THE VILLAGE AT ST. BARNABAS, INC. (PROVIDER)

AND

THE WOODLANDS AT ST. BARNABAS, INC. (FACILITY)

A Continuing Care Retirement Community

DISCLOSURE STATEMENT

(In Conformance with 31 Pa. Code § 151.4 and 40 P.S. § 3207)

DATE OF DISCLOSURE STATEMENT:
_____, 20_____

The Village at St. Barnabas, Inc. (PROVIDER)
The Woodlands at St. Barnabas, Inc. (FACILITY)
5850 Meridian Road
Gibsonia, PA 15044

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

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DISCLOSURE STATEMENT
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(1) Provider Information

THE VILLAGE AT ST. BARNABAS, INC. (PROVIDER)
The Woodlands at St. Barnabas, Inc. (FACILITY)
5850 Meridian Road
Gibsonia, PA 15044

The Village at St. Barnabas, Inc. ("The Village"), and The Woodlands at St. Barnabas, Inc. (The Woodlands)" are Pennsylvania not-for-profit corporations and are collectively, referred to as "The Communities".

The Village at St. Barnabas, Inc. is the "PROVIDER", as recognized by the Pennsylvania Department of Insurance under the Certificate of Authority, dated November 8, 2011, and updated January 1, 2018. **The Woodlands at St. Barnabas is the "FACILITY"** as recognized by the Pennsylvania Department of Insurance under the Certificate of Authority, dated November 8, 2011, and updated January 1, 2018.

(2) Description of Property

The Village consists of three interconnected, midrise buildings located on a 270-acre rural campus containing 252 one, two, and three bedroom apartments. The Village leases the land underlying the buildings from St. Barnabas Incorporated under a long-term lease for a nominal rental. The buildings include a shopping mall, six dining areas, lounges, recreational areas, a chapel, country store, auditorium/theater, health club, guest rooms, barber and beauty shop, billiards room, library, bank, private dining room, pub and laundry facilities, all of which are accessible without having to exit the complex. The outdoors of The Village include garden plots, a beautiful parkette, a pond and carports.

The Woodlands consists of carriage style retirement homes on a rural campus containing duplexes, triplexes, quadplexs and other configurations of carriage homes. The Woodlands leases the land underlying the buildings from St. Barnabas Land Trust under a long-term lease for a nominal rental. The amenities of The Woodlands include an indoor swimming facility and gathering place called Crystal Conservatories, a Lodge including exercise rooms, a library and an outdoor Grande Pavilion.

(3) Continuing Care Services Provided

Residents are entitled to occupancy privileges for one (1) independent living home for life or until their Residency Agreement is terminated. In addition, residents are entitled to the following services at no additional cost:

- **Utilities**. The Communities shall provide electricity, air conditioning, hot and cold water, sewer and weekly refuse collection.
- **Furnishings and Appliances**. The Communities shall provide standard furnishings and appliances. All other furnishings shall be provided by the resident at their expense.
- **Food and Meals**. The Village offers a number of dining options to choose from. Due to the variety of options and pricing, The Village provides for a monthly minimum program providing their residents with the most flexibility. The Village's monthly minimum program and pricing options are more particularly described in Exhibit A of the Residence Agreement. This option is not available for The Woodlands.
- **Cable Television**. The Communities shall provide each unit with a cable television hookup and basic cable services. Residents are responsible for payment of any additional channels or services not provided with

the basic cable services. Any additional services or channels chosen by the resident will be either added to their monthly statement or billed directly to the resident by the television cable service company.

- **Housekeeping.** The Communities shall provide each unit with one housekeeping service per month.
- **Transportation:** The Communities provides its residents with free transportation on a regular route to local shopping centers and bus stops. The Communities also offers a limited number of cars to be borrowed by its residents on a first come, first serve basis for reasonable local use. The Communities will provide its residents with transportation to appointments for a fee based on The Communities' current rates.
- **Use of Common Areas**. Residents may use, in common with others, the dining rooms, social and recreational facilities, library, barber/beauty shop, grounds, and other facilities provided by The Communities for everyone in accordance with The Communities' policies as described in the Resident Handbook.
- **Use of Storage Facilities**. The Communities provides limited storage facilities for use by its residents. Policies and additional information concerning use of storage facilities are contained in the Resident Handbook.
- **Access to Telephone Service**. The Communities shall provide each unit with access to telephone service. If residents desire to utilize access to telephone services, all telephone service charges, including connection charges, are the residents' responsibility and are not covered under the Residency Agreement.
- **Maintenance and Repair of Equipment**. The Communities shall provide necessary repairs, maintenance and replacement of The Communities' property, equipment, fixtures and appliances. Repairs, maintenance, and replacement of property and furnishings owned by residents shall be their responsibility.
- **Maintenance of Grounds**. The Communities shall provide grounds keeping, lawn care, lighting on the grounds, and walkway and driveway snow removal in accordance with the snow removal policy in the Resident Handbook.
- **Parking and Motor Vehicle Registration**. The Communities shall provide one designated parking space for each unit. Authorization for parking is contingent upon residents registering their motor vehicle with The Communities and compliance with The Communities' rules and policies governing the operation of motor vehicles. The availability of additional parking is governed by The Communities' policy set forth in the Resident Handbook, which is subject to change from time to time.
- **Activities.** The Communities shall provide recreational, educational, and social activities. Access to, participation in, and fees, if any, associated with activities are governed by The Communities' policy set forth in the Resident Handbook, which is subject to change from time to time.
- **Security System.** The Communities shall equip each carriage home with a device by which residents can contact The Communities Security staff for an initial assessment in the event of a medical emergency. The Communities does not provide Emergency Medical Services or Emergency Medical Technicians.

(4) Management of the Provider

The daily operation of the Provider are managed by:

General Manager: Currently Mark Dennis
President: Currently Douglas W. Day

Others involved on occasion and as needed, specifically related to financial and legal issues:

Chief Financial Officer, St. Barnabas Health System: Currently James D. Turco

(5) Effective Date

For clarity purposes, the effective Date of the Residency Agreement is _____.

(6) Resident Fees

Services are provided to residents of the independent living units of The Communities in return for payment of an Application Fee, Entrance Fee and Monthly Fee.

Required Fees

Residency at The Communities under a "Life Use Plan" arrangement requires the following fees. An "*Entrance Fee",* which is required to be paid upon signing of the occupancy agreement, as well as a "*Monthly Maintenance Fee",* which is due and payable by the first day of every month. The Monthly Maintenance Fee is subject to change upon the annual anniversary of the occupancy date.

Application Fee

Residents shall pay to The Communites the sum of $_____ as a non-refundable Application Fee at the time of submitting the application for residency. A resident's Application Fee shall be credited to their Entrance Fee at the time of occupancy but shall not be refunded to the resident if they withdraw their application. This section does not apply to existing resident(s) entering into a Life Use contract.

Entrance Fee

Residents shall pay to The Communities a one-time Entrance Fee in the amount of $_____. There is no increase in the Entrance Fee in the event of double-occupancy. At the time the Residency Agreement is signed, residents shall pay an initial deposit of $_____, which, in addition to the Application Fee, is equivalent to _____ percent (_____%) of the Entrance Fee. On or before the designated occupancy date, residents shall pay the balance of the Entrance Fee in the amount of $_____.

Four percent (4%) of the Entrance Fee shall be surrendered to The Communities on the first day of occupancy. During the first year of occupancy (12 months), the Entrance Fee shall be surrendered to The Communities at a rate of four percent (4%) per month beginning in a resident's first month of occupancy. During Year 2 and Year 3 of occupancy (24 months), the Entrance Fee shall be surrendered to The Communities at a rate of two percent (2%) per month. Three years (36 months) after the first month of occupancy, the Entrance Fee shall be considered fully surrendered to The Communities.

In the event the Residency Agreement is terminated prior to the 36th month of occupancy, the resident or the resident's estate shall be entitled to a refund of any amount not already surrendered to The Communities. Any refund due will be reduced by any outstanding charges owed to The Communities. If the resident (or both co-residents) chooses to terminate the Residency Agreement, residents must surrender any portion of the Entrance Fee which comes due during the required thirty (30) day notice period.

For purposes of refunding the Entrance Fee upon the death of one (1) co-resident or upon termination of the Residency Agreement by one (1) co-resident, there shall be no refund of any amounts not surrendered to The

Communities as long as the remaining co-resident continues to reside at The Communities. Any remaining Entrance Fee not already surrendered to The Communities will be applied solely to the co-resident remaining at The Communities and will continue to be surrendered to The Communities in accordance with the Residency Agreement.

In the event the Residency Agreement is terminated prior to a resident's designated occupancy date but after the expiration of the seven (7) day rescission period, and the resident is not precluded from taking occupancy by illness, injury, incapacity or death, then The Communities shall retain a Fee of one thousand dollars ($1,000.00). Any remaining Entrance Fee already paid to The Communities will be refunded to the resident in accordance with the terms of the Residency Agreement.

Monthly Fee

Residents shall pay to The Communities a Monthly Fee in the amount of $_____ per month for the duration of the Residency Agreement. In the event of double-occupancy, co-residents shall pay The Communities a single Monthly Fee in the amount of $_____ per month plus a Second-Person Fee of $_____, based upon The Communities' prevailing rates and the particular carriage home selected. The Monthly Fee and Second-Person Fee of co-residents must be paid to The Communities by the first business day of each month.

The Communities may periodically adjust the Monthly Fee, provided residents are given at least thirty (30) days written notice. Residents may expect changes in the Monthly Fee as necessary to provide sound financial conditions for The Communities and quality of services to its residents.

If the Residency Agreement is terminated by either party upon the giving of thirty (30) days written notice, residents shall be obligated to pay any Monthly Fee due within those thirty (30) days, regardless of whether they vacate The Communities prior to the expiration of the thirty (30) day period. In the event residents are temporarily hospitalized or temporarily transferred, all charges shall continue until The Communities receives thirty (30) days written notice of the resident's intention to vacate. In the event of the death or termination of the Residency Agreement by one co-resident of a shared carriage home, the Second-Person Fee shall no longer apply and the remaining resident shall continue to pay The Communities the applicable Monthly Fee.

Charges for Additional Services

The Communities offers products and services not included under the Residency Agreement but available to residents for an additional charge. Residents are responsible for payment of all additional products and services provided by The Communities that are not included under the Residency Agreement.

Reference should be made to the Residency Agreement for further information.

Additional Charges for Personal Care and Skilled Nursing Services

Residents have the right to occupy their independent living units for so long as they satisfy the health and other conditions of occupancy as set forth in the Residency Agreement. Residents have priority access to the personal care and skilled nursing facilities at The Communities. Admission to The Communities' personal care and skilled nursing facilities is contingent upon the resident meeting the admission criteria and a physician's certification. Upon admission to the personal care or skilled nursing facility, the resident must pay the applicable daily rate for the level of care provided and must continue to pay the Monthly Fee for their independent living unit until such time as they are permanently transferred. In cases of double-occupancy when one individual is permanently transferred to the personal care or skilled nursing facilities, the remaining resident

will retain the right to occupy the independent living unit so long as the remaining resident continues to pay the applicable Monthly Fee.

Residency Agreements signed by residents are fee-for-service contracts. If a resident requires health care in the personal care or skilled nursing facility, the resident must terminate the continuing care agreement and enter into a new agreement with the personal care or skilled nursing facility. The cost for services at the personal care and skilled nursing facility is not included under the continuing care Residency Agreement.

Reference should be made to the Residency Agreement for further information.

(7) Entrance Fee Security

Pennsylvania's Continuing Care Provider Registration and Disclosure Act requires The Communities to provide reserve funding or security to ensure that The Communitieswill be able to fully perform its contractual obligations to its residents. To satisfy this requirement, The Communities has designated a previously established trust fund for this purpose. The trust fund, The Communities at St. Barnabas Endowment Account, is held by Clearview Federal Credit Union, as custodian. Investment decisions for the trust fund are made by the Investment Committee.

(8) Financial Aid

The Communities provides a Fellowship Fund (the "Fund") that enables qualified applicants to receive financial aid toward the cost of The Communities' Entrance Fee and Monthly Fee. Individuals who meet the admissions requirements of The Communities but lack the total funding necessary to apply for admission are eligible for the Fund. The Communities requires a financial statement to verify applicant's need. Good character, integrity and the need for the type of services provided at The Communities are also basic considerations for financial assistance. To apply for the Fund, applicants should request a Fellowship Fund meeting when arranging for an interview with The Communities.

(9) Tax Exempt Status

The Village, and The Woodlands have been recognized by the Internal Revenue Service as charitable organizations qualified under Sections 501(c) (3) and 509 (a) (2) of the Internal Revenue Code.

(10) Certified Financial Statements of Provider

Certified financial statements of The Communities for the two most recent fiscal years are attached hereto as Addendum A.

(11) Residency Agreement

A copy of the Residency Agreement for continuing care residents at The Communities is attached hereto as Addendum B.

(12) Ownership and Management

Board of Trustees and Officers

The Village is governed and managed by the following trustees and officers:

Mr. John Carpenter, Chairman of the Board of Trustees
The Village at St. Barnabas, Inc.
5850 Meridian Road, Gibsonia, PA 15044
Experience: Mr. Carpenter is the owner and President of a strategy and marketing firm.

Mr. Douglas W. Day, President
The Village at St. Barnabas, Inc.
5850 Meridian Road, Gibsonia, PA 15044
Experience: Mr. Day is the President of the Village at St. Barnabas, Inc.

Mr. Richard F. Kaminsky, Treasurer
The Village at St. Barnabas, Inc.
5850 Meridian Road, Gibsonia, PA 15044
Experience: Mr. Kaminsky is the sole proprietor of a franchise of eating establishments.

The Woodlands is governed and managed by the following trustees and officers:

Mr. Robert Crnjarich, Chairman and Treasurer of the Board of Trustees
The Woodlands at St. Barnabas, Inc.
5850 Meridian Road, Gibsonia, PA 15044
Experience: Mr. Crnjarich is a Director with a compensation, health and benefits, and retirement consulting firm.

Mr. Douglas W. Day, President
The Woodlands at St. Barnabas, Inc.
5850 Meridian Road, Gibsonia, PA 15044
Experience: Mr. Day is the President of the Woodlands at St. Barnabas, Inc.

Related Party Transactions

No officer, trustee or any other person has a 10% or greater equity or beneficial interest in or of The Communities.

No officer or trustee is providing services to The Communities in excess of $500.

Legal Matters

No officer or trustee has been convicted of a felony or pleaded nolo contendere to a felony charge or been held liable or enjoined in a civil action by final judgment of the felony or civil action involving fraud, embezzlement, fraudulent coercion or misappropriation of property.

No officer or trustee is subject to a currently effective injunction or restrictive order of a court of record or within the past five years had any State or Federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, arising 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 this act or a similar act in another state.

(13) Affiliates

The Village, and The Woodlands are controlled by St. Barnabas Communities, Inc. ("St. Barnabas Communities"). St. Barnabas Communities is controlled by St. Barnabas Health System, Inc. which also controls St. Barnabas Clinical Services, Inc., St. Barnabas Charities, Inc., St. Barnabas Land Trust, Inc., and St. Barnabas Charitable Foundation, Inc. St. Barnabas Clinical Services, Inc. controls St. Barnabas Nursing Home, Inc., Valencia Woods at St. Barnabas, Inc., The Arbors at St. Barnabas, Inc., Fosnight Personal Care Home d/b/a The Arbors at St. Barnabas, III, HAP Senior Care d/b/a Beaver Meadows, The Washington Place at St. Barnabas, and St. Barnabas Medical Center, Inc. St. Barnabas Charities, Inc. controls The Kean Theatre, Inc, and Beautiful Buys, A St. Barnabas Thrift Shoppe.

The Village was formed on March 26, 1987 pursuant to the Plan of Division of St. Barnabas, Inc. Effective April 1, 1988, pursuant to such Plan of Division, assets and liabilities related to the retirement village operated by St. Barnabas Incorporated were transferred by operation of law to The Village. From 1980 until April 1, 1988, services now provided by The Village were provided by St. Barnabas Incorporated, which was founded by the Christian Episcopal St. Barnabas Brotherhood in 1900 and was managed by and affiliated with them until 1967. The Village's contractual obligations to its residents as of the effective date of the Plan of Division are guaranteed by each of its affiliated Corporations. Future obligations to residents will not be similarly guaranteed. The Village is solely responsible for all other financial and contractual obligations.

The Woodlands was formed in 1998 pursuant to the Plan of Division of St. Barnabas, Inc. Effective April 1, 2005, pursuant to such Plan of Division, assets and liabilities related to the Woodlands operated by St. Barnabas Incorporated were transferred by operation of law to The Woodlands. From 1998 until April 1, 2005, services now provided by The Woodlands were provided by St. Barnabas Incorporated, which was founded by the Christian Episcopal St. Barnabas Brotherhood in 1900 and was managed by and affiliated with them until 1967. The Woodlands contractual obligations to its residents as of the effective date of the Plan of Division are guaranteed by each of its affiliated Corporations. Future obligations to residents will not be similarly guaranteed. The Woodlands is solely responsible for all other financial and contractual obligations.

(14) Notice of Right to Rescind

Residents may rescind and terminate their Residency Agreement without penalty or forfeiture within seven (7) days of signing a Residency Agreement. Residents are not required to move into their unit before the expiration of this seven (7) day period. To rescind their Residency Agreement, residents must mail or deliver a signed and dated copy of a Rescission Notice or any other dated written notice, letter or telegram, stating their desire to rescind to The Communities. A Notice of Right to Rescind is included in the Residency Agreement (attached as Addendum B.). After the lapse of the seven (7) day recession period, but prior to the designated occupancy date or actual date of occupancy, any applicable refunds shall be paid in accordance with the refund provisions of the Residency Agreement.