and manner and in a language that I understand.

_____ _____ I understand that signing this Agreement is neither a condition of admission to the Community nor a requirement to continue receiving care at the Community.

_____ _____ I have read and understand this Arbitration Agreement.

_____ _____ I have had the opportunity to ask questions about this Agreement and my questions have been answered to my satisfaction.

_____ _____ I have had the opportunity to discuss this Agreement with an attorney (even if I did not choose to do so).

_____ _____ I understand that, in the future, I may need to move to another location or level of care within the Community one or more times and that I will be required to sign an addendum to the Care Agreement (or have such an addendum signed on my behalf) in connection with each such move. I acknowledge and agree that this Agreement will remain in effect following seach such move, and I hereby authorize any individual who signs such an addendum on my behalf to reaffirm this Agreement and/or enter into a new arbitration agreement on my behalf.

_____ _____ **I understand, that by signing this Agreement, I have waived the right to a trial by jury and that all legal disputes I may have against the Provider, Community, and related parties, aside from those specifically excluded by this Agreement, shall be resolved through binding, individual arbitration.**

_____ _____ **I understand that, by signing this Agreement, I am agreeing to have all Claims I may have against the Provider, Community, and related parties, decided by binding individual arbitration and that I am giving up my right to have such claims determined in court by a judge or a jury or in a class action.**

EACH OF THE UNDERSIGNED ACKNOWLEDGES THAT HE/SHE FULLY UNDERSTANDS AND VOLUNTARILY CONSENTS TO THE TERMS AND CONDITIONS OF THIS ARBITRATION AGREEMENT, WHICH IS MADE PART OF THE RESIDENCE AND CARE AGREEMENT. EACH OF THE UNDERSIGNED FURTHER CERTIFIES THAT HE OR SHE IS THE RESIDENT OR A PERSON AUTHORIZED BY THE RESIDENT, OR OTHERWISE AUTHORIZED, TO ACCEPT THE TERMS OF THIS ARBITRATION AGREEMENT.

Resident Signature: _____

Print Name: _____ Date: _____

Resident Signature: _____

Print Name: _____ Date: _____

If Resident is unable to sign this Agreement, then a legal representative of the Resident may sign on his/her behalf below.

My signature indicates that I am authorized or have authority to sign and enter into this Arbitration Agreement on behalf of the Resident, _____. I represent that the Resident (or a court) has vested in me the authority to sign this Agreement on the Resident's behalf. **By signing, I agree to be bound by this Arbitration Agreement in my individual capacity and on behalf of the Resident.**

Resident's Legal Representative
Signature (if applicable): _____

Print Name: _____ Date: _____

***Copy of legal documents evidencing relationship/authority must be provided to Community**

My signature indicates that I am authorized or have authority to sign and enter into this Arbitration Agreement on behalf of the Resident, _____. I represent that the Resident (or a court) has vested in me the authority to sign this Agreement on the Resident's behalf. **By signing, I agree to be bound by this Arbitration Agreement in my individual capacity and on behalf of the Resident.**

Resident's Legal Representative
Signature (if applicable): _____

Print Name: _____ Date: _____

***Copy of legal documents evidencing relationship/authority must be provided to Community**

Authorized Agent
of the Community Signature: _____

Print Name: _____ Date: _____

Ann's Choice PRIORITY LIST APPLICATION

I hereby make application for a secured position on the **Ann's Choice Priority List.**

Priority Date: _____

(To be completed by sales counselor. Priority date is determined by the date this application is received at the Sales and Information Office.)

As you join the Priority List, we ask that you further designate whether you wish to be on the "Standby" or "Futures" part of the Priority List. Both designations maintain your same, all-important priority date. If you would like to review available residences when selections are available for reservation, please designate "Standby Priority." Our sales counselor will call you as soon as the type of residence you specify is available. If you are not sure when you would like to move, please designate "Futures Priority."

☐ **RESERVATION**
I am reserving the following home
_____
Unit #

☐ **STANDBY PRIORITY**
I would like to move to the next available home that meets my preferences.

☐ **FUTURES PRIORITY**
I wish to establish my priority status with the intent of moving at a later date.

My living accommodation preference:

☐ STUDIO ☐ ONE BEDROOM ☐ ONE BEDROOM & DEN ☐ TWO BEDROOM

☐ OTHER _____

NAME _____ DATE OF BIRTH _____

MARITAL STATUS _____

NAME _____ DATE OF BIRTH _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

PHONE _____ EMAIL _____

WERE YOU REFERRED BY ANYONE? _____

Please sign this application and return it with your check to Ann's Choice.
A copy will be returned to you for your records.

APPLICANT(S) _____ DATE _____

APPLICANT(S) _____ DATE _____

ANN'S CHOICE _____ DATE _____

Please enclose one check for:
(1) The fully refundable $1,000 deposit. **(2)** A $150-per-person application fee.

Make your check payable to: Ann's Choice

Mail to: Ann's Choice Sales and Information Office, 30000 Ann's Choice Way, Warminster, PA 18974

Ann's Choice PRIORITY LIST APPLICATION

Conditions of the Priority List Agreement

1) Your status on the Priority List is determined by your priority date with earlier dates having higher priority. Paying the refundable Priority List deposit and the application fee will ensure that you are placed on the list based on the day the Sales and Information Office receives your application.

2) If you wish to move from the Priority List to a residence reservation, you will not need to complete another application or pay another Priority List deposit or application fee. You will need to pay an additional reservation deposit, which is always refundable as per the Residence and Care Agreement.

3) Prior to moving to Ann's Choice, applicants must complete the admissions process, which includes financial and health/service screenings. Ann's Choice reserves the right to determine if the community offers appropriate care and services for the applicant. Ann's Choice may offer conditional approval or may offer a different residence than the applicant's preference.

4) Joining the Priority List does not ensure that the amount of the Entrance Fee will not change before the applicant enters the community. Reserving a residence does ensure that the Entrance Fee for that specific residence will not change if the applicant enters the community within the requisite time frame.

Deposit Agreement

1) Your $1,000 Priority List deposit and any additional deposits will be applied in full toward your Entrance Fee as you begin your move to Ann's Choice.

2) All deposits will be returned to you before you sign the Residence and Care Agreement: (a) within 30 days of a written request; (b) if you are not able to move to the community due to illness, incapacity, or death; or (c) if you are determined to be ineligible for entrance into the community.

3) As you complete your move to Ann's Choice, all of your deposits toward the Entrance Fee in excess of the $1,000 Priority Deposit will remain in escrow until either (a) the deposit is returned to you as described in Section 2 above; or (b) the escrow agent releases the Entrance Fee to Ann's Choice as permitted by state law and/or the escrow agreement.

4) The Entrance Fee is also returned to you if you rescind the Residence and Care Agreement within 7 days of making an initial deposit or executing the Agreement, whichever is later and regardless of occupancy.

5) Any interest earned on deposits in escrow will be used for the benefit of Ann's Choice.

6) Your $150-per-person application fee is a one-time, nonrefundable fee. The application fee is refundable only if you exercise the right of rescission described in Section 4 above.

Ann's Choice
BY ERICKSON SENIOR LIVING®

30000 Ann's Choice Way
Warminster, PA 18974
AnnsChoice.com

EQUAL HOUSING OPPORTUNITY
13804744

FINANCIAL INFORMATION FORM
CONFIDENTIAL

Note: The following questions will be discussed at the financial appointment. If you would like to answer below, please feel free to do so.

Additional Questions	**Detailed Answer** (Name, Amount, Valuation Date, Etc.)
1. Please provide details for joint account holders/joint asset holders (such as children, POA, other family members) for assets listed in "Assets" section.	
2. Other than personal liabilities listed above, have you cosigned/guaranteed anyone else's debts?	
3. In the last 5 years, have you transferred any of your assets worth more than $20,000 to others? If so, please describe the circumstances and the value received by others. Also, what is the value, if any, you received back?	
4. Do you regularly make monetary gifts or provide regular monetary support to family members, friends, favorite charities, or other programs?	
5. Do you plan on making significant future monetary gifts in addition to the above?	
6. In the last 10 years, have you filed for protection from creditors or been judged bankrupt?	
7. In the last 5 years, have you loaned money to family/friends and have money owed back to you as the lender?	

Resident Name: _____ Current Date: _____

30000 Ann's Choice Way
Warminster, PA 18974
AnnsChoice.com

EQUAL HOUSING OPPORTUNITY
13804697

Financial
Information Form

Ann's Choice
BY ERICKSON SENIOR LIVING®

FINANCIAL INFORMATION FORM
CONFIDENTIAL

Name:_____ Date of Birth: _____

Marital Status: _____

Name: _____ Date of Birth: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Email: _____

Note: Please ensure that below amounts are as current as possible and please bring support for stated amounts to financial appointment.

Assets	Name (Bank, Location, Description)		Value as of Date	Amount
A) Checking Account			____/____/____	$
B) Savings Account			____/____/____	$
C) Savings Account			____/____/____	$
D) Certificate of Deposit			____/____/____	$
E) Certificate of Deposit			____/____/____	$
F) Mutual Funds			____/____/____	$
G) Stocks and Bonds			____/____/____	$
H) Stocks and Bonds			____/____/____	$
I) Real Estate—Plan to Sell			____/____/____	$
J) Real Estate—Plan to Hold			____/____/____	$
K) Other Financial Assets (e.g., Trusts available for resident use, life insurance, long-term care insurance)			____/____/____	$
			____/____/____	$
			____/____/____	$
			Total Assets	$
Liabilities				
A) Home Mortgage			____/____/____	$
B) Loan on Autos			____/____/____	$
C) Credit Cards			____/____/____	$
D) Other Debts/Liabilities			____/____/____	$
E) Other Debts/Liabilities			____/____/____	$
			Total Liabilities	$
		(Assets minus Liabilities)	Total Net Worth	$

FINANCIAL INFORMATION FORM
CONFIDENTIAL

Sources of Monthly Income:	Resident Name	Term of Income (# of months, whole life, etc.)	Survivor Benefits (Yes or No)	Amount
A) Social Security				$
B) Social Security				$
C) Pension				$
D) Pension				$
E) Annuity				$
F) Annuity				$
G) IRA				$
H) IRA				$
I) Investment Income				$
Source:				$
J) Other Income				$
K) Other Income				$
				$
			Total Monthly Income	$

If we have additional financial questions, whom should we contact?

☐ You ☐ Your Financial Advisor

Financial advisor's information (if applicable):

Name _____

Street Address _____

City, State, Zip Code _____

Phone _____

Email _____

Who will be responsible for your bills?

☐ You ☐ Other

If Other, please give information (if applicable):

Name _____

Street Address _____

City, State, Zip Code _____

Phone _____

Email _____

I hereby certify that the information supplied herein is complete and accurate to the best of my knowledge, and I agree to provide whatever information Ann's Choice deems necessary to verify my financial position. I also understand that my approval for residency is predicated upon the accuracy of this information and said approval may be revoked at any time should any of the information prove to be substantially false.

Signature: _____ Date: _____

Signature: _____ Date: _____

We are pledged to the letter and spirit of U.S. policy for the achievement of equal housing opportunity throughout the nation. We encourage and support an affirmative advertising and marketing program in which there are no barriers to obtaining housing because of race, color, religion, sex, handicap, familial status, sexual orientation, or national origin.

Thank you for completing this form.

We are looking forward to getting to know you when you come to Ann's Choice for your pre-residency meeting. Please bring the following to your appointment:

- ☐ This completed form
- ☐ The Financial Information Form and related documents
- ☐ All health insurance cards
- ☐ Power of attorney for finances
- ☐ Advance directives for health care to include your power of attorney for health care and/or living will
- ☐ Document indicating the executor of estate
- ☐ Long-term care insurance

My signature confirms that I understand the information I provide on the Resident Profile and at the pre-residency meeting will be treated with confidentiality and that it is accurate as signed and dated. The information will be used only by authorized employees or agents of the community. The information may also be subject to disclosure as provided by applicable laws.

_____ _____

(Applicant's Signature) (Date)

If this form was completed by someone other than the applicant, please have that person state the reason and sign below.

Form completed by _____

Reason _____

Relationship to applicant _____

_____ _____

(Applicant's Signature) (Date)

Ann's Choice
BY ERICKSON SENIOR LIVING®

30000 Ann's Choice Way
Warminster, PA 18974
AnnsChoice.com

EQUAL HOUSING OPPORTUNITY
13804770

Resident Profile

We are excited you have chosen Ann's Choice, managed by Erickson Senior Living®, as your next home! As you proceed with your planning, one of your next steps is to come in for a pre-residency meeting. During this session, you will meet with an Ann's Choice staff member and begin to understand how the community can help support a successful transition to your new home, while also learning more about the amenities that are available to you. This dedicated time is an opportunity for us to learn more about you and for you to continue to develop relationships with the rest of the Ann's Choice team.

In preparation for your pre-residency meeting, we ask that you please complete the pages that follow this letter; this information will be used to start your unique Resident Profile. During this meeting, we will be happy to answer any questions you have and to provide you with any additional amenity information you may desire.

We look forward to partnering with you as you begin this new chapter of your life; we view this pre-residency meeting as the beginning of a lasting relationship.

Best regards,

The Ann's Choice Team

Ann's Choice
BY ERICKSON SENIOR LIVING®

RESIDENT PROFILE

PERSONAL & DEMOGRAPHIC INFORMATION

First Name _____ MI _____ Last Name _____ Title _____

Maiden Name _____ Preferred Name _____

Sex: ☐ Male ☐ Female

Phone _____ Mobile _____ Email _____

Date of Birth _____ Place of Birth _____

(City, State, Country)

WORK INFORMATION

If retired, what was your main occupation? _____

Are you currently working? ☐ Yes ☐ No

If Yes: ☐ Full-Time ☐ Part-Time

Company _____ Occupation _____

Military Service: ☐ Veteran ☐ Nonveteran

RELIGIOUS PREFERENCE (Optional)

Please Specify (Example: Buddhist, Catholic, Jewish, Muslim, Protestant):

_____

ADDITIONAL DEMOGRAPHICS

Primary Language _____

Marital Status: ☐ Single ☐ Married ☐ Widowed ☐ Separated

☐ Divorced ☐ Domestic Partner ☐ Other _____

WILL YOU BE BRINGING A DOG OR CAT TO CAMPUS? ☐ Yes ☐ No

Dog Breed? _____ Cat Breed? _____

Who would take care of your pet if you could not?

Name _____ Phone _____

(Home or Mobile)

WILL YOU BE BRINGING A MOTOR VEHICLE TO CAMPUS? ☐ Yes ☐ No

We will help you to register your vehicle.

NOTIFY IN CASE OF EMERGENCY (List three contacts, if possible.)

1. Name _____ Relationship _____

   Address _____ City _____

   State _____ Zip _____ Email _____

   Phone _____ Mobile _____ Work _____

2. Name _____ Relationship _____

   Address _____ City _____

   State _____ Zip _____ Email _____

   Phone _____ Mobile _____ Work _____

3. Name _____ Relationship _____

   Address _____ City _____

   State _____ Zip _____ Email _____

   Phone _____ Mobile _____ Work _____

ADVANCE DIRECTIVES

Have you completed an advance directive for health care or a living will? ☐ Yes ☐ No

Have you completed a financial power of attorney? ☐ Yes ☐ No

END-OF-LIFE-PROVISIONS (Optional)

Funeral Home _____

Address _____

City _____ State _____ Zip _____ Phone _____

EXECUTOR OF ESTATE

Name _____ Relationship _____

Address _____ City _____

State _____ Zip _____ Email _____

Phone _____ Mobile _____ Work _____

INSURANCE INFORMATION (Please bring all of your health insurance cards to the pre-residency meeting.)

1. Primary _____ Policy # _____

   Secondary _____ Policy # _____

2. Do you have long-term care insurance? ☐ Yes ☐ No

   Insurance Company Name _____

   Policy # _____

ANN'S CHOICE, INC.
REFUND FORM

Name of Resident(s): _____
Living Unit: _____
Date of Receipt by
ANN'S CHOICE, INC.: _____

Preliminary Statements and Directions

1. Pursuant to the Residence and Care Agreement (the "Care Agreement") with ANN'S CHOICE, Resident is entitled to a full refund or a 90% refund, as the case may be, of the Entrance Fee paid to ANN'S CHOICE under certain specified conditions during Resident's lifetime or upon Resident's death based upon termination of the applicable Care Agreement (referred to as the "Refund"). Resident's right to the Refund, whether full or 90% as applicable, is set forth in the Care Agreement. This Refund Form is only for the purpose of designating the beneficiaries and does not change the terms and conditions for the Refund. Resident and Resident's beneficiaries are subject to all terms and conditions for the Refund and should review the same carefully. For the purpose of these Refund Forms, the term "Resident" includes the plural.

2. Resident understands that the purpose and effect of this Refund Form is to designate the beneficiary(ies) of the right to the Refund. By signing this Refund Form, Resident is hereby revoking any previously executed Refund Forms.

3. If the Entrance Fee is being paid on behalf of two (or more) Joint Residents, both Joint Residents understand that the Entrance Fee of the first Joint Resident to pass on will be treated as though it has been paid by the survivor, to be used for the survivor's care if necessary (minus the Community Fee if applicable), and that the Refund will eventually be paid to the survivor, to the beneficiaries named in the survivor's Refund Form, or to the survivor's estate.

4. **Resident understands that it is Resident's responsibility to review the terms of this Refund Form to make sure that its terms are coordinated with Resident's current will or other trusts and estate plan. ANN'S CHOICE strongly recommends that Resident review this Refund Form with an attorney or other estate planning professional prior to execution to ensure such coordination and to review potential tax liability in making these designations or in the eventual payment of the refund.** ANN'S CHOICE reserves the right to review and approve the forms so that the right to the refund is clearly delineated for ANN'S CHOICE's staff.

5. ANN'S CHOICE will make the Refund only as specified in the most recent duly executed and approved Refund Form. Resident may revise the right to the Refund by duly executing a new Refund Form.

6. Please sign one of the following forms designating the right to the Refund. Be sure to read all of the forms before making a selection. If you do not understand the forms, please consult with your estate planning professional. If you do not understand the directions, please consult with the Sales and Admissions Staff. **You may select and sign only one form.**

7. If Resident is designating the Refund to more than one beneficiary, percentages must add up to 100%. Please do not fill in cash amounts. ANN'S CHOICE can only refund based upon

percentages of the Refund, due to the possibility of a spend-down or partial spend-down of the Entrance Fee.

8. It is the responsibility of Resident or Resident's representative, if applicable, to give ANN'S CHOICE the most recent addresses for all listed beneficiaries.

9. There are no third-party beneficiaries to this agreement between ANN'S CHOICE and Resident. ANN'S CHOICE is not responsible for notifying or advising any beneficiaries of changes in the designation of the Refund .

10. If Resident desires to assist ANN'S CHOICE to support other residents who have exhausted their financial resources, Resident may choose to designate the ANN'S CHOICE Benevolent Care Fund as a beneficiary by using Refund Form 1. Such a designation is **completely optional** on Resident's part.

11. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Refund Form shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Refund Form may sign separately in several counter-parts, all of which together shall constitute one and the same Refund Form.

12. Resident hereby acknowledges that he or she has read the preliminary statements and instructions, reviewed the attached options for a Refund, and understands the purpose and consequences of this Refund Form.

_____ _____
Date Resident

_____ _____
Date Resident

If signed by a representative, indicate name of representative and nature of authority (i.e. power of attorney, guardian, etc.):

_____

Received by ANN'S CHOICE:

By:_____ _____
ANN'S CHOICE Representative Date

1000649-1

REFUND FORM 1

1. Refund during Lifetime - In the event that a Refund becomes payable during Resident's lifetime under the terms of the Care Agreement, Resident hereby designates that the Refund be paid to: (**please check one option**)

Resident _____ Beneficiaries as designated below _____

2. Refund Upon Death - In the event that a Refund becomes payable upon Resident's death under the terms of the Care Agreement, Resident hereby designates that the Refund be paid directly for convenience to the beneficiaries listed below, *per stirpes*, in the percentages indicated. **Percentages listed below may go up to two decimal places and must add up to 100 (i.e. 33.33%, 33.33%, 33.34%).**

Percentage Interest, Name & Address of Beneficiary

1. _____% _____
_____
_____

2. ___ % _____
_____
_____

3. _____% _____
_____
_____

4. ___ % _____
_____
_____

5. _____% _____
_____
_____

6. ___ % _____
_____
_____

_____ _____
Resident Date

_____ _____
Resident Date

If signed by a representative, indicate name of representative and nature of authority (i.e. power of attorney, guardian, etc.): _____

This Refund Form was signed by the above-named Resident(s) in our presence and in the presence of each other and the above-named Resident(s) has acknowledged this Refund Form as Resident's own act.

_____ _____
Witness _____
Address

_____ _____
Witness _____
Address

1000649-1

Received by ANN'S CHOICE:

By:_____ _____
ANN'S CHOICE Representative Date

Note 1 - Per stirpes generally means that if a named person is not living at the time the Refund is to be distributed, his or her children will share that person's share of the Refund equally. A pattern of children substituting for and sharing equally in their deceased parent's share continues through succeeding generations existing as of the date of the Resident's passing or, in the case of Joint Residents, the last Resident's passing.

REFUND FORM 2

1. Refund During Lifetime or Upon Death - If a Refund becomes due during Resident's Lifetime or upon Resident's death under the Residence and Care Agreement, Resident hereby designates that the Refund be made payable to the Resident's Trust designated below. In the event that the Trust is revoked, Resident understands and agrees that he/she must provide to ANN'S CHOICE proof of the revocation of the trust and a new, duly executed Refund Form disposing of the right to a Refund. If a new Refund Form is not executed, the Refund will be paid by ANN'S CHOICE to the Resident or to the Resident's Estate (see Form 3 for requirements to confirm due qualification). **Percentages listed below may go up to two decimal places and must add up to 100.**

_____% The _____ Trust dated _____ _____
Mail to Trustee or qualified Successor Trustee

_____% The _____ Trust dated _____ _____
Mail to Trustee or qualified Successor Trustee

_____ _____
Resident Date

_____ _____
Resident Date

(Note: The person representing to be the Trustee or Successor Trustee must provide a Certificate of Trust confirming the authority. The Trustee or Successor Trustee should consult with legal counsel/estate planner to understand the requirements.)

If signed by a representative, indicate name of representative and nature of authority (i.e. power of attorney, guardian, etc.): _____

This Refund Form was signed by the above-named Resident(s) in our presence and in the presence of each other and the above-named Resident(s) has acknowledged this Refund Form as Resident's own act.

_____ _____
Witness _____
Address

_____ _____
Witness _____
Address

Received by ANN'S CHOICE:

By:_____ _____
ANN'S CHOICE Representative Date

1000649-1

REFUND FORM 3

1. Refund during Lifetime - In the event that a Refund becomes payable during Resident's lifetime under the terms of the Care Agreement, Resident hereby designates that the Refund be paid to the Resident. If the Entrance Fee was paid on behalf of Joint Residents, the Refund will be paid to both joint residents.

2. Refund Upon Death - In the event that a Refund becomes payable upon Resident's death under the terms of the Care Agreement, Resident hereby designates that the Refund be made payable to the Estate of Resident. In the case of Joint Residents, the Refund will be made payable to the Estate of the final surviving Joint Resident. The check payable to the Estate of Resident or the Estate of the surviving Joint Resident should be mailed to the duly qualified personal representative, Executor or Executrix, as the case may be, of the Estate. (Note: The person representing to be the "duly qualified" executor/representative of the Estate must present official letters of administration/appointment from the probate office, probate court, or other appropriate legal forum. A will or copy of a will is not qualification. Resident should consult with resident's legal counsel/estate planner to understand the requirements.)

_____ _____
Resident Date

_____ _____
Resident Date

If signed by a representative, indicate name of representative and nature of authority (i.e. power of attorney, guardian, etc.):_____

This Refund Form was signed by the above-named Resident(s) in our presence and in the presence of each other and the above-named Resident(s) has acknowledged this Refund Form as Resident's own act.

_____ _____
Witness _____
Address

_____ _____
Witness _____
Address

Received by ANN'S CHOICE:

By:_____ _____
ANN'S CHOICE Representative Date

1000649-1

ANN'S CHOICE
KEY RECEIPT FORM

Resident Name(s): _____

Apartment/ Unit #: _____

I/We have received the following items on the date shown next to signature(s):

#_____ Apartment Keys [if applicable]

#_____ Resident Key Badges [if applicable]

#_____ Exterior Door Keys [if applicable]

#_____ Mailbox Keys [if applicable]

#_____ Storage Keys [if applicable]

For purposes of the Residence & Care Agreement, if applicable, taking apartment keys is considered the Occupancy Date and the Monthly Service Package fees start as of the take keys date.

Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this form shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this form may sign separately in several counter-parts, all of which together shall constitute one and the same form.

_____ _____
Resident/Representative Signature Date

_____ _____
Resident/Representative Signature Date

If signed by a Representative, indicate name of Representative and nature of authority (i.e. power of attorney, guardian, etc.) _____

_____ _____
Community Representative Signature Date

ANN'S CHOICE
UNIT RELEASE ADDENDUM

Resident(s): _____ Unit: _____

Storage bin: _____ Parking Space/ Covered Parking: _____

Departure Date: _____

This form is used to release the current Living Unit in the event of a termination of the Residence and Care Agreement. The term "Community" refers to Ann's Choice, Inc.

1. I/We hereby release the referenced Unit for resettlement. I/We will vacate the Unit no later than indicated Departure Date and will also relinquish the keys to the Community. I/We also relinquish the referenced storage bin and parking space as of the same Departure Date.

2. To expedite receipt of the next Entrance Fee, the Community has my/our permission to show this Unit as of _____. If I/We are still living in the Unit, the Community will show the Unit only on mutually agreeable dates and times.

3. I/We will be responsible for the monthly service package, minus the non-occupancy credit as applicable, for the period defined in Section 8.6 of the Residence and Care Agreement or the Refund Section of the Continuing Care Addendum to the Residence and Care Agreement, as applicable.

4. Per Section 9.4 of the Residence and Care Agreement, I/We will be responsible for (*check applicable option depending on Resident's specific Care Agreement*):

_____ *(100% Refundable Care Agreement)* All refurbishing fees, as defined in Section 9.4. The estimated cost for refurbishing is $_____. The cost for removing any customized or structural changes or any specialized refurbishing beyond normal wear and tear for will be evaluated post-occupancy, or

_____ *(90% Refundable Care Agreement)* The Refurbishing Charges as defined in Section 9.4 to be evaluated post-occupancy. The estimated Refurbishing Charges are $_____. Depending on the circumstances of release or transfer, all or a portion of the Refurbishing Charges may be covered by the Community (see Section 9.4 for details). This release is for (check one option):

___ ILU Release ___ AL/Memory Care Release ___ Nursing Unit Release

5. The Community will provide the Refund per the terms and conditions of Section 7 of the Residence and Care Agreement. Depending on the terms of Resident's Care Agreement, the refund may be a full refund or a 90% refund (both referred to as the "Refund" for purposes of this form). After the conditions are met, the Community will generate the Refund within the 60 day period. The full period may be needed to generate the Refund. The Community also offers these options (*please initial one*):

_____ a. To expedite the Refund, I/We direct the Community to deduct the amount of the final bill from the Refund and to send a copy of the final bill with the Refund check(s) depending on the designation of beneficiaries per the Refund Form. I/We will still have a reasonable opportunity to review the final bill and discuss charges deducted from the Refund. The Community will refund charges that were deducted in error. **For residents with a 90% Refundable Care Agreement, initialing this option constitutes pre-approval of the final bill per the terms of Section 7.6**

_____ b. I/We direct the Community to send the final bill for approval before any Refund. I/We understand that this may extend the processing for the Refund to the full 60 day period (30 days if the Community terminates the Agreement for just cause). **For residents with a 90% Refundable Care Agreement, initialing this option does not constitute pre-approval of the final bill and thus the resident does not receive the Refund Number.**

6. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Addendum shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this form may sign separately in several counter-parts, all of which together shall constitute one and the same Addendum.

This Addendum is incorporated into the Residence and Care Agreement. All other provisions of the Residence and Care Agreement remain in full force and effect, except as specifically modified in this Addendum and any inconsistency between this Addendum and the Residence and Care Agreement shall be governed by the terms of the Residence and Care Agreement.

_____ _____

Date Signature of Resident or Resident's Representative

If signed by a Representative, Name, Address and Phone # of Representative:

_____

_____

Staff Member: _____

ANN'S CHOICE
UNIT RELEASE - TRANSFER ADDENDUM

Resident(s): _____ Unit: _____
Storage bin: _____ Parking Space/ Covered Parking: _____
Departure Date: _____

This form is used to release the current Living Unit in the event of a transfer and to modify the Residence and Care Agreement for changes in the Resident's new Living Unit, monthly service package, and Entrance Fee, if any. The term "Community" refers to Ann's Choice.

1. I/We hereby release the referenced Unit for resettlement. I/We will vacate the Unit no later than indicated Departure Date and will also relinquish the keys to the Community. I/We also relinquish the referenced storage bin and parking space as of the same Departure Date.

2. To expedite receipt of the next Entrance Fee, the Community has my/our permission to show this Unit as of _____. If I/We are still living in the Unit, the Community will show the Unit only on mutually agreeable dates and times.

3. Per Section 8.5 of the Residence and Care Agreement[1] and per the Community's current policy, I am responsible for payment of the Monthly Service Package, pro-rated and less the Non-Occupancy Credit, as applicable, for the vacated Living Unit until I completely vacate, remove all possessions from the vacated Living Unit, and return the keys for the vacated Living Unit to the Community.

4. Per Section 9.4 of the Residence and Care Agreement, I/We will be responsible for (*check applicable option depending on Resident's specific Care Agreement*):

_____ *(100% Refundable Care Agreement)* All refurbishing fees, as defined in Section 9.4. The estimated cost for refurbishing is $_____. The cost for removing any customized or structural changes or any specialized refurbishing beyond normal wear and tear for will be evaluated post-occupancy, or

_____ *(90% Refundable Care Agreement)* The Refurbishing Charges as defined in Section 9.4 to be evaluated post-occupancy. The estimated Refurbishing Charges are $_____. Depending on the circumstances of release or transfer, all or a portion of the Refurbishing Charges may be covered by the Community (see Section 9.4 for details). This release is for (check one option):

___ ILU to ILU
___ ILU to ALF/Mem. Care/Nursing

[1] Section 8.5 of some older versions of the Residence & Care Agreement require that the resident is responsible for payment of the Monthly Service Package for a certain period of time after the defined Departure Date from the vacated Living Unit.

___ ALF Unit to any unit
___ Memory Care Unit to any unit
___ Nursing Unit to any unit
___ Any unit to another Erickson managed campus

5. I/ We are making the following transfer:

_____ a. I am/We are moving to Unit _____ at the Community. The new monthly fee shall be $ _____ and the Entrance Fee (*circle one*): remains the same/ is changed to $_____. I/We have the right to occupy the new Unit from the Occupancy Date for such new Unit to the Departure Date for such new Unit.

_____ b. I am/We are moving to _____, an Erickson managed community. The Community will provide the Refund per the terms and conditions of Section 7 of the Residence and Care Agreement. Depending on the terms of Resident's Care Agreement, the refund may be a full refund or a 90% refund (both referred to as the "Refund" for purposes of this form). I/We direct the Community to send the Refund to _____ after the final bill at this Community is settled.

i. I/We direct the Community to automatically deduct the final bill at this Community from the Refund. **For residents with a 90% Refundable Care Agreement, initialing this option constitutes pre-approval of the final bill per the terms of Section 7.6**

ii. I/We do not want the final bill automatically deducted. I/We understand that the final bill must be paid separately before the Refund is made to the new community and that this may extend the time for move-in to the new community. **For residents with a 90% Refundable Care Agreement, initialing this option does not constitute pre-approval of the final bill and thus the resident does not receive the Refund Number.**

6. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Addendum shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this form may sign separately in several counter-parts, all of which together shall constitute one and the same Addendum.

This Addendum is incorporated into the Residence and Care Agreement. All other provisions of the Residence and Care Agreement remain in full force and effect, except as specifically modified in this Addendum, and any other inconsistency between this Addendum and the Residence and Care Agreement shall be governed by the terms of the Residence and Care Agreement.

_____	_____
Date	Signature of Resident or Resident's Representative
	If signed by a Representative, Name, Address and Phone # of Representative:
	_____
	_____
	( )

Staff Member: _____

ANN'S CHOICE, INC.
GUARANTY AGREEMENT

This Guaranty Agreement is made as of this _____ day of _____, 20__ between Ann's Choice, Inc. ("Ann's Choice") and _____ _____ (herein collectively referred to as "Guarantor").

WHEREAS, _____("Beneficiary") desires to become a resident at the Ann's Choice Retirement Community and has entered or will enter into a Residence and Care Agreement with Ann's Choice;

WHEREAS, Beneficiary's current financial status does not meet Ann's Choice's standard qualifications, and Ann's Choice cannot allow Beneficiary to become a resident without additional assurances;

WHEREAS, Guarantor desires to give Ann's Choice additional assurances in order to induce Ann's Choice to accept the Beneficiary as a resident;

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereby agree as follows:

1. Guarantor agrees to voluntarily and unconditionally guarantee payment (the "Guaranty") of Beneficiary's obligations which are due or may become due to Ann's Choice incurred relative to Beneficiary's residence at Ann's Choice Community pursuant to the terms of the Residence and Care Agreement. This Guaranty shall continue in effect from the date of this Agreement until the Guarantor is released by Ann's Choice pursuant to Section 8 of this Agreement. The Guaranty is unlimited as to amount.

2. Guarantor understands that this is an unconditional Guaranty of payment, not collection. If Ann's Choice believes, in its sole discretion, that an attempt to collect from the Beneficiary may be detrimental to the Beneficiary's health or would not be reasonable considering Beneficiary's economic condition, Ann's Choice will not attempt to collect from the Beneficiary first.

3. Ann's Choice will use its sole discretion in determining whether or not to proceed to collect amounts from Guarantor or other sources. In exercising that discretion, as a matter of policy but not obligation, generally Ann's Choice will first determine if Beneficiary has any readily available source of funds to pay his/her obligations and if Beneficiary does, seek to obtain the funds from such source; second, seek to obtain payment from Guarantor; third, from spending down the Entrance Fee paid to Ann's Choice; fourth, seek to obtain payment from medical assistance if Ann's Choice believes medical assistance is available to Beneficiary; fifth,

seek to obtain funds from the Community's Benevolent Care Fund; and finally, seek to obtain funds from any remaining source of available funds.

4. Subject to verification of Beneficiary's financial qualifications and health-related status, Ann's Choice agrees to accept Beneficiary as a resident pursuant to the terms of the Residence and Care Agreement.

5. Guarantor hereby waives its rights to the following: presentment, demand, dishonor, protest, notice of nonpayment, and notice of dishonor. Guarantor further agrees that all arrangements concerning Beneficiary's financial obligations to Ann's Choice shall be made and decided solely between Ann's Choice and the Beneficiary. However, Guarantor shall be entitled, upon request, to receive a copy of Beneficiary's monthly statement.

6 Guarantor will be deemed to have defaulted under this Guaranty Agreement in the event that Guarantor fails to pay to Ann's Choice all amounts due and payable pursuant to the Guaranty within forty-five (45) days of demand by Ann's Choice for payment pursuant to the Guaranty.

7. In the event of a Default, in addition to any amounts due pursuant to the Guaranty, Guarantor shall also be responsible for any court costs, including reasonable attorneys' fees, that might be incurred by Ann's Choice in enforcing the Agreement. The parties agree that this agreement shall be interpreted under the laws of the Commonwealth of Pennsylvania and that venue for any claim arising out of this Guaranty Agreement shall be in Bucks County, Pennsylvania.

8. In the event that Beneficiary terminates the Residence and Care Agreement during his/ her lifetime or dies during residence at Ann's Choice, Ann's Choice agrees that Guarantor shall be released from its obligations under this Guaranty Agreement upon satisfaction of all of Beneficiary's outstanding charges.

9. This Guaranty is incorporated into the Residence and Care Agreement. The Residence and Care Agreement remains in full force and effect, and, if there is any inconsistency between this Guaranty and the Residence and Care Agreement, the Residence and Care Agreement shall govern.

10. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Guaranty Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Guaranty Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement.

_____	_____
Witness	Guarantor
_____	_____
Witness	Guarantor
	Ann's Choice, Inc.
_____	By: _____
Witness	

71825-2

ANN'S CHOICE, INC.
LIMITED GUARANTY AGREEMENT

This Guaranty Agreement is made as of this _____ day of _____, 20__ between Ann's Choice, Inc. (herein referred to as "Ann's Choice") and _____ _____ (herein collectively referred to as "Guarantor").

WHEREAS, _____ ("Beneficiary") desires to become a resident of Ann's Choice Retirement Community (the "Community"), operated by Ann's Choice and has entered or will enter into a Residence and Care Agreement with Ann's Choice;

WHEREAS, Beneficiary's current financial status does not meet Ann's Choice's standard qualifications, and Ann's Choice cannot allow Beneficiary to become a resident without additional assurances;

WHEREAS, Guarantor desires to give Ann's Choice additional assurances in order to induce Ann's Choice to accept the Beneficiary as a resident;

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereby agree as follows:

1. Guarantor agrees to voluntarily and unconditionally guarantee payment (the "Guaranty") of Beneficiary's obligations which are due or may become due to Ann's Choice incurred relative to Beneficiary's residence at the Community pursuant to the terms of the Residence and Care Agreement. This Guaranty shall continue in effect from the date of this Agreement until the Guarantor is released by Ann's Choice pursuant to Section 8 of this Agreement. The Guaranty is limited in the amount of _____.

2. Guarantor understands that this is an unconditional Guaranty of payment, not collection. If Ann's Choice believes, in its sole discretion, that an attempt to collect from the Beneficiary may be detrimental to the Beneficiary's health or would not be reasonable considering Beneficiary's economic condition, Ann's Choice will not attempt to collect from the Beneficiary first.

3. Ann's Choice will use its sole discretion in determining whether or not to proceed to collect amounts from Guarantor or other sources. In exercising that discretion, as a matter of policy but not obligation, generally Ann's Choice will first determine if Beneficiary has any readily available source of funds to pay his/her obligations and if Beneficiary does, seek to obtain the funds from such source; second, seek to obtain payment from Guarantor; third, from spending down the Entrance Fee paid to Ann's Choice; fourth, seek to obtain funds from Ann's

Choice's Benevolent Care Fund; and finally, seek to obtain funds from any remaining source of available funds.

4. Subject to verification of Beneficiary's financial qualifications and health-related status, Ann's Choice agrees to accept Beneficiary as a resident pursuant to the terms of the Residence and Care Agreement.

5. Guarantor hereby waives its rights to the following: presentment, demand, dishonor, protest, notice of nonpayment, and notice of dishonor. Guarantor further agrees that all arrangements concerning Beneficiary's financial obligations to Ann's Choice shall be made and decided solely between Ann's Choice and the Beneficiary. However, Guarantor shall be entitled, upon request, to receive a copy of Beneficiary's monthly statement.

6 Guarantor will be deemed to have defaulted under this Guaranty Agreement in the event that Guarantor fails to pay to Ann's Choice all amounts due and payable pursuant to the Guaranty within forty-five (45) days of demand by Ann's Choice for payment pursuant to the Guaranty.

7. In the event of a Default, in addition to any amounts due pursuant to the Guaranty, Guarantor shall also be responsible for any court costs, including reasonable attorneys' fees, that might be incurred by Ann's Choice in enforcing the Agreement. The parties agree that this Agreement shall be interpreted under the laws of the Commonwealth of Pennsylvania and venue for any claim arising out of this Guaranty Agreement shall be in Bucks County, Pennsylvania.

8. In the event that Beneficiary terminates the Residence and Care Agreement during his/her lifetime or dies during residence at the Community, Ann's Choice agrees that Guarantor shall be released from its obligations under this Guaranty Agreement upon satisfaction of all Guarantor's obligations under this Guaranty Agreement and ninety (90) days following Beneficiary's Departure Date or resale of the Continuing Care Unit, whichever event shall occur first.

9. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Guaranty Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Guaranty Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement.

_____	_____
Witness	Guarantor
_____	_____
Witness	Guarantor
	Ann's Choice, Inc.
_____	By: _____
Witness	

ANN'S CHOICE, INC.
LIMITED GUARANTY AGREEMENT (JOINT ASSETS)

This Guaranty Agreement is made as of this _____ day of _____, 20__ between Ann's Choice, Inc. ("Ann's Choice") and _____ _____ (herein collectively referred to as "Guarantor").

Recitals

R.1 _____("Beneficiary") desires to become a resident at the Ann's Choice Retirement Community and will enter into a Residence and Care Agreement with Ann's Choice;

R.2 Beneficiary and Guarantor own jointly the assets (the "Joint Assets") set forth in Exhibit A, attached to and incorporated in this Agreement which Joint Assets have the value set forth in Exhibit A as of the date of this Agreement;

R.3 Due to the ownership of the Joint Assets, Beneficiary's individual financial status does not meet Ann's Choice's standard qualifications for residency;

R.4 Guarantor desires to give Ann's Choice additional assurances as to the Joint Assets in order to induce Ann's Choice to accept the Beneficiary as a resident;

Agreement

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereby agree as follows:

1. Subject to the limitations set forth in Section 2 hereof, Guarantor agrees to voluntarily and unconditionally guarantee payment (the "Guaranty") of Beneficiary's obligations which are due or may become due to Ann's Choice incurred relative to Beneficiary's residence at Ann's Choice pursuant to the terms of the Residence and Care Agreement. This Guaranty shall continue in effect from the date of this Agreement until the Guarantor is released by Ann's Choice pursuant to Section 9 of this Agreement.

2. Unless Guarantor has committed a Default under this Guaranty as defined in Section 5 hereof, the Guaranty is limited to payment from the Joint Assets as set forth in Exhibit A. Guarantor understands that this is an unconditional Guaranty of payment, not collection.

3. Subject to Ann's Choice's verification of Beneficiary's financial qualifications other than the Joint Assets and to Ann's Choice's determination of the appropriate level of care for Beneficiary, Ann's Choice agrees to accept Beneficiary as a resident pursuant to the terms of the Residence and Care Agreement.

4. In the event that Beneficiary is unable to meet his/her obligations under the Residence and Care Agreement without use of the Joint Assets, Ann's Choice will use its sole discretion in determining whether or not to proceed to collect amounts from the Beneficiary, the Joint Assets, the Guarantor, or other sources. In exercising that discretion, as a matter of policy but not obligation, generally Ann's Choice will take the following steps:

4.1. Upon Beneficiary's or Beneficiary's duly authorized representative's request for assistance pursuant to the Residence and Care Agreement, Ann's Choice shall review the Beneficiary's then-current financial status, including but not limited to the balance of the Joint Assets. Ann's Choice may request further documentation to show that any changes in the value of the Joint Assets, as shown in Exhibit A, were either expenditures made for the direct benefit of the Beneficiary or market fluctuations in the value of the Joint Assets.

4.2. If Ann's Choice believes in its sole discretion that any expenditures from the Joint Assets were spent for the benefit of Beneficiary and that Beneficiary is not otherwise in breach of the Residence and Care Agreement, Ann's Choice may then initiate a spend-down plan with the Beneficiary or the duly authorized representative for Beneficiary's assets, including the Joint Assets, other than the Entrance Fee. Ann's Choice may require that Resident seek to obtain funds from outside sources such as Medicaid. If Ann's Choice believes in its sole discretion that any expenditures from the Joint Assets were due to a Default by Guarantor, Ann's Choice shall proceed as provided in Section 5 hereof.

4.3. After spend-down of Beneficiary's assets, including the Joint Assets, Ann's Choice shall release the Guaranty and shall initiate a spend-down of the Entrance Fee.

4.4. After expenditure of the Entrance Fee, Beneficiary or Beneficiary's duly authorized representative may apply for assistance from the Benevolent Care Fund, if available.

5. Guarantor will be in Default under this Guaranty Agreement in the event that Guarantor withdraws, spends, distributes, pledges, assigns, or otherwise uses the Joint Assets for any purpose other than for the direct benefit of the Beneficiary. In the event of a Default, as a matter of policy but not obligation, Ann's Choice shall normally proceed as follows:

5.1. Prior to initiating a spend-down plan as described in Section 4.2, Ann's Choice shall first enforce the Guaranty. Ann's Choice shall have the right to enforce payment of the Guaranty against any and all of Guarantor's personal assets in any form whatsoever and shall not be limited to payment from the Joint Assets. The Guaranty shall be limited to the amount of the Joint Assets withdrawn, spent, distributed, pledged, assigned, or otherwise used by the Guarantor other than for the direct benefit of the Beneficiary, which amount shall be determined by Ann's Choice in its sole discretion.

5.2. In the event that Ann's Choice is required to hire a collection agency or to initiate legal proceedings to enforce the Guaranty, in addition to any amounts due pursuant to the Guaranty, Guarantor shall also be responsible for any and all interest, collection costs, and court costs, including reasonable attorneys' fees, that might be incurred by Ann's Choice in enforcing the Guaranty.

5.3. After payment to Ann's Choice of all sums due pursuant to the Guaranty and any interest, collection costs, court costs, including reasonable attorney's fees, which may be due pursuant to Section 5.2, Ann's Choice will work with the Beneficiary or the Beneficiary's duly authorized representative to initiate the steps listed in Section 4.2, 4.3 and 4.4 hereof with regard to the spend-down program and application to the Benevolent Care Fund.

6. The parties agree that venue for any claim, conflict, enforcement, or other action arising out of this Guaranty Agreement shall be in Bucks County, Pennsylvania.

7. Guarantor hereby waives its rights to the following: presentment, demand, dishonor, protest, notice of nonpayment, and notice of dishonor. Guarantor further agrees that all arrangements concerning Beneficiary's financial obligations to Ann's Choice shall be made and decided solely between Ann's Choice and the Beneficiary. However, Guarantor shall be entitled, upon request, to receive a copy of Beneficiary's monthly statement.

8. In addition to all rights available to Ann's Choice under this Agreement, Ann's Choice shall also have all of the rights and remedies enumerated in the Residence and Care Agreement, up to and including termination of residency, for non-payment of fees.

9. Ann's Choice agrees that it will release Guarantor from the obligations under this Guaranty Agreement upon the sooner of:

a. The termination of the Residence and Care Agreement either during his/ her

lifetime or due to Beneficiary's death, upon satisfaction of all Guarantor's obligation under this Guaranty Agreement and ninety (90) days following Beneficiary's Departure Date or resale of the Continuing Care Unit, whichever event shall occur first;

b. The completion of the steps listed in Sections 4.1, 4.2 and 4.3 hereof; or

c. The payment of all sums due to Ann's Choice, as enumerated in Section 5.3, in the event of a Default.

10. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Guaranty Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Guaranty Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement.

_____	_____
Witness	Guarantor
_____	_____
Witness	Guarantor
	Ann's Choice, Inc.
_____	By: _____
Witness	

71829-2

EXHIBIT A

Joint Assets	Value as of Date of Agreement

ANN'S CHOICE
LIMITED GUARANTY/ MONTHLY CONTRIBUTION AGREEMENT

This Guaranty Agreement is made as of this _____ day of _____, 20__ between ANN'S CHOICE, INC. (herein referred to as "Ann's Choice ") and _____ _____ (herein collectively referred to as "Guarantor").

WHEREAS, _____("Beneficiary") desires to become a resident of the Ann's Choice Retirement Community (the "Community"), operated by Ann's Choice and has entered or will enter into a Residence and Care Agreement with Ann's Choice;

WHEREAS, Beneficiary's current financial status does not meet Ann's Choice's standard qualifications, and Ann's Choice cannot allow Beneficiary to become a resident without additional assurances;

WHEREAS, Guarantor desires to give Ann's Choice additional assurances in order to induce Ann's Choice to accept the Beneficiary as a resident;

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereby agree as follows:

1. Guarantor agrees to voluntarily and unconditionally guarantee payment (the "Guaranty") of a portion of Beneficiary's obligations which are due or may become due to Ann's Choice incurred relative to Beneficiary's residence at the Community pursuant to the terms of the Residence and Care Agreement. Specifically, Guarantor agrees to voluntarily and unconditionally pay to the order of Ann's Choice, Inc. _____ Dollars ($_____) per month towards Beneficiary's Monthly Service Package which will assist Beneficiary to continue payment of the remaining monthly balance without depleting Beneficiary's stated assets verified during the admission process. This Guaranty shall continue in effect from the date of this Agreement until the Guarantor is released by Ann's Choice pursuant to Section 8 of this Agreement.

2. Guarantor understands that this is an unconditional Guaranty of payment, not collection.

3. Until the total limit of the guaranty is reached, Guarantor will remit monthly payment by the 15th day of each month to Ann's Choice at the following address: _____ _____. Payments are due in advance for each month.

4. Subject to verification of Beneficiary's financial qualifications and health-related status, Ann's Choice agrees to accept Beneficiary as a resident pursuant to the terms of the Residence and Care Agreement.

5. Guarantor hereby waives its rights to the following: presentment, demand, dishonor, protest, notice of nonpayment, and notice of dishonor. Guarantor further agrees that all arrangements concerning

Beneficiary's financial obligations to Ann's Choice shall be made and decided solely between Ann's Choice and the Beneficiary. However, Guarantor shall be entitled, upon request, to receive a copy of Beneficiary's monthly statement.

6 Guarantor will be deemed to have defaulted under this Guaranty Agreement in the event that Guarantor fails to pay to Ann's Choice all amounts due and payable pursuant to the Guaranty within forty-five (45) days of demand by Ann's Choice for payment pursuant to the Guaranty.

7. In the event of a Default, in addition to any amounts due pursuant to the Guaranty, Guarantor shall also be responsible for any court costs, including reasonable attorneys' fees, that might be incurred by Ann's Choice in enforcing the Agreement. The parties agree that this Agreement shall be interpreted under the laws of the Commonwealth of Pennsylvania, and venue for any claim arising out of this Guaranty Agreement shall be in Bucks County, Pennsylvania.

8. In the event that Beneficiary terminates the Residence and Care Agreement during his/ her lifetime, dies during residence at the Community, or Beneficiary becomes a permanent resident of the nursing facility to be located at Ann's Choice, Ann's Choice agrees that Guarantor shall be released from its obligations under this Guaranty Agreement upon satisfaction of all of Guarantor's obligations pursuant to this Guaranty Agreement. In addition, Ann's Choice agrees that Guarantor shall be released from its obligations when and if Guarantor has paid the total limit of the guaranty as stated in Section 1 hereof.

9. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Guaranty Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Guaranty Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement.

_____	_____
Witness	Guarantor
_____	_____
Witness	Guarantor
	ANN'S CHOICE, INC.
_____	By: _____
Witness	

$_____ **Date of Note**: _____, _____
Warminster, Pennsylvania

ANN'S CHOICE, INC.
PROMISSORY NOTE

Now, therefore, _____, Maker, hereby promises to pay to the order of ANN'S CHOICE, INC., at its offices located at 10000 Ann's Choice Way, Warminster, Pennsylvania 18974 or at such other place as the holder of this Note may, from time to time designate, the principal sum of: _____ Dollars ($_____), plus all accrued interest (unless waived under Section 1 hereof), payable on or before the Maturity Date as defined in Section 2 hereof.

1. Interest Rate Interest on the unpaid principal balance shall begin accruing on the **DATE OF THIS NOTE** which appears in the upper right hand corner of this note, at the rate of nine percent (9%) per annum (360 days per year). In the event that the Maker of this Note pays the entire principal balance due on or before the Maturity Date, the interest for that period shall be **waived**. In the event that the **entire** principal balance is not paid on or before the Maturity Date, **accrued interest will be charged every month from the Date of this Note on the unpaid principal balance until satisfaction and termination of this Note.**

2. Maturity Date. The Maturity Date of this Note shall be: the earlier of (i) _____, 20_ or (ii) five business days from the sale and settlement of the Maker's property located at _____.

3. Repayment. The entire principal balance shall be due and payable on or before the Maturity Date. In addition to payment of the principal balance, Maker agrees to pay any assessed interest as provided in Section 1.

4. Application of Payments. All payments made hereunder shall be applied first to accrued interest, before being applied to principal, unless the interest is waived under Section 1.

5. Prepayment. The undersigned may prepay this Note in whole or in part at any time before the Maturity Date without any penalty.

6. Default. In the event of a default in the payment of any installment of principal or interest due hereunder which has continued for a period of thirty (30) days after written notice of default, the holder may, in addition to any other remedy provided by law, recover attorneys fees and costs, and in its sole discretion and without further notice or demand, declare that the Residence and Care Agreement of the Maker/ Resident is terminated for non-payment.

7. Assignment. The Holder of this Note may assign or transfer this Note for value to a subsequent Holder who may be a holder in due course. If assigned, the Maker/Resident agrees to recognize the new Holder of the Note to the extent of such assignment.

8. Waiver. Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers of this Note. This Note shall be the joint and several obligation of all makers, guarantors and endorsers, and shall be binding upon them and their successors and assigns.

9. Miscellaneous. This Note shall be construed and governed according to the laws of the Commonwealth of Pennsylvania. Venue for any action arising out of the making of this Note shall be in Bucks County, Pennsylvania.

10. Electronic Signature. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Note shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Note may sign separately in several counter-parts, all of which together shall constitute one and the same Note.

IN WITNESS WHEREOF, Maker has caused this Promissory Note to be executed and sealed the day and year first above written.

WITNESS(ES): MAKER:

_____ _____

_____ _____

Unit: _____

ALLONGE TO PROMISSORY NOTE

THIS ALLONGE TO PROMISSORY NOTE (the "Allonge") is effective as of _____, 20__ by and between Ann's Choice, Inc. ("HOLDER"), and _____, ("MAKER").

Recitals

R.1. MAKER executed that certain Promissory Note in favor of HOLDER in the principal sum of $_____, dated as of _____ (the "Issuance Date") (the "Note").

R.2 MAKER and HOLDER have agreed to amend the Note per the terms and conditions stated herein.

Agreement

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MAKER and HOLDER hereby agree as follows:

1. **Amendment.** The Note is hereby amended as follows:

   a. Each reference in the Note to the Maturity Date is hereby amended to mean and refer to _____, 20__ (the "Revised Maturity Date"). Maker agrees to pay an additional $_____ (the "10% Deposit") in principal on the date of this Allonge. On the Revised Maturity Date, Maker agrees to pay all outstanding principal to Holder.

   b. If Maker pays the required 10% Deposit payment when due and also pays the outstanding principal within 90 days of the Issuance Date of the Note, then Holder will waive interest on the principal. However, if Maker fails to make the required 10% Deposit payment or if Maker fails to pay the outstanding principal within 90 days of the Issuance Date of the Note, then Maker agrees and acknowledges that Holder will assess interest every month at the rate provided in the Note from day 91 of the Issuance Date until full payment of the principal and accrued interest.

2. **Affirmation.** The representations of MAKER contained in the Note are true and correct as of this date and MAKER represents to HOLDER the accuracy of each representation as if they have been made on this date. This Allonge (a) is being physically attached to the Note simultaneously with the entry into this Allonge by the parties hereto, to evidence the modification of the provisions of the Note effected hereby, and (b) shall upon such attachment be deemed to be a part of the Note, as fully and completely as if its provisions were set forth in the body of the Note.

3. **Definition.** The term "this Note" as used in the Note, shall mean the Note as modified herein unless the context clearly indicates or dictates a contrary meaning. Other defined terms in this Allonge were previously defined in the Note and have the same meaning as defined in the Note.

4. **Default**. In the event of a default in the payment of any installment of interest or principal due hereunder, HOLDER may, in addition to any other remedy provided by law, recover attorneys' fees and costs, and in its sole discretion and without further notice or demand, declare that the Residence and Care Agreement of the Maker/ Resident is terminated for non-payment.

5. **Liability And Obligations; No Novation.** MAKER ratifies and confirms all of its liabilities and obligations under the Note and agrees that, except as expressly modified in this Allonge, the Note continues in full force and effect as if set forth specifically herein. MAKER and HOLDER agree that this Allonge shall not be construed as an agreement to extinguish the original obligations under the Note and shall not constitute a novation as to the obligations of MAKER under the Note.

6. **Electronic Signature**. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Allonge shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Allonge may sign separately in several counter-parts, all of which together shall constitute one and the same Allonge.

7. **Prior Consent.** This Allonge may not be amended, changed, modified, altered, or terminated without in each instance the prior written consent of HOLDER.

Maker(s):

_____

_____

Living Unit: _____

HOLDER: Ann's Choice, Inc.

By: _____

Title: _____

FLEXIBLE PAYMENT PROGRAM ADDENDUM

Resident(s): _____

Resident(s): _____

Living Unit: _____ Effective Date: _____

This Flexible Payment Program Addendum (the "Addendum") is entered into between Resident(s) listed above and Ann's Choice, Inc. ("Ann's Choice") as of the Effective Date.

Recitals

R.1. Ann's Choice normally requires the payment of a full Entrance Fee for a living unit as a condition to residency;

R.2. Ann's Choice offers the Flexible Payment Program (the "Program") to qualifying applicants in its sole and absolute discretion. The Program allows qualifying residents to move to the Community, with a minimum payment of ten percent (10%) of the Entrance Fee for the selected Living Unit and payment of an additional monthly differential of Fifty Dollars ($50.00) per each Ten Thousand Dollars ($10,000.00) of the outstanding balance of the Entrance Fee.

R.3. Resident is unable to pay the full Entrance Fee for the indicated Living Unit and would like to take advantage of the Flexible Payment Program and Ann's Choice agrees to offer this program to Resident.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

1. Ann's Choice agrees to accept Resident as a participant in the Program and Resident agrees to participate in the Program based on the terms and conditions required by this Addendum. For purposes of this Addendum, the term "Resident" includes the plural "Residents." The Term of this Addendum is from the Effective Date first listed above through _____, 20__.

2. Ann's Choice and Resident agree that, as of the Effective Date, Resident's normal Entrance Fee and normal Monthly Service Package are the amounts indicated in Schedule I of the Residence and Care Agreement (the "Care Agreement") by and between Ann's Choice and Resident. However, during the Term of this Addendum, Ann's Choice agrees to accept Resident with the Flexible Entrance Fee provided that Resident also pays the Monthly Differential listed below.

Flexible Entrance Fee: $_____
Monthly Differential: $_____ per month

3. The Monthly Differential is due and payable in addition to the Resident's Monthly Service Package for the Living Unit and in addition to any other fees and charges

ancillary fees due and payable per the Care Agreement. The Monthly Differential for the month during which a Resident first participates in the Flexible Payment Program shall be payable monthly in advance on a pro-rated basis throughout the Term.

4. Throughout the Term, Ann's Choice will permit Resident's continued participation in the Program as long as Resident remains in compliance with all of the following conditions. Upon request, Resident will provide Ann's Choice with reasonable documentation evidencing continued compliance with these conditions.

(i) Resident is otherwise is compliance with the terms and conditions of the Care Agreement;

(ii) Resident's property located at _____ (the "Property") is either currently vacated by Resident or will be vacated by the Resident within thirty (30) days of the Occupancy Date for Resident's Living Unit at the Community (as defined by the Residence and Care Agreement)

(iii) Once vacated, the Property must remain completely unoccupied and available for sale;

(iv) The Property is listed for sale with a licensed real estate broker acceptable to Ann's Choice for fair market value of the Property;

(v) Resident assists the real estate broker, as needed, in marketing and presenting the Property for sale, and accepts any bona fide offers to purchase the Property for the listed purchase price; and

(vi) Resident continues to own the Property and does not transfer any right, title, or interest, including but not limited to any leasehold interest, to any other person.

5. Upon the earlier of: (i) the sale and settlement of the above-listed Property or (ii) the expiration of the Term of this Addendum, Resident agrees to promptly pay to Ann's Choice the sum of $_____, representing the outstanding balance between the Flexible Entrance Fee and the full Entrance Fee listed on Schedule I of the Care Agreement. If Resident pays the balance within five (5) days following the settlement on the Property or, if the Property has not settled, then by the end of the Term of this Addendum, Ann's Choice agrees to credit the total Monthly Differentials paid by Resident towards the outstanding balance. If Resident pays the balance after the fifth day from settlement of the Property or, if the Property has not settled, if the Resident pays the balance after the expiration of the Term, Ann's Choice will not credit the Resident the Monthly Differentials and Resident will not receive any refund of the Monthly Differentials paid.

6. If Resident fails to pay the balance of the Entrance Fee within thirty (30) days of settlement on the Property or, if the Property has not settled, if the Resident fails to pay the balance within thirty (30) days after the expiration of the Term of this Addendum, or if Resident gifts or transfers the Property or any interest therein for less than fair market value, or if Resident otherwise fails to comply with the Program requirements as indicated in this Addendum, Resident acknowledges that Resident shall be in breach of the Care Agreement for failure to pay

the full Entrance Fee for the Living Unit and that Ann's Choice may terminate Resident's residency for cause per Section 12 of the Care Agreement.

7. Resident may, at any time, voluntarily opt out of the Flexible Payment Program prior to settlement on the Property by notifying Ann's Choice in writing. If Resident opts out of the Flexible Payment Program, Resident will be required to pay, within five (5) days of the notice, the outstanding balance between the Flexible Entrance Fee and the full Entrance Fee listed on Schedule I of the Care Agreement. If Resident pays the balance within five (5) days following the notice, Ann's Choice agrees to credit the total Monthly Differentials paid by Resident towards the outstanding balance. If Resident pays the balance after the fifth day from the notice, Ann's Choice will not credit the Resident and Resident will not receive any refund of the Monthly Differentials paid. Upon Community's receipt of the full Entrance Fee, Resident will no longer be required to pay the Monthly Differential.

8. Ann's Choice reserves the right to discontinue the Flexible Payment Program at any time. In the event the Flexible Payment Program is discontinued, Residents who are currently in the program may continue to participate on the terms and conditions contained in this Addendum throughout the Term of the Addendum.

9. If Resident remains a participant in the Program and Resident permanently transfers from the Living Unit to another living unit at the Community with a higher Entrance Fee than the Entrance Fee listed on Schedule I of the Care Agreement, Resident agrees that the balance of the Entrance Fee due and payable to the Community is the sum listed in Section 5 plus the difference between the Entrance Fee listed on Schedule I of the Care Agreement and the Entrance Fee in effect for the new Living Unit to which Resident is transferring.

10. If Resident remains a participant in the Program and Resident's Care Agreement terminates for any reason, including but not limited to the election of Resident, for just cause by Ann's Choice, or for the death of Resident, the refund of the Entrance Fee payable by Ann's Choice per Section 7 of the Care Agreement is limited to the amount of the Flexible Entrance Fee, minus the Community Fee, paid by Resident. Resident shall not receive a credit for or any refund of the Monthly Differentials paid by Resident in the event of termination of the Care Agreement.

11. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Addendum shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this form may sign separately in several counter-parts, all of which together shall constitute one and the same Addendum.

12. This Addendum is incorporated into the Resident's Care Agreement. All defined terms, except as specifically defined herein, shall be consistent with the Care Agreement. All other provisions of the Care Agreement remain in full force and effect, except as specifically modified in this Addendum, and any other inconsistency between this Addendum and the Residence and Care Agreement shall be governed by the terms of the Residence and Care

Agreement. This Addendum may only be modified or extended by the written agreement of both Resident and Ann's Choice.

IN WITNESS WHEREOF, the parties have executed this Flexible Payment Program Addendum.

_____	_____	_____
Witness	Resident Signature	Date
	_____	
	Printed Name	
_____	_____	_____
Witness	Resident Signature	Date
	_____	
	Printed Name	
	Ann's Choice, Inc.	
_____	By:_____	_____
Witness		Date
	_____	
	Printed Name	

EXHIBIT 2

OWNERS, DIRECTORS AND OFFICERS OF PROVIDER/OWNERS; EXECUTIVE BIOGRAPHIES

Summary:
Exhibit Two lists the directors and officers of Ann's Choice, Inc. and the officers of Erickson Senior Living along with short executive biographies.

EXHIBIT 2

OWNERS, DIRECTORS AND OFFICERS OF PROVIDER/OWNERS; EXECUTIVE BIOGRAPHIES

The provider of services for the Community is Ann's Choice, Inc. The directors and officers for Ann's Choice, Inc. are listed below. The executive biographies for the directors and officers are on the following pages.

Board of Directors of Ann's Choice, Inc.
Katherine Clupper, Chair
Mary Colins, Vice Chair
Eileen Erstad
Rev. Zina Jacque
Stephanie Reel
Michael Roskiewicz
Patricia Brown
Monty Leonard
Pamela Paulk
Ian Brown
Russell Sharp
Mary Moscato
Bill Pomeranz
Daniel Wallick

Officers of Ann's Choice, Inc.

Katherine Clupper:	President
Mary Colins:	Vice Chair and Vice President
Mary Colins:	Secretary
Eileen Erstad:	Treasurer
John Hall:	Assistant Treasurer
Pamela Stiner:	Assistant Treasurer
Robert Merkert:	Assistant Treasurer
Mark Embley:	Assistant Treasurer
Daniel Tyler:	Assistant Treasurer
Scott Sawicki:	Assistant Secretary

Executive Director: Christopher R. Donati

Erickson Senior Living is the Manager pursuant to a Management and Marketing Agreement with Ann's Choice, Inc. Selected executive biographies for the officers for Erickson Senior Living are listed on the following pages.

The business address for all directors and officers is 701 Maiden Choice Lane, Baltimore, Maryland 21228.

Ann's Choice, Inc. Board of Directors Biographies:

Katherine Clupper, Chair

Ms. Clupper was appointed to the NSC Board of Directors in 2024 and serves on both the Audit, Investment & Treasury (AIT) and the Budget & Finance (BFC) Advisory Committees.

With over 35 years of experience in public finance, she has brought hundreds of public and private financial transactions to market on behalf of clients over three decades for investment banks and financial advisory firms, including almost 20 years as a business leader and partner at Public Financial Management. She assisted governments and non-profit organizations in managing their debt portfolio, analyzing and developing credit and developing long-term asset/liability strategies.

She currently serves on the Board of Directors and Finance Committee Chair for the Urban Affairs Coalition. Her past board experiences include contributions to organizations such as the Ogontz Avenue Revitalization Corporation, Committee of Seventy and Center in the Park Community Center.

Ms. Clupper has a Bachelor of Social Work from Shippensburg University and a Master of Business Administration from Temple University in Philadelphia. She has been recognized for her contributions with awards such as the Women of Distinction by the Philadelphia Business Journal.

Ian Brown

Mr. Brown was appointed to the NSC Board of Directors in 2023. He currently serves as a member of both the Governance & Internal Affairs (GIA) and Strategic Planning (SPC) Advisory Committees.

Mr. Brown is the Vice President and Chief Diversity and Belonging Officer at Duke University Health System. Prior to this role, Mr. Brown served in various senior-level roles in national healthcare, senior living (including Erickson Senior Living as both a Community Executive Director and at Erickson Corporate) and educational organization.

Mr. Brown has served as a board member for numerous charitable organizations whose missions have included higher education, advocacy for the older adult population, including LGBTQ+ elders, youth, healthcare, affordable housing, and hunger.

Mr. Brown completed undergraduate studies at Brooklyn College in New York City. He earned a Master of Arts in Liberal Studies at Chicago's Lake Forest College and both a Master of Science in Applied Behavioral Science/Organizational Development and Graduate Certificate in

Senior Housing and Healthcare from the Johns Hopkins University Carey Business School in Baltimore.

Patricia Brown

Ms. Brown was appointed to the NSC Board of Directors in 2022. She serves on the Governance and Internal Affairs (GIA), Operation and Risk Management (ORM) Committee, and Strategic Planning Advisory Committees.

Retired after 25 years, Ms. Brown served as the senior vice president of managed care and population health for Johns Hopkins Medicine, president of Johns Hopkins HealthCare LLC, and Senior Counsel for the Johns Hopkins Health System. Prior to joining Johns Hopkins in 1994, Ms. Brown was an assistant attorney general with the Maryland Office of the Attorney General for the Department of Health and Mental Hygiene.

Ms. Brown is actively involved in community activities. She has served on numerous community boards, including the United Way of Central Maryland, which she chaired from 2013 through 2015, the Chesapeake Regional Information System for Our Patients, which she chaired from 2009 to 2019, and Maryvale Preparatory School, her alma mater, which she currently chairs. Ms. Brown also currently serves as president, oncology, for Medically Home Group, an organization transforming health care by bringing acute hospital services to the home.

Ms. Brown holds a Juris Doctor (JD) from the University of Baltimore School of Law and a Bachelor of Arts in Political Science and Government from the University of Richmond.

Mary Colins, Vice Chair

Judge Colins was appointed to the NSC Board of Directors in 2018. Judge Colins serves as the secretary of the NSC Board. Additionally, she serves as chair of the Governance and Internal Affairs (GIA) Advisory Committee and is a member for both the Operations and Risk Management (ORM) and the Strategic Planning (SPC) Advisory Committees.

Judge Colins served as a senior trial judge in Philadelphia, Pennsylvania. Judge Colins also served as the chairperson and was a founding member of the Pennsylvania Gaming Control Board. In October of 2010, Judge Colins became a member of the Pennsylvania and New Jersey Regional Boards of Directors, which by 2016 included five Supported Organizations.

Judge Colins taught trial advocacy and gaming and casino law at numerous law schools and universities. She lectured and taught at American Bar Association and International Association of Gaming Attorneys and Regulators conferences throughout the country, as well as continuing legal education programs.

Judge Colins holds a Bachelor of Arts in English Literature from The University of Pennsylvania, Juris Doctor (JD) from Villanova University, a Master of Arts in Labor Law from

Temple University Beasley School of Law, and a mediation certification from Pepperdine University School of Law.

Eileen Erstad

Ms. Erstad was appointed to the NSC Board in 2014. She currently serves as treasurer of NSC, chair of the Budget and Finance Committee, and is a member of both the Audit, Investment, and Treasury (AIT) and the Strategic Planning (SPC) Advisory Committees.

Ms. Erstad is a senior executive consultant and has been the chief financial officer for organizations in the health care, hospitality, and financial services industries. Ms. Erstad developed and implemented strategic plans, growth, and reorganization strategies, and participated in new product development. Ms. Erstad's most recent position was chief operating officer for ResortQuest. Prior to this, Ms. Erstad was the chief financial officer and senior vice president of Symphony Health Services, LLC; and director of financial planning and analysis at PHH Corporation.

Ms. Erstad graduated from Loyola College in Maryland and is a licensed Certified Public Accountant (CPA).

Zina Jacque

Reverend Jacque was the NSC Board of Directors in 2017 and was appointed as chair of the NSC Board in 2022. Additionally, Reverend Jacque served as a regional director of NSC's west region, from 2009 to 2017.

Reverend Jacque comes to the work of senior living and wellness from a community engagement background. Reverend Jacque is a minister at the Alfred Street Baptist Church in Alexandria, Virginia. Previously, Reverend Jacque has served on the staffs of multicultural, urban, and suburban churches and performed extensive work in the areas of higher education, counseling, and faith-based not-for-profits.

Reverend Jacque sits on the Board of Directors of the American Baptist Churches USA, JourneyCare Palliative Care and Hospice Center, and the Samaritan Counseling Center of the Northwest Suburbs.

Reverend Jacque holds a Doctor of Theology and a Master of Divinity degree summa cum laude from Boston University, a master's from Columbia University, and a Bachelor of Arts from Northwestern University.

Monty Leonard

Mr. Leonard was appointed to the Board of Directors in 2022. He is a member of both the Audit, Investment, and Treasury (AIT) and Budget and Finance (BFC) Advisory Committees.

Mr. Leonard currently serves as senior vice president and development controller for the Howard Hughes Corporation, overseeing the financial and accounting matters for all of Howard Hughes' strategic development projects. Mr. Leonard was previously the vice president and controller of land development at The Rouse Company, where he helped oversee the acquisition valuation process for several land assets.

Mr. Leonard also served on several community boards, ranging from serving as president of a local little league, vice president of Tri-Churches Housing in Baltimore City, board member of the Howard County Chamber of Commerce, and board of trustee at his church.

Mr. Leonard is a Certified Public Accountant (CPA) and holds a Master of Business Administration and a Bachelor of Arts in Accounting from The University of Akron in Ohio.

Pamela Paulk

Ms. Paulk was appointed to the Board of Directors in 2022. She is a member of both the Operations and Risk Management (ORM) and Governance and Internal Affairs (GIA) Advisory Committees.

Ms. Paulk spent her career in health care administration and recently retired after 20 years from Johns Hopkins Medicine. She served as president of Johns Hopkins Medicine International (JHMI) and previously the senior vice president for human resources for Johns Hopkins Medicine and the Johns Hopkins Health System. She also taught graduate-level courses at the Johns Hopkins Bloomberg School of Public Health.

Ms. Paulk served on numerous boards, most notably as president and co-founder of the Baltimore Alliance for Careers in Healthcare and a trustee for the Baltimore City Community College. In 2014, Ms. Paulk was honored at the White House as a Champion of Change for her leadership and work bringing people with barriers to employment such as criminal backgrounds into the Johns Hopkins workforce.

Ms. Paulk received her master's in social work from Florida State University and Master of Business Administration from Johns Hopkins University.

Stephanie Reel

Ms. Reel was appointed to the NSC Board of Directors in 2017. She serves as chair of the Operations and Risk Management (ORM) Advisory Committee and is a member of the Budget and Finance Committee (BFC) Advisory Committee.

Ms. Reel was the chief information officer for all divisions of the Johns Hopkins University and Health System for 30 years. Prior to this she served as the senior vice president for information services for Johns Hopkins Medicine, a post she held since 1994. She was appointed vice provost for information technology and CIO for Johns Hopkins University in 1998. Ms. Reel retired from Johns Hopkins in November 2020.

In 2023 she served as the interim vice chancellor for information technology for Washington University in St. Louis, Missouri, while a search is conducted. In 2019, Ms. Reel was appointed to the board of the NIH Clinical Center.

Ms. Reel graduated from the University of Maryland Baltimore County with a degree in information systems management and holds a Master of Business Administration from Loyola College in Maryland.

Michael Roskiewicz

Mr. Roskiewicz was appointed to the NSC Board of Directors in 2019. He served as a regional board member before the current system structure since 2007. Mr. Roskiewicz currently serves as Chair of the Strategic Planning (SPC) Advisory Committee and is a member of both the Governance and Internal Affairs (GIA) and Operations and Risk Management (ORM) Advisory Committees.

Mr. Roskiewicz is a lawyer by training with experience in corporate finance and mergers and acquisitions. Mr. Roskiewicz is a founding member of WestCongress Insurance Services, where he serves as Executive Vice President and General Counsel with responsibility for Human Resources, Claims, Regulatory Compliance, Mergers and Acquisitions, Corporate Governance, Litigation Management, and Contracts. Mr. Roskiewicz was previously the General Counsel of First Mercury Financial Corporation (NYSE: FMR) and a partner in the Michigan law firm of Dickinson Wright.

Mr. Roskiewicz received his Bachelor of Arts in Psychology from the University of Michigan and his Juris Doctor (JD) from Washington University School of Law in St. Louis.

Russell Sharp

Mr. Sharp was appointed to the NSC Board of Directors in 2023. He currently serves as a member of both the Budget and Finance (BFC) and the Governance & Internal Affairs (GIA) Advisory Committees.

Mr. Sharp retired in late 2023 as the Chief of Staff to the CIO for Washington University in St. Louis, where he led IT Finance and Administration, and IT Governance, Portfolio and Project Management, and Service Management. Prior to this, he was a CIO leader at Yale University and had an 11-year career with Pfizer’s IT.

His background science has highlighted the importance of listening and introspecting as a leader, taking an approach of empathy where he listens to understand, rather than respond.

Mr. Sharp completed his undergraduate studies at the University of Kent with a degree in Microbiology.

Mary Moscato

Ms. Moscato was appointed to the NSC Board of Director in 2024 and serves on both the Audit, Investment & Treasury (AIT) and the Operations & Risk Management (ORM) Advisory Committees.

Ms. Moscato is the former President of Hebrew SeniorLife, where she oversaw a comprehensive and integrated network of post-acute care services and senior living. She has over 30 years of C-level, progressive experience in post-acute care delivery systems and management of multi-site clinical operations. Prior to joining Hebrew SeniorLife, she held the position of Northeast Regional President for the nation's largest provider of inpatient rehabilitation hospitals.

Ms. Moscato is a Fellow in the American College of Healthcare Executives, serves on numerous state and national boards, including the MA DPH Public Health Council, and has been recognized by the Boston Globe and Commonwealth Institute as a Top Women-Led Business.

Ms. Moscato holds a Master of Business Administration and Master of Public Health from Boston University, and a Bachelor of Science from Northeastern University.

Bill Pomeranz

Bill Pomeranz was appointed to the NSC Board of Directors in 2025. He is currently a member of both the Audit, Investment, & Treasury and Governance & Internal Affairs Committees. In addition to his role on the NSC Board, Bill serves on the community boards for each of NSC's supported communities. Specifically, Bill is vice chair of the Tallgrass Creek and Wind Crest Boards.

Bill recently retired after a 40-year career in healthcare advisory, most recently as Managing Director at Cain Brothers, a division of KeyBanc Capital Markets. He specialized in post-acute care services and senior living facility development, securing over $4.1 billion in tax-exempt and taxable financings since 1998 for non-profit clients and executing over two dozen acute-post-acute provider affiliations. Before Cain Brothers, Bill led a development firm managing start-up and expansion projects for nonprofit senior living providers and hospitals. He also served as a turnaround advisor for struggling retirement communities, skilled nursing, and home health agencies, with a focus on enhancing underperforming CCRC facilities through joint ventures with hospital systems.

Bill has extensive experience working with regional hospital systems to build and finance post-acute care delivery systems. His efforts include developing SNFs, assisted living facilities, CCRCs, PACE centers, and long-term care hospitals. He also advises non-profit CCRC owners on repositioning and growing their facilities and in-home care services portfolios.

Bill holds a bachelor's degree in economics from the University of Illinois and a master's degree in public policy and administration from the University of California, Berkeley.

Daniel Wallick

Daniel Wallick was appointed to the NSC Board of Directors in 2025. He is currently a member of both the Audit, Investment, & Treasury and Budget & Finance Committees. In addition to his role on the NSC Board, Daniel serves on the community boards for each of NSC's supported communities. Specifically, Daniel is vice chair of the Lantern Hill, Maris Grove, and Ashby Ponds Boards.

Daniel has had a long career in investment management. As a former principal in Vanguard's Investment Strategy Group, he created the firm's capital markets model, advised institutions, and published a wide array of research. He holds multiple financial patents and led the creation of mutual funds with current assets under management of more than $2 trillion. Prior to Vanguard, he brought more than $1 billion of municipal bonds to market while working at Public Financial Management.

Daniel has an extensive history of board service and is currently an active member of both the Penn Basketball and Wesleyan Men's Soccer boards.

Daniel holds a bachelor's degree in history from the University of Pennsylvania and a master's degree in business administration from Harvard University.

Erickson Senior Living

James Davis, Chairman

In 1983, Jim Davis co-founded a specialized staffing company that has grown into Allegis Group, the country's largest private staffing firm.

More than a decade ago, Jim Davis met John Erickson, founder of Erickson Retirement Communities, a leader in developing and managing full-service retirement communities. They came to realize they shared a passion for service, particularly to seniors; an insistence on mission-driven company cultures; and a strong sense of giving back to the community. When an opportunity to take a leadership role in the company presented itself, Jim visited every Erickson campus to see for himself, and hear from the residents, what the Erickson lifestyle meant.

Today, the company, now known as Erickson Senior Living, matches its delivery of outstanding service and resident satisfaction with a strong financial position. The company is the strongest capitalized company in the industry and has built a solid platform for growth and innovation.

Mr. Davis, a native of suburban Philadelphia, graduated from Villanova University. He lives outside Baltimore with his wife and children.

R. Alan Butler, Chief Executive Officer

Mr. Butler joined Erickson Senior Living in 2010 as Chief Operating Officer and assumed his current position in 2011. As CEO, he focuses on the company's strategic growth. He spent 14 years as Treasurer of Allegis Group, Inc., the largest provider of staffing in the United States with 8,000 employees and 2009 revenue of $6 billion. Mr. Butler was responsible for all debt placement and syndicated credit facilities, cash management activities, and advised on all mergers and acquisitions. He is currently CEO of Erickson Senior Living and President of Redwood Capital Investments, LLC, a private investment company.

Prior to joining Allegis Group and Redwood, Mr. Butler held various credit and lending positions at Bank of America and its predecessor banks from 1986 to 1996.

Mr. Butler currently serves on the Board of Redwood portfolio companies and on the Executive Board of the Boy Scouts of America. He graduated magna cum laude from the University of Maryland, College Park with a bachelor's degree in finance and received his master's degree in business administration from Loyola College in Maryland.

Gregg Colon, Chief Operating Officer

Mr. Colon serves as COO and oversees all of Erickson Senior Living's community operations programs including healthcare operations at all managed communities. Mr. Colon previously served as the Senior Vice President of Health Services for Erickson Senior Living and was responsible for healthcare operations, resident life programs, and ancillary health care lines of business.

Prior to joining Erickson Senior Living, Gregg was Senior Vice President of resident care and services for Sunrise Senior Living, where he was responsible for care-related programming and standards for more than 300 senior living communities in the United States, Canada, and the United Kingdom. He is a certified public accountant and holds a Bachelor of Science degree in accounting from Georgetown University.

Dr. Matt Narrett, Chief Medical Officer

Dr. Narrett is the Chief Medical Officer for Erickson Senior Living. He is responsible for directing the provision of medical care and Erickson Senior Living's unique Health Plan, Erickson Advantage, at all Erickson Senior Living communities nationwide. The Medical Centers that Dr. Narrett directs are recognized as being among America's leading geriatric health care facilities.

Prior to his current position over the course of his 17 years at Erickson Senior Living, Dr. Narrett has served as Vice President and Regional Medical Director and Medical Director for Charlestown Community. Before joining Erickson Senior Living, he was in private practice in Derry, N.H., where he also served as director of medical quality assurance at Parkland Medical Center. He has extensive experience in adult and geriatric medicine having seen and treated thousands of seniors throughout his twenty five year career.

Dr. Narrett graduated summa cum laude from Yale University with a B.S. degree in molecular biochemistry and biophysics. He received his medical degree from Harvard Medical School's Harvard-M.I.T. Division of Health Sciences and Technology. He completed his internship and residency at Beth Israel Hospital in Boston. He is board-certified in internal medicine and holds a certificate of added qualifications in geriatric medicine.

Dr. Narrett currently serves on the Clinical Practice and Models of Care Committee for the American Geriatric Society and the Advisory Board of the Practice Change Fellows Program supported by the Atlantic Philanthropies and the John A. Hartford Foundation. He is also a member of the American College of Physicians and the American Geriatrics Society.

He has spoken frequently on issues affecting seniors in a number of settings including conferences, media events, health leadership summits and congressional forums.

Christian Sweetser, Chief Financial Officer

Christian Sweetser plans, develops, implements, and directs Erickson Senior Living's fiscal function and performance. He participates in the development of the company's strategic plans and programs, evaluates and advises on long-range plans, and provides financial and trending analysis.

Previously, Christian was chief financial officer at Silverado Senior Living in Irvine, California. Under his leadership, Silverado enjoyed its most profitable financial performance in consolidated company history. Before joining Silverado, Christian was a vice president at Welltower, the world's largest health care real estate investment trust.

Mr. Sweetser holds a bachelor of science degree in economics from Cornell University and an MBA from the University of Chicago. He is also a chartered financial analyst and a member of the CFA Institute.

Executive Director of Ann's Choice:

Christopher R. Donati

Mr. Donati, as Executive Director, is responsible for the total operation of the Ann's Choice retirement community in Warminster, Pennsylvania.

Mr. Donati has over 30 years' experience working in senior housing. Prior to joining Erickson Senior Living, he was an Executive Director for Cooperative Retirement Services of America (CRSA) at Mercy Ridge, Inc., a 455-unit continuing care retirement community located in Timonium, MD. Mr. Donati also opened and managed life care communities for Marriott Senior Living Services and Sunrise Senior Living Services in Wilmington Delaware and Stamford, Connecticut. He is a licensed nursing home administrator in Pennsylvania, Delaware and Connecticut. Mr. Donati graduated from the Pennsylvania State University with a B.S. in Health Planning & Administration as well as a Master of Health Administration degree.

EXHIBIT 3

DIAGRAM OF COMMUNITY OPERATING STRUCTURE

Summary:
Exhibit Three visually represents the contractual relationship between the business entities associated with the operation of the Community.

Ann's Choice, Inc. Community Structure

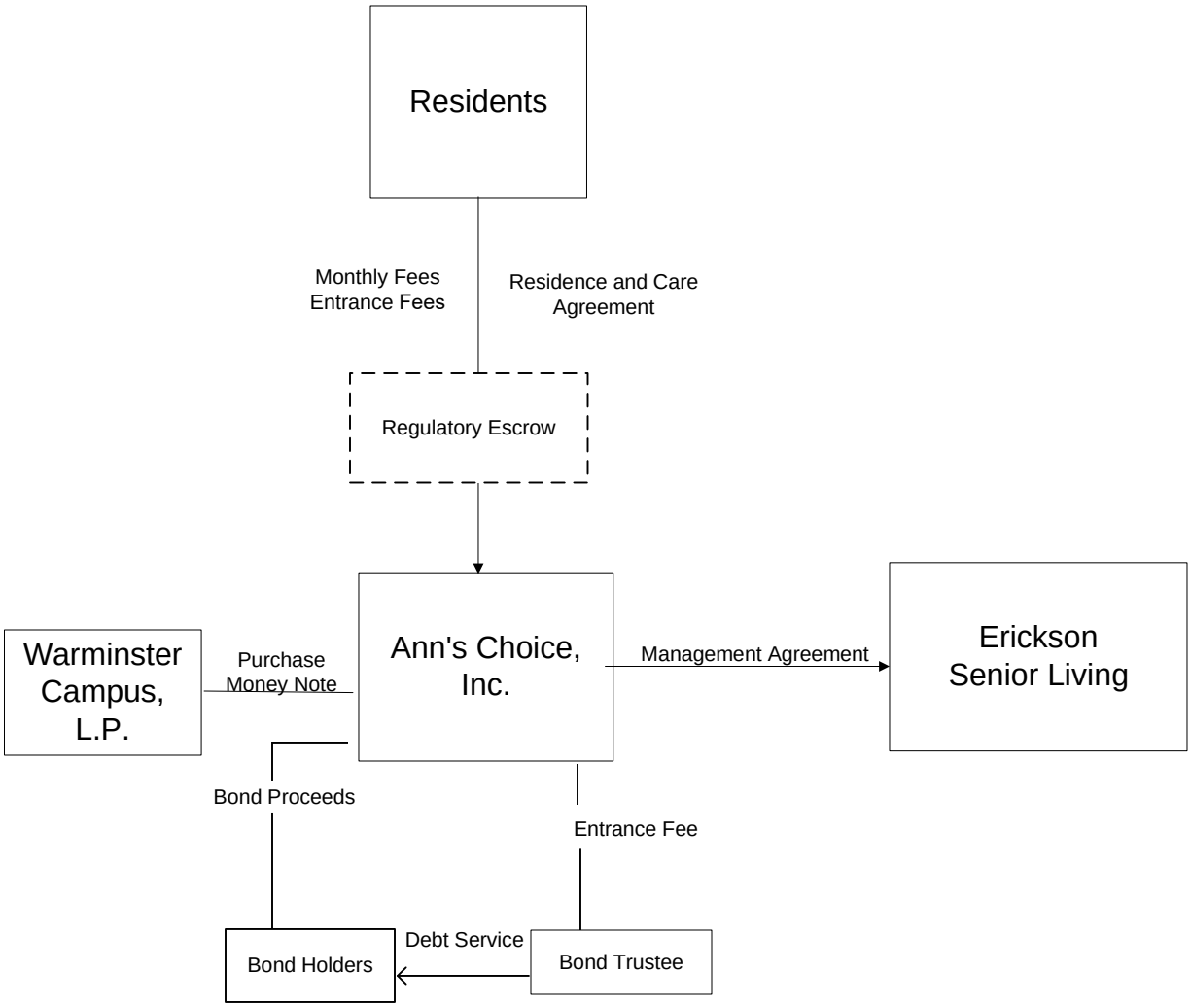


EXHIBIT 4

ANTICIPATED PROJECT SCHEDULE

Summary:
Exhibit Four presents the anticipated construction schedule of the Community. Although this is a projected schedule, construction will progress in response to market demand.

ANTICIPATED PROJECT SCHEDULE

Ann's Choice, Inc. was built in response to market demand. Currently the community includes three residential neighborhoods in independent living and Continuing Care at Ann's Choice.

In the future, Ann's Choice may include the following buildings and improvements. Construction and completion will depend on demand and market conditions and have yet to be determined.

Project Name	
Bridge NH3.3	Residential Building 4.2
Sitework 4 (includes NH4)	Residential Building 4.3
Residential Building 4.1	CB4.0 CP Ph2
Bridge NH4.1	Residential Building 4.4
Community Building 4.0	Residential Building 4.5

EXHIBIT 5

CURRENT ENTRANCE FEE SCHEDULE, MONTHLY SERVICE PACKAGES AND PERIODIC CHARGES FOR ANCILLARY SERVICES

Summary:
Exhibit Five records the current Entrance Fees and the Monthly Service Packages which include the services listed in Section 4 of the Residence and Care Agreement (Exhibit 1). Also included in this Exhibit is the current list of periodic charges for ancillary services for residents.

EXHIBIT 5

CURRENT ENTRANCE FEE SCHEDULE, MONTHLY SERVICE PACKAGES, AND PERIODIC CHARGES FOR ANCILLARY SERVICES

Independent Living Units 2026 Feed Schedule

Living Unit Description	Living Unit Entrance Fee**	2026 Monthly Service Package**
Studio, One Bath	$137,000-$208,000	$2,656
One Bedroom, One Bath	$218,000-$359,900	$2,916-$3,023
One Bedroom, One Bath w/Den	$315,000-$409,000	$3,365
One Bedroom, One and One Half Bath w/Den	$35,000-$460,0004	$3,365-$3,418
One Bedroom, One and One Half Bath	$301,000-$519,000	$3,365-$3,787
Two Bedroom, One Bath	$306,000-$446,000	$3,365-$3,431
Two Bedroom, One and One Half Bath	$391,000-$489,000	$3,394- $3,649
Two Bedroom, Two Bath	$441,000-$706,000	$3,642-$4,042
Luxury Two Bedroom, Two Bath	$647,000- $1,144,00	$4,127-$5,568
Double Occupancy	N/A	$1,179

**Please refer to the Residence and Care Agreement. Discounts may apply if a marketing special promotion is in effect.

Health Care Units 2026 Fee Schedule – Full Deposit of $140,000

Type of Unit & Service Package	Fees as of 1/1/2026
Assisted Living Monthly Fee Level A(Basic)	$8,362
Assisted Living Monthly Fee Level B	$10,138
Assisted Living Monthly Fee Level C	$11,917
Assisted Living Monthly Fee Level D	$13,524
Assisted Living Monthly Fee Level E	$15,150

Type of Unit & Service Package	Fees as of 1/1/2026
Personal Care Monthly Fee Level A(Basic)	$4,997
Personal Care Monthly Fee Level B	$6,198
Personal Care Monthly Fee Level C	$7,379
Personal Care Monthly Fee Level D	$8,601
Personal Care Monthly Fee Level E	$9,777

Type of Unit & Service Package	Fees as of 1/1/2026
Memory Care – Base Package Level F	$12,000
Memory Care – Next Level E	$13,544

NURSING

Type of Unit & Service Package	Full Deposit of $140,000
Daily Private Rate	$559

2026 Periodic Charges for Ancillary Services

SERVICE	2026 CHARGE
Non-Occupancy Credit – Independent Living Credit for Absences per day (credit starts after 11 consecutive nights or more): Single Occupancy Double Occupancy	 $16.00 $24.00
Non-Occupancy Credit – Assisted Living	Monthly Fee drops to Assisted Living Level A package starting 1st day of absence for duration of consecutive absence. Note: if resident is already at Level A for Assisted Living, no credit is applied.
Non-Occupancy Credit- Personal Care	Monthly Fee drops to Personal Care Level A package starting 1st day of absence for duration of consecutive absences. Note: if resident is already at Level A for Personal Care, no credit is applied.
Non-Occupancy Credit – Memory Care	Monthly Fee drops to Memory Care Package C Leave Rate starting on the 1st day of absence for the duration of consecutive days of absence.
Guest Meal	$25.00
Guest Meal – Sunday Brunch	$25.00
Guest Meal – Holiday	$25.00
Guest Meal – Child under 11	$6.00
Convalescent Meal	$2.50
Nutrition Consult	$75.00
RG/RGT Early Riser Guest Meal	$6.00

SERVICE	2026 CHARGE
RG/RGT Guest Brunch	$7.50
RG/RGT Guest Dinner Meal	$11.60
Meal Delivery Charge	$7.00
Additional Living Unit Key	$10.00
Additional Exterior Door Key	$66.00
Additional Mailbox Key	$8.50
Visitor Bar Code	$12.00
Resident Bar Code Additional Vehicle / New Vehicle	$12.00
Padlock for Storage Bin	$12.00
Reserved Parking per month (resident registered car only)	$27.60
Storage Bin per month	$14.00*
Guest Room per night (Single)	$135.00*
Efficiency Guest Room per night	$145.00*
Roll Away Bed Roll Away Bed With Linen	$14.50 $22.00
Maintenance Service per hour plus materials (1/2 hour minimum)	$58.00
Car Battery Jump Start	$16.00
Grounds service per hour (hour minimum)	$38.00
Grounds Patio Cleaning	$37.50
Snow removal from car	$40.00
Snow removal from car – same day request	$47.00
Housekeeping per hour (hour minimum)	$48.00*
Television Recycling (fee varies per model and size)	$39.00-$85.80
Mattress, Box Spring and/or Frame Removal (fee varies per items disposed)	$17.00-$40.00
Wheel Chair Rental	$12.00
Wheel Chair Escort	$26.00
Transportation Emergency Pendent Installation (one time fee) Emergency Pendent Monthly Fee	$6 Per Mile $190.00 $15.00
Enhanced Fitness Membership	$25.00
Waterproof Watch	$200.00
ID Vade Replacement (With a Computer Chip)	$30.00
Electric Care Charging Overtime Fee (After 8 Hours)	$25.00
Ongoing Individual Assistance –Personal Trainer – 5 ½ hour sessions (minimum)	$100.00
New Punch Card for 10 Classes	$26.00
Therabands (per band)	$5.00
Balance and Mobility Classes	$60.00
Virtual Fitness Programs (digital)	Included

SERVICE	2026 CHARGE
Group Fitness Classes (in-person)	Add'l fees apply
Memory Fitness Class (12 classes)	$55.00
Erickson Resident Computer Services – 30 Minute Minimum Appointment	$50.00
Erickson Resident Computer Services – Additional 15 Minute Increment	$18.00
Ann's Club	$62 Per 4 Hour Session

* For these services, a 6% Sales Tax will also be charged as required by the state of PA. Ancillary fees in continuing care are available on request.

Ann's Choice Home Support Services – 2026 Fee Schedule

Aide Services	**Price**
Per Hour	$48.00
Per Hour (Premium Time)	$51.00
>/= 4 Hours (per hour)	$38.00
Couple Visit – Add'l charge for second person (per hour)	$10.00
Medication Reminder (per visit)	$25.00

RN Services	
Assessment	$150.00
Nurse Visit (per visit)	$132.00
Nurse Service (per hour)	$132.00

Note: Holiday fees are 1.5 times the regular rate and are in effect on: New Year's Day, Martin Luther King Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

EXHIBIT 6
CHANGES IN FEES

Summary:
As required, Exhibit Six reflects the changes in Monthly Service Packages and Ancillary Fees since the opening of the community or for the last five years of operation, whichever is less.

Schedule of Monthly Service Packages, Frequency of Changes, & Average % Change

Living Unit Description		2021 Monthly Service Package	2022 Monthly Service Package	2023 Monthly Service Package.	2024 Monthly Service Package	2025 Monthly Service Package	2026 Monthly Service Package	2026 vs -2025 % Increase/ Decrease
Studio, One Bath		$2,084	$2,162	$2,351	$2,462	$2,560	$2,656	3.75%
One Bedroom, One Bath		$2,371-$2,712	$2,374-$2,460	$2,581-$2,675	$2,703-$2,802	$2,811-$2,914	$2,916-$3,023	3.75%
One Bedroom, One Bath w/Den		$2,640	$2,740	$2,979	$3,120	$3,244	$3,366	3.75%
One Bedroom, One and One Half Bath w/Den		$2,640-$2,682	$2,740-$2,783	$2,979-$3,026	$3,120-$3,144	$3,244-$3,295	$3,3366-$3,419	3.75%
One Bedroom, One and One Half Bath		$2,371-$2,712	$2,460-$2,815	$2,675-$3,061	$2,802-$3,206	$2,914-$3,651	$3,023-$3,788	3.75%
Two Bedroom, One Bath		$2,639-$2,691	$2,740-$2,792	$2,979-$3,036	$3,120-$3,180	$3,244-$3,307	$3,366-$3,431	3.75%
Two Bedroom, One & ½ Bath		$2,664-$2,863	$2,764-$2,971	$3,005-$3,230	$3,147-$3,283	$3,272-$3,518	$3,395-$3,650	3.75%
Two Bedroom, Two Bath		$2,857-$3,105	$2,964-$3,221	$3,223-$3,502	$3,3376-$3,668	$3,511-$3,896	$3,643-$4,042	3.75%
Luxury Two Bedroom, Two Bath		$3,079-$3,289	$3,196-$3,413	$3,475-$3,711	$3,640-$3,887	$3,978-$5,367	$4,127-$5,568	3.75%
Double Occupancy		$926	$926	$961	$1,094	$1,137	$1,179	3.75%

Health Care Units

Type of Unit & Service Package	2021 Monthly Service Package	2022 Monthly Service Package	2023 Monthly Service Package	2024 Monthly Service Package	2025 Monthly Service Package	2026 Monthly Service Package	2026 vs 2025 % Increase/ Decrease
Personal care Monthly Fee Level A(Basic)	N/A	$3,950	$4,337	$4,576	$4,805	$4,997	4%
Personal care Monthly Fee Level B	N/A	4,900	$5,380	$5,576	$5,960	$6,198	4%
Personal care Monthly Fee Level C	N/A	$5,850	$6,406	$6,758	$7,096	$7,380	4%
Personal care Monthly Fee Level D	N/A	$6,800	$7,466	$7,877	$8,271	$8,602	4%
Personal Care Monthly Fee Level E	N/A	$7,750	$8,486	$8,953	$9,401	$9,777	4%
Respite	N/A	N/A	N/A	NA	NA	NA	N/A
Personal care Non-occupancy credit	See Ancillary Fee Schedule	See Ancillary Fee Schedule	See Ancillary Fee Schedule	See Ancillary Fee Schedule	See Ancillary Fee Schedule	See Ancillary Fee Schedule	N/A

Note: Ann's Choice did not offer personal care in certain years and recently restarted this level of care.

Type of Unit & Service Package		2021Monthly Service Package	2022 Monthly Service Package	2023 Monthly Service Package	2024 Monthly Service Package	2025 Monthly Service Package	2026 Monthly Service Package	2026 vs 2025 % Increase/Decrease
Assisted Living Monthly Fee Level A(Basic)		$6,356	$6,610	$7,258	$7,657	$8,040	$8,362	4%
Assisted Living Monthly Fee Level B		$7,707	$8,015	$8,800	$9,2840	$9,748	$10,138	4%
Assisted Living Monthly Fee Level C		$9,059	$9,421	$10,344	$10,913	$11,459	$11,917	4%
Assisted Living Monthly Fee Level D		$10,280	$10,691	$11,739	$12,385	$13,004	$13,524	4%
Assisted Living Monthly Fee Level E		$11,542	$12,004	$13,180	$13,873	$14,567	$15,150	4%

Type of Unit & Service Package	**2021 Monthly Service Package**	**2022 Monthly Service Package**	**2023 Monthlervice Package**	**2024 Monthly Service Package**	**2025 Monthly Service Package**	**2026 Monthly Service Package**	**2026 vs 2025 % Increase/Decrease**
Memory Care Base Monthly Fee Level F(Basic)	$9,126	$9,491	$10,416	$10,989	$11,538	$12,000	4%
Memory Care Monthly Fee Level E	$10,300	$10,712	$11,756	$12,403	$13,025	$13,544	4%

NURSING

Type of Unit & Service Package	2021 Monthly Service Package	2022 Monthly Service Package	2023 Monthly Service Package	2024 Monthly Service package	2025 Monthly Service Package	2026 Monthly Service Package	2026 vs 2025 % Increase/Decrease
Daily Private Rate	$455	$472	$514	$529	$545	$559	2.5%

Ancillary Service Fees, Frequency of Changes, and Average % Change

Service	2021	2022	2023	2024	2025	2026	2026 vs 2025 % Increase/ Decrease
Credit for Absences per day (11 consecutive days or more)							0%
Single Occupancy	$14.00	$14.00	$14.00	$14.00	$15.00	$16.00	6.7%
Double Occupancy	$22.00	$22.00	$22.00	$22.00	$23.00	$24.00	4.3%
Erickson Resident Computer Services (first 30 min)	$40.00	$41.00	$45.00	$47.00	$49.00	$50.00	2%
Each additional 15 min or portion thereof	$13.00	$13.00	$15.00	$16.00	$17.00	$18.00	5.9%
Dinner (Mon - Sat)	$17.50	$17.50	$25.00	$25.00	$25.00	$25.00	0%
Sunday Brunch & Buffet	$17.50	$17.50	$25.00	$25.00	$25.00	$25.00	0%
Holiday Adult Meal (Buffet)	$18.50	$18.50	$25.00	$25.00	$25.00	$25.00	0%
Children age 11 and under	$ 6.00	$ 6.00	$ 6.00	$ 6.00	$ 6.00	$ 6.00	0%
Convalescent Meal	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	0%
Meal Delivery Charge			$7.00	$7.00	$7.00	$7.00	0%
RG/RGT Early Riser Guest Meal	$6.00	$6.00	$6.00	$6.00	$6.00	$6.00	0%
RG/RGT Guest Brunch	$7.50	$7.50	$7.50	$7.50	$7.50	$7.50	0%
RG/RGT Guest Dinner Meal	$11.60	$11.60	$11.60	$11.60	$11.60	$11.60	0%
Nutrition Consultant	$75.00	$75.00	$75.00	$75.00	$75.00	$75.00	0%
Additional Living Unit Key	$ 7.00	$ 8.00	$ 8.00	$ 9.60	$ 9.60	$ 10.00	4.2%
Additional Exterior Door Key (per)	$55.00	$55.00	$66.00	$66.00	$66.00	$66.00	0%

Service	2021	2022	2023	2024	2025	2026	2026 vs 2025 % Increase/ Decrease
Additional Mailbox Key	$ 5.50	$ 7.00	$ 7.00	$ 8.40	$ 8.40	$ 8.50	1.2%
Visitor Bar Code	$8.00	$10.00	$12.00	$12.00	$12.00	$12.00	0%
Resident Bare Code Addit'l/New Vehicle		$10.00	$12.00	$12.00	$12.00	$12.00	0%
Padlock for Storage Bin	$10.00	$10.00	$12.00	$12.00	$12.00	$12.00	0%
Reserved Parking per month (resident registered car only)	$22.00	$23.00	$27.60	$27.60	$27.60	$27.60	0%
Roll Away Bed per night	$12.00	$12.00	$14.40	$14.40	$14.40	$14.50	.7%
Roll Away Bed per night with linen	$18.00	$18.00	$21.60	$21.60	$21.60	$22.00	1.9%
Storage Bin per month	$ 10.00	$ 11.00*	$ 13.20*	$ 13.20*	$ 13.20*	$ 14.00*	6.1%
Guest Room per night (Single) Efficiency Guest Room per night	$ 100.00*	$100.00*	$120.00*	$132.00*	$136.00*	$145.00*	3.8%
Service per hour plus materials (Maintenance - 30 minute minimum)	$34.00	$35.00	$54.60	$57.00	$58.00	$58.00	1.8%
Car battery jump start	$10.00	$10.00	$15.60	$15.60	$15.60	$16.00	2.6%
Grounds service per hour (hour minimum)	$22.00	$23.00	$35.88	$36.00	$36.00	$38.00	5.6%
Grounds - patio cleaning	$22.00	$23.00	$35.88	$37.00	$37.00	$37.50	1.4%
Snow Removal from car	$20.00	$25.00	$39.00	$39.00	$39.00	$40.00	1%

Service	2021	2022	2023	2024	2025	2026	2026 vs 2025 % Increase/ Decrease
Housekeeping per hour (1 hour minimum)	$30.00*	$32.00*	$45.00*	$47.00*	$48.00*	$49.00*	2.1%
Wheel Chair Rental	$10.00	$10.00	$12.00	$12.00	$12.00	$12.00	0%
Wheel Chair Escort - round trip (one way - $7.50)	$15.00	$15.00	$23.40	$24.00	$26.00	$28.00	8.3%
Television Recycling (fee varies per size and model)	$25.00 - $55.00	$25.00-$55.00	$39.00-$85.80	$39.00-$85.80	$39.00-$85.80	$39.00-$85.80	%
Mattress, Box Spring and/or Frame Removal (fee varies per items disposed)	$10.00-$25.00	$10.00-$25.00	$15.60-$39.00	$16.00-$39.00	$16.50-$40.00	$17-$40.00	3%
Emergency Pendent Installation (one time fee only)	$150.00	$ 155.00	$ 186.00	$ 186.00	$ 190.00	$ 190.00	0%
Emergency Pendent Monthly Fee	$10.00	$11.00	$13.20	$15.00	$15.00	$15.00	0%
Waterproof Watch	$165.00	$165.00	$198.00	$198.00	$200.00	$200.00	0%
Transportation Per Mile Cost	$3.50 Per	$3.75Per	$6.00 Per	$6.00 Per	$6.00 Per	$6.00 Per	0%
Enhanced Fitness Membership (Aquatic / Instructor Led Classes)	$17.00	$17.00	$18.00	$20.00	$20.00	$25.00	25%

Service	2021	2022	2023	2024	2025	2026	2026 vs 2025 % Increase/ Decrease
New Punch Card for 10 Classes	$20.00	$20.00	$20.00	$25.00	$26.00	$26.00	0%
Individual Assistance - Personal Trainer - 5 one-half hour sessions (Minimum of 5 sessions)	$85.00	$85.00	$90.00	$90.00	$100.00	$100.00	0%
Balance and Mobility classes	$100.00	$100.00	$50.00	$60.00	$60.00	$60.00	0%
Memory Fitness Classes (12 classes)	$49.50	$49.50	$49.50	$52.00	$55.00	$55.00	0%
Therabands (per band)	$ 3.00	$ 3.00	$ 3.00	$ 4.00	$ 5.00	$ 5.00	0%
Ann's Club	$47 Per 4 Hour Session	$55 Per 4 Hour Session	$55 Per 4 Hour Session	$60 Per 4 Hour Session	$60 Per 4 Hour Session	$62 Per 4 Hour Session	3.3%

* For these services, a 6% Sales Tax will also be charged as required by the state of PA.

EXHIBIT 7

CERTIFIED FINANCIAL STATEMENTS OF PROVIDER

Summary:
As a form of consumer protection for prospective residents, the Insurance Department of the Commonwealth of Pennsylvania has required Ann's Choice, Inc. to include an audit from an independent accounting firm, expressing that firm's opinion on Ann's Choice, Inc.'s financial statements.

Ann's Choice, Inc.

Financial Statements and Supplemental Information

December 31, 2025 and 2024

pwc

Report of Independent Auditors

To the Board of Directors of Ann's Choice, Inc.

Opinion

We have audited the accompanying financial statements of Ann's Choice, Inc. (the "Community" or "ACH"), which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of operations, of changes in net assets (deficit), and of cash flows for the years then ended, including the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Community as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Community and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 US 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 financial statements.
In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the 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 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 the Community's 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Community's 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.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The Supplemental Schedule is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



Baltimore, Maryland
April 28, 2026

Ann's Choice, Inc.
Balance Sheets
December 31, 2025 and 2024

	2025	2024
ASSETS		
Current assets		
Cash	$ 2,040,509	$ 21,586,466
Short term investments	27,751,573	6,443,333
Accounts receivable, net	2,077,010	2,666,572
Promissory notes receivable	5,673,450	5,613,800
Prepaid expenses and other current assets	935,506	801,776
Restricted cash and cash equivalents	96,434	98,905
Total current assets	38,574,482	37,210,852
Non-current assets		
Beneficial interest in National CCRC Business Trust I	$ 138,213,097	$ 96,130,755
Resident capital cash and cash equivalents	3,108,726	2,698,950
Debt related restricted funds	3,258,907	3,221,929
Restricted reserves (statutory operating)	7,658,021	7,406,702
Funds with donor restrictions	3,181,209	2,949,598
Property and equipment, net	272,395,589	274,939,940
Interest rate swap	30,906	67,449
Other non-current assets	117,240	132,666
Total non-current assets	427,963,695	387,547,989
Total assets	$ 466,538,177	$ 424,758,841
LIABILITIES AND NET ASSETS (DEFICIT)		
Current liabilities		
Accounts payable and accrued expenses	$ 7,863,298	$ 6,944,068
Insurance claims reserve	1,383,720	1,170,494
Bonds payable - current	1,762,999	1,687,384
Resident refunds payable	12,553,830	12,174,249
Other current liabilities	223,347	197,808
Total current liabilities	23,787,194	22,174,003
Non-current liabilities		
Resident entrance fees	428,823,679	407,363,070
Community fees	40,257,850	36,146,950
Accumulated amortization	(35,831,508)	(35,984,201)
Bonds payable - non-current	85,636,746	87,998,133
Other non-current liabilities	1,252,250	1,485,276
Total non-current liabilities	520,139,017	497,009,228
Total liabilities	543,926,211	519,183,231
Net assets (deficit)		
Without donor restrictions	(80,649,033)	(97,378,778)
With donor restrictions	3,260,999	2,954,388
Total net assets (deficit)	(77,388,034)	(94,424,390)
Total liabilities and net assets (deficit)	$ 466,538,177	$ 424,758,841

The accompanying notes are an integral part of these financial statements

Ann's Choice, Inc.
Statements of Operations
December 31, 2025 and 2024

	2025	2024
Operating revenue and other support		
Resident occupancy revenue	$ 88,108,076	$ 83,183,375
Ancillary fee revenue	7,131,236	6,958,488
Amortization of community fees	2,793,707	2,079,448
Net assets released from restriction used for operations	864,729	899,822
Other revenue	851,095	876,330
Total operating revenue and other support	99,748,843	93,997,463
Operating expenses		
Salaries, wages, and benefits	43,847,027	41,351,775
General and administrative	17,209,154	16,785,133
Professional and contracted services	12,694,244	12,296,180
Management fees	4,466,905	3,956,169
Interest	2,933,542	2,962,527
Real estate taxes	2,072,458	2,078,750
Depreciation	17,169,179	16,227,780
Expenses incurred related to net assets with donor restrictions	864,729	899,822
Total operating expenses	101,257,238	96,558,136
Operating loss	(1,508,395)	(2,560,673)
Non-operating income		
Investment return, net	1,159,510	760,872
Change in beneficial interest in National CCRC Business Trust I	17,082,342	6,684,616
Realized and unrealized (loss)/gain on swap agreements	(3,712)	20,581
Total non-operating income	18,238,140	7,466,069
Excess of revenue over expenses	$ 16,729,745	$ 4,905,396

The accompanying notes are an integral part of these financial statements

Ann's Choice, Inc.
Statements of Changes in Net Assets (Deficit)
December 31, 2025 and 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets (deficit) January 1, 2024	$ (102,284,174)	$ 2,836,863	$ (99,447,311)
Excess of revenue over expenses	4,905,396	—	4,905,396
Restricted contributions and net investment return	—	1,017,347	1,017,347
Net assets released from restriction used for operations	—	(899,822)	(899,822)
Change in net assets (deficit)	4,905,396	117,525	5,022,921
Net assets (deficit) December 31, 2024	$ (97,378,778)	$ 2,954,388	$ (94,424,390)
Excess of revenue over expenses	16,729,745	—	16,729,745
Restricted contributions and net investment return	—	1,171,340	1,171,340
Net assets released from restriction used for operations	—	(864,729)	(864,729)
Change in net assets (deficit)	16,729,745	306,611	17,036,356
Net assets (deficit) December 31, 2025	$ (80,649,033)	$ 3,260,999	$ (77,388,034)

The accompanying notes are an integral part of these financial statements

Ann's Choice, Inc.
Statements of Cash Flows
December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Change in net assets (deficit)	$ 17,036,356	$ 5,022,921
Adjustments to reconcile change in net assets (deficit) to net cash, cash equivalents, and restricted cash provided by operating activities		
Depreciation	17,169,179	16,227,780
Amortization of community fees	(2,793,707)	(2,079,448)
Gain on disposals of fixed assets	—	(52,158)
Amortization of bond premium	(651,446)	(722,459)
Amortization of cost of issuance	53,058	57,037
Change in fair value of swap agreements	36,543	31,910
Change in unrealized gain on investments	(12,784)	(21,738)
Change in beneficial interest in National CCRC Business Trust I	(17,082,342)	(6,684,615)
Proceeds from community fees	7,057,300	6,081,200
Spend down	(4,656,062)	(4,527,943)
Decrease in accounts receivable, net	589,562	400,744
Increase in prepaid expenses and other current assets	(133,730)	(235,159)
Increase in accounts payable and accrued expenses	1,007,086	233,186
Increase in insurance claims reserve	213,226	229,133
Increase in other current liabilities	25,539	8,840
Net cash provided by operating activities	17,857,778	13,969,231
Cash flows from investing activities		
Increase in short-term investments	(21,295,456)	(301,715)
Increase in limited use cash, cash equivalents and investments	(128,660)	(345,998)
Purchases of beneficial interest in National CCRC Business Trust I	(25,000,000)	(22,000,000)
Purchases of property and equipment	(14,712,684)	(7,083,036)
Proceeds from sale of property and equipment	—	52,158
Net cash used in investing activities	(61,136,800)	(29,678,591)
Cash flows from financing activities		
Proceeds from resident entrance fees	73,095,450	56,185,400
Refunds of resident entrance fees	(46,876,448)	(35,555,131)
Principal payments of bonds payable	(1,687,384)	(1,610,990)
Net cash provided by financing activities	24,531,618	19,019,279
(Decrease)/increase in cash, cash equivalents, and restricted cash	(18,747,404)	3,309,919
Cash, cash equivalents, and restricted cash, beginning of year	35,492,816	32,182,897
Cash, cash equivalents, and restricted cash, end of year	$ 16,745,412	$ 35,492,816
Supplemental cash flow disclosure:		
Change in funds held for residents	$ (15,426)	$ 13,976
Purchases of property and equipment in accounts payable and accrued expenses	24,684	112,540
Cash paid for interest	$ 3,568,038	$ 3,662,163

The accompanying notes are an integral part of these financial statements

1. Organization

Ann's Choice, Inc. (the “Community” or “ACH”) was established on June 8, 2001 as a non-stock corporation in the State of Maryland. Its mission is to operate a not-for-profit continuing care retirement community (“CCRC”) located in Warminster, Pennsylvania. The Community is dedicated to helping individuals lead better lives. Its operations include independent living, continuing care, and ancillary health services. The Community has 1,454 independent living units, 82 assisted living units, 66 skilled nursing beds, and 44 memory care units available with occupancy percentages being 98.7%, 97.6%, 98.5%, and 97.7%, respectively as of December 31, 2025.

National Senior Communities, Inc. (“NSC”), a not-for-profit organization, was organized to support the Community and 17 other not-for-profit organizations that operate retirement communities. NSC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and the applicable state income tax regulations. NSC is the sole member of the Community and appoints all directors of the Community’s Board.

The Community contracts with Erickson Senior Living, LLC (“ESL”) to provide management services as described in Note 14**.** There are various agreements associated with the management of the Community whereby ESL is considered a related party.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Management Estimates

The preparation of financial statements and related disclosures in conformity with US GAAP requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain prior year amounts have been reclassified for consistency with the current year presentation. Specifically, resident entrance fees, net as presented in the previously issued financial statements as of December 31, 2024 and for the year then ended, have been allocated into separate line items, resident entrance fees, community fees and accumulated amortization. This reclassification is to provide additional clarity and alignment with the Community's Residence and Care Agreement ("RCA") contract language. The Community is reclassifying the previously issued financial statements as of December 31, 2024 and for the year then ended so that financial results may be viewed comparatively.

Cash

ACH utilizes a controlled disbursement account that funds checks as they are presented for payment which may result in a book overdraft due to timing. There were no book overdrafts as of December 31, 2025 and 2024.

Concentration of Credit Risk

Financial instruments, which subject ACH to concentrations of credit risk, consist primarily of cash and cash equivalents. Cash and cash equivalents include overnight investment arrangements with banks and investments. ACH maintains its cash in financial institutions that are federally insured under the Federal Deposit Insurance Corporation ("FDIC"). Deposits are insured up to at least $250,000 per depositor, per FDIC-insured bank, per ownership category. Total deposits maintained at

these institutions at times exceed FDIC insurance limits and therefore, bear a risk of loss. ACH has not experienced any losses on these funds, and believes it is not exposed to any significant credit risk related to cash.

Accounts Receivable, Net
ACH evaluates the collectability of accounts receivable using the current expected credit loss model under Accounting Standards Codification ("ASC") *326*, *Financial Instruments - Credit Losses* ("ASC 326"). This is a forward-looking model that estimates the lifetime credit loss of the receivable(s). ACH accounts receivable are reported net of an allowance for credit losses to represent the Community's estimate of expected losses at the balance sheet dates. ACH analyzes contractual amounts and provides an allowance for doubtful accounts and a contractual adjustment, if necessary, which is based on historical collection experience and reasonable forecasts. Subsequent changes determined to be the result of adverse changes in the payer's ability to pay are recorded as bad debt expense. Uncollectible accounts generally are related to third-party insurance payers and are recorded as a reduction of revenue. ACH writes off uncollectible accounts receivable after all collection efforts have been exhausted and management determines they will not be collected. Uncollectible accounts receivable written off were not significant for the years ended December 31, 2025 and 2024.

Promissory Notes Receivable
Promissory notes receivable consist of short-term receivables from residents related to payment of the final installment of their entrance fee. Often, there is a timing difference between when the sale of a prospective resident's home will be finalized and the due date of the final installment on their resident entrance fee. In these cases, a short-term promissory note is issued by the resident. If the resident does not pay the note by the agreed upon due date, interest may be charged from the day the note was issued through the date of payment.

Property and Equipment, Net
Property and equipment are recorded at cost and are depreciated using the straight-line method over the estimated useful lives of 3 to 40 years. The Community's policy is to capitalize individual items in excess of $2,500 that have a useful life greater than one year. A group of items with a useful life greater than one year that are the same or similar in nature or function that total $2,500 or more are capitalized as an asset group. Improvements to property and equipment that substantially extend the useful life of the asset are capitalized. Repair and maintenance costs are expensed as incurred. Gains or losses on the disposition of property and equipment are recorded at the time of the disposition.

The useful lives of property and equipment are as follows (in years):

	Useful Life
Buildings	40
Land improvements	15
Building improvements and furniture and fixtures	7
Equipment and vehicles	3 and 5

Interest Rate Swap
ACH follows accounting guidance on derivative financial instruments that is based on whether the derivative instrument meets the criteria for designation as cash flow or fair value hedges. The criteria for designating a derivative as a hedge includes the assessment of the instrument's effectiveness in risk reduction, matching of the derivative instrument to its underlying transactions, and the assessment of the probability that the underlying transaction will occur. All of ACH's derivative financial instruments are interest rate swap agreements without hedge accounting designation.

The value of the interest rate swap agreements entered into by ACH is adjusted to market value quarterly at the close of the accounting period based upon quotations from market makers. The change in market value is recorded in the non-operating section of the Statements of Operations. Entering into interest rate swap agreements involves, to varying degrees, elements of credit, default, prepayment, market, and documentation risk in excess of the amounts recognized on the Balance Sheets. Such risks involve the possibility that there will be no liquid market for these agreements, the counterparty to these agreements may default on its obligation to perform and there may be unfavorable changes in interest rates. ACH does not hold derivative instruments for the purpose of managing credit risk and enters into derivative transactions with high quality counterparties. ACH recognizes interest revenue and expenses on swap agreements as non-operating income and expense within excess of revenue over expenses/(expenses over revenue) on the Statements of Operations.

Valuation of Long-Lived Assets
The Community accounts for the valuation of long-lived assets in accordance with ASC 360-10-15, *Accounting for the Impairment or Disposal of Long-Lived Assets.* This guidance requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell. Management has reviewed the valuation of long-lived assets of the Community and has determined that no events of impairment occurred for the years ended December 31, 2025 and 2024.

Compensated Absences
ACH records a liability for amounts due to employees for future absences that are attributable to services performed in the current and prior periods, which is included in accounts payable and accrued expenses on the Balance Sheets.

Insurance Plans
ACH participates in insurance plans which cover claims for employee health and dental, professional and general liability, workers' compensation, and property insurance. ACH participates in insurance plans with ESL and other communities managed by ESL and is self-insured up to certain limits. For employee health and dental claims within the deductible limit, the payment of these claims are shared with other NSC participants based on their percentage of participation in each pool. Workers' compensation claims are limited to the Community's monthly premiums and are not self-insured. Professional and general liability insurance claims are shared by all participants, subject to retention and aggregate limits. ACH participates in a high deductible property insurance plan with ESL and other communities managed by ESL. To the extent a participant incurs a loss, all participants will share in paying for that loss based on their percentage of participation, subject to the deductible. Any third-party insurance plans would cover losses above the self-insured limits.

Insurance Claims Reserve
Insurance claims reserves are estimated accrued insurance liabilities for the employee health plan, professional and general liability, workers' compensation insurance plans, and property claims. There are known claims and incidents that may result in the assertion of additional claims, as well as claims from unknown incidents that may be asserted arising from services provided. Claims incurred but not reported represent amounts accrued for the current year, which were actuarially determined to be the amount of potential claim payments for events occurring prior to year-end, including excess amounts covered by reinsurance. The Community does not discount this liability. The change in the insurance claims reserve for the current year was insignificant.

Deferred Financing Costs
Financing costs incurred in connection with the issuance of long-term debt by the Virginia Small Business Financing Authority are included in bonds payable, net of current portion on the Balance Sheets. These costs are being amortized over the term of the related bond issuance using the straight-line method which approximates the effective interest rate method.

Resident Entrance Fees, Community Fees and Accumulated Amortization
Residents are required to remit entrance fees, which vary in amount depending upon the unit to be occupied. The terms of the RCA between the residents and ACH require the residents to pay monthly service fees and an entrance fee. The RCA used to provide for a non-refundable portion of the entrance fee of 0%. Currently, the RCA provides for a non-refundable portion of the entrance fee of 10%. The non-refundable portion is recorded as deferred revenue and amortized on a straight-line basis over an 8.5-year period which approximates the estimated average length of time a resident resides at the Community based on Community and industry data, or over a shorter period if the RCA is terminated sooner. The non-refundable portion of the entrance fee is reported on the Balance Sheets as Community fees.

Resident entrance fees may be used to satisfy monthly fees if insufficient resident funds are available, resulting in a spend down of the resident's entrance fees. The amounts charged to spend down are subsequently recovered by the Community through a reduction of the amounts refunded to the resident when they leave the Community, and any required refund is made. Residents' final bills are also charged to spend down which reduces the amount of their refundable entrance fee under the terms of the RCA.

Net Assets (Deficit)
To account for donor-imposed restrictions placed on the use of resources, net assets (deficit) are classified as follows:

Without Donor Restrictions
Net assets (deficit) without donor restrictions represent resources that are not restricted by donor-imposed stipulations, including funds of $138,213,097 and $96,130,755 invested in the Business Trust as of December 31, 2025 and 2024, respectively. They are available to support all Community operations and services. Net assets (deficit) without donor restrictions are free of donor-imposed restrictions and include all revenue, expenses, gains, and losses that are not changes in net assets (deficit) with donor restrictions.

With Donor Restrictions
Net assets with donor restrictions represent contributions and other inflows of assets whose use is limited by donor-imposed stipulations. These restrictions may or may not expire by the passage of time or by the fulfillment of certain actions pursuant to those stipulations.

Excess of Revenue Over Expenses
The Statements of Operations include excess of revenue over expenses, which includes all revenue and expenses that are an integral part of the Community's activities.

Lease Accounting
The Community leases office space to various vendors. ACH determines whether an arrangement contains a lease at inception, and whether they are finance or operating leases.

These agreements typically range from one to five years, most for a fixed monthly rate. Revenue from these agreements is recognized ratably over the lease term on a straight-line basis. However, some agreements do include a variable component in the final monthly price. Revenue from lease income is recorded in other revenue on the Statements of Operations.

ACH elected to use the practical expedient for short-term leases, and therefore does not record right-of-use assets or lease liabilities with lease durations of twelve months or less.

Revenue Recognition

The Community's revenues are derived primarily from RCAs with residents. Each RCA provides the resident with the rights to the following levels of care: (i) independent living and (ii) related care (e.g., assisted living services, skilled nursing residency and care, memory care residency, and therapy services). The Community has concluded that these rights represent a single performance obligation because they are transferred concurrently over the term of the RCA. Independent living services primarily represent the right to occupy the unit, and related care services follow the same timing and pattern of transfer. Accordingly, the Community does not account for these rights separately for revenue recognition purposes.

Practical Expedient Election

The RCA contains both a lease component (the right to occupy the living unit) and a nonlease component (resident services). The Community is the lessor in the agreement and classifies the lease as operating. In accordance with ASC 842*, Leases*, the Community has elected the practical expedient to not separate lease and nonlease components for RCAs where the timing and pattern of transfer are the same and the lease component, if accounted for separately, would be classified as an operating lease. As a result, the Community accounts for the combined components as a single performance obligation under ASC 606, *Revenue from Contracts with Customers* ("ASC 606").

Performance obligations are satisfied over time as services are rendered, and revenue is recognized on a daily or monthly basis for housing, care, and ancillary services. Revenue for services provided at a point in time, such as retail transactions (e.g., pharmaceuticals or medical equipment), is recognized when control of the goods transfers to the resident. Community fees are deferred and recognized on a straight-line basis over the expected term of the RCA, which represents the period during which the resident receives the benefits of the arrangement.

The Community determines the transaction price based on standard charges for continuing care services provided, reduced by contractual adjustments (explicit price concessions) provided to third-party payers where applicable. The Community estimates contractual adjustments and discounts based on contractual agreements and historical experiences. The Community evaluates a resident's ability to pay for provided services through an assessment of their available assets, future sources of income, and the security of their entrance fee at the time of entrance to the Community. Through this evaluation, the Community has determined that it does not offer implicit price concessions. The lack of implicit price concessions is considered in estimating the transaction price billed to residents and the amounts the Community expects to collect based on its collection history with those residents. Residents who meet the Community's criteria for charity care are provided care without charge or at amounts less than established rates. Such amounts determined to qualify as charity care are not reported as revenue.

Agreements with third-party payers typically provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payers is as follows:

Medicare: Certain nursing care services are paid at prospectively determined rates based on clinical, diagnostic, and other factors. Other services are paid based on cost-reimbursement methodologies subject to certain limits.

Medicaid: Reimbursements for Medicaid services are generally paid at prospectively determined rates per occasion of service, or per covered member.

Other: Payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations provide for payment using prospectively determined rates per discharge, discounts from established charges, and prospectively determined rates.

Generally, residents covered by third-party payers are responsible for related deductibles and coinsurance, which vary in amount. Management estimates the transaction price for residents with deductibles and coinsurance and for those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments. Subsequent changes to the estimate of the transaction prices are recorded as adjustments to resident occupancy revenue or ancillary fees in the period of the change. These changes to estimates recorded in the subsequent period were insignificant for the years ended December 31, 2025 and 2024. Subsequent changes determined to be the result of an adverse change in a payer's ability to pay are recorded as a reduction to revenue and were not significant for the years ended December 31, 2025 and 2024.

Ancillary fees

Ancillary fees, which include nursing and aide services, pharmacy charges, housekeeping, dining room sales, and other services provided to the Community's residents, are reported at the amount that reflects the consideration to which the Community expects to be entitled in exchange for providing these services. The Community recognizes revenue for these ancillary services in accordance with the provisions of ASC 606. Each service provided under the contract is capable of being distinct. Therefore, the services are considered individual and separate performance obligations, which are satisfied as services are provided, and revenue is recognized as services are provided.

Other Revenue
Other revenue includes revenue from government grants, lease income, and contribution revenue. Grant revenue is recognized when the applicable terms and conditions of the grant have been met. The Community has determined there is not an exchange back to the granting authority and accounts for these grants in accordance with ASC 958-605, *Not for Profit Entities - Revenue Recognition* ("ASC 958-605").

The Community receives contributions from residents for use limited to a specified purpose. Contribution revenue is recognized when the donor-imposed stipulation is fulfilled, and funds are expensed in accordance with ASC 958-605.

Investments
ACH records investment gains and losses in non-operating income on the Statements of Operations, along with the offsetting amount related to the increase or decrease in the short-term investments to reflect its exposure to changes in the fair value of money market funds, fixed income securities, equity securities, and U.S. agency securities (as disclosed in Note 5). Distributions received from investments are recorded as investment income to the extent that such distributions represent interest or dividends. Dividend income is recognized on the ex-dividend date and interest income is recognized on an accrual basis. Realized gain or loss is recognized when an investment is disposed of and is computed as the difference between the cost basis in the investment through specific identification at the disposition date and the net proceeds received from such disposition. Unrealized gains or losses display the difference between the fair market value of the investment and the cost basis of the investment.

Income Taxes
ACH is exempt from federal income taxes under Section 501(c)(3) of the IRC and the applicable state income tax regulations. Management has evaluated ACH's tax positions and has concluded that ACH has taken no uncertain tax positions that would require recognition or disclosure in the financial statements.

Recently Issued Accounting Pronouncements
On July 30, 2025, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2025-05 – *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets* ("ASU 2025-05") which amends ASC 326 to provide a practical expedient (for all entities) and an accounting policy election (for all entities, other than public business entities, that elect the practical expedient) related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606. The FASB developed the new guidance in conjunction with the Private Company Council to address concerns from stakeholders that estimating expected credit losses can be costly and complex for such transactions. Management evaluated ASU 2025-05 and determined that, due to the Community's historically insignificant write-offs, the practical expedient would not materially affect its credit-loss methodology. Therefore, the Community did not elect to adopt the expedient to the presentation of net accounts receivable balances or the related disclosures in the Community's financial statements.

3. Limited Use Cash and Cash Equivalents

ACH has restricted cash and cash equivalents, resident capital cash and cash equivalents, debt related restricted funds, restricted reserves (statutory operating), funds with donor restrictions and funds held for residents that are comprised of cash and cash equivalents, stated at fair market value. Income related to limited use cash and cash equivalents is included in investment return, net, on the Statements of Operations.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the Balance Sheets that sum to the total of the same amounts shown on the Statements of Cash Flows as of December 31:

	2025	2024
Cash	$ 2,040,509	$ 21,586,466
Restricted cash and cash equivalents	96,434	98,905
Resident capital cash and cash equivalents	3,108,726	2,698,950
Debt related restricted funds	3,258,907	3,221,929
Restricted reserves (statutory operating)	7,658,021	7,406,702
Funds with donor restrictions	470,365	351,988
Funds held for residents	112,450	127,876
Cash, cash equivalents, and restricted cash	$ 16,745,412	$ 35,492,816

Amounts included in restricted cash and cash equivalents represent amounts required to be set aside by a contractual agreement with an insurer for the payment of general and professional liability claims. Restricted cash included in resident capital cash and cash equivalents represents amounts required to be set aside until the unit settles. Restricted cash included in debt related restricted funds is required per the bond agreements. Amounts included in funds with donor restrictions and funds held for residents include cash that has been contributed to funds but not yet invested.

4. Liquidity and Availability

Financial assets available for general expenditure within one year of the balance sheet date consisted of the following as of December 31:

	2025	2024
Cash	$ 2,040,509	$ 21,586,466
Short-term investments	27,751,573	6,443,333
Accounts receivable, net	2,077,010	2,666,572
Promissory notes receivable	5,673,450	5,613,800
Beneficial interest in National CCRC Business Trust I	138,213,097	96,130,755
	$ 175,755,639	$ 132,440,926

As part of the Community's liquidity management plan, cash in excess of daily requirements is invested in short-term investments and National CCRC Business Trust I ("Business Trust"). These funds may be drawn upon, if necessary, to meet unexpected liquidity needs and they are included in the quantitative information above.

5. Fair Value of Financial Instruments

The fair value measurement standard establishes measurement criteria and a hierarchy for ranking the quality and reliability of the information used to determine fair values. Fair value is a market-based measurement that defines the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The standard requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1: Unadjusted quoted market prices in active markets for identical assets or liabilities.

Level 2: Unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3: Unobservable inputs for the asset or liability.

ASC 820, *Fair Value Measurements and Disclosures* (“ASC 820”), clarifies that 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. ASC 820 establishes 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) and the lowest priority to unobservable inputs (Level 3).

The following tables summarize the valuation of ACH's financial instruments by the above pricing levels as of:

	December 31, 2025			
	Unadjusted Quoted Market Prices (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total Fair Value
Current assets				
Short term investments				
Money market funds	$ 16,374,292	$ —	$ —	$ 16,374,292
Equity securities	2,899,826	—	—	2,899,826
Fixed income securities	—	7,188,677	—	7,188,677
U.S. agency securities	—	1,288,778	—	1,288,778
Restricted cash and cash equivalents	96,434	—	—	96,434
	$ 19,370,552	$ 8,477,455	$ —	$ 27,848,007
Non-current assets				
Resident capital cash and cash equivalents				
Cash	$ 1,542,869	$ —	$ —	$ 1,542,869
Money market funds	1,565,857	—	—	1,565,857
Annuities				
Beneficial interest in gift annuities	—	—	4,790	4,790
Debt related restricted funds				
Money market funds	3,258,907	—	—	3,258,907
Restricted reserves (statutory operating)				
Cash	7,658,021	—	—	7,658,021
Funds with donor restrictions				
Cash	470,365	—	—	470,365
Fixed income securities	1,557,474	—	—	1,557,474
Equity securities	1,153,370	—	—	1,153,370
Funds held for residents				
Cash	112,450	—	—	112,450
Interest rate swap	—	30,906	—	30,906
	$ 17,319,313	$ 30,906	$ 4,790	$ 17,355,009

	December 31, 2024			
	Unadjusted Quoted Market Prices (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total Fair Value
Current assets				
Short term investments				
Money market funds	$ 216,617	$ —	$ —	$ 216,617
Equity securities	2,694,998	—	—	2,694,998
Fixed income securities	—	1,937,817	—	1,937,817
U.S. agency securities	—	1,593,901	—	1,593,901
Restricted cash and cash equivalents	98,905	—	—	98,905
	$ 3,010,520	$ 3,531,718	$ —	$ 6,542,238
Non-current assets				
Resident capital cash and cash equivalents				
Cash	$ 13,576	$ —	$ —	$ 13,576
Money market funds	2,685,374	—	—	2,685,374
Annuities				
Beneficial interest in gift annuities	—	—	4,790	4,790
Debt related restricted funds				
Money market funds	3,221,929	—	—	3,221,929
Restricted reserves (statutory operating)				
Cash	7,406,702	—	—	7,406,702
Funds with donor restrictions				
Cash	351,988	—	—	351,988
Fixed income securities	1,528,497	—	—	1,528,497
Equity securities	1,069,113	—	—	1,069,113
Funds held for residents				
Cash	127,876	—	—	127,876
Interest rate swap	—	67,449	—	67,449
	$ 16,405,055	$ 67,449	$ 4,790	$ 16,477,294

Cash and Money Market Funds (Level 1)
These investments are carried at fair value. These investments are considered Level 1 investments because they use unadjusted quoted market prices in active markets for identical assets or liabilities.

Equity Securities and Fixed Income Securities (Level 1)
These investments are actively traded on a primary exchange and are valued at the last sale price on the security's primary exchange, which renders them a Level 1 investment. The fair market value of these securities fluctuates with the underlying stock price. Significant changes in the stock price of the underlying equity are analyzed and any other-than-temporary impairments are recorded upon determination.

Fixed Income Securities (Level 2)
These investments are not actively traded on a primary exchange which renders them a Level 2 investment. These investments fluctuate in value based upon changes in the interest rates. Significant changes in the credit quality of the underlying entity are analyzed and any other-than-temporary impairments are recorded upon determination.

U.S. Agency Securities (Level 2)
For investments in U.S. agency securities, fair value is based on the average of the last reported bid or ask prices which renders them a Level 2 investment. These investments fluctuate in value based upon changes in interest rates.

Interest Rate Swap (Level 2)
ACH measures the interest rate swap at fair value on a recurring basis. The interest rate swap agreements are valued using a pricing service at net present value. These evaluated prices render these instruments Level 2 investments. The fair value of the swap agreements will change as long-term interest rates fluctuate over time. See Note 11.

Beneficial Interest in Gift Annuities (Level 3)
The fair value of the beneficial interest in gift annuities is based on the present value of the estimated future cash flows to the Community. This investment is considered a Level 3 investment due to the requirement of an actuarial analysis to properly value the assets. These investments are not actively traded, nor do they contain observable inputs that would assist in a regularly occurring valuation.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, while ACH 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 estimate of fair value as of the reporting date.

6. National CCRC Business Trust I

NSC is the not-for-profit member of and supporting organization to a system of not-for-profit CCRCs in the United States. Its primary mission is to improve the lives of seniors and those who support them, both within its communities and beyond, through strong governance, financial oversight, exceptional people experiences, advocacy and continued growth. To further this mission, NSC maintains an investment portfolio in multiple trusts, including the Business Trust.

ACH began investing in the Business Trust in December 2014. The Business Trust was established by NSC to invest excess cash from its supported organizations to achieve long-term investment goals. NSC serves as the Trustee and has the exclusive executive management and control of the funds within the Business Trust. The Trustee has the power to conduct, operate and carry out the business of the pooled investments fund, which includes buying, holding and selling investments on behalf of the Business Trust. Redemptions from the Business Trust are permitted quarterly upon 90 calendar days' advance notice and take place as of the last business day each calendar quarter after the month end net asset value is established. There are no current designations on the assets held within the Business Trust, therefore the funds are not considered limited use. The investments held within the Business Trust are accounted for by the Community under the equity method of accounting. The Business Trust uses the net asset value per share multiplied by the number of shares held by ACH to determine ACH's share of the net assets held within the Business Trust.

ACH's investment activity related to the Business Trust was as follows as of and for the years ended December 31:

	Business Trust	
	2025	2024
Shares owned	4,651,714	3,759,693
Value of investment	$ 138,213,097	$ 96,130,755
Contributions made	25,000,000	22,000,000
Change in beneficial interest	$ 17,082,342	$ 6,684,616

Condensed financial statements and related information of the Business Trust as of December 31 are as follows:

	Business Trust	
	2025	2024
Assets	$ 1,827,574,249	$ 1,460,240,593
Liabilities	52,490	95,610
Net assets	1,827,521,759	1,460,144,983
Net asset value per share	29.71	25.57
Net investment income	44,873,503	62,912,627
Realized and unrealized gain from investments	199,503,273	54,795,922
Net increase in net assets	$ 244,376,776	$ 117,708,549

7. Restricted Reserves (Statutory Operating)

The Commonwealth of Pennsylvania requires a liquid reserve equal to the greater of the total of all principal and interest payments due for the next 12 month period on account of any mortgage loan or other long-term financing of the facility, or 10% of the projected annual operating expenses of ACH, exclusive of depreciation, multiplied by the percent of independent living to total residents. As of December 31, 2025, the balance in the required liquid reserve account was $7,658,021.

The calculation of the 10% of the annual operating expenses as of January 1, 2026 is as follows:

Budgeted operating expenses for the year ended December 31, 2026 (unaudited)	$ 108,292,862
Less: Budgeted depreciation expense (unaudited)	(24,968,083)
Net budgeted operating expenses for the year ended December 31, 2026	83,324,779
Required 10% reserve	8,332,478
Percent of independent living	90.7 %
Required reserve as of January 1, 2026	$ 7,557,558

As of December 31, 2025, ACH met the Commonwealth of Pennsylvania's required statutory operating reserve requirement, as the balance in the account exceeded the minimum required amount.

The principal and interest due in the next 12 month period for long-term financing of the facility is as follows:

	Principal	Interest	Total
Series 2020A	$ 1,596,040	$ 3,409,818	$ 5,005,858
Series 2020Loan	248,449	8,427	256,876
Required reserve as of January 1, 2026	$ 1,844,489	$ 3,418,245	$ 5,262,734

The projected percentage of future operating expenses is the greater of the two options and was used to determine the reserve amount. The required reserve balance is included in restricted reserves (statutory operating) on the Balance Sheets.

8. Property and Equipment, Net

Property and equipment, net, consisted of the following as of December 31:

	2025	2024
Building and building improvements	$ 413,677,176	$ 411,401,441
Land and land improvements	23,122,326	22,864,270
Equipment and vehicles	8,924,559	11,870,181
Furniture and fixtures	1,583,288	1,826,876
	447,307,349	447,962,768
Less: Accumulated depreciation	(185,917,533)	(174,858,316)
	261,389,816	273,104,452
Open projects	11,005,773	1,835,488
Total property and equipment, net	$ 272,395,589	$ 274,939,940

Depreciation expense was $17,169,179 and $16,227,780 for the years ended December 31, 2025 and 2024, respectively. For the years ended December 31, 2025 and 2024, ACH disposed of assets totaling $6,109,962 and $3,169,591, respectively. There were no gains or losses for the year ended December 31, 2025. There was a loss of $52,158 related to disposals for the year ended December 31, 2024.

9. Defined Contribution Plan

ACH maintains a defined contribution plan for ACH employees meeting certain eligibility requirements. Eligible employees may contribute up to 100% of their salary subject to the maximum allowed by the IRC on a pretax basis. ACH may make discretionary contributions to the plan equal to a percentage of the participant's elective deferrals. Total expense recognized by ACH was $605,168 and $575,893 for the years ended December 31, 2025 and 2024, respectively, and is included in salaries, wages, and benefits on the Statements of Operations.

10. Resident Entrance Fees, Community Fees and Accumulated Amortization

The composition of resident entrance fees, community fees and accumulated amortization was as follows as of December 31:

	2025	2024
Resident entrance fees		
100% refundable contracts	$ 85,278,599	$ 102,297,999
90% refundable portion	353,917,350	315,490,050
Less: Spend down	(10,372,270)	(10,424,979)
Resident entrance fees	428,823,679	407,363,070
Community fees		
10% non-refundable portion	40,257,850	36,146,950
Community fees	40,257,850	36,146,950
Accumulated amortization	(35,831,508)	(35,984,201)
Total resident entrance fees and community fees, net of accumulated amortization	$ 433,250,021	$ 407,525,819

For the years ended December 31, 2025 and 2024, spend down activity to offset monthly charges was $4,656,062 and $4,527,943, respectively.

11. Bonds Payable and Interest Rate Swap

The Community's debt was comprised of the following as of December 31:

	2025	2024
Virginia Small Business Financing Authority, The Obligated Group of National Senior Communities, Inc., Series 2020A, tax-exempt, fixed rate, final maturity January 1, 2051	$ 82,472,770	$ 83,915,810
The Obligated Group of National Senior Communities, Inc., 2020 Term Loan, taxable, variable rate, due October 1, 2028	712,622	956,966
Subtotal	83,185,392	84,872,776
Less: Current portion	(1,762,999)	(1,687,384)
Less: Deferred financing costs, net	(592,552)	(645,610)
Add: Bond premium	4,806,905	5,458,351
Bonds payable, net of current portion	$ 85,636,746	$ 87,998,133

Obligated Group of National Senior Communities, Inc.
The Obligated Group of National Senior Communities, Inc. (the "Obligated Group"), consists of Ann's Choice, Inc., Brooksby Village, Inc., Cedar Crest Village, Inc., Greenspring Village, Inc., Seabrook Village, Inc., and Linden Ponds, Inc. (each a "Member" and collectively, the "Obligated Group Members"). The Obligated Group Members are jointly and severally liable for all Obligated Group indebtedness through a claim on and a security interest in all of the receipts and in certain Pledged Assets as established by the Master Trust Indenture ("MTI"). Pursuant to the MTI, the Obligated Group is required to achieve a minimum Historical Debt Service Coverage Ratio of 1.2 and 120 days cash on hand for each fiscal year.

In October 2020, at the request of the Obligated Group, the Virginia Small Business Financing Authority issued its Revenue Bonds, The Obligated Group of National Senior Communities, Inc. Series 2020A and Series 2020B Bonds (the "Series 2020A Bonds" and the "Series 2020B Bonds"). Concurrently, the Obligated Group also obtained a taxable loan from Truist Bank (the "2020 Taxable Loan"). The Series 2020A and Series 2020B Bonds, together with the 2020 Taxable Loan are referred to as the 2020 OG Financing. The 2020 OG Financing proceeds are allocated amongst certain of the Obligated Group Members based on the amount of loan proceeds each member received as set forth in the Allocation and Contribution Agreement. In conjunction with the issuance of the 2020B Bonds and the obtaining of the 2020 Taxable Loan, the Obligated Group also entered into two interest rate swap agreements in order to mitigate the floating interest rate risk associated with these financial instruments.

Series 2020A Bonds
The aggregate principal amount of the Series 2020A Bonds is $381,030,000. The bonds were issued to refund all of the previously issued and outstanding debt held by the Obligated Group Members, to reimburse certain Members for previous capital expenditures and to finance swap termination fees and other costs of issuance. The Series 2020A Bonds consist of $184,065,000 tax-exempt, fixed rate serial bonds and $196,965,000 tax-exempt, fixed rate term bonds with coupons ranging from 3.375% to 5.00% and with a final maturity date of January 1, 2051. The Series 2020A Bonds were issued at a premium of $39,075,134 which is being amortized over the life of the bonds. ACH's portion of the proceeds from the Series 2020A Bond issuance was $96,842,780 which included a net premium of $9,007,613.

Series 2020B Bonds
The aggregate principal amount of the Series 2020B Bonds is $118,800,000. The bonds were issued to fund certain repositioning projects at the Obligated Group Member communities as well as to pay certain costs of issuance and swap termination fees. The issued bonds were purchased by STI Institutional & Government, Inc. ("STING"). STING has agreed to advance the proceeds to the Obligated Group over the course of the implementation of the projects. At the time of closing, STING

made an initial advance to the Obligated Group of $3,800,000. The 2020B Bonds had advanced proceeds provided to the Obligated Group through October 1, 2023, with first principal payment due November 1, 2023 in accordance with the repayment schedule. The advanced payments provided to the Obligated Group in 2020 were $8,106,243. The Series 2020B Bonds have a mandatory tender date of October 15, 2035. ACH did not receive any portion of the Series 2020B Bond proceeds.

2020 Taxable Term Loan
The principal amount of the 2020 Taxable Term Loan was $16,950,000. The loan was issued in order to refund all of the previously issued taxable debt and outstanding purchase money note held by certain Obligated Group Members and to pay certain costs of issuance and swap termination fees. Effective June 1, 2023, the interest rate on the 2020 Taxable Term Loan was amended in connection with the phase-out of London Interbank Offered Rate ("LIBOR"). Pursuant to the amendment, the interest rate was set at Secured Overnight Financing Rate ("SOFR") plus a spread of 110.3 basis points, provided that SOFR shall not be less than 0%. Prior to the amendment, the initial interest rate for the 2020 Taxable Term Loan was set at one-month LIBOR plus a spread of 100 basis points, subject to a 25-basis point LIBOR floor. Interest is payable only on advanced proceeds. The interest rate related to the 2020 Taxable Term Loan was 5.00% and 5.74% as of December 31, 2025 and 2024, respectively. There is an interest rate swap in place for the portion of the interest rate on the 2020 Taxable Term Loan that resets monthly (refer to the Derivative Financial Instruments discussion below). ACH's portion of the proceeds from the 2020 Taxable Term Loan was $1,932,633.

Series 2022 Bonds
On March 1, 2022, Linden Ponds, Inc.("LPH") became a member of the Obligated Group. Concurrent with joining the Obligated Group, at the request of LPH, the Public Finance Authority issued its Revenue Bonds (The Obligated Group of National Senior Communities, Inc.), Series 2022 (the “Series 2022 Bonds”) in the aggregate par amount of $41,710,000, plus an original issue premium of $3,565,421. Proceeds from the Series 2022 Bonds were used to (a) refund the previously issued Massachusetts Development Finance Agency ("MDFA") Revenue Bonds (Linden Ponds, Inc. Facility), Series 2011B in the outstanding principal amount of $17,355,981, (b) fund the construction of a new continuing care facility, a pedestrian skyway bridge and other capital improvements to existing facilities, (c) fund capitalized interest on a portion of the Series 2022 Bonds, and (d) pay costs of issuance related to the transaction. On November 15, 2018, at the request of LPH, the MDFA issued $117,170,000 of Revenue Bonds (Linden Ponds, Inc. Facility) Series 2018, used together with available funds of LPH to redeem several of LPH's previously outstanding bonds and notes. Upon becoming a member of the Obligated Group, Linden Ponds' Series 2018 Bonds became the debt of the Obligated Group. ACH did not receive any portion of the Series 2018 or Series 2022 bond proceeds.

The Obligated Group's total balance of bonds payable was $634,181,825 and $651,110,050 as of December 31, 2025 and 2024, respectively.

The Obligated Group incurred deferred financing costs of $4,751,208 in connection with the 2020 OG Financing, and are included in bonds payable, net of current portion on the Balance Sheets. ACH’s original portion of deferred financing costs related to these bonds was $931,135. Amortization of cost of issuance was $53,058 and $57,037 for the years ended December 31, 2025 and 2024, respectively.

Future principal payments required by ACH under the bond agreements are as follows as of December 31, 2025:

2026	$ 1,762,999
2027	1,847,795
2028	1,883,920
2029	1,826,390
2030	2,099,341
Years thereafter	73,764,947
Total future principal payments	83,185,392
Less: Current portion	(1,762,999)
Less: Deferred financing costs, net	(592,552)
Add: Bond premium	4,806,905
Bonds payable, net of current portion	$ 85,636,746

Derivative Financial Instruments

In conjunction with the issuance of the 2020 Taxable Term Loan, ACH together with other Obligated Group Members entered into a new interest rate swap agreement with Truist Bank (the "Swap Counterparty") effective October 15, 2020. The swap agreement has a notional amount of $16,950,000 which will amortize in accordance with the scheduled principal amortization of the Series 2020 Term Loan. The swap agreement was amended in connection with the phase-out of LIBOR, whereby, ACH jointly with other Obligated Group Members have agreed to pay the Swap Counterparty scheduled payments determined using a fixed rate equal to 0.335% and receive payments based on SOFR commencing on July 1, 2023 through and including the termination date of October 1, 2028. Prior to the amendment, the Obligated Group Members agreed to pay a fixed rate equal to 0.44% and receive payments based on 79% of one-month LIBOR.

The fair value of the interest rate swap and the related realized and unrealized (gain)/loss were as follows as of and for the years ended December 31:

Classification of derivatives in Balance Sheets	Fair Value	
	2025	2024
Derivatives not designated as hedging instruments		
Interest rate swap	$ 30,906	$ 67,449

Classification of derivatives gain/(loss) in Statements of Operations	Amount of Gain/(Loss) Recognized in Excess of Revenue Over Expenses	
	2025	2024
Derivatives not designated as hedging instrument		
Unrealized loss on interest rate swap	$ (36,543)	$ (31,910)
Realized gain on interest rate swap	32,831	52,491
Realized and unrealized (loss)/gain on swap agreements	$ (3,712)	$ 20,581

12. Net Assets with Donor Restrictions

Net assets with donor restrictions were designated for the following purposes as of December 31:

	2025	2024
Resident care	$ 96,012	$ 66,971
Scholarship	3,123,777	2,845,600
Staff appreciation	41,210	41,817
Total funds with donor restrictions	$ 3,260,999	$ 2,954,388

Net assets were released from donor restrictions by incurring expenses satisfying the following restricted purposes for the years ended December 31:

	2025	2024
Resident care	$ 643,601	$ 669,652
Scholarship	221,128	230,170
Total net assets released from restriction	$ 864,729	$ 899,822

Resident care and scholarship funds are referred to as limited use assets on the Balance Sheets.

Staff appreciation funds totaling $399,229 and $342,324 were expended during the years ended December 31, 2025 and 2024, respectively. These amounts are included in both other revenue and salaries, wages, and benefits on the Statements of Operations.

13. Disaggregation of Revenue

The Community disaggregates its revenue from contracts with customers by payer source as well as its main lines of business, as the Community believes it best depicts how the nature, amount, timing, and uncertainty of its revenue and cash flows are affected by economic factors.

The composition of resident occupancy revenue by payer and level of care was as follows for the years ended December 31:

	2025				
	Independent living	Assisted living	Skilled nursing and other	Memory care	Total
Private pay	$ 60,642,130	$ 10,186,957	$ 7,291,798	$ 6,248,042	$ 84,368,927
Medicare and Medicaid	—	—	2,535,314	—	2,535,314
Third party	—	—	1,203,835	—	1,203,835
Total resident occupancy revenue	$ 60,642,130	$ 10,186,957	$ 11,030,947	$ 6,248,042	$ 88,108,076

	2024				
	Independent living	Assisted living	Skilled nursing and other	Memory care	Total
Private pay	$ 58,015,606	$ 9,455,300	$ 6,609,351	$ 5,406,088	$ 79,486,345
Medicare and Medicaid	—	—	2,325,001	—	2,325,001
Third party	—	—	1,372,029	—	1,372,029
Total resident occupancy revenue	$ 58,015,606	$ 9,455,300	$ 10,306,381	$ 5,406,088	$ 83,183,375

The composition of ancillary fees by payer and level of care was as follows for the years ended December 31:

	2025				
	Independent living	Assisted living	Skilled nursing and other	Memory care	Total
Private pay	$ 2,641,869	$ 38,314	$ 2,343,951	$ 300	$ 5,024,434
Medicare and Medicaid	—	—	857,647	—	857,647
Third party	151,376	—	1,097,779	—	1,249,155
Total ancillary fees	$ 2,793,245	$ 38,314	$ 4,299,377	$ 300	$ 7,131,236

	2024				
	Independent living	Assisted living	Skilled nursing and other	Memory care	Total
Private pay	$ 2,796,087	$ 36,168	$ 2,149,594	$ 11,485	$ 4,993,334
Medicare and Medicaid	—	—	737,466	—	737,466
Third party	146,021	—	1,081,667	—	1,227,688
Total ancillary fees	$ 2,942,108	$ 36,168	$ 3,968,727	$ 11,485	$ 6,958,488

14. Related Parties

NSC

NSC provides ongoing oversight, strategic planning, financial planning, governance and risk management for the communities within its system. ACH is an affiliated community in the NSC system. NSC, as ACH's sole member, appoints board members to ACH's board of directors. Affiliated communities, including ACH, pay System Fees that fund the operating activities of NSC. Additionally, affiliated communities are required to pay certain non-recurring expenses of NSC that support the services performed by NSC and that are provided to NSC affiliated communities.

ESL

On April 30, 2010, ACH and ESL entered into a Management and Marketing Agreement. ESL will provide management and marketing services to ACH during the term of this agreement in exchange for a management fee and allocation of certain costs to the Community. The agreement has been amended various times since inception, most recently on April 30, 2024. The agreement expires on March 22, 2042. The management fee includes a base fee and an incentive fee. The base fee is calculated as 90% of the applicable percentage of occupancy fees based on the projected occupancy rate, which increases annually by the increase in the Consumer Price Index for the Baltimore-Towson Metropolitan Statistical Area. The monthly incentive fee, which may not exceed 25% of the applicable base fee, is based on the applicable percentage of the total actual occupancy fees over the applicable base fee.

The direct and shared costs allocated to ACH by ESL for the years ended December 31, 2025 and 2024 were $9,069,745 and $8,491,914, respectively. Direct and shared costs include salaries and benefits for management personnel and the use of services such as finance, legal, human resources, information systems, and operations.

Erickson Health Medical Group

Erickson Health Medical Group of Pennsylvania ("EHMG") is a physician-owned entity affiliated with ESL and contracted by ACH to provide primary care and other medical services to Community residents. ESL provides management and billing services on behalf of EHMG under a separate agreement.

EHMG and ACH are parties to a Community Services Agreement with 12-month terms that automatically renew for successive one-year terms, unless terminated. Under this agreement, the Community pays EHMG a Management Services Fee and reimburses approved operating expenses related to the on-site medical center.

EHMG also subleases on-site office space from ACH. EHMG employs physicians, nurse practitioners and other healthcare professionals to provide medical services to residents.

ESL, as EHMG's affiliate, participates in a performance-based, revenue-sharing arrangement tied to the financial performance of EHMG's practice within the Community. This arrangement may result in additional income to ESL.

15. Functional Expenses

ACH provides program services to residents within the Community. Operating expenses by nature and function related to providing these services were as follows for the years ended December 31:

	2025				
	Program Services			Supporting Activities	
	Independent Living	Continuing Care	Ancillary Health	Management and General Activities	Total
Expenses					
Salaries, wages, and benefits	$ 18,290,566	$ 15,569,007	$ 2,815,236	$ 7,172,218	$ 43,847,027
Professional and contracted services	3,504,405	764,193	171,821	8,253,825	12,694,244
General and administrative	13,879,299	2,139,490	7,616	1,182,749	17,209,154
Management fees	3,232,057	1,234,848	—	—	4,466,905
Interest	2,933,542	—	—	—	2,933,542
Real estate taxes	1,833,615	238,843	—	—	2,072,458
Depreciation	16,306,420	840,779	21,980	—	17,169,179
Expenses incurred related to net assets with donor restrictions	864,729	—	—	—	864,729
Total expenses	$ 60,844,633	$ 20,787,160	$ 3,016,653	$ 16,608,792	$ 101,257,238

	2024				
	Program Services			Supporting Activities	
	Independent Living	Continuing Care	Ancillary Health	Management and General Activities	Total
Expenses					
Salaries, wages, and benefits	$ 17,626,043	$ 14,577,897	$ 2,571,772	$ 6,576,063	$ 41,351,775
Professional and contracted services	3,589,122	782,965	173,854	7,750,239	12,296,180
General and administrative	13,179,897	2,172,415	6,024	1,426,797	16,785,133
Management fees	2,940,851	1,015,318	—	—	3,956,169
Interest	2,962,527	—	—	—	2,962,527
Real estate taxes	1,862,859	215,891	—	—	2,078,750
Depreciation	15,308,265	898,282	21,233	—	16,227,780
Expenses incurred related to net assets with donor restrictions	899,822	—	—	—	899,822
Total expenses	$ 58,369,386	$ 19,662,768	$ 2,772,883	$ 15,753,099	$ 96,558,136

Natural expenses attributable to more than one functional expense category are allocated using various cost allocation techniques such as building use and time and effort.

16. Commitments and Contingencies

ACH is subject to legal proceedings and claims which arise from the normal course of business. In the opinion of management, the amount of ultimate liability with respect to these proceedings and claims will not materially affect the financial position, cash flow, or results of operations of ACH.

ACH is committed under various construction related contracts for buildings on campus. Commitments for the portions of any contracts not completed as of December 31, 2025 and 2024 were $1,386,784 and $0, respectively.

17. Subsequent Event

Subsequent events have been evaluated by management through April 28, 2026, which is the date the financial statements were available to be issued. No subsequent events were noted.

Supplemental Information

Ann's Choice, Inc.
Notes to Supplemental Schedule (Unaudited)
December 31, 2025

Community Recurring Cash Flow		2025
Excess of revenue over expenses	$	16,729,745
Amortization of community fees		(2,793,707)
Interest		2,933,542
Depreciation		17,169,179
Investment return, net		(1,159,510)
Change in beneficial interest in National CCRC Business Trust I		(17,082,342)
Realized and unrealized (loss)/gain on swap agreements		3,712
Other adjustments		(161,883)
Net operating income		15,638,736
Portions of resident and community fee cash flows from resales:		
Resale community fees collected		6,959,200
Resale entrance fees collected		72,790,400
Resale entrance fee refunds paid		(52,298,892)
Net resale margin		27,450,708
Less: Maintenance capex		(8,585,516)
Cash from recurring operations	$	34,503,928

Ann's Choice, Inc.
Notes to Supplemental Schedule (Unaudited)
December 31, 2025

1. Basis of Presentation and Accounting

The Supplemental Schedule presented on page 28 is derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information is presented for the purpose of providing additional analysis of the financial statements, rather than to present the financial position and changes in net assets (deficit) of ACH, and are not a required part of the financial statements. The information is intended to expand on the sources and uses of cash generated by the operations of the Community which are monitored by management to determine the overall health and performance of the Community as a whole.

EXHIBIT 8

INCOME AND EXPENSE STATEMENTS AND ASSUMPTIONS FOR COMMUNITY OPERATIONS

Summary:
Exhibit Eight, the assumptions for Operations Proforma section, provides a detailed description for the Insurance Department of the Commonwealth of Pennsylvania regarding the source of each assumption used by Ann's Choice, Inc. in the financial forecasting of the costs of operating the Community. Exhibit Eight also includes an explanation of any variance between the forecasted income statement from the prior fiscal year and the audited financial statements.

EXHIBIT 8

INCOME AND EXPENSE STATEMENTS AND ASSUMPTIONS FOR COMMUNITY OPERATIONS

ASSUMPTIONS FOR ANN'S CHOICE, INC. OPERATIONS PROFORMA

Cash And Cash Equivalents

Cash and cash equivalents are forecasted to include investments in highly liquid debt instruments with an original maturity of three months or less.

Assets Limited As To Use

Assets expected by Management to be maintained to meet the working capital requirements of the Commonwealth of Pennsylvania are classified as assets limited as to use. These investments are assumed to approximate fair market value.

Plant And Equipment

Plant and equipment are forecasted at cost. Depreciation is calculated on the straight-line method over the estimated useful life of depreciable assets. The community will be responsible for the initial purchase and the replacement of the plant and equipment.

Residential Service Revenue

Residential service revenue is forecasted at the estimated net realizable amounts from residents, third-party payors, and others for services expected to be rendered.

Entrance Fees

Fees paid by a resident upon entering into a Residence and Care Agreement are expected to be fully or 90% refundable, depending on the contract version, to the resident and are reported as a liability.

- **Assets Limited as to Use**

The Provider is required by the Pennsylvania Continuing Care Provider Registration and Disclosure Act to establish and maintain liquid reserves in the amount equal to or exceeding the greater of (1) the total of all principal and interest payments due during the next 12 months on account of any mortgage loan or other long-term financing of the Community; or (2) ten percent (10%) of the projected annual operating expenses of the Community, exclusive of depreciation, as reserve funding to ensure its performance under the Residence and Care Agreements.

- **Entrance Fees**

Entrance Fees are assumed by Management to increase 3 percent annually based on Management's experience at similar CCRCs.

- **Assumed Resident Attrition**

Double occupancy, resident attrition, and utilization of the Project's independent Living Units and the personal care and nursing beds is based on information provided by Management based on experience at other CCRCs managed by Erickson Senior Living. The weighted average double occupancy rate in the independent Living Units is estimated to approximate 25 percent of the occupied independent Living Units, based on Management's experience at its other facilities.

The number of independent living units vacated due to resident attrition, cancellation of the Residence and Care Agreement or permanent transfer to Continuing Care on an annual basis, as provided by Management, based on Management's experience at its other facilities, is summarized as follows.

TABLE ONE
NUMBER OF INDEPENDENT LIVING UNITS
VACATED DUE TO ATTRITION

Year ending December 31,	Total Re-sales
2026	179

Source: Management

- **Property and Equipment**

Ann's Choice, Inc. is generally responsible for capital improvements and additions to the facility. Assumed capital additions during the forecast period have been depreciated using the straight-line method over the estimated useful lives of the related assets, assumed to average 5 years. Property and equipment during the forecast period, as estimated by Management, is summarized as follows:

Table 2
Property and Equipment
December 31,
(In thousands of dollars)

	2026
Furniture and Fixtures, Beginning of the Year	488,1304
Routine Additions	16,614
Property and Equipment	471,516
Accumulated Depreciation	(202,145)
Net Property and Equipment	269,371

- **Revenue**

Resident Service Revenue
Resident service revenue is based upon charges for services provided to independent living residents. Resident service revenue for independent living residents is based upon the assumed occupancy of the independent living units, assisted living units, personal care units and nursing beds and the Monthly Service Packages or daily rates assumed by Management to be charged to the residents of those Living Units. The Monthly Service Packages for residents of the independent Living Units, as provided by Management, are summarized as follows.

Table 3
2026 Monthly Service Packages for Independent Living

Living Unit Description	2026 Monthly Service Package
Studio, One Bath	$2,656
One Bedroom, One Bath	$2,916-$3,023
One Bedroom, One Bath w/Den	$3,365
One Bedroom, One and One Half Bath w/Den	$3,365-$3,418
One Bedroom, One and One Half Bath	$3,365-$3,787
Two Bedroom, One Bath	$3,365-$3,431
Two Bedroom, One and One Half Bath	$3,394-$3,649
Two Bedroom, Two Bath	$3,642-$4,042
Two Bedroom, Two Bath w/ Den and Sunroom Luxury Two Bedroom, Two Bath	$4,127-$5,568
Double Occupancy	$1,179

Table 4
2026 Monthly Service Packages for Continuing Care Facility

Type of Unit	Monthly Service Packages
Assisted Living [(1)]	$8,362 - $15,150
Personal Care	$4,997 - $9,777
Care center [(2)]	$17,002
Memory Care	$12,000 - $13,544

Source: Management
Notes: (1) Five levels of care in assisted living based on the resident's dependency.
(2) Represents the Monthly Service Package expected to be paid by an existing resident or a direct admission to the care center.

Other Revenue

Management forecasted other revenue to consist of revenue from additional resident meals and snacks, guest meals, guest living unit rentals and other miscellaneous sources.

Interest Income

Future Development

Future development may occur depending on market demand.

Expenses

Operating expenses of the Provider have been forecasted by Management based upon the historical experience of existing CCRCs managed by Erickson Senior Living, adjusted for the local market cost of living inflation and forecasted occupancy levels.

The forecasted operating expenses of the Provider by functional program are summarized in the following table:

Table 5
Budgeted Operating Expenses by Program
(In Thousands of Dollars)

Expenses:	2026
Residential	$46,318
Assisted Living	$8,063
Memory Care	$4,842
Care Center	$10,159
Admin and General	$14,338
Total Operating Expenses	$83,720

Salaries, Wages and Fringe Benefits

Table 6
Assumed Staffing Levels

	2026
Full time equivalents (FTEs)	609

Source: Management

Independent salaries and wages are assumed by Management to increase approximately 3 percent annually throughout the remainder of the forecast period. Personal care and Care Center salaries and wages are assumed by Management to increase approx. 3.2% annually throughout the remainder of the forecast period. The cost of employee benefits, consisting of payroll taxes, health care insurance, retirement benefits and other miscellaneous items are estimated by Management to approximate 20 percent of salaries and wages. The assumed increases in fringe benefits are based on the assumed increases in staffing, salaries and wage rates.

Administrative Services

Non-salary administrative services expenses are assumed to consist of ongoing marketing costs, legal and accounting fees, real estate taxes, building insurance, general liability insurance and other miscellaneous expenses. Administrative services expenses are based upon the historical experience of existing CCRCs managed by Erickson Senior Living and are assumed to increase approximately 3 percent annually throughout the forecast period.

Resident Life Services

Non-salary resident life services are assumed by Management to consist of pastoral services, community resources, social services and an internal television system. Management has forecasted these costs based upon the historical experience of existing retirement communities managed by Erickson Senior Living and expects these costs to increase approximately 3 percent annually throughout the forecast period.

Dining Services

Estimated costs for non-salary dietary services expense consist of raw food and dietary supplies costs. These costs are based upon the historical experience of existing retirement communities sponsored and operated by Management, adjusted for the forecasted occupancy of the Project. Per resident raw food costs and dietary supplies are anticipated by Management to increase approximately 3 percent annually throughout the remainder of the forecast period.

General Services

Non-salary general services consist of maintenance services including repairs, grounds maintenance, utilities, security and other miscellaneous expenses provided by Management based upon the historical experience of existing retirement communities managed by Erickson Senior Living. Management anticipates these costs to increase approximately 3 percent annually throughout the forecast period based on Management's experience.

Health Services

Management forecasts non-salary health services costs to consist of home health services, the cost of providing emergency medical system and on-site medical center based on the experience at other retirement communities. Management anticipates these costs to increase approximately 3 percent annually throughout the forecast period based on Management's historical experience.

Personal care Services

Non-salary personal care costs consist of costs associated directly with the personal care residents including medical supplies, marketing costs for personal care, nursing supplies, miscellaneous supplies for activities, housekeeping and maintenance, and raw food cost. Management has forecasted these costs based upon historical experience of other CCRCs managed by Erickson Senior Living, assumed utilization of the residents of the Project, and an assumed inflation rate of approximately 3 percent throughout the forecast period based on Management's experience.

Care Center

Non-salary nursing costs are assumed to consist of nursing health care supplies and ancillary costs, including physical, occupational and speech therapy, dietary costs, administrative costs and general services costs associated directly with the Care Center residents. Management has forecasted these costs based upon the historical experience of existing CCRCs managed by Erickson Senior Living, the

assumed utilization by residents of the Project, and an assumed inflation rate of approximately 3 percent annually during the forecast period.

M*anagement Fee*

Ann's Choice, Inc. has entered into a management agreement with Erickson Senior Living. The management fee has a minimum component and a maximum component based on achieving a certain level of occupancy. The base management fee in 2026 will be approximately $3,856,367 with the possibility for incentive fees based upon improved occupancy rates.

Rent

Ann's Choice, Inc. purchased the real property on which the Community is located from Warminster Campus, L.P. as of January 28, 2011, and, therefore, does not pay rent.

Current Assets and Current Liabilities

Working capital components have been estimated based on Management's experience as follows:

Table 8
Working Capital Components

Component	Estimate
Accounts receivable and other current assets	9 days of Monthly Service Packages. Management intends to pre-bill Monthly Service Packages.
Accounts payable	40 days of non-salary related operating expenses.
Accrued payroll expenses	15 days of salaries and benefits.

Bond Issuance

The Community's debt was comprised of the following as of December 31:

	2025	2024
Virginia Small Business Financing Authority, The Obligated Group of National Senior Communities, Inc., Series 2020A, tax-exempt, fixed rate, final maturity January 1, 2051	$ 82,472,770	$ 83,915,810
The Obligated Group of National Senior Communities, Inc., 2020 Term Loan, taxable, variable rate, due October 1, 2028	712,622	956,966
Subtotal	83,185,392	84,872,776
Less: Current portion	(1,762,999)	(1,687,384)
Less: Deferred financing costs, net	(592,552)	(645,610)
Add: Bond premium	4,806,905	5,458,351
Bonds payable, net of current portion	$ 85,636,746	$ 87,998,133

Obligated Group of National Senior Communities, Inc.

The Obligated Group of National Senior Communities, Inc. (the "Obligated Group"), consists of Ann's Choice, Inc., Brooksby Village, Inc., Cedar Crest Village, Inc., Greenspring Village, Inc., Seabrook Village, Inc., and Linden Ponds, Inc. (each a "Member" and collectively, the "Obligated Group Members"). The Obligated Group Members are jointly and severally liable for all Obligated Group indebtedness through a claim on and a security interest in all of the receipts and in certain Pledged Assets as established by the Master Trust Indenture ("MTI"). Pursuant to the MTI, the Obligated Group is required to achieve a minimum Historical Debt Service Coverage Ratio of 1.2 and 120 days cash on hand for each fiscal year.

In October 2020, at the request of the Obligated Group, the Virginia Small Business Financing Authority issued its Revenue Bonds, The Obligated Group of National Senior Communities, Inc. Series 2020A and Series 2020B Bonds (the "Series 2020A Bonds" and the "Series 2020B Bonds"). Concurrently, the Obligated Group also obtained a taxable loan from Truist Bank (the "2020 Taxable Loan"). The Series 2020A and Series 2020B Bonds, together with the 2020 Taxable Loan are referred to as the 2020 OG Financing. The 2020 OG Financing proceeds are allocated amongst certain of the Obligated Group Members based on the amount of loan proceeds each member received as set forth in the Allocation and Contribution Agreement. In conjunction with the issuance of the 2020B Bonds and the obtaining of the 2020 Taxable Loan, the Obligated Group also entered into two interest rate swap agreements in order to mitigate the floating interest rate risk associated with these financial instruments.

Series 2020A Bonds

The aggregate principal amount of the Series 2020A Bonds is $381,030,000. The bonds were issued to refund all of the previously issued and outstanding debt held by the Obligated Group Members, to reimburse certain Members for previous capital expenditures and to finance swap termination fees and other costs of issuance. The Series 2020A Bonds consist of $184,065,000 tax-exempt, fixed rate serial bonds and $196,965,000 tax-exempt, fixed rate term bonds with coupons ranging from 3.375% to 5.00% and with a final maturity date of January 1, 2051. The Series 2020A Bonds were issued at a premium of $39,075,134 which is being amortized over the life of the bonds. ACH's portion of the proceeds from the Series 2020A Bond issuance was $96,842,780 which included a net premium of $9,007,613.

Series 2020B Bonds

The aggregate principal amount of the Series 2020B Bonds is $118,800,000. The bonds were issued to fund certain repositioning projects at the Obligated Group Member communities as well as to pay certain costs of issuance and swap termination fees. The issued bonds were purchased by STI Institutional & Government, Inc. (“STING”). STING has agreed to advance the proceeds to the Obligated Group over the course of the implementation of the projects. At the time of closing, STING made an initial advance to the Obligated Group of $3,800,000. The 2020B Bonds had advanced proceeds provided to the Obligated Group through October 1, 2023, with first principal payment due November 1, 2023 in accordance with the repayment schedule. The advanced payments provided to the Obligated Group in 2020 were $8,106,243. The Series 2020B Bonds have a mandatory tender date of October 15, 2035. ACH did not receive any portion of the Series 2020B Bond proceeds.

2020 Taxable Term Loan

The principal amount of the 2020 Taxable Term Loan was $16,950,000. The loan was issued in order to refund all of the previously issued taxable debt and outstanding purchase money note held by certain Obligated Group Members and to pay certain costs of issuance and swap termination fees. Effective June 1, 2023, the interest rate on the 2020 Taxable Term Loan was amended in connection with the phase-out of London Interbank Offered Rate ("LIBOR"). Pursuant to the amendment, the interest rate was set at Secured Overnight Financing Rate ("SOFR") plus a spread of 110.3 basis points, provided that SOFR shall not be less than 0%. Prior to the amendment, the initial interest rate for the 2020 Taxable Term Loan was set at one-month LIBOR plus a spread of 100 basis points, subject to a 25-basis point LIBOR floor. Interest is payable only on advanced proceeds. The interest rate related to the 2020 Taxable Term Loan was 5.00% and 5.74% as of December 31, 2025 and 2024, respectively. There is an interest rate swap in place for the portion of the interest rate on the 2020 Taxable Term Loan that resets monthly (refer to the Derivative Financial Instruments discussion below). ACH's portion of the proceeds from the 2020 Taxable Term Loan was $1,932,633.

Series 2022 Bonds

On March 1, 2022, Linden Ponds, Inc.("LPH") became a member of the Obligated Group. Concurrent with joining the Obligated Group, at the request of LPH, the Public Finance Authority issued its Revenue Bonds (The Obligated Group of National Senior Communities, Inc.), Series 2022 (the “Series 2022 Bonds”) in the aggregate par amount of $41,710,000, plus an original issue premium of $3,565,421. Proceeds from the Series 2022 Bonds were used to (a) refund the previously issued Massachusetts Development Finance Agency ("MDFA") Revenue Bonds (Linden Ponds, Inc. Facility), Series 2011B in the outstanding principal amount of $17,355,981, (b) fund the construction of a new continuing care facility, a pedestrian skyway bridge and other capital improvements to existing

facilities, (c) fund capitalized interest on a portion of the Series 2022 Bonds, and (d) pay costs of issuance related to the transaction. On November 15, 2018, at the request of LPH, the MDFA issued $117,170,000 of Revenue Bonds (Linden Ponds, Inc. Facility) Series 2018, used together with available funds of LPH to redeem several of LPH's previously outstanding bonds and notes. Upon becoming a member of the Obligated Group, Linden Ponds' Series 2018 Bonds became the debt of the Obligated Group. ACH did not receive any portion of the Series 2018 or Series 2022 bond proceeds.

The Obligated Group's total balance of bonds payable was $634,181,825 and $651,110,050 as of December 31, 2025 and 2024, respectively.

The Obligated Group incurred deferred financing costs of $4,751,208 in connection with the 2020 OG Financing, and are included in bonds payable, net of current portion on the Balance Sheets. ACH's original portion of deferred financing costs related to these bonds was $931,135. Amortization of cost of issuance was $53,058 and $57,037 for the years ended December 31, 2025 and 2024, respectively.

Future principal payments required by ACH under the bond agreements are as follows as of December 31, 2025:

2026	$ 1,762,999
2027	1,847,795
2028	1,883,920
2029	1,826,390
2030	2,099,341
Years thereafter	73,764,947
Total future principal payments	83,185,392
Less: Current portion	(1,762,999)
Less: Deferred financing costs, net	(592,552)
Add: Bond premium	4,806,905
Bonds payable, net of current portion	$ 85,636,746

Derivative Financial Instruments

In conjunction with the issuance of the 2020 Taxable Term Loan, ACH together with other Obligated Group Members entered into a new interest rate swap agreement with Truist Bank (the "Swap Counterparty") effective October 15, 2020. The swap agreement has a notional amount of $16,950,000 which will amortize in accordance with the scheduled principal amortization of the Series 2020 Term Loan. The swap agreement was amended in connection with the phase-out of LIBOR, whereby, ACH jointly with other Obligated Group Members have agreed to pay the Swap Counterparty scheduled payments determined using a fixed rate equal to 0.335% and receive payments based on SOFR commencing on July 1, 2023 through and including the termination date of October 1, 2028. Prior to the amendment, the Obligated Group Members agreed to pay a fixed rate equal to 0.44% and receive payments based on 79% of one-month LIBOR.

The fair value of the interest rate swap and the related realized and unrealized (gain)/loss were as follows as of and for the years ended December 31:

Classification of derivatives in Balance Sheets	Fair Value	
	2025	2024
Derivatives not designated as hedging instruments		
Interest rate swap	$ 30,906	$ 67,449

Classification of derivatives gain/(loss) in Statements of Operations	Amount of Gain/(Loss) Recognized in Excess of Revenue Over Expenses

	2025	2024
Derivatives not designated as hedging instrument		
Unrealized loss on interest rate swap	$ (36,543)	$ (31,910)
Realized gain on interest rate swap	32,831	52,491
Realized and unrealized (loss)/gain on swap agreements	$ (3,712)	$ 20,581

Ann's Choice
Profit and Loss by Natural Expense
For the year ending December 31st
(in thousands)

		FY26 Budget
Operating Revenue		
Resident Monthly Fees	$	90,404
Departmental Revenues		8,461
Total Operating Revenue	**$**	**98,865**
Operating Expense		
Wages	$	36,671
Employee Benefits / Other EE		9,712
Contract Labor Expense		200
Supplies Expense		2,493
Food & Beverage		5,649
Repairs and Maintenance Expense		6,130
Professional Fee Expense		94
Central Services Expense - Management		6,893
Central Services Expense - Marketing		700
Insurance		1,612
Utilities		3,774
Real Estate Tax		2,082
Management Fees		4,270
Marketing Costs		1,558
Operating Reserve Expense		395
Other Expense		1,487.93
Total Operating Expense	**$**	**83,720**
Operating Income	**$**	**15,145**
Non-Operating Income		**(12,894)**
Net Income	**$**	**2,251**

Ann's Choice
Statement of Operations by Natural Expense
Dec, FY25
(in thousands)

	FY25 YTD(Dec) Actual	Budget	Variance	
Operating Revenue				
Resident Monthly Fees	$ 88,533	$ 87,044	$ 1,489	Continuing Care Revenue-Cenus Better than Plan
Departmental Revenues	7,387	7,565	(177)	
Total Operating Revenue	**$ 95,920**	**$ 94,609**	**$ 1,311**	
Operating Expenses				
Wages	$ 34,555	$ 35,719	$ 1,164	Better than plan due to open positions throught the operation.
Employee Benefits / Other EE	9,292	8,202	(1,090)	Higher than anticipated health benefit utilizaton
Contract Labor	3,756	3,568	(188)	
Supplies	2,413	2,599	186	
Food & Beverage	5,678	5,295	(384)	Program adjustments in Independent Living
Repairs & Maintenance	2,201	2,065	(137)	
Professional Fees	349	234	(116)	
Central Services	7,377	7,393	17	
Insurance	1,330	1,814	484	Property Insurance
Utilities	3,429	3,707	278	Electric ahead of plan
Real Estate Tax	2,073	2,073	0	
Management Fees	4,467	4,114	(353)	Higher occupancy resuting in strong monthly fee revenue
Marketing Costs	1,385	1,539	154	
Management Reserve	-	-	-	
Other	1,984	1,769	(214)	
Capitalized Costs	-	-	-	
Bad Debt Reserve	(9)	378	387	Strong accounts receivable process
Total Operating Expenses	**$ 80,281**	**$ 80,468**	**$ 187**	
Operating Income	**$ 15,639**	**$ 14,140**	**$ 1,498**	

Ann's Choice Inc., 2025 Income Statement Comparison

Operating Revenue

As of 12/31/2025, operating revenues were $95,919,942. The community revenue was better than budget by $1,311,389 in part due to a very strong census in all lines of continuing care business, strong independent living occupancy and home care revenue higher than anticipated.

As of 12/31/2025, operating expenses were $80,281,204. The Community's expenses were lower than expected by $186,979. Wages were lower than expected due to open positions, this was offset by higher utilization of our health plan and the need to increase reserves for the plan.

EXHIBIT 9

FORM NOTICE OF RIGHT TO RESCIND

_____
Date rescission period begins

You may rescind and terminate your Residence and Care Agreement, without penalty or forfeiture, within seven (7) days of the above date. You are not required to move into Ann's Choice, Inc. before the expiration of this seven (7) day period. No other agreement or statement you sign shall constitute a waiver of your right to rescind your agreement within the seven (7) day period.

To rescind your Residence and Care Agreement, mail or deliver a signed and dated copy of this notice, or any other dated written notice, letter or telegram, stating your desire to rescind to Ann's Choice, Inc. at 10000 Ann's Choice Way, Warminster, Pennsylvania 18974 not later than midnight of _____.

Pursuant to this notice, I hereby cancel my Residence and Care Agreement.

_____
DATE

_____
RESIDENT'S SIGNATURE