

Address 4401 Haverford Avenue
Street

Philadelphia 19104
City Zip

Philadelphia (215) 349-8800
City Area Code Telephone No.

4401 Haverford Avenue Opco LLC
Name of Immediate Owner (Licensee)

Provisional: Provisional to Regular:

Type of Ownership:
 Individual City/County Government
 Partnership Hospital Based
 Corporation State Government

Type of Operation:
 Profit Non-profit

Have you increased your bed capacity by 10% or more, or by 10 beds, whichever is greater, within the last 2 years? yes no
 If yes, give year of change _____ Current beds _____ Prior beds _____

Current Licensed Capacity: 176 Requested Capacity: 176
 Current License Number: 405602 Expiration Date of Current License: 8/31/2024

Name of Administrator: J. Edward Burleigh License Number: NH0029146
Name and Address of Applicant Area Code Telephone No.
4401 Haverford Avenue Opco LLC; 4401 Haverford Avenue, PA 19104

Are there any directors, officers, agents, or managing employees of the institution, agency or organization who have ever been convicted of a criminal offense related to their involvement in such programs established by Titles XVIII, XIX, or XX? yes no

Has there been a change in ownership or control within the last year? If yes, give date _____ yes no

Do you anticipate any change of ownership or control within the year? If yes, when? 01/01/2024 yes no

Do you anticipate filing for bankruptcy within the year? If yes, when? _____ yes no

If county operated or sponsored, enter address of Board of Commissioners and name of commissioners.

Address	Name of Commissioner	Name of Commissioner	Name of Commissioner

Is the facility and/or building- owned leased Is the facility managed by an organization other than licensee? yes no
 If leased, list the name and address of lessor: 4401 Haverford Avenue LLC
78 Woodbine Lane, Danville, PA 17821
 If yes, list the name and address of the organization.

List name and address of all persons having ownership of 5% or more. (Attach additional sheet if necessary)
Benjamin Kurland; 102 Reagan Court, Lakewood, NJ 08701
Chava Goldschmidt; 316 Melrose Ave, Merion, PA 19066

If appropriate, list the name and address of trustees or board members. (Attach additional sheet if necessary)
N/A

similar capacity who were employed by the institution's organization's, or agency's fiscal intermediary or carrier within the previous 12 months? (Title XVIII providers only)

Yes No

Is the facility's ownership involved with a pyramid or parent corporate structure?

Yes No

If applicable, list name and address of parent corporation or pyramid corporate structures. Explain as necessary.

Does owner(s) or corporate members have financial interest in other health care facilities?

Yes No

If yes, list name and address of all other health care facilities in which the owner or corporate members have financial interest. (Attach additional sheet if necessary)

See attached list.

PAYMENT

A CHECK OR MONEY ORDER PAYABLE TO COMMONWEALTH OF PENNSYLVANIA FOR THE AMOUNT OF THE FEE MUST ACCOMPANY THIS APPLICATION. CURRENCY IS NOT ACCEPTABLE. THE REGULAR FEE PER LICENSE IS \$250.00 PLUS \$2.00 FOR EACH BED IN EXCESS OF 75 BEDS.

The fee per license for a provisional license is as follows:

First provisional - \$400.00 + \$4.00 per bed

Third provisional - \$800.00 + \$8.00 per bed

Second provisional - \$600.00 + \$6.00 per bed

Fourth provisional - \$1000.00 + \$10.00 per bed

The licensure fee for the next license amounts to \$452.00. Mail check or money order, along with the completed application and any amendments or changes to the Pennsylvania Department of Health, Division of Nursing Care Facilities, Room 526, Health and Welfare Building, Harrisburg, PA, 17120.

AGREEMENT

Application is made to operate a long-term care facility in accordance with the Health Care Facilities Act (35 P.S. §448.101 - 448.904).

I agree that all of the above information is COMPLETE and true. Incomplete or inaccurate information IS REASON FOR NON-RENEWAL OF THE FACILITY'S LICENSE. I further agree to conduct said facility in accordance with the laws of the Commonwealth of Pennsylvania and with the rules and regulations of the Department of Health.

AFFIDAVIT

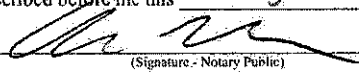
Commonwealth of Pennsylvania

County of Ocean

Benjamin Kurland being duly sworn according to the law deposes and says that the facts set forth in the foregoing application are true, correct, and complete to the best of my knowledge, information, and belief.

Signed

Sworn to and subscribed before me this 30th day of 05, 20 23


(Signature - Notary Public)

My commission expires

CHAIM BRECHER
NOTARY PUBLIC OF NEW JERSEY
Commission # 50139235
My Commission Expires 10/2/2025

Return two (2) completed and signed copies to Pa. Dept. of Health, Division of Nursing Care Facilities.

Mr. Kurland has an interest in the following health care facilities:

Grandview Nursing and Rehabilitation Center; 78 Woodbine Lane Danville PA 17821

Morris View Healthcare Center/AHS; 540 W Hanover Avenue Morristown, NJ 07960

Allaire Rehab and Nursing; 115 Dutch Lane Rd, Freehold NJ 07728

New Grove Manor; 101 N Grove St East Orange 07017

Morristown Post Acute Rehabilitation and Nursing; 77 Madison Ave Morristown NJ 07960

The Center for Living and Rehabilitation; 160 Hospital Dr Bennington VT 05201

Claremont Nursing and Rehabilitation Center, 1000 Claremont Road, Carlisle, PA 17013

Spring Creek Rehab and Nursing Center; 1 Lindbergh Avenue, Perth Amboy, NJ 08861

Grove Park Rehabilitation and Nursing Center; 101 N. St, East Ornge, NJ 07107

Lock Haven Rehabilitation and Senior Living Center; 22 Cree Drive, Lock Haven, PA

Riverview Estates Rehabilitation and Senior Living Center; 303 Bank Avenue, Riverton, NJ 08077

Fallsview at Boonton; 199 Powerville Road, Boonton, NJ 07005

Diamond Healthcare at Brookmont LLC; 510 Brookmont Drive, Effort, PA 18830

Allarian Rehabilitation and Senior Living LLC; 5300 W. 16th Avenue, Hailieah, FL 33012

Las Palmas Senior Living LLC; 5300 W. 16th Avenue, Hailieah, FL 33012

The Center for Rehabilitation & Nursing at Washington Township; 535 Egg Harbor Road, Sewell, NJ 08080

Bradford Hills Nursing & Rehabilitation Center; 15900 US 6, Troy, PA 16947

4401 HAVERFORD AVENUE OPCO LLC

**Acquisition of the Health Care Facility to be known as
West Park Rehabilitation and Nursing Center
Assurance Regarding Health Care Facility Administrators and Employees**

I, Benjamin Kurland, as the Managing Member of 4401 Haverford Avenue Opco LLC, being authorized to execute this document on behalf of 4401 Haverford Avenue Opco LLC, hereby verify, attest and affirm, pursuant to and subject to the penalties in 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities):

- that 4401 Haverford Avenue Opco LLC has reviewed the education, training and experience of the individuals identified below, and has conducted all legally required or otherwise appropriate administrative, civil and criminal background investigations and reference checks for the individuals; and,
- that following these reviews, investigations and checks, 4401 Haverford Avenue Opco LLC has concluded that the individuals possess the education, training and experience required for the job functions they will perform in the positions that they will occupy at West Park Rehabilitation and Nursing Center, and that they are responsible persons whose actions and character do not indicate that they should not hold the positions they have been given in the company and facility identified herein.

West Park Rehabilitation and Nursing Center

Nursing Home Administrator
Director of Nursing
Medical Director

J, Edward Burleigh, NHA
Anna Marie Blake
Dr. Panchal Vimmi

For 4401 Haverford Avenue Opco LLC

Signed: 

Date: 12/30/2023

Name/Title: Benjamin Kurland, Managing Member

Pennsylvania Department of Health
Division of Nursing Care Facilities

NONCOMPLIANCE WITH STATE AND FEDERAL REGULATIONS

I, 4401 Haverford Avenue Opco LLC, purchaser of
Purchaser Name

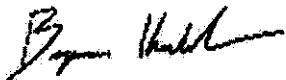
West Park Rehabilitation and Nursing Center
Name of facility

understand that this facility may be in violation of state statutes and regulations. If deficiencies were cited, I know and understand that these deficiencies must be corrected by me in order to retain the facility license which is issued by the Pennsylvania Department of Health to operate the named facility.

I also understand that noncompliance with the federal conditions of participation may result in decertification from the Medicare/Medicaid program.

If the Department finds and cites deficiencies subsequent to my assumption of ownership, and these deficiencies consist in whole or in part of violations that occurred under the previous ownership, I acknowledge that it is my responsibility to correct these deficiencies. Additionally, if deficiencies are cited that result in a licensure action (e.g. civil monetary penalty, provisional license), regardless of when the violations occurred, I understand that I am responsible for compliance with and acceptance of the licensure action, including the payment of a civil monetary penalty.

SIGNED:



DATED: 10/30/2023

TITLE: Managing Member

By signing this document, I certify that I am authorized to bind the purchaser to this agreement.

A copy of the current state licensure and federal certification deficiencies may be obtained from the facility or the _____ field office, telephone number _____.

Assurance of Compliance

Under the Paperwork Reduction Act of 1995, as amended, and 5 C.F.R. § 1320.5(b)(2)(i), persons are not required to respond to this collection of information unless it displays a currently valid OMB control number. The OMB control number for this collection is 0945-0008. In lieu of completing this hard copy form and mailing it in, the Applicant may provide this assurance via the U.S. Department of Health and Human Services' Assurance of Compliance online portal at <https://ocrportal.hhs.gov/ocr/aoc/instruction.jsf>.

ASSURANCE OF COMPLIANCE WITH TITLE VI OF THE CIVIL RIGHTS ACT OF 1964, SECTION 504 OF THE REHABILITATION ACT OF 1973, TITLE IX OF THE EDUCATION AMENDMENTS OF 1972, THE AGE DISCRIMINATION ACT OF 1975, SECTION 1557 OF THE PATIENT PROTECTION AND AFFORDABLE CARE ACT, AND FEDERAL CONSCIENCE AND NONDISCRIMINATION LAWS

The Applicant provides this assurance in consideration of and for the purpose of obtaining Federal grants, loans, contracts, property, discounts or other Federal financial assistance from the U.S. Department of Health and Human Services.

THE APPLICANT HEREBY AGREES THAT IT WILL COMPLY WITH:

1. Title VI of the Civil Rights Act of 1964, as amended (codified at 42 U.S.C. § 2000d et seq.), and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 80), to the end that, in accordance with Title VI of that Act and the Regulation, no person in the United States shall, on the ground of race, color, or national origin (including limited English proficiency) be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department.
2. Section 504 of the Rehabilitation Act of 1973, as amended (codified at 29 U.S.C. § 794), and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 84), to the end that, in accordance with Section 504 of that Act and the Regulation, no otherwise qualified individual with a disability in the United States shall, solely by reason of their disability, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department.
3. Title IX of the Education Amendments of 1972, as amended (codified at 20 U.S.C. § 1681 et seq.), and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 86), to the end that, in accordance with Title IX and the Regulation, no person in the United States shall, on the basis of sex (including pregnancy, sexual orientation, and gender identity), be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any education program or activity for which the Applicant receives Federal financial assistance from the Department.
4. The Age Discrimination Act of 1975, as amended (codified at 42 U.S.C. § 6101 et seq.), and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 91), to the end that, in accordance with the Act and the Regulation, no person in the United States shall, on the basis of age, be denied the benefits of, be excluded from participation in, or be subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department.
5. Section 1557 of the Patient Protection and Affordable Care Act, as amended (codified at 42 U.S.C. § 18116), and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 CFR Part 92), to the end that, in accordance with Section 1557 and the Regulation, no person in the United States shall, on the ground of race, color, national origin (including limited English proficiency), age, disability, or sex (including pregnancy, sexual orientation, and gender identity) be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any health program or activity for which the Applicant receives Federal financial assistance from the Department.

As applicable, the Church Amendments, as amended (codified at 42 U.S.C. § 300a-7), the Coats-Snowe Amendment (codified at 42 U.S.C. § 238n), the Weldon Amendment (e.g., Consolidated Appropriations Act, 2022, Pub. L. No. 117-103, Div. H, Title V § 507(d), 136 Stat 49, 496 (Mar. 15, 2022)) as extended by the Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023, Pub. L. No. 117-180, Div. A, § 101(8) (Sep. 30, 2022); , Section 1553 of the Patient Protection and Affordable Care Act, as amended (codified at 42 U.S.C. § 18113), and Section 1303(b)(4) of the Patient Protection and Affordable Care Act, as amended (codified at 42 U.S.C. § 18023(b)(4)), and 45 C.F.R. Part 88, to the extent that the rights of conscience are protected and associated discrimination and coercion are prohibited, in any program or activity for which the Applicant receives Federal financial assistance. Consistent with applicable court orders, the version of Part 88 in effect as of [October 20, 2022] is found at 76 Fed.Reg. 9968-9977 (Feb. 23, 2011).

The Applicant agrees that compliance with this assurance constitutes a material condition of continued receipt of Federal financial assistance, and that it is binding upon the Applicant, its successors, transferees, and assignees for the period during which such assistance is provided.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Applicant by the Department, this assurance shall obligate the Applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance shall obligate the Applicant for the period during which it retains ownership or possession of the property. The Applicant further recognizes and agrees that the United States shall have the right to seek judicial enforcement of this assurance.

You have successfully submitted the HHS-690 for your organization. Your confirmation number is 29526830

The following information was provided:

Date: 10/30/2023
 Name and Title of Authorized Official: Mr. Benjamin Kurkland
 Name of Healthcare Facility Receiving / Requesting Funding: 4401 Haverford Avenue Opco LLC
 4401 Haverford Avenue
 Address: Philadelphia, PA 19104
 USA



U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ASSURANCE OF COMPLIANCE

Under the Paperwork Reduction Act of 1995, as amended, and 5 C.F.R. § 1320.5(b)(2)(i), persons are not required to respond to this collection of information unless it displays a currently valid OMB control number. The OMB control number for this collection is 0945-0008. In lieu of completing this hard copy form and mailing it in, the Applicant may provide this assurance via the U.S. Department of Health and Human Services' Assurance of Compliance online portal at <https://ocrportal.hhs.gov/ocr/aoc/instruction.jsf>.

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*With respect to compliance with 45 C.F.R. Part 88, the signatory is providing assurance of compliance with such Part to the extent it is in effect during the term of the award. Consistent with applicable court orders, the version of Part 88 in effect as of December 2, 2019, is found at 76 Fed. Reg. 9,976-77 (February 23, 2011).

The Applicant provides this assurance in consideration of and for the purpose of obtaining Federal grants, loans, contracts, property, discounts or other Federal financial assistance from the U.S. Department of Health and Human Services.

THE APPLICANT HEREBY AGREES THAT IT WILL COMPLY WITH:

1. Title VI of the Civil Rights Act of 1964, as amended (codified at 42 U.S.C. § 2000d *et seq.*), and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 80), to the end that, in accordance with Title VI of that Act and the Regulation, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department.
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6. As applicable, the Church Amendments, as amended (codified at 42 U.S.C. § 300a-7), the Coats-Snowe Amendment (codified at 42 U.S.C. § 238n), the Weldon Amendment (e.g., Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2019, Div. B., sec. 507(d), Pub. L. No. 115-245, 132 Stat. 2981, 3118 (Sept. 28, 2018), as extended by the Continuing Appropriations Act, 2020, and Health Extenders Act of 2019, Pub. L. No. 116-59, Div. A., sec. 101(8), 133 Stat. 1093, 1094 (Sept. 27, 2019)), Section 1553 of the Patient Protection and Affordable Care Act, as amended (codified at 42 U.S.C. § 18113), and Section 1303(b)(4) of the Patient Protection and Affordable Care Act, as amended (codified at 42 U.S.C. § 18023(b)(4)), and other Federal conscience and anti-discrimination laws, including but not limited to those listed at <https://www.hhs.gov/conscience/conscience-protections>, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 88), to the end that the rights of conscience are protected and associated discrimination and coercion are prohibited, in any program or activity for which the Applicant receives Federal financial assistance or other Federal funds from the Department for which the Federal conscience and anti-discrimination laws and 45 C.F.R. Part 88 apply.

The Applicant agrees that compliance with this assurance constitutes a condition of continued receipt of Federal financial assistance, and that it is binding upon the Applicant, its successors, transferees and assignees for the period during which such assistance is provided. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Applicant by the Department, this assurance shall obligate the Applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance shall obligate the Applicant for the period during which it retains ownership or possession of the property. The Applicant further recognizes and agrees that the United States shall have the right to seek judicial enforcement of this assurance.

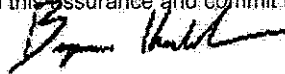
The person whose signature appears below is authorized to sign this assurance and commit the Applicant to the above provisions.

10/30/2023

Date

Please mail form to:

U.S. Department of Health & Human Services
Office for Civil Rights
200 Independence Ave., S.W. Room 509F
Washington, D.C. 20201



Signature of Authorized Official

Benjamin Kurland, Managing Member

Name and Title of Authorized Official (please print or type)

4401 Haverford Avenue Opco LLC

Name of Agency Receiving/Requesting Funding

4401 Haverford Avenue

Street Address

Philadelphia, PA 19104

City, State, Zip Code

The Applicant may provide this assurance via the U.S. Department of Health and Human Services' Assurance of Compliance online portal at <https://ocrportal.hhs.gov/ocr/aoc/instruction.jsf> in lieu of mailing it to the address provided.

between
THE SECRETARY OF HEALTH AND HUMAN SERVICES
and
4401 Haverford Avenue Opco LLC
doing business as (D/B/A) West Park Rehabilitation and Nursing Center

In order to receive payment under title XVIII of the Social Security Act, 4401 Haverford Avenue Opco LLC

D/B/A West Park Rehabilitation and Nursing Center as the provider of services, agrees to conform to the provisions of section of 1866 of the Social Security Act and applicable provisions in 42 CFR.

This agreement, upon submission by the provider of services of acceptable assurance of compliance with title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973 as amended, and upon acceptance by the Secretary of Health and Human Services, shall be binding on the provider of services and the Secretary.

In the event of a transfer of ownership, this agreement is automatically assigned to the new owner subject to the conditions specified in this agreement and 42 CFR 489, to include existing plans of correction and the duration of this agreement, if the agreement is time limited.

ATTENTION: Read the following provision of Federal law carefully before signing.

Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme or device a material fact, or make any false, fictitious or fraudulent statement or representation, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than 5 years or both (18 U.S.C. section 1001).

Name Benjamin Kurland Title Managing Member

Date 10/30/2023

ACCEPTED FOR THE PROVIDER OF SERVICES BY:

NAME (signature)

TITLE	DATE
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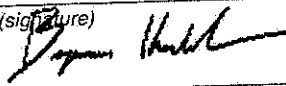
ACCEPTED BY THE SECRETARY OF HEALTH AND HUMAN SERVICES BY:

NAME (signature)

TITLE	DATE
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ACCEPTED FOR THE SUCCESSOR PROVIDER OF SERVICES BY:

NAME (signature)



TITLE <u>Managing Member</u>	DATE <u>10/30/2023</u>
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According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0832. The time required to complete this information collection is estimated to average 5 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to CMS, Attn: PRA Reports Clearance Officer, 7500 Security Boulevard, Baltimore, Maryland 21244-1850.

CONFIDENTIAL AND PROPRIETARY INFORMATION

Responses of 4401 Haverford Avenue Opco LLC
to the Department's Information Requested of Health Care Providers

1. Business Structure of Applicant: 4401 Haverford Avenue Opco LLC is a Pennsylvania Limited Liability Company. The limited liability company's registered address is 78 Woodbine Lane, Danville, PA 17821. Its mailing address is: 4401 Haverford Avenue, Philadelphia, PA 19104 It is comprised of 3 members: Benjamin Kurland, Chava Goldschmidt, and an individual with 2% ownership interest. Benjamin Kurland is the managing member of 4401 Haverford Avenue Opco LLC.

2. The following persons/entities have a 5% or greater direct or indirect ownership or controlling interest in 4401 Haverford Avenue Opco LLC.

Ben Kurland holds a 93% direct interest in the applicant as one of the members of 4401 Haverford Avenue Opco LLC. His address is [REDACTED], [REDACTED]. Mr. Kurland is the manager of the applicant.

Chava Goldschmidt holds a 5% direct interest in the applicant as one of the members of 4401 Haverford Avenue Opco LLC. Her address is [REDACTED].

3. See Attached.

4. (a) and (b) Ben Kurland will be responsible for the overall business direction of the applicant and the overall management and operation of the skilled nursing facility.

(c) The following individuals will be responsible for the day to day operations of the facility: J. Edward Burleigh, NHA, Administrator; the Director of Nursing and the Medical Director.

5. The Pennsylvania address for the Applicant is the facilities' address of 4401 Haverford Avenue, Philadelphia, PA 19104.

6. The Applicant does not anticipate any changes in the health care services offered nor does it anticipate any staffing changes.

7. (a) The applicant has no other health care experience.

(b) Mr. Kurland has an interest in the following health care facilities:

Grandview Nursing and Rehabilitation Center; 78 Woodbine Lane Danville PA 17821

Morris View Healthcare Center/AHS; 540 W Hanover Avenue Morristown, NJ 07960

Allaire Rehab and Nursing; 115 Dutch Lane Rd, Freehold NJ 07728

New Grove Manor; 101 N Grove St East Orange 07017

Morristown Post Acute Rehabilitation and Nursing; 77 Madison Ave Morristown NJ 07960

The Center for Living and Rehabilitation; 160 Hospital Dr Bennington VT
05201

Claremont Nursing and Rehabilitation Center, 1000 Claremont Road, Carlisle,
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Fallsview at Boonton; 199 Powerville Road, Boonton, NJ 07005

Diamond Healthcare at Brookmont LLC; 510 Brookmont Drive, Effort, PA
18830

Allarian Rehabilitation and Senior Living LLC; 5300 W. 16th Avenue, Hialeah,
FL 33012

Las Palmas Senior Living LLC; 5300 W. 16th Avenue, Hialeah, FL 33012

The Center for Rehabilitation & Nursing at Washington Township; 535 Egg
Harbor Road, Sewell, NJ 08080

Bradford Hills Nursing & Rehabilitation Center; 15900 US 6, Troy, PA 16947

(c) Please see attached list.

8. (a) No

(b) See response to 7(c) above.

(c) No

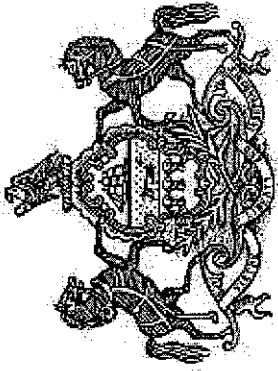
9. No

10. The Nursing Homes does not propose to deliver services on a charitable or an
uncompensated basis but will continue to participate in Pennsylvania's Medical
Assistance Program.

Name	Address	Status	Licensing Agency	CMP	Dollar amount	Date
Grandview Nursing and Rehab	80 Woodbine Lane Danville PA 17821	Active	PADOH	CMP 2023-03-LTC-185	\$ 5,000.00	3/30/2023
Claremont Nursing and Rehab Center	1001 Claremont Rd, Carlisle, PA 17013	Active	PADOH	CMP 2023-03-LTC-165	\$ 161,280.00	3/14/2023
Claremont Nursing and Rehab Center	1002 Claremont Rd, Carlisle, PA 17013	Active	PADOH	2023-03-LTC-055	\$ 62,700.00	3/15/2023
	1001 Claremont Rd, Carlisle, PA 17013	Active	PADOH	CMP	\$ 14,335.00	
Claremont Nursing and Rehab Center	1000 Claremont Rd, Carlisle, PA 17013	Active	PADOH	State CMP	\$5,000	1/27/2023
	1001 Claremont Rd, Carlisle, PA 17013	Active	PADOH	State CMP	\$2,500	1/28/2023
	1001 Claremont Rd, Carlisle, PA 17013	Active	PADOH	State CMP	\$2,250	1/27/2023
	1001 Claremont Rd, Carlisle, PA 17013	Active	PADOH	State CMP	\$5,000	1/17/2023
Claremont Nursing and Rehab Center	1000 Claremont Rd, Carlisle, PA 17013	Active	PADOH	2023-03-LTC-314	\$13,780	8/10/2023
	1001 Claremont Rd, Carlisle, PA 17013	Active	PADOH	Provisional License 1		
	1002 Claremont Rd, Carlisle, PA 17013	Active	PADOH	Provisional License 2 withdrawn		
Lock Haven	22 Cree Dr Lock Haven PA 17745	Active	PADOH	State CMP	\$ 10,000.00	5/24/2023
Lock Haven	22 Cree Dr Lock Haven PA 17745	Active	PADOH		\$12,600	3/24/2023
Morris View Healthcare Center	540 W Hanover Dr, Morristown, NJ	Active	NJDOH		\$17,210	11/10/2022
Morristown Post Acute	77 Madison Ave, Morristown, NJ	Active	NJDOH	2022-02-LTC-087	\$21,875	1/28/2022
New Grove Manor	101 N Grove Street, East Orange, NJ	Active	NJDOH		\$16,845	3/9/2022
Spring Creek Healthcare Center	1 Lindbergh Ave, Perth Amboy, NJ	Active	NJDOH	2023-02-LTC-157	\$23,989	1/31/2023

<u>Name</u>	<u>Address</u>	<u>CMP</u>	<u>Dollar amount</u>	<u>Date Imposed</u>	<u>Appeal Status</u>
Allaire Rehab and Nursing	115 Dutch Lane Rd freehold NJ 07728	Case No. 2018-02-LTC-111	\$ 5,000.00	8/24/2018	
Allaire Rehab and Nursing	115 Dutch Lane Rd freehold NJ 07728	Case No. 2021-02-LTC-089	\$ 9,750.00	10/16/2020	
Allaire Rehab and Nursing	116 Dutch Lane Rd freehold NJ 07728	Case No. 2021-02-LTC-021	\$ 9,750.00	12/29/2020	
Allaire Rehab and Nursing	116 Dutch Lane Rd Freehold NJ 07728	Case No. 2021-02-LTC-119	\$ 197,575.00	7/30/2021	UNDER APPEAL
Morris View Healthcare Center	540 West Hanover Avenue Morristown, NJ 07960	Case No. 2018-02-LTC-108	\$ 25,404.00	3/15/2018	
Morris View Healthcare Center	540 West Hanover Avenue Morristown, NJ 07960	Case No. 2021-02-LTC-219	\$ 3,250.00	1/19/2021	
Morris View Healthcare Center	540 West Hanover Avenue Morristown, NJ 07960	Case No. 2021-02-LTC-204	\$ 9,750.00	10/10/2021	
Morris View Healthcare Center	540 West Hanover Avenue Morristown, NJ 07960	Case No. 2023-02-LTC-063	\$17,210.00	11/10/2022	UNDER APPEAL
Grandview Nursing and Rehab	78 Woodbine Lane Danville PA 17821	Case No. 2019-03-LTC-205	\$ 7,036.25	8/27/2019	
Grandview Nursing and Rehab	78 Woodbine Lane Danville PA 17821	Case No. 2022-03-LTC-249	\$ 49,621.00	11/2/2021	
Grandview Nursing and Rehab	78 Woodbine Lane Danville PA 17821		\$76,340	1/4/2022	
Morristown Post Acute Rehabilitation and Nursing Center	77 Madison Avenue, Morristown, NJ 07960	Case No. 2022-02-LTC-087	\$ 21,875.00	7/27/2021	UNDER APPEAL
Morristown Post Acute Rehabilitation and Nursing Center	77 Madison Avenue, Morristown, NJ 07960	Case No. 2022-02-COV-326	\$ 650.00	12/20/2021	
Morristown Post Acute Rehabilitation and Nursing Center	77 Madison Avenue, Morristown, NJ 07960	Case No. 2022-02-COV484	\$ 1,664.50	2/7/2022	
Morristown Post Acute Rehabilitation and Nursing Center	77 Madison Avenue, Morristown, NJ 07960	Case No. 2022-02-COV-459	\$ 1,315.00	1/31/2022	

Center for Living and Rehab	160 Hospital Drive Bennington, VT 05201	n/a	\$ 87,450.00	4/20/2022	RESCINDED AFTER A SUCCESSFUL APPEAL
Grove Park Healthcare center	101 N Grove St, E Orange, NJ 07017	Case No. 2022-02-LTC-147	\$16,845	3/9/2022	UNDER APPEAL
Claremont Nursing and Rehab Center	1000 Claremont Rd, Carlisle, PA 17013		\$133,560	1/3/2023	UNDER APPEAL
Claremont Nursing and Rehab Center	1000 Claremont Rd, Carlisle, PA 17013	Case No. 2023-03-LTC-055	\$14,335	8/9/2022	RESCINDED AFTER A SUCCESSFUL APPEAL



Certificate of Licensure

ST. IGNATIUS NURSING & REHAB CENTER
4401 HAVERFORD AVENUE
PHILADELPHIA

The Pennsylvania Department of Health hereby issues this certificate of licensure to the above long-term care nursing facility

OWNED BY: ST. IGNATIUS NURSING HOME

LICENSURE NUMBER: 450602

ISSUED ON: 08/18/2023

EFFECTIVE FROM: 08/31/2023

EXPIRES ON: 08/31/2024

The maximum number of beds shall not exceed 176 beds.

This LICENSE shall expire on the above date, unless for good cause suspended or revoked sooner.

EXCEPTIONS: § 205.10(d), § 205.19(b), § 205.33(a), § 205.33(b), § 205.66(g) LETTER ON FILE IN FACILITY.

Jeanne Parise
Jeanne Parise
Deputy Secretary for Quality Assurance

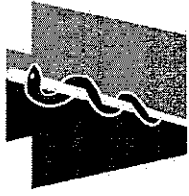


Debra L. Bogen MD

Debra L. Bogen, MD, FAAP
Acting Secretary of Health

NOTE: This license must be posted in a conspicuous place on the premises.

CLINICAL LABORATORY PERMIT



pennsylvania
DEPARTMENT OF HEALTH

Pursuant to the act of September 26, 1951, P.L. 1539 as amended, a Permit to operate a Clinical Laboratory is hereby granted to:

Laboratory Identification Number: 23340A

Name and Director of Laboratory:

ST IGNATIUS NURSING HOME
JOAN B. WEINRYB, M.D.
4401 HAVERFORD AVENUE
PHILADELPHIA, PA 19104

Owner:

ST IGNATIUS NURSING HOME

ISSUE DATE: August 15, 2023

DATE EXPIRES: August 15, 2024

AUTHORIZED CATEGORIES/TESTS:

CLINICAL CHEMISTRY

Fecal Occult: Blood

Whole Blood Glucose [CLIA Waived]

URINALYSIS

Dipstick Urinalysis

VIROLOGY

COVID-19 (Waived by EUA)

Debra L. Bogen MD

Debra L. Bogen, MD, FAAP
Acting Secretary of Health

DISPLAY THIS CERTIFICATE PROMINENTLY

This permit is subject to revocation, suspension, or limitation for violation of the Act or the Regulations promulgated thereunder.

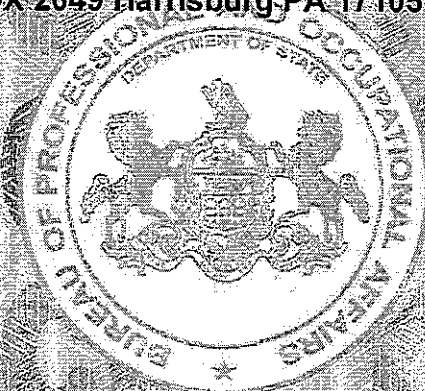
ST IGNATIUS NURSING HOME
JOAN B. WEINRYB, M.D.
4401 HAVERFORD AVENUE
PHILADELPHIA, PA 19104

Commonwealth of Pennsylvania
Department of State
Bureau of Professional and Occupational Affairs
PO BOX 2649 Harrisburg PA 17105-2649

22 0090417

License Type
Nursing Home Administrator

J EDWARD BURLEIGH III
346 CODDINGTON WAY
HARLEYSVILLE, PA 19438



License Status
Active

Initial License Date
11/24/1987

License Number
NH002914L

Expiration Date
06/30/2024

Arion R. Claggett

Acting Commissioner Arion R. Claggett

[Signature]

Signature

J. Edward Burleigh, III
346 Codington Way
Harleysville, PA 19438

WORK EXPERIENCE:

January 2021- Present: St. Ignatius Nursing & Rehab Center- Philadelphia, PA- Administrator of 176 bed SNF, 80 bed HUD 202 and a 60 bed tax credit property. All on the same campus.

January 2013- December 2020: Tulip Special Care, LLC- Philadelphia, PA- Founder/CEO of a sixty (60) bed SNF specializing in ventilator dependent resident's. **(Sold my 20% ownership stock)**

September 2016- January 2018: Oaks Health – Langhorne, PA- Traveling Administrator in Pennsylvania. **(Started as an Interim Administrator under Burleigh Health Care Group and was later hired)**

January 2013- August 2016: Catholic Health Care Services- St. Martha Manor, Downingtown, PA

Title/Responsibilities: Executive Director for a Continuing Care Retirement Community featuring 120 SNF, 120 IL.

December 2002- January 2013 / September 2016- December 2020: Burleigh Health Care Group, Mainland, PA

I have been under contract with The Deffet Group, Westrum Development, Third Age, Inc., ZA Consulting, The Hollinger Group, The Baptist Home Society of New Jersey, Senior Health Management and many other health care organizations providing consultation services. Consultant to Tulip Special Care, LLC.

January 2009- November, 2011: Cheltenham Nursing and Rehabilitation Center, Philadelphia, PA

Title: Administrator **(Started as an Interim Administrator under Burleigh Health Care Group and was later hired)**

Responsibilities: Administrator of a 255 bed skilled nursing facility dually certified for Medicare and Medicaid.

DECEMBER 2002- April 2004: Kearsley Retirement Community, Philadelphia, PA

Title: President/CEO **(Started as an Interim Administrator under Burleigh Health Care Group and was later hired)**

Responsibilities: Hired as a contract administrator to turn around America's oldest retirement community. Kearsley was established in 1772 and is the only CCRC in the nation serving low-income residents. The continuum consists of eighty-seven (87) residential units (HUD- 202/8), eighty-four (84) skilled nursing units, and sixty (60) assisted living units (tax-credit low income). Developed and implemented a turnaround plan for the Board of Directors which meets the needs of the Bond Trustee, HUD, Tax Credit limited partner, and external donors.

July 1997 -- DECEMBER 2002: Evangelical Services for the Aging, Hatboro, PA

Title: President/CEO

Responsibilities: President/ CEO of a multi-facility healthcare continuum for older adults. The continuum consists of four (4) CCRC's, two (2) HUD Section 202/ 8 projects, and an Adult Day Services Center. Other responsibilities include Executive Director of the Evangelical Services for the Aging Foundation.

Evangelical Services for the Aging- Evangelical Manor, Philadelphia, Pennsylvania

Title: President (July 1997- September 1999)

Responsibilities: President of a 180 residential unit, floating assisted living unit and a 120 bed skilled nursing facility Continuing Care Retirement Community. Responsible for the day-to-day administration of all residential and health care operations which include the Business Office, Resident services, Marketing/Public Relations, Housekeeping, Food and Beverage, Health Care Services, Activities, Security, Human Resources, Physical Plant.

NOVEMBER 1994 - JULY 1997: The Presbyterian Home at Monroe, Inc. d/b/a Monroe Village, Jamesburg, NJ

Title: Executive Director

Responsibilities: Executive Director of a 300 residential unit and 60 bed skilled nursing facility Continuing Care Retirement Community. Responsible for the day-to-day administration of all residential and health care operations which include Business Office, Resident Services, Health Care Services, Marketing, Housekeeping, Food and Beverage, Activities, Security, Human Resources and the Physical Plant Department.

AUGUST 1990 - NOVEMBER 1994: Pennsylvania Employees Benefit Trust Fund (PEBTF) Harrisburg, PA
Title: Fund Administrator

Responsibilities: Administrator of a jointly administered multi-union health and welfare fund. The fund provides health benefits for 85,000 active Commonwealth of Pennsylvania employees under the governor's jurisdiction, as well as 60,000 Commonwealth of Pennsylvania annuitants. Responsible for the day-to-day administration of the Trust Fund operations, which include Financial Services (480-million-dollar budget), Eligibility, Claims, Benefit Services, Mailroom, Customer Service and the Data Processing Department.

APRIL 1988 - AUGUST 1990: Life Care Services Corporation, Logan Square East, Philadelphia, Pennsylvania

Title: Associate Executive Director

Responsibilities: Associate Executive Director of a 320 apartment, 148 bed skilled nursing facility Continuing Care Retirement community. Responsible for the day-to-day administration of the residential operations which included Financial Services, Resident Services, Marketing, Housekeeping, Food and Beverage, Activities, Security Personnel and the Physical Plant Department.

Title: Administrator (April 1988 to December 1989)

Responsibilities: Administrator of a 320 apartment, 148 bed skilled nursing facility Continuing Care Retirement Community. Responsible for the day-to-day administration of the healthcare operations, which include the Health Care Center, Resident Health Services, and Assisted Living.

JUNE 1986 - FEBRUARY 1988: Columbia Corporation/Hopkins House Nursing and Rehabilitation Center, Wyncote, Pennsylvania

Title: Assistant Administrator

Responsibilities: Assisting the Nursing Home Administrator with the general operation of the nursing center. Responsible for the day-to-day administration of the Housekeeping, Food Service, Physical Plant, and Finance.

FEBRUARY 1986 - MAY 1986: Manor Health Care, Inc./Stratford Hall Nursing Center, Richmond, Virginia

Title: Administrator In-Training

Responsibilities: Completed the Food Service, Admission and Activities training programs.

APRIL 1985 - JANUARY 1986: ACTS, Inc./Spring House Estates Medical Care Facility, Spring House, Pennsylvania (Part-time)

Title: Ward Clerk, Social Service (designee), Medical Records (designee)

Responsibilities: General Ward clerk duties, all social service and medical records duties, and assisting the NHA.

EDUCATION:

Villanova University, Villanova, Pennsylvania

Health Care Administration - Master of Human Organization Science, December 1993

Gwynedd-Mercy College, Gwynedd Valley, Pennsylvania

BA in Gerontology, December 1985

PROFESSIONAL LICENSES:

Nursing Home Administrator- Pennsylvania-NHA #NH-002914-L / New Jersey- #1781/ Arizona # 769 /Delaware #868/ New York # 05536



COMMONWEALTH OF PENNSYLVANIA
 Department of State
 Bureau of Corporations and Charitable Organizations
 PO Box 8722
 Harrisburg, Pennsylvania 17105-8722
**FICTITIOUS NAME AMENDMENT / WITHDRAWAL
 OF INTERESTED PARTIES**
 Fee: \$70

Pennsylvania Department of State
-FILED-
 Amendment #: 0013631970
 Date Filed: 10/28/2023

DUPLICATE SENT TO THE ATTORNEY GENERAL'S OFFICE BY PENNSYLVANIA DEPARTMENT OF STATE

DSCB:54-312/313 (rev. 7/2015)

In compliance with the requirements of 54 Pa.C.S. Ch.3 (relating to fictitious names), the undersigned entity or entities, desiring to amend or withdraw owners from a fictitious name registration, hereby state(s) that:

Existing Record Information				
File number	0013625143			
Current name	West Park Rehabilitation and Healthcare Center			
Fictitious Name				
New fictitious name	West Park Rehabilitation and Nursing Center			
Current Principal Place of Business				
Current Address	BENJAMIN KURLAND 78 WOODBINE LANE DANVILLE, PA 17821 Montour			
Additional Information				
A brief statement of the character or nature of the business or other activity to be carried on under or through the fictitious name is:	Healthcare Facility			
The last preceding filing with respect to this fictitious name was 10/25/2023 made in the Department on				
<input checked="" type="checkbox"/> This amendment, without reference to any other filing, sets forth all information with respect to the fictitious name which would be required in an original filing under the Fictitious Names Act.				
Agents (Optional)				
Full Name				
Benjamin Kurland				
Interested Parties				
Any interested party(ies)/owners added to the business or withdrawn from the business must be indicated below and their signature(s) or the signature of a previously designated agent must appear(s) at the end of this amendment.				
Individuals interested in the business				
Full Name	Address			
None Entered				
Associations interested in the business				
Name of organization	Form of Organization	Formation Locale	Principal Office	Registered Office Address

2023 OCT 27 10:20:23 C.S. DEPARTMENT OF REVENUE

4401 HAVERFORD AVENUE OPCO LLC Domestic Limited Liability Company Principal Office Address Registered Office Address 78 WOODBINE LANE, DANVILLE, PA 17821 Formation Locale PENNSYLVANIA			None	None
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Electronic Signature

Amendment to be signed by

This application has been executed by owners/interested parties.

IN TESTIMONY WHEREOF, the undersigned have caused this fictitious name amendment to be executed.

Signer Type	Signer's Capacity	On behalf of	Signature	Date
Individual Signer			Benjamin Kurland	10/27/2023



COMMONWEALTH OF PENNSYLVANIA
 Department of State
 Bureau of Corporations and Charitable Organizations
 PO Box 8722
 Harrisburg, Pennsylvania 17105-8722
**FICTITIOUS NAME AMENDMENT / WITHDRAWAL
 OF INTERESTED PARTIES**
 Fee: \$70

Pennsylvania Department of State
-FILED-
 Amendment #: 0013631970
 Date Filed: 10/28/2023

B0627-8421 10/28/2023 8:00 AM RECEIVED BY PENNSYLVANIA DEPARTMENT OF STATE

DSCB:54-312/313 (rev. 7/2015)

In compliance with the requirements of 54 Pa.C.S. Ch.3 (relating to fictitious names), the undersigned entity or entities, desiring to amend or withdraw owners from a fictitious name registration, hereby state(s) that:

Existing Record Information				
File number	0013625143			
Current name	West Park Rehabilitation and Healthcare Center			
Fictitious Name				
New fictitious name	West Park Rehabilitation and Nursing Center			
Current Principal Place of Business				
Current Address	BENJAMIN KURLAND 78 WOODBINE LANE DANVILLE, PA 17821 Montour			
Additional Information				
A brief statement of the character or nature of the business or other activity to be carried on under or through the fictitious name is:	Healthcare Facility			
The last preceding filing with respect to this fictitious name was made in the Department on	10/25/2023			
<input checked="" type="checkbox"/> This amendment, without reference to any other filing, sets forth all information with respect to the fictitious name which would be required in an original filing under the Fictitious Names Act.				
Agents (Optional)				
Full Name				
Benjamin Kurland				
Interested Parties				
Any interested party(ies)/owners added to the business or withdrawn from the business must be indicated below and their signature(s) or the signature of a previously designated agent must appear(s) at the end of this amendment.				
Individuals interested in the business				
Full Name	Address			
None Entered				
Associations interested in the business				
Name of organization	Form of Organization	Formation Locale	Principal Office	Registered Office Address

4401 HAVERFORD AVENUE OPCO LLC
 Domestic Limited Liability Company
 Principal Office Address
 Registered Office Address
 78 WOODBINE LANE, DANVILLE, PA 17821
 Formation Locale
 PENNSYLVANIA

None

None

Electronic Signature

Amendment to be signed by


This application has been executed by owners/interested parties.

IN TESTIMONY WHEREOF, the undersigned have caused this fictitious name amendment to be executed.

Signer Type	Signer's Capacity	On behalf of	Signature	Date
Individual Signer			Benjamin Kurland	10/27/2023

BU0027-0402 10/20/2023 0:00 AM RECEIVED BY PENNSYLVANIA DEPARTMENT OF STATE

**PENNSYLVANIA DEPARTMENT OF STATE
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS**

<input type="checkbox"/> Return document by mail to: <hr/> Name <hr/> Address <hr/> City State Zip Code <input type="checkbox"/> Return document by email to: _____	<p>Certificate of Organization Domestic Limited Liability Company DSCB:15-8821 (rev. 2/2017)</p>  <p style="text-align: center; font-size: small;">8821</p>
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Read all instructions prior to completing. This form may be submitted online at <https://www.corporations.pa.gov/>.

Fee: \$125 I qualify for a veteran/reservist-owned small business fee exemption (see instructions)

In compliance with the requirements of 15 Pa.C.S. § 8821 (relating to certificate of organization), the undersigned desiring to organize a limited liability company, hereby certifies that:

1. The name of the limited liability company is: 4401 HAVERFORD AVENUE OPCO LLC
(designator is required, e.g., "company," "limited" or "limited liability company" or any abbreviation thereof)

2. Complete part (a) or (b) – not both:

(a) The address of this limited liability company's registered office in this Commonwealth is:
(post office box alone is not acceptable)

78 Woodbine Lane	Danville	PA	17821	Montour
Number and Street	City	State	Zip	County

(b) The name of this limited liability company's commercial registered office provider and county of venue is:

c/o: _____
Name of Commercial Registered Office Provider County

3. The name of each organizer is *(all organizers must sign on page 2)*:

Ben Kurland

4. Effective date of Certificate of Organization *(check, and if appropriate complete, one of the following)*:

- The Certificate of Organization shall be effective upon filing in the Department of State.
 The Certificate of Organization shall be effective on: _____ at _____
Date (MM/DD/YYYY) Hour (if any)

5. Restricted professional companies only.

Check the box if the limited liability company is organized to render a restricted professional service and check the type of restricted professional service(s).

The company is a restricted professional company organized to render the following restricted professional service(s):

- Chiropractic
- Dentistry
- Law
- Medicine and surgery
- Optometry
- Osteopathic medicine and surgery
- Podiatric medicine
- Public accounting
- Psychology
- Veterinary medicine

6. Benefit companies only.

Check the box immediately below if the limited liability company is organized as a benefit company:

This limited liability company shall have the purpose of creating general public benefit.

Optional specific public benefit purpose. Check the box immediately below if the benefit company is organized to have one or more specific public benefits and supply the specific public benefit(s). See instructions for examples of specific public benefit.

This limited liability company shall have the purpose of creating the enumerated specific public benefit(s):

7. For additional provisions of the certificate, if any, attach 8½ x 11 sheet(s).

IN TESTIMONY WHEREOF, the organizer(s) has (have) executed this Certificate of Organization this

18th day of August, 2023.

Signature

Signature

Signature

**PENNSYLVANIA DEPARTMENT OF STATE
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS**

Docketing Statement – New Entity
DSCB:15-134A
(rev. 2/2017)



134A

1. Entity Name:

4401 HAVERFORD AVENUE OPCO LLC

In the case of a foreign association which must use an alternate name to register to do business in Pennsylvania, the alternate name should be given.

2. Tax Responsible Party

Name of individual responsible for initial tax reports: Chaim Brecher

Mailing address of individual responsible for initial tax reports:

<u>78 Woodbine Lane</u>	<u>Danville</u>	<u>PA</u>	<u>17821</u>	<u>Montour</u>
Number and street	City	State	Zip	County

3. Description of Business Activity:

Ownership or operation of health care facility

4. FEIN [Employer Identification Number/Federal Tax Identification Number]: _____ - _____

FEIN enables agencies to confirm that Commonwealth accounts are properly matched and that this request is processed without added delay. If the business entity does not currently have an FEIN, it can get a FEIN immediately by applying online at <http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Employer-ID-Numbers-EINs>.

5. FYE [Tax Year or Fiscal Year End]: 12/31
Month / Day

A fiscal year (FY) is a period that a company or government uses for accounting purposes and preparing financial statements. For tax purposes, the Internal Revenue Service (IRS) allows companies to be either calendar-year taxpayers or fiscal-year taxpayers. Supply month and day for intended tax year end, e.g. 1/31, 2/28, 3/31, 4/30, 5/31, 6/30, 7/31, 8/31, 9/30, 10/31, 11/30 or 12/31.

CONFIDENTIAL AND PROPRIETARY INFORMATION

Date of this notice: 08-23-2023

Employer Identification Number:
██████████

Form: SS-4

Number of this notice: CP 575 B

4401 HAVERFORD AVENUE OPCO LLC
BENJAMIN KURLAND MBR
1105 E COUNTY LINE RD STE 201
LAKEWOOD, NJ 08701

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 93-3043802. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

Taxpayers request an EIN for their business. Some taxpayers receive CP575 notices when another person has stolen their identity and are opening a business using their information. If you did **not** apply for this EIN, please contact us at the phone number or address listed on the top of this notice.

When filing tax documents, making payments, or replying to any related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear-off stub and return it to us.

Based on the information received from you or your representative, you must file the following forms by the dates shown.

Form 1065

03/15/2024

If you have questions about the forms or the due dates shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification (corporation, partnership, estate, trust, EPMF, etc.) based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2020-1, 2020-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

A limited liability company (LLC) may file Form 8832, *Entity Classification Election*, and elect to be classified as an association taxable as a corporation. If the LLC is eligible to be treated as a corporation that meets certain tests and it will be electing S corporation status, it must timely file Form 2553, *Election by a Small Business Corporation*. The LLC will be treated as a corporation as of the effective date of the S corporation election and does not need to file Form 8832.

IMPORTANT REMINDERS:

- * Keep a copy of this notice in your permanent records. This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you. You may give a copy of this document to anyone asking for proof of your EIN.
- * Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- * Refer to this EIN on your tax-related correspondence and documents.
- * Provide future officers of your organization with a copy of this notice.

Your name control associated with this EIN is 4401. You will need to provide this information along with your EIN, if you file your returns electronically.

Safeguard your EIN by referring to Publication 4557, Safeguarding Taxpayer Data: A Guide for Your Business.

You can get any of the forms or publications mentioned in this letter by visiting our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions about your EIN, you can contact us at the phone number or address listed at the top of this notice. If you write, please tear off the stub at the bottom of this notice and include it with your letter.

Thank you for your cooperation.

Keep this part for your records.


CP 575 B (Rev. 7-2007)

Return this part with any correspondence so we may identify your account. Please correct any errors in your name or address.

CP 575 B

9999999999


Your Telephone Number Best Time to Call
() -

DATE OF THIS NOTICE: 08-23-2023
EMPLOYER IDENTIFICATION NUMBER: 
FORM: SS-4 NOBOD

INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023
██

4401 HAVERFORD AVENUE OPCO LLC
BENJAMIN KURLAND MBR
1105 E COUNTY LINE RD STE 201
LAKEWOOD, NJ 08701

**PENNSYLVANIA DEPARTMENT OF STATE
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS**

<input type="checkbox"/> Return document by mail to: <hr/> Name <hr/> Address <hr/> City State Zip Code <input type="checkbox"/> Return document by email to: _____	<p>Certificate of Organization Domestic Limited Liability Company DSCB:15-8821 (rev. 2/2017)</p>  <small>8821</small>
---	---

Read all instructions prior to completing. This form may be submitted online at <https://www.corporations.pa.gov/>.

Fee: \$125 I qualify for a veteran/reservist-owned small business fee exemption (see instructions)

In compliance with the requirements of 15 Pa.C.S. § 8821 (relating to certificate of organization), the undersigned desiring to organize a limited liability company, hereby certifies that:

1. The name of the limited liability company is: 4401 HAVERFORD AVENUE LLC
(designator is required, e.g., "company," "limited" or "limited liability company" or any abbreviation thereof)

2. Complete part (a) or (b) – not both:

(a) The address of this limited liability company's registered office in this Commonwealth is:
(post office box alone is not acceptable)

<u>78 Woodbine Lane</u>	<u>Danville</u>	<u>PA</u>	<u>17821</u>	<u>Montour</u>
<small>Number and Street</small>	<small>City</small>	<small>State</small>	<small>Zip</small>	<small>County</small>

(b) The name of this limited liability company's commercial registered office provider and county of venue is:

c/o: _____
Name of Commercial Registered Office Provider County

3. The name of each organizer is *(all organizers must sign on page 2)*:

Ben Kurland

4. Effective date of Certificate of Organization *(check, and if appropriate complete, one of the following)*:

The Certificate of Organization shall be effective upon filing in the Department of State.

The Certificate of Organization shall be effective on: _____ at _____
Date (MM/DD/YYYY) Hour (if any)

5. Restricted professional companies only.

Check the box if the limited liability company is organized to render a restricted professional service and check the type of restricted professional service(s).

The company is a restricted professional company organized to render the following restricted professional service(s):

- Chiropractic
- Dentistry
- Law
- Medicine and surgery
- Optometry
- Osteopathic medicine and surgery
- Podiatric medicine
- Public accounting
- Psychology
- Veterinary medicine

6. Benefit companies only.

Check the box immediately below if the limited liability company is organized as a benefit company:

This limited liability company shall have the purpose of creating general public benefit.

Optional specific public benefit purpose. Check the box immediately below if the benefit company is organized to have one or more specific public benefits and supply the specific public benefit(s). See instructions for examples of specific public benefit.

This limited liability company shall have the purpose of creating the enumerated specific public benefit(s):

7. For additional provisions of the certificate, if any, attach 8½ x 11 sheet(s).

IN TESTIMONY WHEREOF, the organizer(s) has (have) executed this Certificate of Organization this

18th day of August, 2023.

Signature

Signature

Signature

PENNSYLVANIA DEPARTMENT OF STATE
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS

Docketing Statement – New Entity
DSCB:15-134A
(rev. 2/2017)



1. Entity Name:

4401 HAVERFORD AVENUE LLC

In the case of a foreign association which must use an alternate name to register to do business in Pennsylvania, the alternate name should be given.

2. Tax Responsible Party

Name of individual responsible for initial tax reports: Chaim Brecher

Mailing address of individual responsible for initial tax reports:

<u>78 Woodbine Lane</u>	<u>Danville</u>	<u>PA</u>	<u>17821</u>	<u>Montour</u>
Number and street	City	State	Zip	County

3. Description of Business Activity:

Ownership or operation of health care facility

4. FEIN [Employer Identification Number/Federal Tax Identification Number]: _____ - _____

FEIN enables agencies to confirm that Commonwealth accounts are properly matched and that this request is processed without added delay. If the business entity does not currently have an FEIN, it can get a FEIN immediately by applying online at [irs.gov](http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Employer-ID-Numbers-EINs) at the following page <http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Employer-ID-Numbers-EINs>.

5. FYE [Tax Year or Fiscal Year End]: 12/31
Month / Day

A fiscal year (FY) is a period that a company or government uses for accounting purposes and preparing financial statements. For tax purposes, the Internal Revenue Service (IRS) allows companies to be either calendar-year taxpayers or fiscal-year taxpayers. Supply month and day for intended tax year end, e.g. 1/31, 2/28, 3/31, 4/30, 5/31, 6/30, 7/31, 8/31, 9/30, 10/31, 11/30 or 12/31.

Date of this notice: 08-24-2023

Employer Identification Number:
[REDACTED]

Form: SS-4

Number of this notice: CP 575 G

4401 HAVERFORD AVENUE LLC
BENJAMIN KURLAND SOLE MBR
1105 E COUNTY LINE RD STE 201
LAKEWOOD, NJ 08701

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 93-3057784. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

Taxpayers request an EIN for their business. Some taxpayers receive CP575 notices when another person has stolen their identity and are opening a business using their information. If you did **not** apply for this EIN, please contact us at the phone number or address listed on the top of this notice.

When filing tax documents, making payments, or replying to any related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear-off stub and return it to us.

A limited liability company (LLC) may file Form 8832, *Entity Classification Election*, and elect to be classified as an association taxable as a corporation. If the LLC is eligible to be treated as a corporation that meets certain tests and it will be electing S corporation status, it must timely file Form 2553, *Election by a Small Business Corporation*. The LLC will be treated as a corporation as of the effective date of the S corporation election and does not need to file Form 8832.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

CONFIDENTIAL AND PROPRIETARY INFORMATION

OPERATIONS TRANSFER AGREEMENT

by and between

SAINT IGNATIUS NURSING HOME

("Transferor"),

and

4401 HAVERFORD AVENUE OPCO LLC

("New Operator")

August 28, 2023

OPERATIONS TRANSFER AGREEMENT

THIS OPERATIONS TRANSFER AGREEMENT (the “**Agreement**”), is dated as of August 28, 2023 (the “**Execution Date**”), and is by and between SAINT IGNATIUS NURSING HOME (the “**Transferor**”), and 4401 HAVERFORD AVENUE OPCO LLC, a Pennsylvania limited liability company (the “**New Operator**”).

WHEREAS, the Transferor is currently the owner and operator of that certain 176 certified bed nursing home facility, duly licensed by the applicable authorities of the Commonwealth of Pennsylvania (the “**State**”), known as St. Ignatius Nursing & Rehab Center (the “**Facility**”) located at 4401 Haverford Avenue, Philadelphia, PA 19104 (the “**Property**”); and

WHEREAS, concurrently herewith, the Transferor and 4401 Haverford Avenue LLC, a Pennsylvania limited liability company (“**Buyer**”) are entering into that certain Real Estate Purchase Agreement (the “**Purchase Agreement**”) pursuant to which, subject to the terms and conditions contained therein, the Transferor will sell, transfer and assign the Property to Buyer; and

WHEREAS, Transferor and New Operator have agreed to enter into this Agreement in order to provide for an orderly transition of the operations of the Facility;

NOW, THEREFORE, in consideration of the premises, the mutual obligations of the parties contained in this Agreement, and for \$10.00 and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree to incorporate the foregoing recitals as if fully rewritten in this Agreement and further agree as follows:

ARTICLE I **ASSETS, LIABILITIES, AND OTHER MATTERS**

1.1 Transferred Assets.

(a) Subject to the terms and conditions of this Agreement, at the Closing (as herein defined) Transferor will transfer to New Operator all of Transferor’s right, title and interest in and to all assets used or usable in the operation of the Facility, including the following assets, as then maintained in the Facility on the Closing Date (collectively the “**Transferred Assets**”), free and clear of all liens, except for Permitted Liens (as herein defined):

(i) all inventory, supplies, medical supplies, linens, foodstuffs and other consumables and all other tangible assets used by Transferor in the operation of the Facility;

(ii) all current patient and prospect lists, marketing information, telephone and fax numbers, telephone listings, URLs, domain names, social media assets and similar property used by, or in the marketing of, the Facility;

(iii) all transferable licenses, permits and other governmental approvals or authorizations which are used in connection with the operation of the Facility (including, without limitation, accreditations, third-party payor agreements, including any provider agreements and authorizations to participate in any state or federal reimbursement program such as Medicaid or Medicare and related provider numbers in accordance with Section 1.2 below), including all operating, license and certification rights with respect to 176 licensed skilled nursing beds;

(iv) all furniture, fixtures, equipment, furnishings, artwork, decorations, appliances, tools, instruments, machinery, office equipment (including, without limitation, computers and telephone, facsimile machines, copiers and other telecommunications systems and equipment), parts, and other tangible personal property (including all respiratory equipment and ventilators);

(v) all transferable third party warranties and claims for warranties relating to the Facility or the Transferred Assets;

(vi) all of the Transferor's rights under all contracts, agreements, instruments and commitments (herein, "**Contracts**") to which the Transferor is a party which the New Operator agrees to assume pursuant to the express terms of this Agreement (collectively, the "**Assumed Contracts**"), including all rebates, refunds or credits that relate to or arise under the Assumed Contracts from and after the Effective Time;

(vii) all third party payor or reimbursement agreements, including Medicare and Medicaid provider agreements, managed care contracts, agreements with third party insurers, and similar agreements with third party payors and providers (individually a "**Provider Agreement**" and collectively the "**Provider Agreements**").

(viii) intentionally deleted.

(ix) all computer software, computer systems and computer programs, including hard drives and disk drives in any computer terminal (including software licenses, documentation and related object and source codes), technologies, methods, formulations, data bases, trade secrets, know-how, inventions and other intellectual property used in the Facility;

(x) all records relating to the Facility, including, but not limited to, resident and patient payment records, medical records, employee records, personnel files, payroll records and all other accounting and billing records, including any such information stored in electronic format, and all other information as required by law to be maintained by New Operator, including all survey records, plans of correction, policies and procedures manuals, forms and similar documents and information (collectively, the "**Records**");

(xi) the vehicles, if any, listed on Section 1.1(a) of the Transferor Disclosure Schedule (the "**Vehicles**");

(xii) all patient agreements, admission agreements, occupancy agreements, residency agreements and similar agreements relating to the admission, residency or occupancy of the Facility by the current patients and residents of the Facility as of the Closing Date (including individuals then temporarily not in occupancy) (the "**Patient Agreements**"); and

(xiii) all rights of recovery, setoff, offset, counterclaim, cross-claim, defense, demands and other causes of action arising from or that relate to the foregoing Transferred Assets, arising or relating to the period from and after the Effective Time.

(b) Notwithstanding anything to the contrary contained in Section 1.1(a), the following items (collectively, the "**Excluded Assets**") are excluded from the Transferred Assets and shall remain the property of Transferor. During the 30 day period following the Closing, Transferor shall have the right to, and New Operator shall provide Transferor with reasonable access and cooperation so that Transferor may, remove from the Facility any or all of the Retained Records (as defined below) physically located at the Facility, provided, however, that such removal shall not unreasonably interfere with the ordinary operations of the Facility.

(i) all cash and cash equivalents and short term investments, including all bank accounts, deposit accounts, payroll accounts, electronic funds transfer accounts and all funds and monies therein, and any philanthropic gifts to Transferor from third parties (whether or not such gifts have yet been received by Transferor), including all bank accounts into which electronic payment is made under any Provider Agreement (the "**Provider Accounts**"), subject to the provisions of Section 6.11(b);

(ii) all rights of Transferor relating to deposits, prepaid expenses and claims for refunds (excluding deposits with utility providers, Resident Trust Funds and Resident Deposits (as such terms are hereinafter defined) transferred to New Operator hereunder), to the extent such deposits, prepaid expenses and claims for refunds relate to Contracts or other liabilities of Transferor not assumed by New Operator hereunder;

(iii) all rights of Transferor under this Agreement and all Transaction Documents (as hereinafter defined);

(iv) all rights of Transferor in connection with, and assets of, the Transferor's employee benefit plans and all right to payment of monies that relate to the period prior to the Effective Time (as hereinafter defined);

(v) all books and records of Transferor not relating to the Facility or the operation thereof or the Transferred Assets, including but not limited to all minute books, charter documents, record books and other similar books and records pertaining to the organization, existence or history of Transferor, including, for the avoidance of doubt, all financial, accounting and tax records of or relating to Transferor (but excluding all Records) (the "**Retained Records**");

(vi) all rights in, claims to and payments of any and all accounts receivable (whether arising from the rendering of services or the provision of

(xii) all patient agreements, admission agreements, occupancy agreements, residency agreements and similar agreements relating to the admission, residency or occupancy of the Facility by the current patients and residents of the Facility as of the Closing Date (including individuals then temporarily not in occupancy) (the "**Patient Agreements**"); and

(xiii) all rights of recovery, setoff, offset, counterclaim, cross-claim, defense, demands and other causes of action arising from or that relate to the foregoing Transferred Assets, arising or relating to the period from and after the Effective Time.

(b) Notwithstanding anything to the contrary contained in Section 1.1(a), the following items (collectively, the "**Excluded Assets**") are excluded from the Transferred Assets and shall remain the property of Transferor. During the 30 day period following the Closing, Transferor shall have the right to, and New Operator shall provide Transferor with reasonable access and cooperation so that Transferor may, remove from the Facility any or all of the Retained Records (as defined below) physically located at the Facility, provided, however, that such removal shall not unreasonably interfere with the ordinary operations of the Facility.

(i) all cash and cash equivalents and short term investments, including all bank accounts, deposit accounts, payroll accounts, electronic funds transfer accounts and all funds and monies therein, and any philanthropic gifts to Transferor from third parties (whether or not such gifts have yet been received by Transferor), including all bank accounts into which electronic payment is made under any Provider Agreement (the "**Provider Accounts**"), subject to the provisions of Section 6.11(b);

(ii) all rights of Transferor relating to deposits, prepaid expenses and claims for refunds (excluding deposits with utility providers, Resident Trust Funds and Resident Deposits (as such terms are hereinafter defined) transferred to New Operator hereunder), to the extent such deposits, prepaid expenses and claims for refunds relate to Contracts or other liabilities of Transferor not assumed by New Operator hereunder;

(iii) all rights of Transferor under this Agreement and all Transaction Documents (as hereinafter defined);

(iv) all rights of Transferor in connection with, and assets of, the Transferor's employee benefit plans and all right to payment of monies that relate to the period prior to the Effective Time (as hereinafter defined);

(v) all books and records of Transferor not relating to the Facility or the operation thereof or the Transferred Assets, including but not limited to all minute books, charter documents, record books and other similar books and records pertaining to the organization, existence or history of Transferor, including, for the avoidance of doubt, all financial, accounting and tax records of or relating to Transferor (but excluding all Records) (the "**Retained Records**");

(vi) all rights in, claims to and payments of any and all accounts receivable (whether arising from the rendering of services or the provision of

medicine or other goods), rebates, refunds or credits of whatever nature and in whatever form, including all claims for rebates, refunds or adjustment of taxes, whether real, personal, tangible or intangible, and other governmental charges, whenever, however and to whomever paid, issued or credited, in each case, to the extent the same relate to or arise from any period prior to the Effective Time (except to the extent such rebates, refunds or credits relate to, or are included in, the Transferred Assets);

(vii) all insurance policies and Contracts to which Transferor is a party, other than the Assumed Contracts and Patient Agreements;

(viii) all rights of recovery, setoff, offset, counterclaim, cross-claim, defense, demands and other causes of action arising from or that relate to the foregoing excluded Assets;

(ix) those religious assets or artifacts located at the Facility which are removed by Transferor prior to or within sixty (60) days following the Closing (it being agreed that any damage caused by or arising in respect of such removal shall be promptly repaired by Transferor). Any religious assets or artifacts which are remaining at the Facility on the sixty-first (61st) day after the Closing shall be the property of New Operator (and may be sold, abandoned or disposed of by New Operator); and

(x) those items of personal property listed on Schedule 1.1(b)(x) of the Transferor Disclosure Schedule (all of which shall be removed by Transferor prior to or promptly following the Closing and any damage caused by or arising in respect of such removal shall be promptly repaired by Transferor).

In addition to the foregoing, the Parties acknowledge that certain assets of the Transferor are to be sold to the Buyer under the Purchase Agreement and the same are subject to the terms and provisions thereof.

1.2 Provider Agreements.

(a) Transferor shall list on Schedule 1.2(a) of the Transferor Disclosure Schedule (the "**Provider Agreement Schedule**"), and provide New Operator with true, correct and complete copies of, all Provider Agreements. As of the Effective Time, or as soon as legally permissible thereafter, any and all of Transferor's rights and interests in and to Transferor's Medicare provider numbers and Provider Agreement shall be assigned to, and assumed by, New Operator, provided that (i) such assignment and assumption shall be permissible under applicable law, (ii) New Operator shall remit to Transferor any payments received by New Operator and made under any Provider Agreement after the Effective Time related to services prior to the Effective Time, such remittance to be in accordance with the terms of this Agreement; and (iii) notwithstanding the assignment and assumption contemplated by this Section 1.2(a), New Operator is not assuming, and Transferor shall remain liable for, any and all liabilities and obligations arising under the Provider Agreements for all periods prior to the Effective Time (which liabilities and obligations shall be deemed an "Excluded Liability" under Section 1.3 hereof).

(b) Transferor shall indemnify and defend New Operator and hold it harmless against and with respect to any and all damage, loss, liability, deficiency, cost and expense (including, without limitation, reasonable attorneys' fees and expenses) relating to the Provider Agreements and arising out of the operation of the Facility prior to the Effective Time, including but not limited to any overpayments made to Transferor under the Provider Agreements relating to the operation of the Facility prior to the Effective Time. This Section 1.2(b) shall survive the Closing.

(c) At the Closing, Transferor shall sign, and New Operator shall thereafter submit, Form 855A to the appropriate agent of the Centers for Medicare and Medicaid Services and diligently pursue and seek to obtain approval of the assignment of Medicare provider agreement, and New Operator shall promptly apply for and diligently pursue obtaining for itself a new Medicaid provider number and provider agreement. The Transferor shall provide such information and cooperate with the New Operator as necessary in the preparation of the Form 855A and all other provider agreement applications.

(d) As of the Effective Time and thereafter, New Operator shall have the right to bill for services rendered after the Effective Time under all Provider Agreements and may use Transferor's Medicare provider number and all other third party payor provider numbers and NPI numbers, provided, that (i) Transferor shall remit to New Operator any payments received by Transferor and made under any Provider Agreement after the Effective Time related to services after the Effective Time, such remittance to be in accordance with the terms of this Agreement; and (ii) New Operator shall indemnify and defend Transferor and hold it harmless against and with respect to any and all damage, loss, liability, deficiency, cost and expense (including, without limitation, reasonable attorneys' fees and expenses) relating to New Operator's use of Transferor's provider numbers or otherwise relating to the Provider Agreements in respect of the operation of the Facility by New Operator after the Effective Time, including but not limited to any overpayments made to New Operator under the Provider Agreements relating to the operation of the Facility after the Effective Time. Transferor agrees to cooperate with New Operator in authorizing and effecting any change in any Transferor direct deposit account utilized for payments under any Provider Agreement to one or more New Operator accounts.

(e) After the expiration of the Due Diligence Period, Transferor shall provide the New Operator with reasonable assistance, and provide New Operator with such information (in electronic format unless requested otherwise by New Operator) in Transferor's possession or control, as New Operator shall reasonably request, to enable New Operator to implement the patient accounts, payroll, billing and electronic medical record systems to be used by New Operator in connection with the operation of the Facility, in each case, to the extent permitted by patient confidentiality and other applicable laws, rules and regulations, and in a manner that does not unreasonably interfere with the ordinary operations of the Facility.

1.3 Excluded Liabilities. Except for those liabilities of Transferor expressly assumed by New Operator hereunder (the "**Assumed Liabilities**"), New Operator shall not assume any claims, lawsuits, liabilities, obligations, contracts, agreements or debts of Transferor, whether statutory, regulatory, judicially created or constitutional (the "**Excluded Liabilities**"), including without limitation:

(a) malpractice or other tort claims, statutory or regulatory claims, claims of state or federal agencies whether civil or criminal, fraud-based claims or claims for breach of contract to the extent any such claims are based on the acts or omissions of Transferor occurring on or before the Effective Time or in any way related to the operations of the Facility prior to the Effective Time;

(b) any accounts payable, taxes, or other obligation or liability of Transferor to pay money incurred by Transferor or assessed against the Facility or its assets on or prior to the Effective Time;

(c) any collective bargaining agreements or other agreements or understandings with any labor union or collective bargaining unit or any employment or consulting agreements of any kind;

(d) any Liability arising from the ownership or use of the Excluded Assets;

(e) any personal obligations of any member, trustee, director, officer or employee of the Transferor incurred in any capacity;

(f) any obligation or liability for any loan, advance, payment or other receipt of funds by Old Operator under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Medicare Accelerated and Advance Payment Program, Payroll Protection Program or any other stimulus program, including any liability or obligation in respect of employee retention tax credits;

(g) any third party payor audits as well as any investigation from a governmental entity, quasi-governmental entity, or an entity acting with authority of the foregoing or by a whistleblower or other private citizen claiming a violation of a healthcare related statute or a violation of the Medicare or Medicaid or other third party provider agreement, to the extent any of the foregoing relate to the period prior to the Effective Time;

(h) any obligation or liability of Transferor arising from the ownership or use of the Excluded Assets prior to or after the Effective Time; and

(i) any other obligations or liabilities arising in whole or in part from Transferor's acts or omissions prior to the Effective Time or in any way related to the operations of the Facility prior to the Effective Time.

Transferor shall remain liable for the payment when due of all Excluded Liabilities and shall indemnify, hold harmless and defend Transferor against and with respect to any and all damage, loss, liability, deficiency, cost and expense (including, without limitation, reasonable attorneys' fees and expenses) relating to the Excluded Liabilities.

1.4 Transfer of Resident Trust Funds and Deposits.

(a) At the Closing, Transferor shall deliver to New Operator a true, correct and complete schedule of all trust funds held by Transferor as of the most recent date available prior to the Effective Time for any patient or resident of the Facility (collectively the "Resident

Trust Funds") and deposits or prepayments paid by or for any patient or resident of the Facility (collectively, the "**Resident Deposits**").

(b) At the Closing, Transferor shall transfer the Resident Trust Funds and Resident Deposits to New Operator and New Operator shall accept the Resident Trust Funds and Resident Deposits in trust for the applicable patients and residents of the Facility, in accordance with applicable statutory and regulatory requirements. Within thirty (30) days after the Closing Date, Transferor and New Operator shall prepare a final schedule of the Resident Trust Funds and Resident Deposits and thereafter reconcile the Resident Trust Funds and Resident Deposits transferred from Transferor to New Operator.

(c) Transferor agrees to indemnify, defend and hold harmless New Operator from any losses, liabilities, damages, claims, actions, causes of action, costs, expenses, including, without limitation, reasonable attorneys fees, which New Operator may incur as a result of (i) discrepancies between the Resident Trust Funds or Resident Deposits as delivered by Transferor to New Operator and the correct amount of the Resident Trust Funds or Resident Deposits for such patients or resident as of the Effective Time as required under applicable law, including any shortfall in the amount of Resident Trust Funds or Resident Deposits delivered by Transferor to New Operator, (ii) inaccuracies in the accounting of Resident Trust Funds or Resident Deposits provided by Transferor or (iii) claims which arise from actions or omissions of Transferor with respect to the Resident Trust Funds or Resident Deposits prior to or after the Effective Time.

(d) New Operator agrees to indemnify, defend and hold harmless Transferor from any losses, liabilities, damages, claims, actions, causes of action, costs, expenses, including, without limitation, reasonable attorneys fees, which Transferor may incur as a result of any claims made by patients or residents against Transferor for Resident Trust Funds and Resident Deposits, to the extent such Resident Trust Funds and Resident Deposits are transferred to New Operator by Transferor and that arise from acts of omissions of New Operator with respect to such Resident Trust Funds or Resident Deposits prior to or after the Effective Time.

1.5 Employees.

(a) Between the end of the Due Diligence Period and the Closing, Transferor shall provide the New Operator with reasonable access to the Facility so that the New Operator may discuss potential employment of any Transferor employee providing services at the Facility. Upon prior notice to Transferor, New Operator may deliver any written communications to, or hold any group meetings with, any individual or group of Transferor employees for the purpose of addressing or discussing employment with the New Operator following the Closing.

(b) New Operator shall, to the extent required by Section 1.5(c) below, offer employment, upon terms and conditions to be set by the New Operator as described herein, to all employees of the Transferor who, as of the Closing Date, are actively working at the Facility (which shall include employees of Transferor who, as of the Closing Date, are on a leave of absence pursuant to Transferor's Family and Medical Leave of Absence Policy or due to work-related injury or illness, upon any return from such leave). All pre-Closing employees of Transferor who, pursuant to the foregoing, become employees of the New Operator as of the Closing, are herein referred to as the "**Hired Employees**". It is understood that New Operator

shall not be responsible for any disability or workers' compensation benefits for any employees on leave of absence pursuant to Transferor's Family and Medical Leave of Absence Policy or due to a work-related injury or illness that are receiving such benefits as of the Closing Date; provided, that New Operator will be responsible after the Effective Date for such disability or workers' compensation benefits arising on and after the Effective Date (to the extent relating to periods on and after the Effective Date and excluding any pre-existing condition) for any Hired Employees. It is understood that, in accordance with the LTC Transfer Law (defined below), all Hired Employees shall be retained for a period of no less than ninety (90) days from the Closing Date at the same rates of pay and benefits that they received from Transferor prior to the Closing Date and subject to dismissal only for good cause, but all Hired Employees shall otherwise be subject to such initial or new terms and conditions of employment as may be determined and established by New Operator. The parties agree that, subject to applicable law and regulations, New Operator: (i) shall have no obligation to recognize any union or to assume any of the collective bargaining agreements currently in place; (ii) shall have the right to, and be deemed to have the intention not to, assume any such collective bargaining agreement; and (iii) shall have the right, and be deemed to have the intention, to set its own initial terms and conditions of employment for any employees of Transferor that New Operator may choose, in its sole discretion, to hire.

(c) New Operator shall offer to employ all of Transferor's employees employed at the Facility upon such terms and conditions and otherwise take any and all necessary steps so that Transferor is not required to give notice to the employees of the Facility (including employees who are on medical disability or leaves of absence and who worked at the Facility immediately prior to such disability or leave who are able to perform the essential functions of the position with or without a reasonable accommodation and who are qualified for the position) of the "closure" thereof under the Worker Adjustment and Retraining Notification Act of 1988, as amended (the "WARN Act") or under any comparable state law. In addition to the foregoing, all Facility employees who are actively employed by Transferor as of the Effective Time shall be offered employment by and, if such employment is accepted by them, become employed with New Operator, effective immediately after the Effective Time. In accordance with applicable law New Operator shall retain all Facility employees for a period of no less than ninety (90) days from the Closing (the "Transition Period") at the same rate of pay and benefits that the Facility employees received from Transferor immediately before the Effective Time in accordance with all applicable laws as specifically required by Philadelphia's Changes in Ownership of Long-Term Care Facilities and Hospitals law (Section 6-409) (the "LTC Transfer Law"). If New Operator fails to comply with its obligations in the preceding sentences, New Operator shall indemnify, defend and hold harmless Transferor for any and all losses, costs, claims, fines, penalties, damages and expenses (including court costs and reasonable attorneys' fees) arising under or relating to the WARN Act, the LTC Transfer Law, and any similar local or State plant closing laws as applied to the transactions contemplated hereby. Nothing in this Section shall create any rights in favor of any person not a party hereto, including the employees of the Facility, or constitute an employment agreement or condition of employment for any employee of Transferor or any affiliate thereof who is a Hired Employee.

(d) At or before the Closing, New Operator shall provide Transferor with a schedule listing each Hired Employee. Between the Closing and the one year anniversary date thereof, neither Transferor nor any affiliate of Transferor shall, directly or indirectly, alone or in

conjunction with any other party, solicit, induce or attempt to solicit or induce for employment or consulting or similar services or otherwise engage or employ any Hired Employee; provided, however, that (i) the foregoing restrictions shall not apply to those individuals listed on Schedule 1.5(d) of the Transferor Disclosure Schedules, it being understood and agreed that Transferor shall require the services of those individuals following the Closing, and (ii) nothing set forth in this subparagraph (d) shall restrict Transferor from soliciting, inducing, or otherwise engaging or employing an employee who is not a Hired Employee, or a Hired Employee who has been terminated for any reason by New Operator. Between the Execution Date and the Closing or the termination of this Agreement, as the case may be, and, if this Agreement is terminated, for a period of one year thereafter, neither New Operator nor any affiliate of New Operator shall employ any Transferor employee or solicit or induce any Transferor employee to leave the employment of Transferor (except as contemplated by this Section 1.5 hereof). Nothing set forth in this subparagraph (d) shall restrict a party from conducting general solicitations (including through advertisements and/or search firms) not directly targeted to prohibited individuals or to employ any prohibited individual who has not been employed by the other party for a period of at least 90 days.

(e) Transferor shall pay to each Hired Employee, no later than the date required by law, an amount equal to any and all accrued salary and wages earned by such employee through the Effective Time. No later than five (5) days prior to the Closing, Transferor shall provide New Operator with a true, correct and complete schedule setting forth for each employee employed at the Facility (including employees who are on medical disability or leaves of absence and who worked at the Facility immediately prior to such disability or leave who are able to perform the essential functions of the position with or without a reasonable accommodation and who are qualified for the position) the number and corresponding dollar amount of all vacation, sick and personal days accrued as of the Effective Time (including all taxes incident or associated therewith, collectively, the “**PTO Benefits**”). As of the Effective Time, the New Operator shall assume the liability and obligation of the Transferor to pay the PTO Benefits to all Hired Employees (such amount being referred to herein as the “**Assumed Benefits**”). At the Closing, Transferor shall pay to New Operator (or provide a credit under the Purchase Agreement) the amount of Assumed Benefits. Except for the Assumed Benefits, the New Operator does not assume any liability or obligation for any and all wages, salary, compensation, employee benefits, including any pension, healthcare, childcare or other employee benefits, whether under any collective bargaining agreement or other agreement, for any employee employed at the Facility (including employees who are on medical disability or leaves of absence and who worked at the Facility immediately prior to such disability or leave who are able to perform the essential functions of the position with or without a reasonable accommodation and who are qualified for the position) prior to the Effective Time, whether or not such individual is a Hired Employee, and the Transferor shall remain primarily liable therefor and shall indemnify and hold the New Operator harmless from and against any claim or demand relating thereto or arising thereunder. New Operator shall indemnify and hold Transferor harmless from and against any claim or demand relating to the Assumed Benefits or arising thereunder.

(f) Except for all current employees to whom New Operator offers employment, Transferor shall remain liable for all group health plan continuation coverage pursuant to the requirements of Section 601, et seq. of ERISA and Section 4980B of the Code

("COBRA"), for all of its employees to whom it is required to offer the same under applicable law. Transferor acknowledges and agrees that New Operator is not assuming any of Transferor's obligations to its employees and/or qualified beneficiaries under COBRA or otherwise.

(g) As of the Effective Time, all active employees of Transferor employed at the Facility who are eligible to participate in group health insurance coverage sponsored by Transferor and who become Hired Employees shall be eligible for participation in a group health plan (as defined for purposes of Internal Revenue Code Section 4980B) of New Operator for the general benefit of employees and their dependents, and all such employees shall be covered without a waiting period and without regard to any pre-existing condition unless (1) they are under a waiting period with Transferor at the Effective Time, in which case they shall be required to complete their waiting period while under the group plan of New Operator or (2) they were subject to a pre-existing condition exclusion while under Transferor's group-health plan, in which case they shall remain subject to the same exclusion, which exclusion shall, if applicable, be subject to the same time limitation while employed by the New Operator as was applicable thereto while said employees were employed by Transferor, with the time limit calculated from the date the same commenced while employed by such New Operator. The New Operator and Transferor acknowledge and agree that it is the intent of this provision that neither Transferor nor its affiliates shall be required to provide continued health coverage under ERISA or Section 4980B of the Internal Revenue Code to any Hired Employees or to any qualified beneficiary (as defined for purposes of Section 4980B of the Internal Revenue Code) with respect to any such employees. Without limitation of the foregoing, Transferor shall be responsible for providing welfare benefits (including, without limitation, medical, hospital, dental, accidental death and dismemberment, life, disability and other similar benefits) to all of Transferor's employees, including, without limitation, Hired Employees, for all claims incurred and benefits earned prior to the Effective Time under and subject to the generally applicable terms and conditions of the employee benefit plans, programs and policies in which such employees were entitled to participate prior to the Effective Time, as amended from time to time. New Operator shall be responsible for providing such benefits for claims incurred and benefits earned on or after the Effective Time under and subject to the generally applicable terms and conditions of New Operator's employee benefit plans, programs and arrangements as amended from time to time. For purposes of this paragraph, a claim is "incurred" on the date the applicable medical or dental services are rendered, drugs or other medical equipment are purchased or used, as the case may be, or, in the case of a confinement, the related expenses are deemed incurred per diem. Notwithstanding the foregoing, at New Operator's request, Transferor will offer to provide COBRA benefits to the Hired Employees for a period of up to thirty (30) days following the Closing Date, in which event, (i) New Operator shall pay all COBRA premiums on behalf of Hired Employees who elect COBRA coverage, and shall reimburse Transferor for all costs and expenses incurred by Transferor in providing such benefits, including unrecovered premium expense and administrative costs, and (ii) New Operator shall provide the benefits described above no later than thirty (30) days following the Closing Date.

(h) As of the Closing Date, all Hired Employees shall cease to accrue benefits under the employee benefit plans, programs and policies of Transferor, and Transferor shall take all such action as may be necessary to affect such cessation. There shall be no assumption by New Operator of or transfer of assets or liabilities of such plans, programs and policies from Transferor to New Operator or to any employee benefit plans of the New Operator with regard to

any employees of Transferor, including, without limitation, Hired Employees, except as otherwise expressly provided herein. Transferor shall retain all responsibility for, and New Operator shall have no obligation or responsibility for, any of such benefits, except as provided herein.

(i) Except for COBRA obligations as stated in Subsections 1.5(f) and (g), New Operator shall have no obligation or responsibility for any liabilities or obligations of Transferor relating to (1) any Transferor employee who is not a Hired Employee and (2) any Hired Employee for any period prior to such Hired Employee becoming an employee of the New Operator (including, without limitation, liabilities or obligations of Transferor relating to PTO Benefits or Union Benefits (except to the extent included in the Assumed Benefits). Transferor shall have no obligation or responsibility for any liabilities or obligations of New Operator relating to Hired Employees in respect of matters arising from and after the Effective Time. Transferor shall indemnify and defend and hold New Operator harmless from any claim asserted against New Operator by any (1) Transferor employee who is not a Hired Employee and (2) Hired Employee in respect of, or arising during, any period prior to such Hired Employee becoming an employee of the New Operator. New Operator shall indemnify and defend and hold Transferor harmless from any claim asserted against Transferor by any Hired Employee in respect of matters arising from and after such Hired Employee became an employee of the New Operator.

(j) New Operator does not hereby assume or agree to discharge or perform any liabilities or obligations of Transferor under any collective bargaining agreement and Transferor agrees to indemnify, defend and hold New Operator and its affiliates harmless from and against and in respect of any claim or demand for any withdrawal liability asserted against New Operator or its affiliates under, or in respect of, any collective bargaining agreement or multiemployer plan to which Transferor was obligated to contribute prior to the Effective Time, including any withdrawal liability arising from the transfer of the Facility to New Operator hereunder. New Operator does not hereby assume or agree to discharge or perform any liabilities or obligations of Transferor under any pension plan to which any Hired Employees may participate.

1.6 Accounts Receivable.

(a) Transferor shall retain its right, title and interest in and to all accounts receivable with respect to the Facility that relate to all periods prior to the Effective Time. New Operator shall have all right, title and interest in and to accounts receivable that relate to periods on and after the Effective Time.

(b) With respect to the post-Closing billing practice to be applied after the Effective Time for private pay, managed care and long term care insurance patients that relate to periods prior to the Effective Time, Transferor will prepare and send to the appropriate responsible parties for such patients bills for all periods up to (but not including) the Effective Time, with instructions to send payment directly to Transferor, with said payment payable to Transferor or such other party as Transferor directs. New Operator will prepare and send to the appropriate responsible parties for such patients bills for all periods on and after the Effective Time, with instructions to send payment directly to New Operator, with said payment payable to

New Operator or such other party as New Operator directs. Transferor shall be responsible for all patient and third party payor, including Medicaid, Medicare, VA, managed care and long term care insurance, billing for all periods prior to the Effective Time, and New Operator shall be responsible for all patient and third party payor, including Medicaid, Medicare, VA, managed care and long term care insurance, billing for all periods on and after the Effective Time.

(c) To the extent that New Operator receives payment for accounts receivable to which Transferor is entitled pursuant to Section 1.6(a) above, New Operator shall hold the same in trust for Transferor and shall pay it to Transferor as more specifically described below. To the extent that Transferor receives payment for accounts receivable to which New Operator is entitled pursuant to Section 1.6(a) above, Transferor shall hold the same in trust for New Operator and shall pay it to New Operator as more specifically described below.

(i) If any payment received by New Operator is accompanied by a voucher or remittance advice indicating that the payment is made for goods provided or services rendered prior to the Effective Time, New Operator shall in accordance with clause (vii) of this Section 1.6(c) forward such payment to Transferor;

(ii) If any payment received by Transferor is accompanied by a voucher or remittance advice indicating that the payment is made for goods provided or services rendered from and after the Effective Time, Transferor shall in accordance with clause (vii) of this Section 1.6(c) forward such payment to New Operator;

(iii) If the accompanying voucher or remittance advice does not satisfy the requirements of Section 1.6(c)(i) or (ii) above but the parties agree that the payments relate solely to goods provided or services rendered prior to the Effective Time, (A) in the event that such payments are received by New Operator, New Operator shall in accordance with clause (vii) of this Section 1.6(c) remit such payments to Transferor, and (B) in the event that such payments are received by Transferor, Transferor shall retain the payments;

(iv) If the accompanying voucher or remittance advice does not satisfy the requirements of Section 1.6(c)(i) or (ii) above but the parties agree that the payments relate solely to goods provided or services rendered after the Effective Time, (A) in the event that such payments are received by New Operator, New Operator shall retain the payments and (B) in the event that such payments are received by Transferor, Transferor shall in accordance with clause (vii) of this Section 1.6(c) remit such payments to New Operator;

(v) If the accompanying voucher or remittance advice indicates, or if the parties agree, that the payments relate to goods provided or services rendered both prior to and after the Effective Time, (A) in the event that such payments are received by New Operator, New Operator shall in accordance with clause (vii) of this Section 1.6(c) forward to Transferor the amount of such payment relating to goods provided or services rendered prior to the Effective Time, and (B) in the event that such payments are received by Transferor, Transferor shall in accordance with clause (vii) of this Section 1.6(c) forward to New Operator the amount of such payment relating to goods provided or services rendered following the Effective Time; and

(vi) If the accompanying voucher or remittance advice does not indicate the period to which a payment relates or if there is no accompanying voucher or remittance advice, then the party receiving such funds shall use good faith efforts to determine from the payor the period for which such payment relates, failing which the parties shall in good faith attempt to agree on the disposition of such payment. If the parties are unable to agree on the disposition of such payment, then (1) all such payments which are received within the period of thirty (30) days from the Effective Time shall in accordance with clause (vii) of this Section 1.6(c) be applied, first, against the outstanding account receivable due from such payor to Transferor, and, second, against the outstanding account receivable due from such payor to New Operator, and (2) all such payments which are received after the date which is thirty (30) days from the Effective Time shall in accordance with clause (vii) of this Section 1.6(c) be applied, first, against the outstanding account receivable due from such payor to New Operator, and, second, against the outstanding account receivable due from such payor to Transferor.

(vii) All payments which either Party receives which, under the provisions of clauses (i) through (vi) of this Section 1.6 (c), are to be remitted to the other Party, shall be so remitted within fifteen (15) days following the date funds were received.

(d) New Operator and Transferor shall promptly forward to the other party any and all vouchers, remittance advices, explanation of benefits, denial of payment notices and all other correspondence received by the party that relate to goods provided or services rendered by the other party. Within 30 days following the last day of each calendar quarter during the first twelve (12) months following the Effective Time, each party shall provide to the other a reconciliation report, together copies of vouchers, remittance advice and other supporting documentation, in respect of payments received during the preceding calendar quarter for services rendered by the other party.

(e) New Operator shall provide written notice to Transferor promptly upon receipt of any information from a third party payor regarding any disallowance, denial or refusal to remit payment, in whole or in part, regarding any account receivable due to Transferor. Transferor shall provide written notice to New Operator promptly upon receipt of any information from a third party payor regarding any disallowance, denial or refusal to remit payment, in whole or in part, regarding any account receivable due to New Operator. Nothing herein shall be deemed to limit in any way either party's rights and remedies to recover accounts receivable due and owing to such party by Medicare, Medicaid, or third parties under applicable law.

(f) If the parties mutually determine that any payment hereunder was misapplied by the parties, the party which erroneously received said payment shall remit the same to the other within twenty (20) business days after said determination is made.

(g) For a period of two years after the Effective Time, New Operator and Transferor shall, upon reasonable notice and during normal business hours, have the right to inspect, at its own cost and with reasonable staff assistance during normal business hours, that limited portion of the cash receipts and other books and records or copies thereof (including, without limitation, bank statements) of the other party as the requesting party may reasonably deem necessary to prepare the requesting party's bills, verify balances of the other respective

party or confirm the other party's compliance with the obligations imposed on it under this Section.

(h) Without limitation of any other term or provision herein, and for the avoidance of doubt, from and after the Effective Time, New Operator shall have the right to open all mail, correspondence, notices, package deliveries and other items delivered to or received at the Facility, subject to its obligations set forth herein.

1.7 Prorations.

(a) At the Closing and for the billing period in which the Effective Time occurs, all expenses and income arising from the conduct of the business of the Facility (all such income and expenses to be referred to herein as the "**Prorated Items**"), shall be apportioned between Transferor and New Operator as of the Effective Time, it being the agreement of the parties that Transferor shall be entitled to and responsible for all revenue, expenses and obligations arising from the operation of the Facility prior to the Effective Time and New Operator shall be entitled to and responsible for all revenue, expenses and obligations arising from the operation of the Facility on and after the Effective Time, except, in each case, as otherwise expressly set forth herein. This provision shall be implemented by New Operator or Transferor, as the case may be, remitting to the other any invoices for Prorated Items that it receives that reflect a service date for which the other party is responsible and by Transferor or New Operator, as applicable, assuming responsibility for the payment of any invoices for Prorated Items that reflect a service date for which it is responsible with any overage or shortage in payments by either party to be adjusted and paid as provided herein.

(b) All such prorations shall be made on the basis of actual days elapsed in the relevant accounting, billing or revenue period and shall be based on the most recent information available. Utility charges which are not metered and read for the Closing shall be estimated based on prior charges, and shall be re-prorated upon receipt of statements therefor. Any and all sales taxes, use taxes and similar taxes imposed or arising in respect of the sale and transfer of the Transferred Assets or Personal Property under the Purchase Agreement shall, except as otherwise provided herein or in the Purchase Agreement, be paid by the Transferor.

(c) New Operator shall pay to Transferor (i) the full amount of all utility deposits, if any, transferred to or for the benefit of New Operator, and (ii) the allocated portion of all prepaid expenses under any Assumed Contracts based upon the number of days in the relevant billing period for the period prior to the Effective Time.

(d) The parties agree that amounts due or payable under the Pennsylvania provider tax or assessment program ("**Assessment**") (i) for any period ending on or before the calendar day immediately preceding the day in which the Effective Time occurs shall be the liability of, and paid by, the Transferor on or before the due date thereof, (ii) for any period beginning on or after the day in which the Effective Time occurs shall be the liability of, and paid by, the New Operator on or before the due date thereof, and (iii) for any period beginning before the Effective Time and ending after the Effective Time (a "**Straddle Period**") shall be the liability of, and paid by, the New Operator on or before the due date thereof, provided, that Transferor shall be liable for, and pay to New Operator at Closing (or provide Buyer with a

credit under the Purchase Agreement) for, the portion of the Assessment relating to the period prior to and ending on the calendar day immediately preceding the Effective Time occurs, such apportionment to be calculated as follows: the portion of any Assessment that is allocable to the portion of the Straddle Period ending on the calendar day immediately preceding the Effective Time shall be deemed to be the amount of such Assessment for the entire period multiplied by a fraction the numerator of which is the number of calendar days in the Straddle Period ending on (and including) the calendar day immediately preceding the Effective Time and the denominator of which is the number of calendar days in the entire relevant Straddle Period. Each Party shall be responsible for timely submitting (and providing the other Party with copies of) all applicable census data for each quarter, or portion thereof, for which it has liability for the Assessment as herein provided

(e) To the extent possible and based on reasonable estimates, the parties shall make all prorations at the Closing. All amounts owing from one party hereto to the other party hereto that require adjustment after the Closing shall be settled within thirty (30) days after the Closing Date or, in the event the information necessary for such adjustment is not available within said thirty (30) day period, then as soon thereafter as practicable.

1.8 Access to Records.

(a) All (i) patient records, resident records, MDS, care plans, therapy records, pharmacy records, clinical patient trust account records and admission agreements for the period prior to the Effective Time (the "**Patient Care Records**"), and (ii) business records relating to the operation of the Facility, including maintenance records, employment records for Hired Employees, including, but not limited to, employment applications, W-9 Forms and performance evaluations, disciplinary records, payroll records, time and attendance records, copies of such surety bonds/insurance maintained by Transferor to insure Resident Trust Funds, Resident Deposits and/or other resident funds as required by law, and governmental authority compliance records (including surveys and plans of correction) for the period prior to the Effective Time (the "**Operations Records**") shall be maintained at the Facility and become the property of the New Operator upon Closing. During the ninety (90) day period following the Closing Date, Transferor shall have the right to copy the Patient Care Records and Operations Records, and New Operator shall provide Transferor with such reasonable assistance as Transferor may reasonably request in order to properly and efficiently effectuate such copying, provided, however, that the Transferor shall not unreasonably interfere with the ordinary operations of the Facility in effectuating same. To the extent Patient Care Records are stored in electronic format, Transferor shall, promptly following the Closing, download or otherwise transfer the same to New Operator, and pending such download or transfer, provide New Operator with "read only" access thereto.

(b) Transferor shall file all notices required to be filed by it under applicable law (with a copy to New Operator) with respect to the location of all files.

(c) Subsequent to the Effective Time, each of New Operator and Transferor shall allow the other and its agents and representatives to have reasonable access to (upon reasonable prior notice, during normal business hours), and to make copies of, at the requesting party's expense, the clinical, operational and financial records and supporting material of the Facility relating to any period prior to or after the Effective Time, to the extent reasonably

necessary to enable the requesting party to investigate and defend any claim (including employee and patient claims), to file or defend tax returns, cost reports or other governmental filings and to verify payments, adjustments or allocations provided by this Agreement and involving the requesting party, which access shall not unreasonably disrupt the requested party's operations.

(d) Each of New Operator and Transferor shall, upon reasonable notice to the other, be entitled to take possession of the originals of any clinical, operational and financial records and supporting material of the Facility relating to any period prior to or after the Effective Time then in the possession of the other, for purposes of litigation involving a resident or employee to whom such record relates, if an officer of a court of competent jurisdiction or agency official certifies that such original must be produced in order to comply with applicable law or the order of a court of competent jurisdiction in connection with such litigation, and the requesting party shall provide the requested party with a complete copy of such records prior to its so taking possession at the requesting party's cost and expense and as a condition precedent to receiving such original record. Any record so taken shall promptly be returned to the requested party following its use.

(e) Each of New Operator and Transferor agrees to maintain such books, records and other material comprising records of its operations of the Facility, including, but not limited to, resident records and records of resident funds, to the extent required by law.

(f) This Section 1.8(f) is included herein because of the possible application of Section 1861(v)(1)(I) of the Social Security Act to this Agreement. If such Section 1861(v)(1)(I) should not be found applicable to this Agreement under the terms of such Section and the regulations promulgated thereunder, then this Section will be deemed not to be a part of this Agreement and shall be conclusively deemed by the parties to be null and void. Until the expiration of four (4) years after the furnishing of services pursuant to this Agreement, the New Operator will, as provided in Section 1861(v)(1)(I) of the Social Security Act and regulations promulgated thereunder, make available, upon written request, to the Secretary of Health and Human Services or to the Comptroller General of the United States or any of their duly authorized representatives, this Agreement and all books, documents and records of the New Operator that are necessary to verify the nature and extent of the costs of any services furnished pursuant to this Agreement for which payment may be made under the Medicare program. Any party receiving a request for documents or information under this provision will promptly notify the other party.

1.9 Assumed Operating Contracts and Patient Agreements.

(a) Transferor shall list on Schedule 1.9(a) of the Transferor Disclosure Schedule (the "**Operating Contracts Schedule**"), and provide New Operator with true, correct and complete copies of, all vendor, service, maintenance, laundry, hospital transfer, hospice, pharmacy and other agreements relating to the operation of the Facility, including, if applicable, copier, telecommunications and other equipment leases (said contracts being referred to as the "**Operating Contracts**").

(b) Within thirty (30) days after Transferor's delivery of the Operating Contracts Schedule, New Operator shall notify Transferor in writing of any Operating Contract

which it desires to assume at Closing (all of the Operating Contracts to be assumed by the New Operator hereunder being collectively referred to as the “**Assumed Operating Contracts**”). In the event New Operator fails to so notify Transferor, New Operator will be deemed to have elected to assume none of the Operating Contracts set forth on the Operating Contracts Schedule. Transferor shall provide commercially reasonable cooperation to New Operator in connection with the assignment and assumption of all Assumed Operating Contracts. New Operator shall assume and undertake to perform any and all obligations under the Assumed Operating Contracts accruing from and after the Effective Time. Transferor shall remain responsible for the performance of any and all obligations under any (i) Operating Contracts not assumed hereunder accruing for all periods prior to and from and after the Effective Time, and (ii) Assumed Operating Contracts accruing for all periods prior to the Effective Time.

(c) Transferor shall indemnify and hold harmless New Operator for any and all obligations under (i) Operating Contracts not assumed hereunder related to periods prior to and on and after the Effective Time, and (ii) the Assumed Operating Contracts related to periods prior to the Effective Time. New Operator shall indemnify and hold harmless Transferor for any and all obligations under the Assumed Operating Contracts relating to periods after the Effective Time.

(d) To the extent that any third party consent necessary for the assignment and assumption of any of the Assumed Operating Contracts has not been obtained by the Transferor as of the Closing, the Transferor and New Operator shall, during the remaining term of such Assumed Operating Contract (the “**Non-Assignable Contract**”), each use their respective commercially reasonable efforts to (i) obtain the consent of the applicable third party, (ii) make the benefit of such Non-Assignable Contract available to the New Operator and (iii) enforce at the request and expense of the New Operator, any rights of the Transferor arising from such Non-Assignable Contract against the other party or parties thereto (including the right to elect or terminate any such Non-Assignable Contract in accordance with the terms thereof). Transferor will not take any action or suffer any omission which would limit or restrict or terminate in any material respect the benefits to the New Operator of such Non-Assignable Contract. With respect to any such Non-Assignable Contract as to which the necessary approval or consent for the assignment or transfer to the New Operator is obtained following the Closing, the Transferor shall assign, and the New Operator shall assume, such Non-Assignable Contract by execution and delivery of a mutually acceptable assignment and assumption agreement promptly following receipt of such approval or consent.

(e) Transferor shall provide New Operator with true, complete and correct originals (and any material amendments or modifications thereof) of all Patient Agreements (and to the extent originals are not available true, complete and correct copies of same). New Operator shall assume and undertake to perform any and all obligations under the Patient Agreements accruing from and after the Effective Time for all current patients and residents of the Facility as of the Effective Time (including individuals temporarily not in occupancy), and Transferor shall indemnify and hold harmless New Operator for any and all obligations under the Patient Agreements related to periods prior to the Effective Time. New Operator shall indemnify and hold harmless Transferor for any and all obligations under the Patient Agreements relating to periods after the Effective Time.

1.10 Cost Reports and Payment Adjustments.

(a) Transferor shall prepare and file with the appropriate Medicare and Medicaid agencies a final cost report for its operation of the Facility for the reporting period ending as of the Effective Time as soon as reasonably practicable after the Closing Date, but in no event later than the date on which any final cost report is required to be filed under applicable law, rule or regulation. Transferor shall provide New Operator with drafts of such cost reports at least ten (10) days prior to the filing thereof and consult with New Operator with respect to any issues arising therefrom. Transferor shall further provide the appropriate Medicare and Medicaid agencies with any information needed to support claims for reimbursement made by Transferor in said final cost report or any other cost reports filed for cost reporting periods prior to the Effective Time. Transferor shall provide New Operator with a copy of its final cost report following the filing thereof and, upon New Operator's request, copies of such supporting documentation as new Operator may require for its cost reporting purposes.

(b) Transferor and New Operator shall each notify the other within five (5) business days of its receipt of any notice from any third party payor of any audit adjustment, overpayment, underpayment, recoupment, fine, penalty, late charge or assessment imposed, credited, debited, charged, alleged or threatened with respect to Facility operations for any period prior to the Effective Time (herein, a "**Payment Adjustment**"). Transferor may, at its expense, appeal and diligently prosecute any Payment Adjustment. In the event (1) Transferor fails to pay any Recoupment in breach of its obligation under paragraph (c) below, or (2) if a Payment Adjustment adversely affects New Operator's Medicare or Medicaid reimbursement rates for any period after the Effective Time, then, Transferor shall, at New Operator's request, appeal and diligently prosecute such Payment Adjustment. New Operator shall have the right to participate in any appeal requested by it and approve any settlement thereof, and, in any event, shall have the right, in its own name or the name of the Transferor, to appeal, dispute and otherwise deal with any Payment Adjustment which reduces, delays or otherwise affects New Operator's reimbursement or other payments arising from services rendered after the Effective Time. Transferor and New Operator shall each reasonably cooperate with the other party in connection with any such appeal and promptly provide any requested information or supporting documentation within its possession or control. No party, in undertaking to appeal and prosecute (or cause the appeal and prosecution of) any Payment Adjustment, shall be deemed to have made any representation to the other with respect to the success or outcome of any appeal.

(c) Within ten (10) days of Transferor's receipt of notice from New Operator of a Payment Adjustment effected through an offset against or recoupment from monies otherwise payable to New Operator for services rendered at the Facility after the Effective Time (a "**Recoupment**"), Transferor shall pay to New Operator the amount of such Recoupment. Provided Transferor has paid the Recoupment to New Operator, if, and to the extent, New Operator shall thereafter receive payment of (or credit for) all or any portion of such Recoupment so paid by Transferor, whether by reason of Transferor's appeal thereof or any other reason, New Operator shall, within ten (10) days thereof, pay the amount so received (or credit given) to Transferor.

(d) To the extent any Payment Adjustment relates to periods prior to and after the Effective Time, or any appeal of any Payment Adjustment results in any payment being made

or credit given for periods that include periods prior to and after the Effective Time, the Transferor shall be responsible for, and entitled to the payments or credits for, the period prior to the Effective Time, and New Operator shall be responsible for, and entitled to the payments and credits for, the period on and after the Effective Time.

(e) Transferor shall be and remains obligated for and shall pay on or before the date due thereof all amounts of any license fees/taxes, including bed taxes, or other amounts payable to any governmental authority accrued up to the Effective Time. New Operator shall pay, on or before the date due, all amounts of any license fees/taxes or other amounts payable to any governmental authority with jurisdiction over the Facility arising and accrued on or after the Effective Time.

(f) If at any time during the twelve (12) months following the Effective Time, New Operator receives a Conditional Level Statement of Deficiency relating to the operation of the Facility (excluding any matter relating to or requiring physical repairs, maintenance, renovations or replacements of the Facility or any part thereof or any furniture, fixtures, equipment or other tangible property therein which, for the avoidance of doubt, are being purchased "as is" pursuant to Section 3.06 of the Purchase Agreement) and imposing or assessing a monetary fine, deficiency or penalty against New Operator and the event or events giving rise to such Conditional Level Statement Deficiency and monetary fine, deficiency or penalty arises from the operation of the Facility prior to or as of the Effective Time or any services furnished by Transferor before the Effective Time, then Transferor shall pay to New Operator the survey deficiency payment set forth therein including, without limitation, any fines or penalties, including any CMS, OIG, DHSS, fines and/or penalties assessed against New Operator due to such deficiency, to the extent the same are clearly relating to the operation of the Facility prior to the Effective Time ("**Survey Deficiency Payment**"). The Survey Deficiency Payment will be payable by Transferor to New Operator no later than thirty (30) days after the date on which Transferor receives notice of such Conditional Level Statement of Deficiency from New Operator, except that Transferor shall have no obligation to make such payment for so long as New Operator or Transferor is objecting, disputing or appealing the Conditional Level Statement of Deficiency or the Survey Deficiency Payment and such objection, dispute or appeal effects a stay against any further action being taken by the applicable governmental authority against New Operator in respect thereof. Notwithstanding the foregoing, a Survey Deficiency Payment shall include any fine, penalty or cost of compliance related to the failure of the Facility to comply with any Fire Safety Evaluation System (FSES) requirement as of the Effective Time or expiration of any waiver related thereto arising during the twelve (12) months following the Effective Time.

1.11 HIPAA. Transferor and New Operator shall comply with all patient identity and information protection laws, including The Health Insurance Portability and Accountability Act of 1996 (HIPAA), in performing, effecting and fulfilling its obligations set forth in this Agreement and shall enter into such additional and supplemental agreements as may be required thereunder.

1.12 COVID.

(a) COVID-19 Funds. The parties agree that with respect to (1) funds made available pursuant to the Coronavirus Aid, Relief and Economic Security Act (“**CARES Act Payments**”), (2) advanced payments from CMS pursuant to the CMS Accelerated and Advance Payment Program related to COVID-19 (“**Medicare Advance Payments**”), and/or (3) certain other stimulus funds related to COVID-19 or made available under the American Rescue Plan Act which are not CARES Act Payments or Medicare Advance Payments (“**Other COVID-19 Funds**”): to the extent permissible in accordance with applicable law, and, to the extent such payments and funds relate to the period as of and after the Closing Date, New Operator shall be entitled to, and upon and after Closing, to the extent received by Transferor, Transferor shall remit to New Operator any CARES Act Payments, Medicare Advance Payments or Other COVID-19 Funds received by Transferor from and after the date hereof, and New Operator shall be entitled to retain any such funds received by New Operator to the extent such funds relate to the time period from after the Closing Date. For the avoidance of doubt, Transferor shall be entitled to retain any and all such funds received to the extent the same relate to the time period prior to the Closing Date, and upon and after Closing, to the extent received by New Operator, New Operator shall remit to Transferor any CARES Act Payments, Medicare Advance Payments or Other COVID-19 Funds received by New Operator to the extent such funds relate to the time period prior to the Closing Date. To the extent requested by either party, the other party shall reasonably cooperate with requesting party in good faith to address the application of such funds in accordance with the provisions of this Agreement and applicable law. Nothing in this Agreement shall be construed to prohibit New Operator from applying for and receiving any CARES Act Payments, Medicare Advance Payments or Other COVID-19 Funds with respect to its operation of the Facility from and after the Closing Date.

(b) Medicare Advance Payments. In the event that Transferor has received any Medicare Advance Payments at any time prior to the Closing Date that have not been re-paid prior to Closing, then, if and to the extent New Operator is required to pay any such Medicare Advance Payment, whether by offset, adjustment, setoff, deduction or otherwise, Transferor shall pay to New Operator at Closing (or provide Purchaser with a credit under the Purchase Agreement) the amount of such Medicare Advance Payment.

(c) COVID Payments. In the event that, at any time after the date hereof, any federal or state agency or authority shall pay or authorize the making or payment of any grant payments, stimulus payments, retroactive rate adjustments, or any other payment or support with respect to the Facility operations or expenses in relation to COVID-19 relief efforts or otherwise under any federal or state program providing funding for skilled nursing facilities (whether or not related to COVID-19) (collectively, “**COVID Payments**”), such amounts will, to the extent permitted by law, be allocated to New Operator, but only to the extent such COVID Payments are intended to provide funding with respect to the operation of the Facility from and after the Closing.

(d) Repayment. Prior to the Closing Date, Transferor shall repay to the applicable governmental agency or other party any and all CARES Act Payments, Medicare Advance Payments, Other COVID-19 Funds, COVID Payments, deferred payroll tax and any other payment and credit that Transferor received and which will encumber the Facility or its operations after the Closing Date, and shall provide evidence of such payment satisfactory to New Operator prior to the Closing Date.

1.13 Maintenance of Catholic Traditions.

(a) New Operator agrees to recognize the Facility as having a Catholic heritage, and will support a resident worship program and Catholic presence with local clergy as part of the Facility operations. The intent is to encourage and support spiritual care involving local clergy, priests, deacons, lay ministers and others to meet the spiritual needs of current and future residents of all faiths and religious practices within the Facility.

(b) To the extent permitted by applicable law, and without prejudice to the rights and wishes of any resident or family member thereof, each resident will be afforded the opportunity to make any end of life decisions in accordance with Part Five of the *Ethical and Religious Directives for Catholic Health Care Services* which address "Issues in Care for the Seriously Ill and Dying".

(c) Faith-Based Transition Team. Transferor shall assign a group of individuals (the "**Faith-Based Transition Team**") to assist New Operator with the implementation after the Closing of a faith-based program for residents which incorporates the components described in Subsection (a) and Subsection (b) above. The Faith-Based Transition Team shall work with the key individuals of New Operator for a period not to exceed one year following the Closing Date to assist New Operator in continuing the faith-based programs in effect prior to the Closing Date, with such adjustments that are recommended for the same to be incorporated into New Operator's operation of the Facility following the Closing.

ARTICLE II
THE CLOSING

2.1 Time and Place of Closing. The actions described herein to consummate the transactions under this Agreement (the "**Closing**") shall occur no sooner than the first day of the month which is not less than fifteen (15) days following the later of (i) Transferor's receipt of the final, non-appealable Court Approvals described in Section 5.02(b) hereof and the Church Approvals described in Section 5.02(c) hereof, (ii) the receipt by New Operator of all licenses, permits and approvals required by the Pennsylvania Department of Health for New Operator to operate the Facility in the manner currently operated, and (iii) completion of all notice and posting requirements pursuant to the LTC Transfer Law and Pennsylvania Department of Health regulations, subject to the satisfaction of all of the conditions to Closing set forth in Articles VI and VII herein (or waiver thereof in writing by the party to whom the benefits of such conditions run) (the "**Closing Date**"). The Closing shall commence at 10:00 a.m. at a location agreed by the parties or by such remote methodology as the parties may agree, or failing agreement, at the offices of New Operator provided herein for notice. Notwithstanding the actual time at which the Closing occurs, the time (the "**Effective Time**") at which the Closing shall be deemed to be effective and the risk of loss shall pass from Transferor to New Operator shall be 12:01 a.m. on the Closing Date.

ARTICLE III
TRANSFEROR'S REPRESENTATIONS AND WARRANTIES

3.1 Transferor's Representations and Warranties. Except as set forth in the "**Transferor Disclosure Schedule**" to be delivered by Transferor to New Operator within fifteen (15) days of the Execution Date, Transferor represents and warrants, as of the Execution Date and the Closing Date, to New Operator as follows, all of which representations and warranties shall survive the Closing hereunder (but subject to the time and other limitations contained in Article IX below):

(a) Organization and Standing of Transferor. Transferor is a nonprofit corporation duly formed, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania and is authorized to do business as in the State. Transferor has the power and authority to own the Transferred Assets and to conduct the business presently being conducted by Transferor at the Facility.

(b) Authority. Subject to the Court Approvals and the Church Approvals, Transferor has the full power and authority to make, execute, deliver and perform this Agreement and the other instruments to be executed and delivered by it pursuant hereto (the "**Transferor's Transaction Documents**"). Such execution, delivery and performance have been duly authorized by all necessary action on the part of Transferor and its directors, officers, trustees, commissioners and other parties, as applicable.

(c) Binding Effect. Transferor's Transaction Documents constitute the valid and binding obligations of Transferor, enforceable against Transferor in accordance with their respective terms, except as limited by bankruptcy, insolvency, reorganization and other laws now or hereafter in effect affecting creditors' rights and remedies or by equitable principles.

(d) Validity of Contemplated Transactions. The authorization, execution and delivery of this Agreement and the Transferor's Transaction Documents and the consummation of the transactions contemplated hereby and thereby by the Transferor, do not and will not, with or without the giving of notice or passage of time or both (A) violate, conflict with or result in the breach of any term or provision of or require any notice, filing or consent under (i) the certificate of formation of the Transferor or (ii) any statutes, laws, rules, regulations, ordinances, licenses or permits of any governmental body, authority or agency applicable to the Transferor (except for such notices to, and consents and approvals of, State and federal governmental and regulatory authorities applicable to the change of ownership of healthcare facilities) or (iii) any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental body, authority or agency binding upon the Transferor; (B) conflict with, result in the breach of any term or provision of, require any notice or consent under, give rise to a right of termination of, constitute a default under, result in the acceleration of, or give rise to a right to accelerate any obligation under any Assumed Contract (other than Non-Assignable Contracts), loan agreement, mortgage, indenture, financing agreement, lease or any agreement or instrument of any kind to which the Transferor is a party or by which the Transferor may be bound (except as shall be paid in full at Closing); or (C) result in any lien, claim, encumbrance or restriction on any of the Transferred Assets.

(e) Financial Statements. Schedule 3.1(e) of the Transferor Disclosure Schedule sets forth the financial statements of the Facility (collectively, including the notes thereto, the “**Financial Statements**”), and to the best of Transferor’s knowledge, such Financial Statements are complete and accurate in all material respects and fairly present the financial condition of the Transferor at the respective dates thereof and the results of operations for the periods then ended, and were prepared in accordance with the books and records of the Transferor in conformity with generally accepted accounting principles, consistently applied during the periods covered thereby (except for the absence of footnotes).

(f) Material Adverse Changes. Since the date of the most recent Financial Statements, the Transferor has operated the Facility in the usual and ordinary course, and there has been no (i) acquisition or disposition of capital assets, or commitment therefor by the Transferor, (ii) increase in the compensation or employee benefits payable by the Transferor to any employee of the Facility except in the ordinary course of business consistent with past practices, or (iii) event or condition relating specifically to the Transferor and its operation of the Facility (rather than to general economic conditions or generally to the healthcare industry, unless such conditions disproportionately affect Transferor) which, individually or together with any other events or conditions, has had or is reasonably expected to have a material adverse effect on the Transferor, the Facility or the business, assets, financial condition or results of operation of the Transferor (a “**Material Adverse Effect**”).

(g) Personal Property. Except for such liens and encumbrances as are permitted under the Purchase Agreement (the “**Permitted Liens**”), Transferor has good and marketable title to or a valid leasehold or license interest in each of the Transferred Assets, free and clear of any security interests, liens, restrictions and encumbrances of every kind, nature and description.

(h) Provider Agreements. The Provider Agreements Schedule sets forth a true and correct list of all Provider Agreements to which Transferor is a party. Except as disclosed in the Provider Agreements Schedule, each Provider Agreement described therein is in full force and effect; and neither Transferor, nor, to the knowledge of Transferor, any other party to such Provider Agreement, is in default thereunder; there exists no occurrence, event, condition or act which, upon the giving of notice or the lapse of time or both, would become a default by Transferor (or, to the knowledge of Transferor, any other party) under any such Provider Agreement and, except as noted in the Provider Agreements Schedule, none of such Provider Agreements by its terms requires the consent of the other party thereto to be obtained in order to consummate its transfer to New Operator as contemplated hereby without violation thereof.

(i) Contracts. The Operating Contracts Schedule sets forth a true and correct list of all outstanding Operating Contracts to which Transferor is a party. Except as disclosed in the Operating Contracts Schedule, each Operating Contract described therein is in full force and effect; neither Transferor, nor, to the knowledge of Transferor, any other party to such Operating Contract, is in default thereunder; there exists no occurrence, event, condition or act which, upon the giving of notice or the lapse of time or both, would become a default by Transferor (or, to the knowledge of Transferor, any other party) under any such Operating Contract; no Operating Contract is between the Transferor or the Facility and any related or affiliated party thereto; and, except as noted in the Operating Contracts Schedule, none of such Operating Contracts which is

an Assumed Operating Contract (other than the Non-Assignable Contracts) by its terms requires the consent of the other party thereto to be obtained in order to consummate its transfer to New Operator as contemplated hereby without violation thereof.

(j) Leases. The Operating Contracts Schedule contains a true and correct list of all leases of machinery, equipment and other tangible personal property leased by Transferor and included in the Operating Contracts. Except as disclosed in the Operating Contracts Schedule, each lease described therein is in full force and effect; all rents due on or before the date hereof under each such lease have been paid; neither Transferor, nor, to the knowledge of Transferor, any other party to such lease, is in default thereunder; and there exists no occurrence, event, condition or act which, upon the giving of notice or the lapse of time or both, would become a default by Transferor (or, to the knowledge of Transferor, any other party) under any such lease and, except as noted in the Operating Contracts Schedule, none of such leases which is an Assumed Operating Contract (other than the Non-Assignable Contracts) by its terms requires the consent of the lessor thereof to be obtained in order to consummate its transfer to New Operator without violation thereof.

(k) No Undisclosed Liabilities. Except as and to the extent set forth in the Transferor Disclosure Schedule or reflected in the Financial Statements, and except for current liabilities incurred by Transferor in connection with or with respect to the Facility in the ordinary course since the date of the most recent Financial Statements, Transferor has no debts, liabilities or obligations of any nature or kind (whether absolute, accrued, contingent, unliquidated or otherwise, whether or not known to Transferor, whether due or to become due and regardless of when asserted) arising out of transactions entered into at or prior to the Closing which could materially adversely affect the Transferred Assets.

(l) Regulatory and Legal Compliance.

(1) The Facility is a duly and properly licensed nursing home with 176 certified, licensed and operating skilled nursing beds, and Transferor (A) is in substantial compliance with all federal, State and local statutes, laws, ordinances, judgments, decrees, orders or governmental rules, regulations, policies and guidelines applicable to Transferor, its assets or the operation of the Facility, except for such noncompliance which, individually or with any other conditions, is not reasonably expected to have a Material Adverse Effect, (B) is not subject to any existing or to the Transferor's knowledge, threatened order or other Liability arising from any actual or alleged violation of any such federal, State and local statutes, laws, ordinances, judgments, decrees, orders or governmental rules, regulations, policies and guidelines; and (C) has not received any written notice or other communication from any governmental or regulatory authority or any other person regarding any actual or alleged violation of or failure to comply in any material respect with any such federal, State and local statutes, laws, ordinances, judgments, decrees, orders or governmental rules, regulations, policies and guidelines. Transferor has no knowledge of, and has not received any notice from any governmental or regulatory authority of, any alleged violation or noncompliance that has not been cured or addressed by a plan of corrective action. Transferor has maintained in all material respects all records required to be maintained by the federal and state Medicare and Medicaid programs, and/or as required by all applicable laws, rules and regulations.

(2) No action has, to Transferor's knowledge, been taken or recommended, nor is there any basis for any action, by any governmental or regulatory official, body or authority, either to revoke, withdraw or suspend its license to operate the Facility or to terminate or decertify any participation of the Facility in the Medicare or Medicaid programs, or to take any action of any other type which would have a Material Adverse Effect.

(3) The operations of the Facility are in compliance with and do not otherwise violate the federal Medicare and Medicaid statutes regarding health professional self-referrals, 42 U.S.C. Section 1395nn and 42 U.S.C. Section 1396b, or the regulations promulgated pursuant to such statute, or similar state or local statutes or regulations.

(4) Neither Transferor nor its officers, members, managers and directors, nor to the knowledge of the Transferor, any persons who provide professional services under agreements with Transferor have, in connection with their activities directly or indirectly related to Transferor, engaged in any activities which are prohibited under federal Medicare and Medicaid statutes, 42 U.S.C. Sections 1320a-7, 1320a-7(a) and 1320a-7b, or the regulations promulgated pursuant to such statutes or related state or local statutes or regulations or which are prohibited by rules of professional conduct, including but not limited to the following:

(A) making or causing to be made a false statement or representation of a material fact in any application for any benefit or payment;

(B) making or causing to be made any false statement or representation of a material fact for use in determining rights to any benefit or payment;

(C) presenting or causing to be presented a claim for reimbursement for services under any Federal health care program, including but not limited to Medicare, Medicaid or any state health care program that is for an item or service that is known or should be known to be not provided as claimed, or false or fraudulent;

(D) failing to disclose knowledge by a claimant of the occurrence of any event affecting the initial or continued right to any benefit or payment on its own behalf or on behalf of another, with intent to fraudulently secure such benefit or payment;

(E) offering, paying, soliciting or receiving any remuneration (including any kickback, bribe, or rebate), directly or indirectly, overtly or covertly, in cash or in kind (1) in return for referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part by any Federal health care program, including but not limited to Medicare, Medicaid, or any state health care program, or (2) in return for purchasing, leasing, or ordering any good, facility, service, or item for which payment may be made in whole or in part by Medicare or Medicaid or other state health care program; or

(F) making or causing to be made or inducing or seeking to induce the making of any false statement or representation (or omitting to state a fact required to be

stated therein or necessary to make the statements contained therein not misleading) of a material fact with respect to (1) the conditions or operations of the Facility in order that the Facility may qualify for any Federal health care program, including but not limited to Medicare, Medicaid, or any state health care program certification, or (2) information required to be provided under Section 1124A of the Social Security Act (42 U.S.C. Section 1320a-3).

(5) Transferor has furnished, or will furnish prior to the end of the Due Diligence Period and, if received thereafter, then promptly after receipt, New Operator with true, accurate and complete copies of all surveys, inspection reports, any waivers of deficiencies, plans of correction, and any similar investigation or examination reports relating to any inspections, investigations or examinations by any federal, state or local regulatory agency or administration having jurisdiction over the Facility during the past twenty-four (24) months (or such shorter time as Transferor has operated the Facility) (collectively, the "Surveys"), and such Surveys do not contain any violations of federal, state and local statutes, laws, ordinances, judgments, decrees, orders or governmental rules, regulations, policies and guidelines applicable to it except as have been cured by an approved or accepted plan of corrective action. All deficiencies and violations noted in any Survey have been corrected or will be corrected as of the Closing and except as set forth in Schedule 3.1(1)(4)(F)(5) of the Transferor Disclosure Schedule, there are no bans, remedies, sanctions, prohibitions on payment, or limitations in effect, pending or to Transferor's knowledge, threatened with respect to admissions to the Facility, or any licensure curtailments in effect, pending or to Transferor's knowledge, threatened with respect to the Facility.

(m) Medicare, Medicaid and Cost Reports.

(i) Transferor and the Facility participates in the Medicare program and is in compliance in all material respects with the conditions of participation for Medicare, and has a current and valid provider contract and provider number with the Medicare program. Set forth on Schedule 3.1(m)(i) of the Transferor Disclosure Schedule is the Medicare provider number of the Facility. The Facility is eligible to receive payment under Title XVIII of the Social Security Act, and is a "provider" under provider agreements with the Medicare program. There is no pending or, to the knowledge of the Transferor, threatened proceeding or investigation, including any qui tam or False Claims Act proceeding or investigation, involving the Transferor or the Facility. No governmental authority has provided written notice to Transferor of its intent to conduct any audit or review of the Facility with respect to compliance with any Medicare or Medicaid regulations. Neither the Transferor nor the Facility, nor any of their respective shareholders, directors, officers, managers or employees, are excluded from participation in the Medicare program or any other federal health care programs and, to the knowledge of the Transferor, no such exclusion is pending or threatened.

(ii) The Facility participates in the State's Medicaid program, is in compliance in all material respects with the conditions of participation for Medicaid and has a current and valid provider contract and provider number with the Medicaid program. Set forth on Schedule 3.1(m)(ii) of the Transferor Disclosure Schedule is the Medicaid provider numbers of Facility. The Facility is eligible to receive payment under Title XIX of the Social

Security Act and is a "provider" under provider agreements with the Medicaid program in the State. Neither the Transferor nor the Facility, nor any of their respective shareholders, directors, officers, managers or employees, are excluded from participation in the State's Medicaid program or any other state healthcare programs and, to the knowledge of the Transferor, no such exclusion is pending or threatened.

(iii) Transferor has and will prior to Closing have filed all cost reports required to be filed as of the date hereof and prior to Closing under applicable law. Transferor has furnished New Operator with copies of all cost reports filed by the Transferor with the appropriate State agency, the appropriate Medicare and Medicaid agencies and/or fiscal intermediaries in respect of the operation of the Facility for the past three fiscal years, and such cost reports did not contain any disallowable costs or expenses or any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading, and such cost reports have been and prior to Closing shall be prepared in all respects in accordance with and in compliance with all applicable government rules and regulations. There are no claims, actions or appeals pending before any commission, board or agency, including any Medicare Administrative Contractor or other fiscal intermediary or carrier, or the Provider Reimbursement Review Board of the Administrator of CMS, with respect to any Medicare or Medicaid cost reports filed on behalf of the Facility or any disallowances by any governmental authority in connection with any audit of such cost reports. To the best of Transferor's knowledge, all claims submitted by the Facility to Medicare, Medicaid or other governmental payment programs have been in compliance in all material respects with Medicare and Medicaid regulations, and the Facility has paid or caused to be paid all material known and undisputed refunds or overpayments which have become due to any Medicare, Medicaid or other governmental payment programs.

(iv) Neither the Transferor nor the Facility, nor any owner, officer, director, partner, agent, managing employee or person with a "direct or indirect ownership interest" (as that phrase is defined in 42 C.F.R. §1001.1001) in the Facility, is a party to, or bound by, any order, individual integrity agreement, corporate integrity agreement, corporate compliance agreement, deferred prosecution agreement, or other formal or informal agreement with any governmental authority concerning compliance with Medicare, Medicaid, HIPAA, the HITECH Act or any other federal or state healthcare laws and regulations. Neither the Transferor nor the Facility has made any voluntary disclosure to the OIG, CMS, any Medicare Administrative Contractor, Medicaid program or other governmental authority relating to any potential, alleged or actual violation of Medicare or Medicaid regulations. Except as in compliance in all material respects with Medicare and Medicaid regulations, neither the Transferor nor the Facility is a party to any agreement (including any joint venture or consulting agreement) with any physician, immediate family member of a physician, or other person who or which is in a position to make or influence referrals to, or otherwise generate business for, the Facility.

(n) Life Safety Code Waivers, Etc. Schedule 3.1(n) of the Transferor Disclosure Schedule contains a complete and accurate list of all life safety code waivers, decertification proceedings or licensure revocations, and termination or suspension proceedings

affecting the Facility during the past twenty-four (24) months (or such shorter time as Transferor has operated the Facility).

(o) Inventory. The Facility maintains an adequate supply of inventory, supplies, linens, medicine, foodstuffs and other similar items as may be necessary for the proper operation thereof, consistent with past practice, and in compliance with all applicable governmental rules, regulations, policies and guidelines.

(p) Litigation. Except as set forth in Schedule 3.1(p) of the Transferor Disclosure Schedule, there are no actions, suits (including, but not limited to, class action or third party suits or actions concerning reimbursements), or legal, administrative, arbitration or other proceedings or governmental investigations pending or, to the best of the Transferor's knowledge, threatened against the Transferor or relating to the Transferred Assets or this Agreement before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, and, the Transferor is not a party to or subject to provisions of any judgment, order, writ, injunction, decree or award of any court, arbitrator or governmental or regulatory official, body or authority.

(q) Insurance.

(1) Schedule 3.1(q) of the Transferor Disclosure Schedule discloses the insurance policies covering the ownership and operations of the Transferred Assets and the Facility, showing the policies' numbers, terms, type, identity of insurers, amounts and coverage. All of such policies are now and will be until the Closing in full force and effect with no premium arrearages. True and correct copies of all such policies and any endorsements thereto have been or will be delivered to the New Operator prior to the Closing. The Facility maintains, and has maintained, without interruption, adequate and sufficient policies or binders of insurance covering such risks and events, including personal injury, property damage and general liability, as are maintained by similar facilities in the ordinary course of business. In the event that the liability or other insurance policies of Transferor are "claims made" policies, Transferor shall obtain, at its sole expense, prior to the Closing insurance coverage in the nature of "tail coverage," with coverage limits at least the same as those in place immediately prior to Closing, which "tail coverage" shall remain in effect for a period of not less than two (2) years after the Effective Time, insuring Transferor against claims asserted after the Effective Time regarding acts and occurrences relating to periods prior to the Effective Time. New Operator shall be named as an additional insured on any such policies at Transferor's sole expense.

(2) Transferor has not received any notice or request from any insurance company or board of fire underwriters setting forth any defects or inadequacies in the Transferred Assets which might affect the insurability thereof, or requesting the performance of any work or alteration of the Transferred Assets, or identifying any defect or inadequacy in the operations thereof that would materially and adversely affect Transferor's or New Operator's ability to operate the Facility as a nursing home with the number of beds applicable to the Facility as contemplated herein.

(3) Schedule 3.1(q)(3) of the Transferor Disclosure Schedule sets forth a true, correct and complete five year loss run report for the Facility during Transferor's

operation thereof and, to the extent in Transferor's possession, and without representation, for the operator prior to the Transferor.

(r) Permits. The Transferor is a provider in good standing under the Medicare and Medicaid programs, duly and properly certified to participate therein, and the Transferor, its assets and the Facility have all certificates of occupancy, certificates of need, licenses, permits, approvals and other governmental authorizations and waivers for the operation of the Facility as a skilled nursing facility and as are necessary in order to enable Transferor to conduct its business as now conducted, including all permits necessary for the generation, transport, storage, treatment, handling, release, emission, discharge and disposal of medical wastes, solid or hazardous wastes, hazardous substances and/or pollutants (collectively, the "**Permits**"), except for such Permits, the absence of which would not cause a Material Adverse Effect. Schedule 3.1(r) of the Transferor Disclosure Schedule sets forth an accurate list and copy of all such Permits. All of said Permits are in full force and effect, Transferor is in compliance with the terms of all such Permits, and the Transferor has not received any notice, nor has any reason to believe, that any of such Permits may or shall be rescinded, revoked, terminated, suspended or not renewed, except with respect to Permits which (individually or in aggregate with all other such Permits) would not cause a Material Adverse Effect. During the period from the Execution Date through the Effective Time, Transferor shall take such action as may be required to cause such Permits to continue in full force and effect and, as applicable, be renewed.

(s) Environmental Matters. Transferor, its assets and the Facility are in compliance with all federal, state or local laws, ordinances, rules, regulations, orders or directives or under common law relating to the environment ("**Environmental Laws**"), and neither the Transferor, nor, to the Transferor's knowledge, any other party, has (except in accordance with law) generated, installed, transported, treated, stored, disposed of, arranged to be disposed of, released or threatened to be released at, on, from or under, the Facility or any other property of the Transferor any hazardous wastes or hazardous substances (as defined in any applicable Environmental Law).

(t) Employees; Employee Benefit Plans.

(i) Schedule 3.1(t)(i) of the Transferor Disclosure Schedule sets forth a true, correct and complete list of all employees employed at the Facility (including administrators and supervisory personnel) as of the Execution Date, together with each such person's current rate of pay, accrued vacation and sick days and other accrued employee benefits, together with a true and complete list of all pension, profit sharing, retirement, deferred compensation, stock purchase, stock option, incentive, bonus, vacation, severance, disability, hospitalization, medical insurance, life insurance and other employee benefit plans, programs or arrangements, maintained by the Transferor (other than obligations to make current wage or salary payments) in respect of, or which otherwise cover, any of the current employees of the Facility, or their beneficiaries (hereinafter individually referred to as a "**Plan**" and collectively referred to as the "**Plans**"). The Transferor has made, or, prior to the end of the Due Diligence Period will make, available or deliver to the New Operator true and complete copies of all documents, as they may have been amended to the date hereof, embodying or relating to the Plans. Except as set forth in Schedule 3.1(t)(i) of the Transferor Disclosure Schedule, none of the employees employed at the Facility are a party to any

employment agreement, consulting agreement, collective bargaining agreement, or similar contract, commitment or arrangement which, after the giving of notice, cannot be terminated at will by Transferor, nor will any such agreement be binding upon New Operator.

(ii) Except as set forth in Schedule 3.1(t)(ii) of the Transferor Disclosure Schedule: (A) there are no strikes, lockouts, slowdowns, labor union organizing activity, or other labor union activities against the Facility, Transferor or its affiliates pending or, to the knowledge of the Transferor, threatened; (B) the hours worked by, and payments made to, employees, independent contractors, consultants, and other service providers of the Facility have not been in violation of the Fair Labor Standards Act or any other applicable federal, state, local or foreign law; (C) all payments due from the Transferor, or for which any claim may be made against the Transferor, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of the Transferor; (D) in the past six years, there have been no actions, suits, proceedings, or investigations by or before any arbitrator or governmental authority pending by or against or, to the knowledge of the Transferor, threatened by or against the Transferor or the Facility relating to any employee, independent contractor, consultant, or other service provider, including with respect to wages and hours, employee classifications, exempt or non-exempt status, taxes, workers' compensation, safety, retaliation, harassment, immigration, discrimination, the withholding and reported all amounts required by any law or agreement to be withheld and reported with respect to wages, salaries, or other payments or benefits, or any employment statute or regulation; (E) to the best of Transferor's knowledge, each of the Transferor and the Facility is in compliance with all laws, regulations and orders of any governmental authority relating to any employee, independent contractor, consultant, or other service providers, including those relating to wages and hours, employee classifications, exempt or non-exempt status, taxes, workers' compensation, safety, retaliation, harassment, immigration, discrimination, the withholding and reported all amounts required by any law or agreement to be withheld and reported with respect to wages, salaries, or other payments or benefits, or any employment statute or regulation; (F) the Transferor has withheld and reported all amounts required by any law or agreement to be withheld and reported with respect to wages, salaries and other payments to any employee, independent contractor, consultant, or other service providers; (G) other than other than routine payments to be made in the ordinary course of business, the Transferor has no liability for any payment to any trust or other fund governed by or maintained by or on behalf of any governmental authority with respect to unemployment compensation benefits, social security or other benefits or obligations for any employee, independent contractor, consultant, or other service provider; (H) no current or former independent contractor, consultant, or other service provider of the Transferor or the Facility is or has been a misclassified employee pursuant to applicable law and there is no liability as a result of the failure to properly classify any such individuals; and (I) the consummation of the transactions contemplated herein will not give rise to any right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to Transferor or the Facility may be bound.

(iii) Transferor has: (A) not engaged in any Prohibited Transactions as defined in Section 406 of the Employee Retirement Income Security Act of 1974, as amended, and the regulations thereunder ("ERISA") and Section 4975 of the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder,

(B) not failed to meet any applicable minimum funding requirements under Section 302 of ERISA in respect of its Plans and no funding requirements have been postponed or delayed, (c) no knowledge of any event or occurrence which would cause the Pension Benefit Guaranty Corporation to institute proceedings under Title IV of ERISA to terminate any of its Plans, (D) no fiduciary responsibility under ERISA for investments with respect to any Plan existing for the benefit of party other than its employees or former employees, or (E) not withdrawn, completely or partially, from any multi-employer pension plans so as to incur liability under the MultiEmployer Pension Plan Amendments of 1980. There exists no event described in Section 4043 of ERISA, excluding Subsections 4043(b)(2) and 4043(b)(3) thereof, with respect to Transferor for which the required thirty (30) day notice period has not been waived.

(u) Licensed Bed and Current Rate Schedule. Attached hereto as Schedule 3.1(u) of the Transferor Disclosure Schedules is a true, correct and complete statement, as of a recent date, of (i) the number and type of licensed beds at the Facility, including any designation as Medicare and/or Medicaid certified, (ii) the current rates charged by the Facility to its patients or residents and (iii) the number of beds or units occupied in, and the occupancy percentage at, the Facility as of a recent date. No patient or resident at the Facility is subject to or a party to any life care contract involving the Facility.

(v) Deposit Accounts. Schedule 3.1(v) of the Transferor Disclosure Schedule sets forth a true, correct and complete list of all bank accounts and deposit accounts, including the name and address of the bank or other depository and the corresponding account numbers and type of account, currently used by the Facility or into which any payments under any Provider Agreements are currently made.

(w) Utilities. All utilities are installed and available to the Facility in an amount adequate and sufficient for the purpose of operating the Facility in the manner operated by Transferor as of the Execution Date.

(x) Personal Needs Allowances. Transferor and the Facility are currently in material compliance with all federal and state laws, rules and regulations relating to maintaining and accounting for the personal needs allowance ("PNA") for residents who request the establishment of a PNA account.

(y) Finder's Fee. Except as set forth in Schedule 3.1(y) of the Transferor Disclosure Schedule (the "**Broker**"), Transferor has dealt with no real estate broker, investment banker, person, firm or entity who would, by reason of such dealings be able to claim a real estate brokerage, business opportunity, brokerage or finder's fee as the procuring cause of this transaction. Any fee or commission due to the Broker shall be paid by Transferor at or prior to the Closing hereunder.

(z) Full Disclosure. No representation or warranty or other statement made by Transferor in this Agreement or otherwise to New Operator in connection with the transactions contemplated herein contains any untrue statement or omits to state a material fact necessary to make any of them, in light of the circumstances in which it was made, not misleading. To the

Transferor's knowledge, there is no event or circumstance which the Transferor has not disclosed to New Operator which could reasonably be expected to have a Material Adverse Effect.

(aa) Knowledge Defined. The words "to Transferor's knowledge", "to the knowledge of Transferor", or any other similar knowledge qualification, means the actual knowledge of the individuals set forth on Section 3.1(aa) of the Transferor Disclosure Schedules.

ARTICLE IV

NEW OPERATOR'S REPRESENTATIONS AND WARRANTIES

4.1 New Operator's Representations and Warranties. New Operator represents and warrants, as of the Closing Date, to Transferor as follows, all of which representations and warranties shall survive the Closing hereunder:

(a) Organization and Standing of New Operator. New Operator is a limited liability company duly formed, validly existing and in good standing under the laws of Pennsylvania and is authorized to do business in the State. Upon receipt of all federal, State and municipal governmental and regulatory licenses, permits and approvals necessary for the lawful operation of the Facility by New Operator, New Operator shall have the power and authority to purchase and acquire the Transferred Assets and to operate the Facility.

(b) Authority. New Operator has the full power and authority to make, execute, deliver and perform this Agreement and the other instruments to be executed and delivered by it pursuant hereto (the "**New Operator's Transaction Documents**", and, collectively with the Transferor's Transaction Documents, the "**Transaction Documents**"). Such execution, delivery, performance and consummation have been duly authorized by all necessary action on the part of New Operator.

(c) Binding Effect. New Operator's Transaction Documents, when executed by New Operator, constitute the valid and binding obligations of New Operator, enforceable against New Operator in accordance with their respective terms, except as limited by bankruptcy, insolvency, reorganization and other laws now or hereafter in effect affecting creditors' rights and remedies or by equitable principles.

(d) Validity of Contemplated Transactions. The authorization, execution and delivery of this Agreement and the New Operator's Transaction Documents and the consummation of the transactions contemplated hereby and thereby by the New Operator, do not and will not, with or without the giving of notice or passage of time or both (A) violate, conflict with or result in the breach of any term or provision of or require any notice, filing or consent under (i) the organizational documents of the New Operator or (ii) any statutes, laws, rules, regulations, ordinances, licenses or permits of any governmental body, authority or agency applicable to the New Operator (except for such notices to, and consents and approvals of, State and federal governmental and regulatory authorities applicable to the change of ownership of healthcare facilities) or (iii) any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental body, authority or agency binding upon the New Operator or (B) conflict with, result in the breach of any term or provision of, require any notice or consent under, give rise to a right of termination of, constitute a default under, result in the acceleration

of, or give rise to a right to accelerate any obligation under any loan agreement, mortgage, indenture, financing agreement, lease or any agreement or instrument of any kind to which the New Operator is a party or by which the New Operator may be bound.

(e) Finder's Fee. Except for the Broker, New Operator has dealt with no real estate broker, investment banker, person, firm or entity who would, by reason of such dealings be able to claim a real estate brokerage, business opportunity, brokerage or finder's fee as the procuring cause of the transaction contemplated hereby.

ARTICLE V

OBLIGATIONS OF THE PARTIES PRIOR TO CLOSING

5.1 Due Diligence. No later than ten (10) days after the date of this Agreement, New Operator shall deliver to Transferor a list of critical due diligence items to be provided by Transferor (the "**Due Diligence List**"). Commencing on the date hereof and continuing for the thirty (30) day period commencing on the date Transferor delivers to New Operator the Transferor Disclosure Schedule and the items requested on the Due Diligence List, but in no event later than September 30, 2023 (the "**Due Diligence Period**"), New Operator shall have the right to conduct a due diligence investigation of the Facility, including review of all resident files, agreements, and any other documentation regarding the residents of the Facility, which review will in all events be subject to all applicable laws, rules and regulations concerning the review of medical records and other types of patient records, and Transferor will provide reasonable access to the Facility and its books and records and personnel to assist and enable New Operator to conduct and complete its due diligence review. New Operator shall have the right, for any reason or no reason, to terminate this Agreement by delivering written notice of termination to the Transferor (a "**Termination Notice**") prior to the expiration of the Due Diligence Period. If New Operator shall fail to timely deliver a Termination Notice to the Transferor prior to the expiration of the Due Diligence Period, New Operator shall be deemed to have waived the right to terminate this Agreement pursuant to this Section 5.1. If New Operator shall timely deliver a Termination Notice to the Transferor prior to the expiration of the Due Diligence Period, then this Agreement shall terminate effective as of the date of such Termination Notice, and neither party shall have any further rights or obligations hereunder except as otherwise expressly provided herein.

5.2 Approvals.

(a) No later than ten (10) days following the expiration of the Due Diligence Period, New Operator shall file an application with the appropriate City of Philadelphia and State authorities for approval to become the licensee of the Facility (said approval being herein referred to as the "**New Operator License Approval**"). The Transferor shall cooperate with the New Operator as necessary in the preparation of this application. The New Operator shall use commercially reasonable efforts to diligently pursue and to obtain the New Operator License Approval as promptly as possible.

(b) No later than ten (10) days following the expiration of the Due Diligence Period, Transferor will submit to the Pennsylvania Office of the Attorney General a request for a letter of non-objection then to the Philadelphia Orphans' Court and/or other governmental

agency the required application for approval of the sale of the Facility to Purchaser and New Operator (the "**Court Approval**"). Transferor shall diligently pursue the Court Approval and comply with all reasonable requirements required to obtain the Court Approval. Purchaser (as defined in the Purchase Agreement), New Operator, and each of their respective equityholders shall, to the extent required, cooperate with Transferor in obtaining the Court Approval, and shall provide all information requested, including appearing at the Philadelphia Orphans' Court if requested. Transferor, Purchaser and New Operator shall submit the required information for approval of the sale of the Facility to Purchaser to the City of Philadelphia in accordance with applicable law.

(c) No later than ten (10) days following the expiration of the Due Diligence Period, Transferor will commence the process to seek any and all required non-profit and religious affiliation approvals that are necessary to approve the transactions contemplated hereby and by the Purchase Agreement, including, without limitation, ratification and/or approval from: Felician Services, Inc.; Our Lady of Hope Provincial Council; the General Administration of the Felician Sisters of North America; and the Holy See (collectively, the "**Church Approvals**"). Transferor shall diligently pursue the Church Approvals. Purchaser and New Operator shall cooperate with Transferor in obtaining the Church Approvals, and shall provide all information requested by Transferor in pursuit thereof.

(d) Cooperation. Each party shall reasonably cooperate with the other party in the preparation and filing of any application or other similar document contemplated or required by this Section 5.2 and shall keep the other party informed concerning the status of any application, or other similar document with respect to which it has primary responsibility, including all material actions, correspondence, or conversations regarding same, and shall promptly notify such other party upon the receipt, or delay in receipt, of any authorization, consent, license, or approval.

(e) Costs and Expenses. Except as otherwise set forth in the Purchase Agreement, each party shall be responsible for its own costs and expenses incurred in the pursuit of the New Operator License Approval and any other necessary approvals from any governmental or regulatory authority necessary or advisable for the consummation of the transactions contemplated herein.

5.3 Between the Execution Date and the Closing, except as otherwise permitted under this Agreement, Transferor shall: (a) maintain the Facility in substantially the same condition as the Facility is in as of the Execution Date, ordinary wear and tear excepted; (b) operate the Facility in compliance with all applicable laws, rules and regulations and in the ordinary course and in substantially the same manner as the Facility was operated before the Execution Date, including all marketing, advertising and other efforts to attract and retain patients and residents; (c) maintain inventory and supplies in an amount consistent with past practices (and in no event less than the minimum amount of inventory and supplies as may be required under applicable law and as shall be necessary for the proper operation of the Facility); (d) not cause or permit (or take any action or omit to take any action that could cause or permit) closure of the Facility, a reduction in the number of licensed beds, or a change in the Medicare or Medicaid certification status of the Facility; (e) promptly notify New Operator upon becoming aware of any third party claims or action that will give rise to any filings, or actual filings, with any regulatory or

government agencies that affect Transferor or the Facility; (f) maintain in force the existing hazard and liability insurance policies, or comparable coverage, for the Facility as now in effect; (g) not enter into any new Operating Contract or materially change any Operating Contract other than in the ordinary course of operating the Facility; (h) maintain all of its books and records in accordance with past practice; (i) keep in full force all Permits necessary for the continued proper operation of the Facility; (j) satisfy and discharge all claims, liens, security interests, liabilities or other financial obligations which constitute a lien or encumbrance on any of the Transferred Assets (other than Permitted Liens); (k) file all returns, reports and filings of any kind or nature, including but not limited to, cost reports, required to be filed by Transferor on a timely basis; (l) pay when due (or withhold and pay over, as required) all taxes, Assessments, charges, and levies imposed upon Transferor, any of its assets, the Transferred Assets, the Facility or the Property (or any portion thereof); and (m) take any and actions and steps so that all representations and warranties of Transferor hereunder are true and correct on and as of the Closing Date as if made on and as of such date and otherwise comply with all of its liabilities and obligations hereunder.

5.4 Access. Between the Execution Date and the earlier of the Closing or the termination of this Agreement as provided herein, Transferor shall afford New Operator reasonable access to all of the assets, properties, personnel, books and records of Transferor, subject to such reasonable conditions as Transferor may require so as not to interfere with the ordinary operations of the Facility.

5.5 Prohibited Actions Pending the Closing. Between the Execution Date and the earlier of the Closing or the termination of this Agreement as provided herein, except as otherwise set forth in the Transferor Disclosure Schedule, Transferor shall not, except as otherwise consented to by New Operator in writing: (a) create or assume any new mortgage, security interest or other lien that is not prepayable at any time, of any nature upon any of the Transferred Assets; (b) sell, assign or otherwise transfer or dispose of any Transferred Asset (other than worn or obsolete assets) and, if valued in excess of \$5,000.00 per item, without obtaining a comparable replacement; (c) (1) increase except in the ordinary course of business consistent with past practice the rate or terms of compensation or benefits of any of its employees, (2) hire any new employees except in the ordinary course of business consistent with past practice as necessary to replace any employee whose employment with Transferor terminated after the Execution Date, (3) pay or agree to pay any pension, retirement allowance or other employee benefit not required by any existing benefit plan or other agreement or arrangement to any director, officer or employee, whether past or present or (4) enter into or amend any employment, bonus, severance or retirement contract (including, without limitation, any collective bargaining agreement other than in consultation with New Operator) or adopt or amend any benefit plan; (e) enter into any contract with any governmental authority which will be binding upon the Facility or New Operator following the Closing; (f) cease using the current name of the Facility; (g) take any action which would prevent performance of its obligations under this Agreement; (h) knowingly take or agree or commit to take any action that would make any representation and warranty of Transferor contained herein or in any other Transferor's Transaction Document to be inaccurate in any respect; or (i) agree or commit to do any of the foregoing.

5.6 From the date hereof through the Closing Date, or earlier termination of this Agreement as herein provided, Transferor shall promptly supplement or amend the Schedules that it has delivered (i) with respect to any matter first existing or occurring following the date of this Agreement that (A) if existing or occurring at or prior to the date of this Agreement, would have been required to be set forth or described in the Schedules or (B) is necessary to correct any information in the Schedules that has been rendered inaccurate thereby and (ii) to the extent necessary to correct any information in the Schedules that was inaccurate as of the date hereof. No such supplement or amendment to any Schedule shall have any effect for the purpose of determining satisfaction of the condition set forth in Section 6.1 (which shall be determined without giving effect to any such supplement or amendment), but such supplement or amendment shall otherwise be deemed to have been made as of the date hereof.

5.7 Cooperation. Subject to the terms and conditions herein provided, the parties hereto shall use their best efforts to take, or cause to be taken, such action to execute and deliver, or cause to be executed and delivered, such additional documents and instruments and to do, or cause to be done, all things necessary, proper or advisable under the provisions of this Agreement and under applicable law to consummate and make effective the transactions contemplated by this Agreement, including, without limitation, posting, providing notice and otherwise complying with 28 Pa. Code § 201.12a and the LTC Transfer Law.

5.8 Nondisclosure. Each of the parties hereto agrees not to disclose, or permit any of their respective agents, representatives or employees to disclose, any of the transactions contemplated hereunder or any information obtained in connection therewith, except as may be necessary or required by applicable law in order to consummate the transactions contemplated herein, and excepting a mutually agreed upon public announcement of the transaction to be made within ten (10) days following the end of the Due Diligence Period, subject thereto.

ARTICLE VI

CONDITIONS PRECEDENT TO NEW OPERATOR'S OBLIGATIONS

Unless waived by New Operator, its obligation to consummate the transactions contemplated by this Agreement is subject to the satisfaction, prior to or at the Closing, of each of the following conditions. Upon failure of any of the following conditions, New Operator may terminate this Agreement pursuant to and in accordance with Article VIII.

6.1 Representations and Warranties. The representations and warranties of Transferor contained in this Agreement shall be true and correct in all material respects at and as of the Closing Date as though such representations and warranties were made at and as of such time.

6.2 Performance of Covenants. Transferor shall have performed or complied in all material respects with each of its agreements and covenants required by this Agreement to be performed or complied with by it prior to or as of the Closing Date.

6.3 Delivery of Closing Certificate. Transferor shall have executed and delivered to New Operator a closing certificate in the form and substance of Exhibit 6.3, attached hereto and made a part hereof certifying the matters set forth in this Article VI.

6.4 Transferor shall have executed and delivered the Bill of Sale substantially in the form and substance of Exhibit 6.4 (“**Bill of Sale**”) attached hereto and made a part hereof.

6.5 Transferor shall have executed and delivered an assignment and assumption of Contracts substantially in the form and substance of Exhibit 6.5 (“**Assignment and Assumption of Contracts**”), attached hereto and made a part hereof.

6.6 Transferor shall have executed and delivered an assignment and assumption of Resident Trust Funds and Patient Deposits substantially in the form and substance of Exhibit 6.6 (“**Assignment and Assumption of Resident Trust Funds**”), attached hereto and made a part hereof.

6.7 New Operator shall have received the New Operator License Approval and all other permits and approvals from the Pennsylvania Department of Health, that are necessary for the lawful operation of the Facility by New Operator, or otherwise shall have received such assurances or approvals for its issuance as New Operator shall reasonably deem sufficient.

6.8 Purchase Agreement. The Closing under the Purchase Agreement shall occur concurrently with the Closing hereunder.

6.9 No Legal Action. No action, suit, investigation, other proceeding or claim shall have been instituted before any court or before or by any government or governmental agency or instrumentality seeking to obtain damages or other relief against New Operator in connection with such transactions.

6.10 Other Documents. Transferor shall have furnished New Operator with all other documents, certificates and other instruments required to be furnished to New Operator by Transferor pursuant to the terms hereof.

6.11 Transferor Consents.

(a) (i) The Transferor shall have obtained any consents and approvals (or in lieu thereof waivers) of any Person necessary for the consummation of the Closing and the transactions contemplated by this Agreement, including, without limitation, the Court Approvals, the Church Approvals, third party consents to the assignment of the Assumed Operating Contracts to the New Operator, other than in respect of the Non-Assignable Contracts (collectively, the “**Transferor Consents**”), (ii) a true, correct and complete copy of each such Transferor Consent shall have been delivered to the New Operator at or prior to the Closing, and (iii) each such Transferor Consent shall not be subject to the satisfaction of any condition that has not been satisfied or waived and shall be in full force and effect.

(b) The depository institution in which the Provider Accounts are maintained shall have consented to (i) the transfer of the Provider Accounts to New Operator, (ii) the transfer of control of the Provider Accounts to New Operator, or (iii) an irrevocable standing sweep arrangement under which all funds deposited therein shall be transferred to New Operator.

6.12 Compliance with Law. The Transferor or Facility shall not (i) have received a notice of deficiency asserting a violation with a scope and severity level of “G” or higher (or

asserting two or more violations which in aggregate have a scope and severity level substantially comparable to a "G" level or higher), for which a Plan of Correction shall not have been submitted by Transferor and accepted prior to Closing, (ii) be in violation of any policy, directive, rule or regulation promulgated by any federal or State governmental authority, agency or department regarding the Covid-19 pandemic which shall not have been remedied prior to Closing, (iii) be prohibited or restricted by any federal or State governmental authority, agency or department from admitting new patients or from billing for any provision of goods or services which shall not have been corrected or remedied prior to Closing, or (iv) be the subject of any substandard quality of care determination or any adverse regulatory action with respect to the Facility which shall not have been corrected or remedied prior to Closing, including imposing of civil money penalties.

6.13 Material Adverse Effect. From the Execution Date, there shall have been no event or series of events, or the lack of occurrence of same, which, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect. Without limitation of the foregoing, a Material Adverse Effect shall be deemed to have occurred if the average daily census at the Facility during the 30 days prior to the Closing Date shall have declined by more than ten percent (10%) from the average daily census at the facility during the 30 days prior to June 16, 2023.

6.14 Special Focus Facility. The Facility shall not be as of the Closing on any CMS Special Focus Facility list (including the list of candidates for Special Focus Facility status).

6.15 Tail Coverage. Transferor shall have provided evidence of the tail insurance coverage required under Section 3.1(q) hereof.

ARTICLE VII

CONDITIONS PRECEDENT TO TRANSFEROR'S OBLIGATIONS

Unless waived by Transferor, its obligation to consummate the transactions contemplated by this Agreement is subject to the satisfaction, prior to or at the Closing, of each of the following conditions. Upon failure of any of the following conditions, Transferor may terminate this Agreement pursuant to and in accordance with Article VIII:

7.1 Representations and Warranties. The representations and warranties of New Operator contained in this Agreement shall be true and correct in all respects at and as of the Effective Time as though such representations and warranties were made at and as of such time.

7.2 Performance of Covenants. New Operator shall have performed or complied in all material respects with each of its agreements and conditions required by this Agreement to be performed or complied with by it prior to or as of the Closing Date.

7.3 Delivery of Closing Certificate. New Operator shall have delivered to Transferor a closing certificate in the form and substance of Exhibit 7.3, attached hereto and made a part hereof and made a part hereof certifying the matters set forth in Sections 7.1 and 7.2 hereof.

7.4 Transferor Consents. Transferor shall have obtained the Transferor Consents described in Section 6.11(a)(i) to Transferor's and New Operator's reasonable satisfaction.

7.5 License Approval; Compliance with LTC Transfer Law. New Operator shall have (i) obtained the New Operator License Approval and all other approvals described in Section 6.7, and (ii) shall have complied with the Philadelphia's Changes in Ownership of Long-Term Care Facilities and Hospitals law (Section 6-409).

7.6 Assignment and Assumption of Contracts. New Operator shall have executed and delivered the Assignment and Assumption of Contracts.

7.7 Resident Trust Funds. New Operator shall have executed and delivered the Assignment and Assumption of Resident Trust Funds.

7.8 Assumption of Assumed Liabilities. New Operator shall have executed and delivered an assumption of liabilities substantially in the form and substance of Exhibit 7.8 attached hereto and made a part hereof, pursuant to which New Operator shall assume and agree to discharge and perform the Assumed Liabilities to be assumed by it hereunder.

7.9 No Legal Action. No action, suit, investigation, other proceeding or claim shall have been instituted before any court or before or by any government or governmental agency or instrumentality seeking either (1) to impose any restriction, limitations or conditions with respect to the transactions contemplated by this Agreement which will prevent or enjoin the consummation of the transactions contemplated herein, or (2) to obtain damages or other relief against Transferor in connection with such transactions.

7.10 Purchase Agreement. The Closing under the Purchase Agreement shall occur concurrently with the Closing hereunder.

7.11 Other Documents. New Operator shall have furnished Transferor with all other documents, certificates and other instruments required to be furnished to Transferor by New Operator pursuant to the terms hereof.

ARTICLE VIII TERMINATION

8.1 Termination. In addition to the express provisions contained herein regarding termination of this Agreement, this Agreement:

(a) shall terminate, without further notice or action by either party, upon any termination of the Purchase Agreement in accordance with its terms;

(b) may be terminated at any time upon the mutual consent of Transferor and New Operator;

(c) may be terminated at or after the 181st day from the expiration of the Due Diligence Period (the "**Termination Date**") by:

(i) Transferor, if Transferor is not in breach of its obligations hereunder, which breach has not been cured within 30 days of receipt of notice thereof, and

any condition precedent to Transferor's obligations hereunder has not been satisfied by such date as provided herein; or

(ii) New Operator, if New Operator is not in breach of its obligations hereunder, which breach has not been cured within 30 days of receipt of notice thereof, and any condition precedent to New Operator's obligations hereunder has not been satisfied by such date as provided herein;

The foregoing notwithstanding, neither party may terminate this Agreement if the parties are actively and diligently pursuing the approvals required by Section 5.2, in which case the Termination Date shall automatically be extended until such time as the final, unappealable Court Approvals are obtained, but, in any event, no later than ninety (90) days from the Termination Date.

(d) may be terminated by the non-breaching party in the event of any material breach, default or failure to fulfill any representation, warranty or covenant of this Agreement by the other party prior to Closing, and such breach, default or failure shall not be capable of being remedied or, if capable of being remedied, such breach, default or failure remains unremedied for more than thirty (30) days following the receipt of written notice from the non-breaching party specifying the breach, default or failure:

(i) and, if as a result of such failure, the conditions set forth in Article VI hereof are not satisfied on or prior to the Termination Date, then New Operator shall be entitled to terminate this Agreement by written notice to Transferor; or

(ii) and, if as a result of such failure, the conditions set forth in Article VII hereof are not satisfied on or prior to the termination Date, then Transferor shall be entitled to terminate this Agreement by written notice to New Operator; and

(e) may be terminated by New Operator in the event that New Operator does not receive the New Operator License Approval and all other federal, State and municipal governmental and regulatory licenses, permits and approvals necessary for the lawful operation of the Facility by New Operator on or before the Termination Date.

8.2 Effect of Termination. If a party terminates this Agreement because one or more of the conditions precedent to its obligations hereunder has not been satisfied, or if this Agreement is terminated by mutual consent, this Agreement shall become null and void without any liability of any party to the other.

ARTICLE IX INDEMNIFICATION

9.1 Indemnification by Transferor. In addition to, and without limitation of, any indemnification provision contained in any other Section of this Agreement, Transferor shall indemnify and defend New Operator and New Operator's officers, agents, representatives, employees, heirs, successors and assigns and hold them harmless against and with respect to any and all damage, loss, liability, cost and expense (including, without limitation, reasonable attorney's fees and expenses) (all of the foregoing hereinafter collectively referred to as "Loss")

resulting from (i) any third party, including governmental, claim arising from or relating to the operation of the Facility prior to and ending on the Effective Time, including but not limited to Recoupments from third-party payors such as the Medicare and Medicaid programs for overpayments made to Transferor (and any civil money or other penalties that may be imposed thereon or as a result thereof), (ii) Transferor's failure to pay, discharge or perform any of the Excluded Liabilities, (iii) the Excluded Assets, (iv) the failure of any representation or warranty of Transferor set forth in Article III hereof to be true and correct in all respects at and as of the Closing Date as though such representations and warranties were made at and as of such date, and (v) the failure of Transferor to comply with any covenant or obligation set forth herein.

9.2 Indemnification by New Operator. In addition to, and without limitation of, any indemnification provision contained in any other Section of this Agreement, New Operator shall indemnify and defend Transferor and Transferor's officers, agents, representatives, employees, heirs, successors and assigns and hold them harmless against and with respect to any and all Losses resulting from (i) any third party, including governmental, claim arising from or relating to the operation of the Facility from and after the Effective Time, (ii) New Operator's failure to pay, satisfy, discharge or perform any of the Assumed Liabilities from and after the Effective Time, (iii) the failure of any representation or warranty of New Operator set forth in Article IV hereof to be true and correct in all respects at and as of the Closing Date as though such representations and warranties were made at and as of such date, and (iv) the failure of New Operator to comply with any covenant or obligation set forth herein.

9.3 Control of Defense of Indemnifiable Claims. Each party hereto who is entitled under the terms of this Agreement to indemnification (each, an "Indemnitee") from the other party hereto (the "Indemnitor") shall give the Indemnitor prompt notice of each claim for which it seeks indemnification. A claim for indemnification for any matter not involving a Third Party Claim (as hereinafter defined) shall be asserted by notice to the Indemnitor promptly following receipt by the Indemnitee of information giving rise to such claim, and such notice shall state with reasonable specificity the nature and basis of the claim and the amount thereof, to the extent known at such time. A claim for indemnification for any matter involving a Third Party Claim shall be made against the Indemnitor promptly after receipt by the Indemnitee of notice of the commencement of any proceeding against the Indemnitee. Failure to timely notify the Indemnitor will not relieve the Indemnitor of any liability it may have to the Indemnitee, except to the extent the Indemnitor's defense of such action is prejudiced by the Indemnitee's failure to timely deliver such notice. The Indemnitor is entitled to assume the defense of all Third Party Claims (unless the Indemnitor is also a party to such claim and joint representation would be impermissible) and, after notice to the Indemnitee of its election to assume the defense of such claim, the Indemnitor will not be liable to the Indemnitee for any fees of other counsel or any other expenses with respect to the defense of such claim. If the Indemnitor assumes the defense of a Third Party Claim, it shall be solely responsible for any compromise or settlement of such claims which may be effected by the Indemnitor without the Indemnitee's consent so long as (i) there is no finding or admission of any violation by Indemnitee of legal requirements or any violation of the rights of any person and no effect on any other claims that may be made against the Indemnitee, and (ii) the sole relief provided is monetary damages that are paid in full by the Indemnitor. If notice is given to an Indemnitor of the commencement of any Third Party Claim and the Indemnitor does not, within ten days after the Indemnitee's notice is given, give notice to the Indemnitee of its election to assume the defense of such claim, the Indemnitor will be bound

by any determination made in such claim or any compromise or settlement effected by the Indemnitee, and Indemnitor shall be responsible for any and all legal costs in connection with Indemnitee's defense of such claim.

9.4 Limitations on Indemnification.

(a) Subject to Section 10.3 hereof, and except as arising in respect of any fraud, the rights of indemnity provided by this Agreement, including this Article IX, shall be the sole and exclusive remedy of the parties notwithstanding any other rights and claims, whether created by law or otherwise, the parties may have relating in any way to the subject matter of this Agreement.

(b) Each Indemnitor's liability under this Agreement shall be limited to actual damages and no party shall be liable to the other party hereunder for special, consequential, incidental, punitive, extra-contractual, loss of profits, exemplary or other damages, fines and penalties, except when such damages, fines and penalties are asserted against or imposed upon the Indemnitee by a government or private third party, at which time such damages, fines and penalties shall be deemed to be the actual damages of Indemnitee.

(c) Except as provided hereinbelow, nothing herein shall be deemed to limit or restrict in any manner any rights or remedies available hereunder, at law in equity or otherwise against any Party, including any rights of offset, nor shall anything contained herein be deemed to limit any right or remedy of any party relating to any claim based on fraud.

9.5 Indemnity Escrow. Transferor shall pay to New Operator any indemnification amount due to New Operator pursuant to this Agreement within ten (10) days of New Operator's written demand, and, if any such amount is not timely paid or disputed pursuant to the claims notice and dispute provisions of the Indemnity Escrow Agreement (as defined in the Purchase Agreement), New Operator shall recover any indemnification amount due to it pursuant to this Agreement by drawing upon the Indemnity Escrow set forth in the Purchase Agreement. New Operator acknowledges that one-half of the then balance of the Indemnity Escrow Amount shall be released to Transferor upon the twelve (12) month anniversary of the Closing Date, and the remaining balance of the Indemnity Escrow Amount shall be released to Transferor upon the twenty four (24) month anniversary of the Closing Date, in each case minus any amounts subject to claim at that time (including any potential claims arising in respect of any in process or uncompleted audits), which amounts shall remain in escrow pending any final determination thereof.

9.6 Survival. The representations and warranties of the parties contained in this Agreement and the Purchase Agreement, and each party's indemnity obligations contained in Section 9.1 and Section 9.2 of this Agreement, or contained elsewhere in this Agreement or the Purchase Agreement, shall survive the Closing and shall remain in full force and effect until the date that is two (2) years from the Closing Date (the "**Survival Period**"); *provided, however*, that the Survival Period for, and Transferor's obligation to indemnify Purchaser for Losses in connection with, (i) Survey Deficiency Payments shall survive and remain in full force and effect until the date that is twelve (12) months after the Effective Time pursuant to Section 1.10(f), and (ii) Healthcare Liabilities (as herein defined, but excluding Survey Deficiency Payments

described in subpart (i) hereof) shall survive and remain in full force and effect until the expiration of the applicable statute of limitations therefor. None of the covenants or other agreements contained in this Agreement or the Purchase Agreement shall survive the Closing Date other than those which by their terms contemplate performance after the Closing Date, and each such surviving covenant and agreement shall survive the Closing for the period contemplated by its terms or, if no specific period is contemplated, then until the end of the Survival Period. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity and in writing by notice from the non-breaching party to the breaching party prior to the expiration of the Survival Period shall not thereafter be barred by the expiration of such survival period and such claims shall survive until finally resolved. As used herein, “**Healthcare Liabilities**” shall mean all liabilities of Transferor in respect of: (1) any breach or violation of any federal, state or local healthcare law, rule or regulation prior to the Effective Time, (2) any Payment Adjustment, Recoupment or other breach of any Provider Agreement (including any audit related thereto) that relate to the period prior to the Effective Time, and (3) any loan, advance, payment or other receipt of funds by Transferor under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Medicare Accelerated and Advance Payment Program, Payroll Protection Program or any other stimulus program, including any liability or obligation in respect of employee retention tax credits.

9.7 Threshold. The Indemnitor shall not be liable to the Indemnitee for indemnification under this Agreement and/or the Purchase Agreement until the aggregate amount of all Losses under this Agreement and/or the Purchase Agreement exceeds Fifty Thousand Dollars (\$50,000) (the “**Threshold**”), in which event the Indemnitor shall be required to pay or be liable for Losses including the Threshold; provided, however, that the Threshold shall not apply to (i) a claim for indemnification under Section 9.1(v) hereof, or (ii) Healthcare Liabilities.

9.8 Cap. Except in the event of fraud, a claim for indemnification under Section 9.1(v) hereof, or with respect to Healthcare Liabilities, the aggregate amount of all Losses for which an Indemnitee shall be liable under this Agreement and the Purchase Agreement shall not exceed One Million Dollars (\$1,000,000). In the event of fraud, a claim for indemnification under Section 9.1(v) hereof, or with respect to Healthcare Liabilities, the aggregate amount of all Losses for which an Indemnitee shall be liable under this Agreement and the Purchase Agreement shall not exceed the Purchase Price under the Purchase Agreement.

ARTICLE X

MISCELLANEOUS PROVISIONS

10.1 Drafting. The parties hereto have carefully reviewed and negotiated the terms of this Agreement and the Transaction Documents, and Transferor and New Operator hereby acknowledge and agree that they have had a full and fair opportunity to review and negotiate the Agreement and the Transaction Documents with the advice of its counsel. Therefore, there shall be no presumption in favor of the non-drafting party.

10.2 Costs and Expenses. Except as expressly otherwise provided in this Agreement, each party hereto shall bear its own costs and expenses in connection with this Agreement and the transactions contemplated hereby. The prevailing party in any suit brought to enforce any of

the terms or provisions of this Agreement shall be entitled to recover reasonable attorney's fees and expenses in any such action or proceeding.

10.3 Benefit and Assignment. This Agreement binds and inures to the benefit of each party hereto and its successors and proper assigns. Neither party shall be permitted to assign its rights or obligations under this Agreement without the prior consent of the other party hereto; provided, however, that, effective as of the Closing, New Operator may collaterally assign all of its rights and interests hereunder to any lender of New Operator.

10.4 Effect and Construction of this Agreement. The captions used herein are for convenience only and shall not control or affect the meaning or construction of the provisions of this Agreement. This Agreement may be executed in one or more counterparts, and all such counterparts shall constitute one and the same instrument. Copies of original signatures sent by facsimile transmission shall be deemed to be originals for all purposes of this Agreement. All gender employed in this Agreement shall include all genders, and the singular shall include the plural and the plural shall include the singular whenever and as often as may be appropriate. When used in this Agreement, the term "including" shall mean "including but not limited to."

10.5 Notices. All notices required or permitted hereunder shall be in writing and shall be deemed to be properly given when personally delivered to the party entitled to receive the notice, or the next business day after being sent, overnight service, by nationally recognized overnight courier, or upon receipt after being mailed by certified or registered mail (return receipt requested), in each case, postage prepaid, properly addressed to the party entitled to receive such notice at the address stated below:

To New Operator: 4401 Haverford Avenue Opco LLC
115 Dutch Lane Road
Freehold, New Jersey 07728
Att: Ben Kurland

With a copy to: CSG Law
105 Eisenhower Parkway
Roseland, NJ 07068
Attention: Morris Bienenfeld, Esquire

To Transferor: St. Ignatius Nursing Rehab Center
4401 Haverford Avenue
Philadelphia, PA 19104
Att: Susan McCrary, President & CEO

With a copy to: Barley Snyder
126 East King Street
Lancaster, PA 17602
Att: Christopher J. Churchill

10.6 Waiver, Discharge, etc. This Agreement shall not be released, discharged, abandoned, changed or modified in any manner, except by an instrument in writing executed by or on behalf of each of the parties hereto by their duly authorized officer or representative. The failure of any party to enforce at any time any of the provisions of this Agreement shall in no way be construed to be a waiver of any such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of any party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach.

10.7 Rights of Persons Not Parties. Nothing contained in this Agreement shall be deemed to create rights in persons not parties hereto, other than the successors and proper assigns of the parties hereto.

10.8 Governing Law; Disputes. This Agreement shall be governed by and construed in accordance with the laws of the State, without regard any contrary rules relating to the choice or conflict of laws.

10.9 Severability. Any provision, or distinguishable portion of any provision, of the Agreement which is determined in any judicial or administrative proceeding to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, the parties waive any provision of law which renders a provision hereof prohibited or unenforceable in any respect.

10.10 Entire Agreement. This Agreement including the schedules, exhibits and the other Transaction Documents, including the Purchase Agreement, constitute the entire agreement between the parties hereto with respect to the subject matter hereof and thereof, and there are no agreements, understandings, restrictions, warranties, or representations between the parties with respect to the subject matter hereof other than as set forth herein or therein.

10.11 Post-Closing Assistance. After the Closing, each party (a "Requesting Party") shall, from time to time, upon written request therefore, execute and deliver to any other party, any confirmatory instruments which such Requesting Party may reasonably request in order to consummate the transactions contemplated under this Agreement and/or under the Transaction Documents.

10.12 Counterparts. This Agreement may be executed in any number of original, facsimile or pdf counterparts and any party hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. This Agreement shall become binding when one or more counterparts taken together shall have been executed and delivered by the parties. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts.

10.13 Schedules and Exhibits. All Schedules and Exhibits referred to herein are intended to be and hereby are specifically made a part of this Agreement.

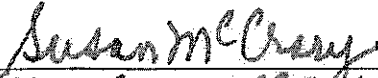
10.14 Section Headings, etc. All section headings contained in this Agreement are for convenience of reference only, do not form a part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine, or neuter, as the context requires. Any reference to a "Person" herein shall include an individual, firm, corporation, partnership, trust, governmental authority or body, association, unincorporated organization or other entity.

10.15 Joint and Several Obligations; Cross-Default; Cross-Indemnity. The representations, warranties, covenants and obligations (including, without limitation, indemnification obligations) of New Operator hereunder and Purchaser under the Purchase Agreement shall be joint and several. A default by New Operator hereunder shall, at Transferor's election, also be deemed a default of Purchaser under the Purchase Agreement, and a default by Purchaser under the Purchase Agreement shall be deemed a default of New Operator hereunder. Transferor may seek to recover from New Operator hereunder for any matter giving rise to a claim for indemnification of Transferor, as "Seller", under the Purchase Agreement, and vice versa. A default by Transferor (as Seller) under the Purchase Agreement shall be deemed a default by Transferor hereunder.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first above written.

TRANSFEROR:
SAINT IGNATIUS NURSING HOME,
a Pennsylvania not for profit corporation

By: 
Name: *Susan McCrory*
Title: *President & CEO*

NEW OPERATOR:
4401 HAVERFORD AVENUE OPCO LLC,
A Pennsylvania limited liability company

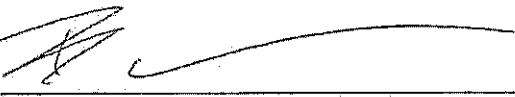
By: 
Name:
Title:

EXHIBIT 6.3

TRANSFEROR CLOSING CERTIFICATE

THIS CLOSING CERTIFICATE is dated _____, 2023 and is executed and delivered by SAINT IGNATIUS NURSING HOME (the “**Transferor**”), to and for the benefit of 4401 HAVERFORD AVENUE OPCO LLC, a Pennsylvania limited liability company (the “**New Operator**”) pursuant to that certain Operations Transfer Agreement (the “**Agreement**”), dated as of _____, 2023 by and between Transferor and New Operator. Terms defined in the Agreement shall have the same meaning when used herein.

Transferor does hereby certify to New Operator as follows:

1. Representations and Warranties. The representations and warranties of Transferor contained in the Agreement are true and correct in all material respects at and as of the date hereof as though such representations and warranties were made at and as of such time.

2. Performance of Covenants. Transferor has performed or complied in all material respects with each of its agreements and covenants required by the Agreement to be performed or complied with by it prior to or as of the date hereof.

3. Transferor Consents. Transferor has obtained the Transferor Consents, (ii) a true, correct and complete copy of each such Transferor Consent has been delivered to the New Operator at or prior to the date hereof, and (iii) each such Transferor Consent is not subject to the satisfaction of any condition that has not been satisfied or waived and is in full force and effect.

4. Compliance with Law. The Transferor (i) has not received a notice of deficiency asserting a violation with a scope and severity level of “G” or higher (or asserting two or more violations which in aggregate have a scope and severity level substantially comparable to a “G” level or higher), for which a Plan of Correction has not have been submitted by Transferor and accepted prior to the date hereof, (ii) is not in violation of any policy, directive, rule or regulation promulgated by any federal or State governmental authority, agency or department regarding the Covid-19 pandemic which has not been remedied prior to the date hereof, (iii) is not prohibited or restricted by any federal or State governmental authority, agency or department from admitting new patients or from billing for any provision of goods or services which has not have been corrected or remedied prior to the date hereof, and (iv) is not the subject of any substandard quality of care determination or any adverse regulatory action with respect to the Facility which has not been corrected or remedied prior to the date hereof, including imposing of civil money penalties.

5. Material Adverse Effect. From the Execution Date, there has been no event or series of events, or the lack of occurrence of same, which, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect. The average daily census at the Facility during the 30 days prior to the date hereof is ___% and has not declined by more than ten percent (10%) from the average daily census at the Facility during the 30 days prior to the Execution Date.

6. Special Focus Facility. The Facility is not on any CMS Special Focus Facility list (including the list of candidates for Special Focus Facility status).

IN WITNESS WHEREOF, the undersigned has executed this Closing Certificate as of the date first above written.

TRANSFEROR:
SAINT IGNATIUS NURSING HOME,
a Pennsylvania not for profit corporation

By: _____
Name:
Title:

EXHIBIT 6.4

BILL OF SALE

_____, 2023

KNOW ALL MEN BY THESE PRESENTS THAT, effective as of the date hereof, SAINT IGNATIUS NURSING HOME (the “**Transferor**”), for and in the sum of \$10.00 and other good and valuable consideration to it in hand paid by 4401 HAVERFORD AVENUE OPCO, LLC, a Pennsylvania limited liability company (the “**New Operator**”), does by these presents, sell, assign, transfer and convey unto the New Operator, all of Transferor’s right, title, and interest in and to the Transferred Assets, as such term is defined in, and in accordance with the terms and provisions of, that certain Operations Transfer Agreement dated as of _____, 2023 by and between the Transferor and New Operator, as amended (the “**Agreement**”), which are incorporated herein by reference. Nothing herein contained will change, amend, extend, or alter the terms or conditions of the Agreement in any manner whatsoever.

TO HAVE AND TO HOLD all of said Transferred Assets unto New Operator, its successors and assigns, to its own proper use and benefit forever.

[next page is signature page]

IN WITNESS WHEREOF, the undersigned, being duly authorized, has executed and delivered this Bill of Sale as of the date above written.

TRANSFEROR:
SAINT IGNATIUS NURSING HOME,
a Pennsylvania not for profit corporation

By: _____
Name:
Title:

NEW OPERATOR:
4401 HAVERFORD AVENUE OPCO LLC,
A Pennsylvania limited liability company

By: _____
Name:
Title:

EXHIBIT 6.5

ASSIGNMENT AND ASSUMPTION OF CONTRACTS

This Assignment and Assumption of Contracts (the “**Assignment and Assumption**”) is dated as of _____, 2023, by and between SAINT IGNATIUS NURSING HOME (the “**Assignor**”) and 4401 HAVERFORD AVENUE OPCO, LLC (the “**Assignee**”).

Background

A. Assignor and Assignee are parties to an Operations Transfer Agreement (the “**Agreement**”) dated as of _____, 2023 (defined terms therein having the same meaning when used herein).

B. It is a condition to the Closing under the Agreement that Assignor assign to Assignee, and Assignee assume from Assignor, all of Assignor’s right, title and interest in, to, and under the Provider Agreements and Patient Agreements [and the contracts set forth on Exhibit A attached hereto](collectively, the “**Assumed Contracts**”).

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Assignor hereby assigns, transfers and conveys all of its right, title and interest in, to, and under the Assumed Contracts, to Assignee, and Assignee hereby accepts such assignment and assumes and agrees to perform all of Assignor’s liabilities, obligations and commitments arising out of the Assumed Contracts from and after the date hereof. For the avoidance of doubt, Assignee assumes no duties or obligations of Assignor under any Assumed Contract that relate to periods prior to the date hereof, and such duties and obligations remain the sole and exclusive responsibility of Assignor. In addition, except for the Assumed Contracts, Assignee does not assume any liability or obligation of Assignor under any other contract, instrument or agreement.

This Assignment and Assumption is made subject to the terms and provisions of the Agreement and shall not be deemed to amend, modify or change any of the terms and provisions of the Agreement which shall be controlling in all respects.

This Assignment and Assumption shall inure to the benefit of, and be binding upon, the parties hereto, and their respective successors and assigns.

This Assignment and Assumption may be executed in several counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument.

[next page is signature page]

IN WITNESS WHEREOF, the parties, being duly authorized, have executed and delivered this Assignment and Assumption of Contracts as of the date set forth above.

TRANSFEROR:
SAINT IGNATIUS NURSING HOME,
a Pennsylvania not for profit corporation

By: _____
Name:
Title:

NEW OPERATOR:
4401 HAVERFORD AVENUE OPCO LLC,
A Pennsylvania limited liability company

By: _____
Name:
Title:

EXHIBIT 6.6

ASSIGNMENT AND ASSUMPTION OF RESIDENT TRUST FUNDS AND RESIDENT DEPOSITS

This Assignment and Assumption of Resident Trust Funds and Resident Deposits (the “Assignment and Assumption”) is dated as of _____, 2023, by and between SAINT IGNATIUS NURSING HOME (the “Assignor”) and 4401 HAVERFORD AVENUE OPCO, LLC (the “Assignee”).

Background

A. Assignor and Assignee are parties to an Operations Transfer Agreement (the “Agreement”) dated as of _____, 2023 (defined terms therein having the same meaning when used herein).

B. It is a condition to the Closing under the Agreement that Assignor assign to Assignee and Assignee assume from Assignor all of Assignor’s fiduciary and custodial obligations in, to, and under the Resident Trust Funds and Resident Deposits in accordance with the Agreement.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Assignor hereby assigns, transfers and conveys all of its right, title and interest in, to, and under the Resident Trust Funds and Resident Deposits to Assignee, and Assignee hereby accepts such assignment and assumes and agrees to discharge and perform all of the Assignor’s fiduciary and custodial obligations in, to, and under the Resident Trust Funds and Resident Deposits from and after the date hereof.

Assignor represents and warrants that attached hereto as EXHIBIT A is a true, correct and complete schedule of all Resident Trust Funds and Resident Deposits.

This Assignment and Assumption is made subject to the terms and provisions of the Agreement and shall not be deemed to amend, modify or change any of the terms and provisions of the Agreement which shall be controlling in all respects.

This Assignment and Assumption shall inure to the benefit of, and be binding upon, the parties hereto, and their respective successors and assigns.

This Assignment and Assumption may be executed in several counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument.

[next page is signature page]

IN WITNESS WHEREOF, the parties, being duly authorized, have executed and delivered this Assignment and Assumption of Resident Trust Funds and Resident Deposits as of the date set forth above.

TRANSFEROR:
SAINT IGNATIUS NURSING HOME,
a Pennsylvania not for profit corporation

By: _____
Name:
Title:

NEW OPERATOR:
4401 HAVERFORD AVENUE OPCO LLC,
A Pennsylvania limited liability company

By: _____
Name:
Title:

EXHIBIT 7.3

NEW OPERATOR CLOSING CERTIFICATE

THIS CLOSING CERTIFICATE is dated _____, 2023 and is executed and delivered by 4401 HAVERFORD AVENUE OPCO LLC, a Pennsylvania limited liability company (the “**New Operator**”) to and for the benefit of SAINT IGNATIUS NURSING HOME (the “**Transferor**”), pursuant to that certain Operations Transfer Agreement (the “**Agreement**”), dated as of _____, 2023 by and between Transferor and New Operator. Terms defined in the Agreement shall have the same meaning when used herein.

New Operator does hereby certify to Transferor as follows:

1. Representations and Warranties. The representations and warranties of New Operator contained in the Agreement are true and correct in all material respects at and as of the date hereof as though such representations and warranties were made at and as of such time.
2. Performance of Covenants. New Operator has performed or complied in all material respects with each of its agreements and covenants required by the Agreement to be performed or complied with by it prior to or as of the date hereof.

[next page is signature page]

IN WITNESS WHEREOF, the undersigned has executed this Closing Certificate as of the date first above written.

4401 HAVERFORD AVENUE OPCO LLC,
A Pennsylvania limited liability company

By: _____
Name:
Title:

EXHIBIT 7.8

ASSUMPTION OF ASSUMED LIABILITIES

This Assumption of Assumed Liabilities (the “**Assumption**”) is dated as of _____, 2023, and is executed and delivered by 4401 HAVERFORD AVENUE OPCO LLC, a Pennsylvania limited liability company (the “**Assignee**”) to and for the benefit of SAINT IGNATIUS NURSING HOME (the “**Assignor**”).

Background

A. Assignor and Assignee are parties to an Operations Transfer Agreement (the “**Agreement**”) dated as of _____, 2023 (defined terms therein having the same meaning when used herein).

B. It is a condition to the Closing under the Agreement that Assignee assume and agree to discharge and perform all of Assignor’s liabilities and obligations in, to, and under the Assumed Liabilities in accordance with the Agreement.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Assignee hereby assumes and agrees to discharge and perform all of the Assignor’s liabilities and obligations in, to, and under the Assumed Liabilities from and after the date hereof.

This Assumption is made subject to the terms and provisions of the Agreement and shall not be deemed to amend, modify or change any of the terms and provisions of the Agreement which shall be controlling in all respects.

This Assumption shall inure to the benefit of, and be binding upon, the parties hereto, and their respective successors and assigns.

[next page is signature page]

IN WITNESS WHEREOF, the undersigned, being duly authorized, has executed and delivered this Assumption of Assumed Liabilities as of the date set forth above.

4401 HAVERFORD AVENUE OPCO LLC,
A Pennsylvania limited liability company

By: _____

Name:

Title:

CONFIDENTIAL AND PROPRIETARY INFORMATION

PURCHASE AND SALE AGREEMENT

between

SAINT IGNATIUS NURSING HOME, Seller

and

4401 HAVERFORD AVENUE LLC, Purchaser

dated as of

August 28, 2023

PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT (this "**Agreement**"), dated as of August 28, 2023 (the "**Effective Date**"), is entered into between SAINT IGNATIUS NURSING HOME, a Pennsylvania not for profit corporation dba ST. IGNATIUS NURSING & REHABILITATION CENTER ("**Seller**"), and 4401 HAVERFORD AVENUE LLC, a Pennsylvania limited liability company ("**Purchaser**").

RECITALS

WHEREAS, Seller is the owner of the Property (as hereinafter defined); and

WHEREAS, subject to the terms and conditions hereof, Seller desires to sell to Purchaser the Property and Purchaser desires to purchase the Property from Seller; and

WHEREAS, concurrently herewith, Seller and 4401 HAVERFORD AVENUE OPCO LLC, a Pennsylvania limited liability company ("**New Operator**"), are entering into that certain Operations Transfer Agreement (the "**OTA**") with respect to the transfer of operations of the skilled nursing facility (the "**Facility**") operated by Seller upon the Property;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I CONVEYANCE OF THE PROPERTY

Section 1.01 Subject of Conveyance. Seller agrees to sell and convey to Purchaser, and Purchaser agrees to purchase from Seller, upon the terms and conditions hereinafter set forth, all right, title, and interest of Seller in and to the following (collectively referred to herein as the "**Property**"):

(a) all that certain lot, piece, or parcel of land located at 4401 Haverford Avenue, Philadelphia, PA as more particularly bounded and described in **Exhibit A** attached hereto and hereby made a part hereof (the "**Land**");

(b) all buildings and improvements located on the Land and all of Seller's right, title, and interest in and to any and all fixtures attached thereto (collectively, the "**Improvements**");

(c) all equipment, machinery, apparatus, appliances, and other articles of personal property located on and used in connection with the operation of the Improvements (collectively, the "**Personal Property**");

(d) all rights appurtenant to the Land, if any, including, without limitation, any strips and gores abutting the Land, and any land lying in the bed of any street, road, or avenue in front of or adjoining the Land, to the center line thereof;

(e) all other rights, privileges, easements, licenses, appurtenances, and hereditaments relating to the Property;

(f) all plans, surveys, specifications, drawings, architectural and engineering drawings, and other rights relating to the construction, use, development or ownership of the Property (collectively, the "Plans and Surveys"); and

(g) any written warranty, guaranty, or other obligation from any contractor, manufacturer, or vendor to any improvements, furnishings, fixture, or equipment located at the Property, to the extent assignable in connection with the sale of the Property ("Warranties and Guaranties").

The "Property" shall not include any "Transferred Assets," as such term is defined in the OTA.

ARTICLE II PURCHASE PRICE

Section 2.01 Purchase Price and Deposit. The total purchase price to be paid by Purchaser to Seller for the Property (and the Transferred Assets under the OTA on behalf of New Operator) is Twelve Million, Three Hundred Twenty-Seven Thousand and 00/100 Dollars (\$12,327,000.00) (the "Purchase Price"), which shall be allocated between the Property and the Transferred Assets as provided in Section 2.02. The Purchase Price shall be payable as follows:

(a) Within five (5) days of the execution and delivery of this Agreement by Purchaser and Seller, the sum of One Million Dollars (\$1,000,000.00) (the "Deposit") by wire transfer to Mid-Penn Abstract Co., as escrow agent ("Escrow Agent" or "Title Insurance Company"). The Deposit shall be held by the Escrow Agent in accordance with the Escrow Agent's customary escrow agreement and the applicable terms of this Agreement. Upon expiration of the Due Diligence Period (as set forth below), one-half of the Deposit shall become non-refundable, and upon receipt by New Operator of New Operator License Approval (as defined in the OTA), the remaining one-half of the Deposit shall become non-refundable, subject, in each case, to Sections 3.02, 5.04, 8.02 and 10.02 of the Agreement.

(b) The sum of One Million Dollars (\$1,000,000.00) (the "Indemnity Escrow") shall be paid by the Buyer to the Escrow Agent at Closing to be held by the Escrow Agent until (i) the first anniversary of the Closing, at which time, subject to the absence of claims, one half the balance thereof shall be released to the Seller, and (ii) the second anniversary of the Closing at which time, subject to the absence of claims, the balance thereof shall be released to the Seller, which Indemnity Escrow shall be held as security for the indemnity obligations of the Seller under this Agreement and the OTA, respectively, as more fully set forth in the form of Indemnity Escrow Agreement attached hereto as Exhibit B (the "Indemnity Escrow Agreement").

(c) The balance of the Purchase Price shall be paid to Seller on the Closing Date, subject to any credits or apportionments as provided for under this Agreement or the OTA, simultaneously with delivery of the Deed, by or by one or more wire transfers

of immediately available federal funds to the Escrow Agent to be disbursed in accordance with mutual escrow release instructions of Purchaser and Seller.

Section 2.02 Allocation of Purchase Price. The Purchase Price (prior to adjustment) shall be allocated between the Property and the Transferred Assets under the OTA as follows: Property - \$9,861,600; Transferred Assets - \$2,465,400.

ARTICLE III DUE DILIGENCE INVESTIGATION

Section 3.01 Due Diligence Materials. Seller shall, if not already made available to New Operator under the OTA, deliver, cause to be delivered, or make available, copies of all documents and materials pertaining to the Property to the extent within Seller's possession or control, including any title commitment or policy, Seller's Survey, site plans and specifications, architectural plans, inspections, environmental/hazardous material reports, soils reports, governmental permits/approvals, zoning information, tax information and utility letters, service contracts, certificate(s) of occupancy, warranties and guaranties, other similar materials relating to the physical and environmental condition of the Property, and any other documents relating to the Property reasonably requested by Purchaser (collectively, the "**Due Diligence Materials**").

Section 3.02 Due Diligence Period. Purchaser shall have a period, commencing on the Effective Date through the end of the Due Diligence Period under the OTA (the "**Due Diligence Period**"), to conduct or cause to be conducted any and all tests, studies, surveys, inspections, reviews, assessments, or evaluations of the Property, including, without limitation, engineering, topographic, soils, zoning, wetlands, and environmental inspections (including Phase I environmental site assessments to be performed by an environmental consultant selected by Purchaser) (the "**Inspections**"), as Purchaser deems necessary, desirable, or appropriate in its sole and absolute discretion. Any invasive Inspections shall be done in a location and manner so as to minimize damage to the Property and interruption to the continued operation of the Facility, and, upon completion of any such Inspections Purchaser shall restore the Property to the condition existing prior to such Inspection. Purchaser shall have the unconditional right, for any reason or no reason whatsoever, to terminate this Agreement upon written notice to Seller delivered at any time prior to 5:00 p.m. (Eastern Time) on the last day of the Due Diligence Period. If Purchaser does not so timely notify Seller of its election to terminate this Agreement, Purchaser shall be deemed to have elected to proceed to Closing, subject to the terms and conditions of this Agreement. If Purchaser elects to terminate this Agreement as provided in this Section 3.02, Escrow Agent shall return the Deposit to Purchaser, provided that Purchaser has repaired any damage resulting from Purchaser's Inspections to restore the Property to the condition existing on the date of this Agreement, and upon such refund and repair being made this Agreement shall terminate, and the parties shall have no further liability hereunder (except with respect to those obligations hereunder which expressly survive the termination of this Agreement). Notwithstanding anything to the contrary contained in this Agreement, amendments to this Agreement to extend the Due Diligence Period may be agreed upon in writing signed by each party, and notices to terminate this Agreement prior to the expiration of the Due Diligence Period may be given by Purchaser as provided in this Agreement or by Purchaser or Purchaser's attorney by email to Seller and/or Seller's attorney.

Section 3.03 Purchaser's Access. At any time prior to the Closing (including during the Due Diligence Period), and at all times, subject to Section 4.04, Purchaser and its agents, employees, consultants, inspectors, appraisers, engineers, and contractors (collectively, "**Purchaser's Representatives**") shall have the right to enter upon and pass through the Property during normal business hours to examine and inspect the same, as well as conduct reasonable tests, studies, investigations, and surveys to assess utility availability, soil conditions, environmental conditions, physical condition, and the like of the Property.

Section 3.04 Purchaser's Right to Inspect.

(a) In conducting the Inspections or otherwise accessing the Property, Purchaser shall at all times comply with all laws and regulations of all applicable governmental authorities and maintain insurance for the benefit of Seller and provide evidence of same to Seller prior to Purchaser's or Purchaser's Representatives first entry onto the Property to conduct any Inspection (other than visual inspection or review of books and records and the like). In connection with such Inspections, neither Purchaser nor any of Purchaser's Representatives shall unreasonably interfere with the operations of the Facility.

(b) Purchaser shall schedule and coordinate all Inspections or other access thereto with Seller and Seller shall be entitled to have a representative present at all times during each such inspection or other access.

Section 3.05 Seller Indemnification. Purchaser agrees to reimburse Seller for, and to indemnify and hold Seller harmless from and against, any and all losses, costs, damages, liens, claims, liabilities, or expenses (including, but not limited to, Seller's reasonable attorneys' fees, court costs, and disbursements but excluding consequential and indirect damages) incurred by Seller arising from or by reason of Purchaser's and/or Purchaser's Representatives' access to, or Inspections of, the Property, except to the extent such losses, costs, damages, liens, claims, liabilities, or expenses are caused by or resulting from: (a) any acts or omissions of Seller; (b) Seller's negligence; and/or (c) any pre-existing, dangerous, illegal, or defective condition at the Property. The provisions of this Section 3.05 shall survive termination of this Agreement.

Section 3.06 IT IS UNDERSTOOD AND AGREED THAT EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE PROPERTY IS BEING SOLD BY SELLER AND PURCHASED AND ACCEPTED BY PURCHASER ON AN "AS IS," "WHERE IS" AND "WITH ALL FAULTS" BASIS, SUBJECT TO ANY CONDITION WHICH MAY EXIST, AND WITHOUT RELIANCE UPON ANY REPRESENTATION, WARRANTY, AGREEMENT, OR STATEMENT BY SELLER, OR ANYONE ACTING ON BEHALF OF SELLER EXCEPT THOSE REPRESENTATIONS, WARRANTIES AND AGREEMENTS EXPRESSLY SET FORTH IN THIS AGREEMENT AND THE OTA.

ARTICLE IV CLOSING

Section 4.01 Closing Date. The closing of the transaction contemplated by this Agreement (the "**Closing**") shall take place concurrent with the Closing under the OTA through an escrow closing with the Escrow Agent.

Section 4.02 Seller's Closing Deliverables. At Closing, Seller shall deliver or cause to be delivered to Purchaser the following, executed, certified, and acknowledged by Seller, as appropriate:

(a) One (1) original special warranty deed (the "**Deed**"), duly executed with the appropriate acknowledgment form and otherwise in proper form for recording so as to convey title to the Property to Purchaser as required by this Agreement.

(b) Counterparts of any required transfer tax returns (the "**Transfer Tax Documents**"), or in each instance and if available, an electronic filing of such returns, together with the required payment of applicable transfer taxes, pursuant to the requirements of the applicable state and local taxing authorities.

(c) A bill of sale (the "**Bill of Sale**") in substantially the form attached hereto as **Exhibit C**, executed by Seller, conveying to Purchaser good and marketable title to the Personal Property as described in the Bill of Sale, free and clear of all encumbrances and adverse claims, together with all state and local sales tax returns and payment of all sales taxes payable in connection with such conveyance of Personal Property, which Bill of Sale shall also assign to Purchaser all of Seller's right, title and interest in, to and under all Warranties and Guaranties.

(d) A certification that Seller is not a "foreign person" as such term is defined in Section 1445 of the Internal Revenue Code, as amended, and the regulations thereunder (collectively, the "**Code**"), which certification shall be signed under penalty of perjury.

(e) An original title/seller's/owner's affidavit in a form reasonably acceptable to Seller and the Title Insurance Company.

(f) An authorizing resolution of the governing body of Seller authorizing the transaction contemplated hereby and the execution and delivery of the documents required to be executed and delivered hereunder.

(g) A written certificate stating that all representations and warranties of Seller contained in this Agreement remain, as of the Closing Date, true, correct, and complete in all material respects as when first made hereunder (the "**Bring-Down Certificate**").

(h) A counterpart of a closing statement jointly prepared by Seller and Purchaser reflecting the prorations and adjustments required under this Agreement and the balance of the Purchase Price due Seller.

- (i) All keys, key cards, and access codes to any portion of the Property.
- (j) Originals or, if originals are not in the possession or control of the Seller, copies of Plans and Surveys, to the extent same are in Seller's possession or under Seller's control.
- (k) A copy of the current certificate of occupancy for the Property and any and all updated certificate(s) of occupancy, certificate(s) of continued occupancy and/or similar approvals for the Property which are required by to be issued or obtained in connection with the sale of the Property to the Purchaser.
- (l) A discharge or release (or, in the case of an institutional lender, a payoff letter, setting forth the amount necessary to payoff any mortgage or lien upon the Property as of the Closing Date and evidencing the obligation of the lender to duly file any and discharges and releases following receipt thereof) with respect to each mortgage or other lien encumbering the Property.
- (m) The Access Easement.
- (n) All other documents reasonably necessary or otherwise required by the Title Insurance Company to consummate the transaction contemplated by this Agreement.

Section 4.03 Purchaser's Closing Deliverables. On the Closing Date, Purchaser shall deliver or cause to be delivered to Seller, the following, executed, certified, and acknowledged by Purchaser, as appropriate:

- (a) The balance of the Purchase Price, as adjusted for apportionments pursuant to this Agreement.
- (b) Purchaser shall, where applicable, join with Seller in the execution and delivery of the closing documents and instruments required under this Agreement.
- (c) A consent of the manager of Purchaser authorizing the transaction contemplated hereby and the execution and delivery of the documents required to be executed and delivered hereunder.
- (d) The Access Easement.
- (e) All other documents reasonably necessary or otherwise required by the Title Insurance Company to consummate the transactions contemplated by this Agreement.

Section 4.04 Closing Costs.

- (a) Seller and Purchaser shall each pay the fees and expenses of its own counsel in connection with the preparation and negotiation of this Agreement.

- (b) Seller shall pay:
- (i) one-half of any state/county/city/town transfer taxes payable in connection with the transaction contemplated by this Agreement;
 - (ii) any state/county/city/town sales taxes, including any bulk sales tax, that are payable in connection with the transaction contemplated by this Agreement;
 - (iii) all recording fees for the release of any liens on the Property, as required pursuant to the terms of this Agreement;
 - (iv) any fees or commissions due to the Broker (as defined below); and
 - (v) one-half of any escrow fee charged by the Title Insurance Company.
- (c) Purchaser shall pay:
- (i) the costs charged by the Title Insurance Company for any premiums for the Title Commitment and any title endorsements and affirmative insurance thereunder and one-half of any escrow fee charged by the Title Insurance Company, and all of any closing service fee charged by the Title Insurance Company;
 - (ii) one-half of any state/county/city/town transfer taxes payable in connection with the transaction contemplated by this Agreement;
 - (iii) any other fees or costs related to Purchaser's due diligence reviews; and
 - (iv) all costs related to the recording fees payable in connection with the recording of the Deed and Purchaser's lender's security instruments, if any.

Section 4.05 Apportionments. The following shall be apportioned as of the Closing Date, unless expressly provided for in the OTA or otherwise herein:

- (a) All real estate taxes based on the fiscal year for which they are assessed and any assessments, *provided*, that if the Closing shall occur before a new tax rate is fixed, the apportionment of real estate taxes shall be upon the basis of the tax rate for the preceding fiscal period applied to the latest assessed valuation, however, adjustment will be made when the actual tax amount is determined. If the Property shall be, or has been, affected at or before Closing by any assessments or special assessments payable in a lump sum or which are, or may become, payable in installments, of which the first installment is then a charge or lien, or has already been paid, then at the Closing such amounts shall be paid in full by Seller.

(b) All water and sewer charges based on the fiscal year for which they are assessed, unless the meters are read on the date immediately preceding the Closing Date;

(c) Utilities, fuel, gas, and electric charges based on most recently issued bills, unless the meters are read on the date immediately preceding the Closing Date;

(d) All other items customarily apportioned in connection with sales of buildings substantially similar to the Property in the City of Philadelphia, Pennsylvania.

Section 4.06 OTA Credits. Any amounts payable by Seller to New Operator at the Closing under the OTA may be credited by Purchaser against the Purchase Price and the same shall be deemed payment in full by the Seller under the OTA. Any errors in calculations or apportionments shall be corrected or adjusted as soon as practicable after the Closing Date. The provisions of this Section shall survive the Closing during the Survival Period (as defined in the OTA).

ARTICLE V TITLE MATTERS AND REVIEW

Section 5.01 Acceptable Title. Seller shall convey to Purchaser good and marketable fee simple title to the Property, free and clear of any and all liens, security interests, encumbrances, easements, and restrictions, and subject only to the Permitted Exceptions.

Section 5.02 Permitted Exceptions. The Property shall be sold, assigned, and conveyed by Seller to Purchaser, and Purchaser shall accept and assume same, subject only to the following matters (collectively, the "Permitted Exceptions"):

(a) Any and all present and future zoning, subdivision, land development, building, environmental, and other laws, statutes, ordinances, codes, rules, regulations, requirements, or executive mandates of all governmental authorities having jurisdiction with respect to the Property, including, without limitation, landmark designations and all zoning variances and special exceptions, if any, *provided* that the same are not violated by the Improvements or prohibit or materially impair the continued use of the Property as the Facility is being used on the date of this Agreement;

(b) Such state of facts as may be shown on an accurate survey of the Land and Improvements, provided same does not render title unmarketable or materially impair the continued use of the Property as the Facility is being used on the date of this Agreement;

(c) All presently existing and future liens for unpaid real estate taxes, assessments, and water and sewer charges that are not due and payable as of the Closing Date, subject to any apportionments as provided for in this Agreement;

(d) All easements and agreements of record for the erection and/or maintenance of water, gas, steam, electric, telephone, sewer, or other utility pipelines, poles, wires, conduits, or other like facilities, and appurtenances thereto, over, across, and under the Property, *provided* that the same are not violated by the Improvements and do

not impose any monetary obligation on the owner of the Property or prohibit or materially impair the continued use of the Property as the Facility is being used on the date of this Agreement;

(e) Purchaser acknowledges that the Property and the adjoining parcel to the North known as Angela Court (OPA Acct. # 886652600) share a gated access drive that runs on or along the common boundary line between the respective parcels, which may not be reduced to writing and recorded against the Property and the adjoining parcel. At or before Closing, Purchaser and Seller (or the affiliate of Seller which owns the adjoining parcel) shall enter into a shared access drive easement (the "**Access Easement**") which Access Easement shall be recorded against the Property and the adjoining parcel at Closing.

(f) Any lien or encumbrance arising out of the acts or omissions of the Purchaser or to which Purchaser agrees to accept title as hereinafter provided.

Section 5.03 Title.

(a) Purchaser shall promptly order, at its sole cost and expense: (i) a commitment for title insurance from the Title Insurance Company, together with true, legible (to the extent available), and complete copies of any tax search, departmental or municipal searches, and all instruments giving rise to any defects or exceptions to title to the Property (collectively, the "**Title Commitment**"), which Title Commitment shall be delivered to counsel for Seller; and (ii) at Purchaser's election, a survey of the Property, prepared by a surveyor licensed in the Commonwealth of Pennsylvania ("**Survey**"), which Survey shall be delivered to counsel for Seller.

(b) Purchaser or Purchaser's attorney shall deliver to Seller, or Seller's attorney, in writing (the "**Title Objection Notice**"), any objections to the exceptions to title set forth in the Title Commitment or Survey, other than the Permitted Exceptions (each a "**Title Objection**," and collectively, hereinafter the "**Title Objections**"), within thirty (30) days after Purchaser's receipt of the Title Commitment and Survey (or any subsequent update thereof). If, after giving the Title Objection Notice to Seller or Seller's attorney, Purchaser receives any amendment or update to the Title Commitment or to the Survey showing any title defects which are not Permitted Exceptions, Purchaser shall give written notice thereof to Seller promptly after the date Purchaser receives such evidence and the same shall be deemed a Title Objection hereunder. Except for those items which Seller is obligated to cure pursuant to the terms of this Agreement, any such matter not the subject of a timely Title Objection Notice shall be deemed a Permitted Exception. Notwithstanding anything to the contrary contained herein, Purchaser shall have no need to object to any Mandatory Title Removal Item, which Mandatory Title Removal Items shall be automatically deemed Title Objections.

Section 5.04 Seller's Inability to Convey.

(a) Within ten (10) days of its receipt of the Title Objection Notice, Seller shall provide Notice whether it agrees to eliminate all Title Objections by the Closing

Date. If Seller does not provide such Notice or does not agree to eliminate all Title Objections by the Closing Date, then, unless the same is waived by Purchaser in writing, in its sole and absolute discretion, Purchaser may either: (i) terminate this Agreement by written notice to Seller delivered within ten (10) days after Purchaser's receipt of Seller's Notice hereinabove described, in which event Purchaser shall be entitled to a return of the Deposit, and this Agreement shall thereupon be deemed terminated and of no further effect, and neither party hereto shall have any obligations to the other hereunder or by reason hereof, except for the provisions hereof that expressly survive termination of this Agreement; or (ii) complete the purchase (with no reduction in the Purchase Price) and all such Title Objections shall be deemed Permitted Exceptions hereunder.

(b) Notwithstanding anything in Section 5.04(a) to the contrary, Seller shall be required to cause to be released, satisfied, and removed of record as of the Closing Date: (i) any Title Objections which have been voluntarily recorded or otherwise placed, or permitted to be placed, by Seller against the Property on or following the date hereof (other than with the prior written approval of Purchaser, in Purchaser's sole and absolute discretion); and (ii) any mortgages, deeds of trust, security instruments, financing statements, or other instruments which evidence or secure indebtedness, judgments, and liens against the Property, including, without limitation, mechanics' liens, tax liens and real estate taxes, water rates, and sewer rents and taxes, in each case, which are due and payable but which remain unpaid and/or of record as of the Closing Date (subclauses (i) and (ii), collectively, the "**Voluntary Liens**"); or (iii) any Title Objections which would not constitute Voluntary Liens, but which can be removed by the payment of a liquidated sum of money not exceeding \$250,000.00 (items set forth in this subclause (iii), collectively, "**Monetary Liens**"; and, together with the Voluntary Liens, the "**Mandatory Title Removal Items**"). If Seller fails to discharge and remove of record any Mandatory Title Removal Items on or prior to the Closing Date, at Purchaser's election, such failure shall constitute a Seller Default and Purchaser shall be entitled to such remedies as are set forth herein.

(c) Notwithstanding anything in this Section 5.04 above to the contrary, Purchaser may apply the Purchase Price to the payment and satisfaction of all Mandatory Title Removal Items.

Section 5.05 Violations. Prior to Closing, Seller shall satisfy, pay and discharge any and all notes or notices of violations of law, or municipal ordinances, orders, designations, or requirements whatsoever noted in or issued by any federal, state, municipal, or other governmental department, agency, or bureau or any other governmental authority having jurisdiction over the Property (collectively, "**Violations**").

ARTICLE VI REPRESENTATIONS AND WARRANTIES

Section 6.01 Seller's Representations and Warranties. Seller represents and warrants to Purchaser on and as of the date of this Agreement and on and as of the Closing Date, as follows:

(a) Seller is a not for profit corporation duly formed, validly existing, and in good standing under the laws of the Commonwealth of Pennsylvania, and has the requisite power and authority to enter into this Agreement and the instruments referenced herein, and, subject to satisfaction of any conditions precedent contained in this Agreement and the OTA, to consummate the transactions contemplated hereby.

(b) Subject to satisfaction of any conditions precedent contained in this Agreement and the OTA, the execution, delivery, and performance of this Agreement by Seller and all agreements, instruments, and documents herein provided to be executed by Seller on the Closing Date: (i) do not violate the certificate of incorporation of Seller, or any contract, agreement, commitment, lease, order, judgment, or decree to which Seller is a party; and (ii) have been duly authorized by the governing body of Seller and the appropriate and necessary action has been taken by all officers, directors, trustees and shareholders on the part of Seller. The individual(s) executing this Agreement and the instruments referenced herein on behalf of Seller have the legal power, right, and actual authority to bind Seller to the terms and conditions hereof and thereof. This Agreement is valid and binding upon Seller, subject to bankruptcy, reorganization, and other similar laws affecting the enforcement of creditors' rights generally.

(c) Except as set forth in the OTA, neither the execution, delivery, or performance of this Agreement, nor the consummation of the transactions contemplated hereby is prohibited by, or requires Seller to obtain any consent, authorization, approval, or registration under any law, statute, rule, regulation, judgment, order, writ, injunction, or decree which is binding upon Seller which has not been previously obtained.

(d) Seller is not a "foreign person" within the meaning of Section 1445 of the Code.

(e) Seller has exclusive possession and occupancy of the Property, subject only to the rights of residents of the Facility under the admission agreements described in the OTA.

(f) Except as set forth in the OTA, there is no litigation, arbitration, or other legal or administrative suit, action, proceeding, or investigation pending or, to Seller's knowledge, threatened against or involving Seller or the ownership or operation of the Property, including, but not limited to, any condemnation action relating to the Property.

(g) Seller has not entered into any service, maintenance, supply, leasing, brokerage and listing, and/or other contracts relating to the Property (along with all amendments and modifications thereof, the "**Service Contracts**") which will be binding upon the Purchaser after the Closing, other than the Assumed Contracts set forth in the OTA. Each of the Service Contracts, other than the Assumed Contracts, at Purchaser's option, will be terminated by Seller on or before the Closing Date. The Seller has performed all of its obligations under each of the Service Contracts and no fact or circumstance has occurred which, by itself or with the passage of time or the giving of notice or both, would, to Seller's knowledge, constitute a default by any party under any of the Service Contracts.

(h) Except as disclosed to New Operator under the OTA, Seller has not received notice of any violation of any law or municipal ordinance, order, or requirement noted or issued against the Property by any governmental authority having jurisdiction over the Property that has not been cured, corrected, or waived as of the Effective Date or which will be cured, corrected or waived by Seller as of the Closing Date.

(i) Seller has or will deliver or make available to Purchaser complete copies of all the Due Diligence Materials to the extent in Seller's possession or under Seller's control with regard to the Property, and there are no other documents or information included within the definition of Due Diligence Materials that are in Seller's possession or under Seller's control that have not been provided to the Purchaser.

(j) Seller has not placed any, and to Seller's knowledge, there are no Hazardous Materials installed, stored in, or otherwise existing at, on, in, or under the Property in violation of any Environmental Laws. The Seller has no knowledge of (i) the presence of any Hazardous Materials at, on, under and/or affecting the Property; (ii) the presence of any underground or above-ground storage tanks at or under the Property; (iii) any spills, releases, discharges, or disposal of Hazardous Materials that have occurred or are presently occurring on or onto the Property and that have not been fully remediated as required by applicable law; (iv) any spills or disposal of Hazardous Materials that have occurred or are occurring off the Property as a result of any construction on, or operation and use of, the Property; (v) the presence of any PCB transformers serving or stored in the Property; (vi) any other environmental condition or matter which would require remediation or other corrective action pursuant to any Environmental Law; or (vi) any failure to comply with all applicable Environmental Laws applicable to the Property or the uses conducted thereon. The Seller has not used, treated, stored or disposed of any Hazardous Substances at the Property in violation of any Environmental Laws or other applicable governmental requirements and, to Seller's knowledge, no Hazardous Substances have been used, treated, stored or disposed of at the Property in violation of Environmental Laws or any other applicable governmental requirements. "**Hazardous Materials**" means "Hazardous Material," "Hazardous Substance," "Pollutant or Contaminant," and "Petroleum" and "Natural Gas Liquids," as those terms are defined or used in CERCLA, and any other substances regulated because of their effect or potential effect on public health and the environment, including PCBs, lead paint, asbestos, urea formaldehyde, radioactive materials, putrescible materials, and infectious materials. "**Environmental Laws**" means, without limitation, the Resource Conservation and Recovery Act and the Comprehensive Environmental Response Compensation and Liability Act and other federal, state, county, municipal, and other local laws governing or relating to Hazardous Materials or the environment together with their implementing regulations, ordinances, and guidelines.

(k) Seller has not: (i) filed any voluntary or had involuntarily filed against it in any court or with any governmental body pursuant to any statute either of the United States or of any State, a petition in bankruptcy or insolvency or seeking to effect any plan or other arrangement with creditors, or seeking the appointment of a receiver; (ii) had a receiver, conservator, or liquidating agent or similar person appointed for all or a substantial portion of its assets; (iii) suffered the attachment or other judicial seizure of

all, or substantially all, of its assets; (iv) given notice to any person or governmental body of insolvency; or (v) made an assignment for the benefit of its creditors or taken any other similar action for the protection or benefit of its creditors. Seller is not insolvent and will not be rendered insolvent by the performance of its obligations under this Agreement.

(l) Seller is not, and will not become, a person or entity with whom United States persons or entities are restricted or prohibited from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's specially designated and blocked persons list) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities.

(m) Except as otherwise disclosed to New Operator under the OTA, Seller has not received written notice from any governmental authority of, and there is not any pending or, to the knowledge of Seller, threatened: (i) condemnation proceedings affecting the Property or any part thereof; (ii) any violation of any laws (including zoning laws and ordinances, building codes and similar requirements) with respect to the Property or any part thereof, which have not heretofore been cured or, if not cured as of the Execution Date, will be cured by Seller as of the Closing Date; or (iii) injunction, decree, order, writ or judgment outstanding, nor any claims, litigation, administrative actions or similar proceedings against Seller, or any Property, relating to the ownership, lease, use or occupancy of such Property or any portion thereof which is reasonably likely to result in a material change in the condition of the Property or any part thereof or in any material respect prevent or limit the present operation of the Improvements or any part thereof.

(n) There are no incomplete construction projects affecting the Property and all completed construction projects have been fully paid for. Prior to Closing, Seller shall not commence or bind itself to undertake any new construction or renovation projects affecting the Property except to the extent required to comply with any applicable law or any order or directive from any governmental or regulatory authority having jurisdiction over Seller and/or the Property.

(o) To the knowledge of Seller, there is no pending or contemplated special assessment or reassessment of any parcel included in the Land that would result in a material increase in the real property taxes or other similar charges payable by Seller.

(p) To the knowledge of Seller, all Improvements are in good operating condition and repair, subject to normal wear and routine required maintenance, are useable in the regular and ordinary course of business of the Facility, and, to Seller's knowledge, do not contain any structural, mechanical or latent defects. To Seller's knowledge, and except as disclosed to New Operator under the OTA, the Property and the uses conducted thereon are in compliance with all applicable federal, state and local laws, ordinances, codes and regulations. Except as disclosed to New Operator under the

OTA, the Seller has not received any written notices from governmental authorities, and the Seller is not otherwise aware, of (i) any uncured violations of any license, permits, laws, ordinances (including without limitation zoning ordinances), codes (including without limitation building codes), regulations or other requirements of any governmental authority having jurisdiction over the Property, against, or with respect to, the Property or any part thereof, (ii) any order or directive requiring any work of repair, maintenance or improvement be performed on or with respect to the Property, or (iii) any conditions or defects in, on or with respect to the Property which would constitute noncompliance, in any material respect, with any applicable law, ordinance, building code or restriction.

(q) Except as disclosed to New Operator under the OTA, the Improvements comply with all laws, rules and regulations applicable thereto, including the Americans with Disabilities Act, as amended.

(r) The existing water, sewer, gas and electricity lines, storm sewer and other utility systems serving the Facility are adequate to serve the current utility needs of the present operation of the Facility.

(s) To Seller's knowledge, and except as disclosed to New Operator under the OTA, there is no violation of any restriction, condition or agreement contained in any instrument affecting the Property, and the Seller has received no notices of default from any third party who shall be benefited by any such restriction, condition or agreements. To Seller's knowledge, no covenants or restrictions, easements or other agreements, if any, affecting the Property provide for forfeiture or reverter in the event of violation thereof, nor do they impose any restriction on alteration or demolition of any improvements constructed on the Property. Notwithstanding the foregoing, Purchaser acknowledges that Seller is a nonprofit organization organized for charitable purposes, and, by virtue of such status, certain restrictions or requirements are or may be imposed on the use or disposition of its assets.

(t) Other than the right of Purchaser pursuant to this Agreement, there are no outstanding agreements, options, rights of first offer or rights of first refusal to sell the Property or any portion thereof or interest therein. Except for Seller, no other person has any ownership or leasehold interest in any of the Property.

(u) The representations and warranties set forth in this Section shall be continuing and shall be true and correct in all material respects as of the Closing Date with the same force and effect as if made at that time. The representations and warranties of Seller set forth in this Section shall survive for a period of two (2) years following the Closing (the "**Survival Period**"), and, subject to the limitations in Section 6.03 below, Seller agrees to indemnify and hold Purchaser harmless from and against and in respect of any loss, claim or expense arising from any breach of any representation, warranty or covenant of Seller hereunder.

(v) Knowledge Defined. The words "to Seller's knowledge", "to the knowledge of Seller", or any other similar knowledge qualification, means the actual

knowledge of the individuals set forth on Section 3.1(aa) of the Transferor Disclosure Schedules provided by Seller, as "Transferor", pursuant to the OTA.

Section 6.02 Purchaser's Representations and Warranties. Purchaser represents and warrants that:

(a) Purchaser is a limited liability company duly formed, validly existing, and in good standing under the laws of the Commonwealth of Pennsylvania, and has the requisite power and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby.

(b) The execution, delivery, and performance of this Agreement by Purchaser and all agreements, instruments, and documents herein provided to be executed by Purchaser on the Closing Date: (i) do not violate the articles of organization of Purchaser, or any contract, agreement, commitment, lease, order, judgment, or decree to which Purchaser is a party; and (ii) have been duly authorized by the manager of Purchaser and the appropriate and necessary action has been taken by such manager on the part of Purchaser. The individual(s) executing this Agreement and the instruments referenced herein on behalf of Purchaser have the legal power, right, and actual authority to bind Purchaser to the terms and conditions hereof and thereof. This Agreement is valid and binding upon Purchaser.

(c) Neither the execution, delivery, or performance of this Agreement, nor the consummation of the transactions contemplated hereby, is prohibited by, or requires Purchaser to obtain any consent, authorization, approval, or registration under any law, statute, rule, regulation, judgment, order, writ, injunction, or decree which is binding upon Purchaser which has not been previously obtained.

(d) Purchaser is not a person or entity with whom United States persons or entities are restricted or prohibited from doing business under regulations OFAC (including those named on OFAC's specially designated and blocked persons list) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities.

(e) The representations and warranties set forth in this Section shall be continuing and shall be true and correct in all material respects as of the Closing Date with the same force and effect as if made at that time. The representations and warranties set forth in this Section shall survive during the Survival Period, and, subject to the limitations in Section 6.03 below, Purchaser agrees to indemnify and hold Seller harmless from and against and in respect of any loss, claim or expense arising from any breach of any representation, warranty or covenant of Purchaser hereunder.

Section 6.03 Limitations on Indemnification. Each party's obligation to indemnify the other party pursuant to any provision of this Agreement shall be subject to all of the limitations

on indemnification contained in Section 9.4 ("Limitations on Indemnification"), Section 9.5 ("Indemnity Escrow"), Section 9.6 ("Survival"), Section 9.7 ("Threshold"), and Section 9.8 ("Cap") of the OTA, each of which is incorporated herein by reference as agreements of the parties hereto.

ARTICLE VII SELLER'S COVENANTS

Section 7.01 Sale or Lease. During the period from the Effective Date until the Closing Date, Seller shall not enter into any agreement, whether or not legally binding, for the sale, purchase, lease, transfer, assignment or other disposition of all or any part of the Property.

Section 7.02 Maintenance and Repairs. During the period from the Effective Date until the Closing Date, and subject to Section 3.06, Seller shall cause the Property and the Improvements to be maintained in substantially the same manner as prior to the date of this Agreement pursuant to Seller's normal course of business. Seller shall not cause or make any new improvements, alterations, or demolition to the Property.

Section 7.03 Service Contracts. Following the Effective Date, Seller shall not enter into any new Service Contract which is not terminable on thirty (30) days prior notice without Purchaser's prior written consent, which shall not be unreasonably withheld.

ARTICLE VIII RISK OF LOSS

Section 8.01 Risk of Loss. If prior to the Closing Date any portion of the Property shall be taken by condemnation or eminent domain or damaged or destroyed by fire or other casualty, neither party shall have the right to cancel this Agreement, except as otherwise provided in Section 8.02 of this Agreement. If this Agreement is not terminated in accordance with such Section 8.02, Purchaser shall purchase the Property in accordance with this Agreement, and the Purchase Price shall not be reduced; provided, however, that Seller's rights to any award resulting from such taking or any insurance proceeds resulting from such fire or other casualty shall be assigned by Seller to Purchaser at the Closing. Purchaser shall also receive a credit against the Purchase Price for any deductible applicable under any insurance policy. Purchaser and Seller hereby irrevocably waive the provision of any statute that provides for a different outcome or treatment in the event the Property shall be taken or damaged or destroyed by fire or other casualty.

Section 8.02 Major Taking or Casualty. If prior to the Closing Date any portion of the Property shall be: (a) taken by any condemnation or eminent domain which permanently and materially impairs the current use of the Property so that it can no longer be used as a skilled nursing facility having the same number of certified and licensed beds as currently operated; or (b) damaged or destroyed by fire or other casualty and the cost of repair exceeds Two Hundred Fifty Thousand Dollars (\$250,000.00), then Purchaser may terminate this Agreement by giving

Seller and Escrow Agent written notice thereof ("**Purchaser's Termination Notice**") within ten (10) days from the date Purchaser receives written notice of any such taking, fire, or other casualty. Upon receipt of Purchaser's Termination Notice, the Escrow Agent shall refund to Purchaser the Deposit and upon such refund being made, this Agreement shall terminate and neither party shall have any further rights and/or obligations with respect to each other or this Agreement, except for any obligations that expressly survive termination of this Agreement.

ARTICLE IX NOTICES

Section 9.01 Delivery of Notices. Unless specifically stated otherwise in this Agreement, all notices, demands, consents, approvals, waivers, or other communications (for purposes of this Section 9.01 collectively referred to as "**Notices**") shall be in writing and delivered to Purchaser and Seller, at the addresses set forth in Section 10.02, by personal delivery, whereby delivery is deemed to have occurred at the time of delivery, or overnight delivery by a nationally recognized overnight courier company, whereby delivery is deemed to have occurred the Business Day following deposit with the courier, or registered or certified mail, postage-prepaid, return receipt requested, whereby delivery is deemed to have occurred on the third Business Day following deposit with the United States Postal Service.

Section 9.02 Parties' Addresses.

(a) Unless changed in accordance with Section 9.02(b) of this Agreement, the addresses for all communications and notices shall be as follows:

To Purchaser:	4401 Haverford Avenue LLC c/o Allaire Health Services Inc. 115 Dutch Lane Road Freehold, New Jersey 07728 Att: Ben Kurland
With a copy to:	CSG Law 105 Eisenhower Parkway Roseland, NJ 07068 Attention: Morris Bienenfeld, Esquire
To Seller:	St. Ignatius Nursing Rehab Center 4401 Haverford Avenue Philadelphia, PA 19104 Att: Susan McCrary, President & CEO
With a copy to:	Barley Snyder 126 East King Street Lancaster, PA 17602 Att: Christopher J. Churchill

(b) Any party may, by notice given in accordance with this Article, designate a different address or person for receipt of all communications or notices.

(c) Any notice under this Agreement may be given by the attorneys of the respective parties who are hereby authorized to do so on their behalf.

ARTICLE X REMEDIES

Section 10.01 Termination. In addition to the express provisions contained herein regarding termination of this Agreement, this Agreement:

(a) shall terminate, without further notice or action by either party, upon any termination of the OTA in accordance with its terms;

(b) may be terminated at any time upon the mutual consent of Seller and Purchaser;

(c) may be terminated at or after the 181st day from the expiration of the Due Diligence Period under the OTA (the "**Termination Date**") by:

(i) Seller, if Seller is not in breach of its obligations hereunder, which breach has not been cured within 30 days of receipt of notice thereof, and any condition precedent to Seller's obligations hereunder has not been satisfied by such date as provided herein; or

(ii) Purchaser, if Purchaser is not in breach of its obligations hereunder, which breach has not been cured within 30 days of receipt of notice thereof, and any condition precedent to Purchaser's obligations hereunder has not been satisfied by such date as provided herein;

The foregoing notwithstanding, neither party may terminate this Agreement if the parties hereto and the parties to the OTA are actively and diligently pursuing the approvals required by Section 5.2 of the OTA, in which case the Termination Date shall automatically be extended until such time as the final, unappealable Court Approvals are obtained, but, in any event, no later than ninety (90) days from the Termination Date.

(d) may be terminated by the non-breaching party in the event of any material breach, default or failure to fulfill any representation, warranty or covenant of this Agreement by the other party prior to Closing, and such breach, default or failure shall not be capable of being remedied or, if capable of being remedied, such breach, default or failure remains unremedied for more than thirty (30) days following the receipt of written notice from the non-breaching party specifying the breach, default or failure.

Section 10.02 Remedies.

(a) If Seller terminates this Agreement pursuant to Section 10.01(d) as the result of the default by Purchaser in the observance or performance of Purchaser's obligations under this Agreement and the Closing does not occur as a result thereof (a "**Purchaser Default**"), Seller's sole and exclusive remedy shall be to retain the Deposit, as liquidated damages for Purchaser's Default. Upon payment of the Deposit to Seller, this Agreement shall be terminated and the parties shall be released from further liability to each other hereunder and under the OTA. SELLER AND PURCHASER AGREE THAT IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO ESTIMATE THE DAMAGES THAT SELLER MAY SUFFER UPON A PURCHASER DEFAULT AND THAT THE DEPOSIT AND ANY INTEREST EARNED THEREON, AS THE CASE MAY BE, REPRESENTS A REASONABLE ESTIMATE OF THE TOTAL NET DETRIMENT THAT SELLER WOULD SUFFER UPON A PURCHASER DEFAULT. SUCH LIQUIDATED AND AGREED DAMAGES ARE NOT INTENDED AS A FORFEITURE OR A PENALTY WITHIN THE MEANING OF PENNSYLVANIA LAW. THE PARTIES ALSO AGREE THAT THESE LIQUIDATED DAMAGES SHALL BE IN LIEU OF ANY OTHER RELIEF TO WHICH SELLER MIGHT BE ENTITLED BECAUSE OF PURCHASER'S BREACH OR DEFAULT AND THAT SELLER HEREBY WAIVES ANY RIGHT IT MIGHT HAVE HAD TO AN ACTION FOR SPECIFIC PERFORMANCE AND ALL RIGHTS SELLER MAY HAVE TO SEEK OTHER DAMAGES, INCLUDING WITHOUT LIMITATION, ACTUAL OR CONSEQUENTIAL DAMAGES.

(b) If Seller shall default in the performance of any of Seller's obligations to be performed under this Agreement and the Closing does not occur as a result thereof (a "**Seller Default**"), Purchaser's sole and exclusive remedy shall be to either: (i) terminate this Agreement by delivery of written notice to Seller and Escrow Agent, and Escrow Agent shall return the Deposit to Purchaser, whereupon this Agreement shall terminate and neither party shall have any further rights or obligations with respect to each other or this Agreement; or (ii) continue this Agreement and seek any and all remedies available to it at law or in equity, including specific performance, and if Purchaser prevails thereunder, Seller shall reimburse Purchaser for all reasonable legal fees, court costs, and all other reasonable costs of such action.

(c) Except as set forth in Section 10.02(a) in respect of a Purchaser Default, upon any termination of this Agreement, the Deposit shall be returned to Purchaser and, upon the release of the Deposit to either Purchaser or Seller (under Section 10.02(a)), as the case may be, this Agreement shall be deemed null and void and no party hereto shall have any obligations to, or rights against, the other hereunder, except as expressly provided herein.

ARTICLE XI BROKERS

Section 11.01 Brokers. Purchaser and Seller each represent and warrant to each other that, except for Marcus & Millichap, Knapp Stahler Group (the "**Broker**"), whose fees shall be paid by the Seller, they dealt with no broker in connection with, nor has any broker had any part

in bringing about, this transaction. Seller and Purchaser shall each indemnify, defend, and hold harmless the other from and against any claim of any broker or other person for any brokerage commissions, finder's fees, or other compensation in connection with this transaction if such claim is based in whole or in part by, through, or on account of, any default of any obligations by, or negligent acts of, the indemnifying party or its agents, employees, or representatives and from all losses, liabilities, costs, and expenses in connection with such claim, including without limitation, reasonable attorneys' fees, court costs, and interest.

Section 11.02 Survival. The provisions of this Article XI shall survive the Closing during the Survival Period or the termination of this Agreement prior to the Closing.

ARTICLE XII MISCELLANEOUS

Section 12.01 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania. The parties agree that the exclusive jurisdiction and venue for any claim or action arising from the Agreement shall lie with the Pennsylvania Court of Common Pleas of Philadelphia County, or in the event of a federal question or diversity of citizenship, with the U. S. District Court for the Eastern District of Pennsylvania.

Section 12.02 Entire Agreement. This Agreement and the OTA constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any conflict between the express terms and conditions of this Agreement and the OTA, the terms and conditions of the OTA shall control.

Section 12.03 Business Days. Whenever any action must be taken (including the giving of notices) under this Agreement during a certain time period (or by a particular date) that ends or occurs on a non-business day, then such period (or date) shall be extended until the next succeeding business day. As used herein, the term "**Business Day**" shall mean any day other than a Saturday, a Sunday, or a legal holiday on which national banks are not open for general business in the Commonwealth of Pennsylvania.

Section 12.04 Modifications and Amendments. This Agreement cannot under any circumstance be modified or amended orally and no agreement shall be effective to waive, change, modify, terminate, or discharge this Agreement, in whole or in part, unless such agreement is in writing and is signed by both Seller and Purchaser.

Section 12.05 Successors and Assigns; Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs or successors and permitted assigns. Neither party hereto shall have the right to assign, transfer, or convey its rights and obligations under this Agreement without the prior written consent of the other party; provided, however, that, effective as of the Closing, Purchaser may collaterally assign all of its rights and interests hereunder to any lender of Purchaser.

Section 12.06 Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect, invalidate, or render unenforceable any other term or provision of this Agreement. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

Section 12.07 Further Assurances. Each of the parties hereto shall execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby, provided such documents are customarily delivered in real estate transactions in the Commonwealth of Pennsylvania and do not impose any material obligations upon any party hereunder except as set forth in this Agreement.

Section 12.08 Counterparts. This Agreement may be executed by the parties in separate pdf or electronic transmission counterparts, each of which when so executed and delivered shall be an original for all purposes, but all such counterparts shall together constitute but one and the same instrument.

Section 12.09 Headings. The captions or paragraph titles contained in this Agreement are for convenience and reference only and shall not be deemed a part of the text of this Agreement.

Section 12.10 No Waivers. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party providing the waiver. No waiver by either party of any failure or refusal to comply with any obligations under this Agreement shall be deemed a waiver of any other or subsequent failure or refusal to so comply.

Section 12.11 No Offer. This Agreement shall not be deemed an offer or binding upon Seller or Purchaser until this Agreement is fully executed and delivered by Seller and Purchaser.

Section 12.12 Waiver of Jury Trial. SELLER AND PURCHASER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM (WHETHER ARISING IN TORT OR CONTRACT) BROUGHT BY SUCH PARTY AGAINST THE OTHER ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

Section 12.13 Real Estate Recovery Fund. A Real Estate Recovery Fund exists to reimburse any person who has obtained a final civil judgment against a Pennsylvania real estate licensee owing to fraud, misrepresentation, or deceit in a real estate transaction and who has been unable to collect the judgment after exhausting all legal and equitable remedies. For complete details about the Fund, call (717) 783-3658 or (800) 822-2113 (within Pennsylvania) and (717) 783-4854 (outside Pennsylvania).

Section 12.14 Bulk Sale Clearance Certificate. If applicable, Seller shall file all returns and schedules, shall pay all taxes, and shall take all other necessary action to cause the Pennsylvania Department of Revenue to issue a Bulk Sales Clearance Certificate showing that no taxes are payable by Seller to the Commonwealth of Pennsylvania, a copy of which shall be promptly delivered to Purchaser. If Seller fails to obtain a Bulk Sales Clearance Certificate prior to the Closing Date, then (i) Seller shall deliver to Purchaser a statement from Seller's regular accountant (the "**Accountant's Statement**") reporting an estimate of those unsettled or undetermined liabilities of Seller, together with such backup documentation as reasonably requested by Purchaser or the Title Company to reasonably verify the calculations and estimates in the Accountant's statement, and (ii) Purchaser shall have the right to require Seller to enter into an escrow agreement with the Title Insurance Company, reasonably acceptable in form and substance to Purchaser, Seller, and the Title Insurance Company, which shall include at Purchaser's option, the creation of a separate escrow to be held by the Escrow Agent in an amount equal to all sums shown on any lien certificate obtained, plus the parties' reasonable estimate of those unsettled or undetermined liabilities of Seller as may be required for payment to the appropriate governmental authorities to protect Purchaser against loss by reason of the non-payment by Seller of all taxes and other sums payable by Seller to the date of conveyance and Seller's failure to obtain and deliver clearance certificates at the Closing showing that all reports have been filed with the Commonwealth of Pennsylvania and that all such taxes and other sums have been paid (the "**Tax Escrow Amount**"). The Tax Escrow Amount shall be taken from the Purchase Price, and shall be held until such time as the Seller delivers a Bulk Sales Clearance Certificate to Purchaser and the Title Insurance Company, at which time the Tax Escrow Amount shall be released to the Seller. Seller shall indemnify, defend, and hold Purchaser harmless from and against any and all losses, claims, damages, and liabilities, including without limitation reasonable attorneys' fees and costs of defense, which may be incurred by Purchaser in connection with Seller's obligations under this Section and non-payment by Seller of any taxes imposed upon Seller. The provisions of this Section shall survive Closing but shall terminate upon Seller's delivery of the Bulk Sales Clearance Certificate to Purchaser and the Title Insurance Company.


Section 12.15 Nondisclosure. The provisions of Section 5.8 of the OTA are incorporated herein by this reference and shall also apply to this Agreement.

Section 12.16 Joint and Several Obligations; Cross-Default; Cross-Indemnity. The representations, warranties, covenants and obligations (including, without limitation, indemnification obligations) of Purchaser hereunder and New Operator under the OTA shall be joint and several. A default by Purchaser hereunder shall, at the Seller's election, also be deemed a default of New Operator under the OTA, and a default by New Operator under the OTA shall be deemed a default of Purchaser hereunder. Seller may recover from Purchaser hereunder for any matter giving rise to a claim for indemnification of Seller, as "Transferor", under the OTA, and vice versa. A default by Seller (as Transferor) under the OTA shall be deemed a default by Seller hereunder.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of the date first written above.

SELLER:
SAINT IGNATIUS NURSING HOME,
a Pennsylvania not for profit corporation

By: 
Name: Susan McCrory
Title: President + CEO

PURCHASER:
4401 HAVERFORD AVENUE LLC,
A Pennsylvania limited liability company

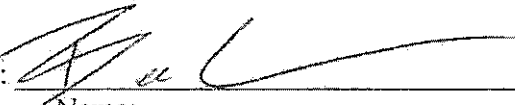
By: 
Name:
Title:

EXHIBIT A

ALL THAT CERTAIN lot or piece of ground with the buildings and improvements thereon erected.

SITUATE in the 6th Ward (formerly th 24th Ward) of the City of Philadelphia

BOUNDED by Haverford Avenue 45th Street, Wallace Street, and 44th Street.

CONTAINING in front or breadth on Haverford Avenue 361 feet, 1/8 of an inch, more or less, on 45th Street 163 feet, 4-7/8 inches, more or less, on Wallace Street

355 feet, more or less, and on 45th Street 228 feet, 11-7/8 inches, more or less.

BEING NO. 4401 Haverford Avenue.

EXHIBIT B

ESCROW AGREEMENT

TITLE NUMBER:

PROJECT NAME: St. Ignatius Nursing & Rehab Center

PROPERTY ADDRESS: 4401 Haverford Avenue, Philadelphia, PA 19104

This Escrow Agreement (this "**Agreement**") is made as of _____, 2023 (the "**Effective Date**"), by and among Saint Ignatius Nursing Home, a Pennsylvania corporation ("**Seller**"), 4401 Haverford Avenue, LLC, a Pennsylvania limited liability company ("**Realty Buyer**"). 4401 Haverford Avenue Opco LLC, a Pennsylvania limited liability company ("**New Operator** and together with Realty Buyer, the "**Buyer**"), and Mid-Penn Abstract Co., as "**Escrow Agent.**"

RECITALS

WHEREAS, Realty Buyer and Seller are parties to that certain Purchase and Sale Agreement dated _____, 2023 (the "**Agreement of Sale**") and Seller and New Operator are parties to that certain Operations Transfer Agreement dated _____, 2023 (the "**OTA**" and together with the Agreement of Sale, the "**Purchase Agreements**") for the above-referenced property (the "**Property**");

WHEREAS, the OTA and the Agreement of Sale provide that Realty Buyer shall deposit a portion of the purchase price into escrow to be held and distributed by the Escrow Agent in accordance with the terms of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledge, and intending to be legally bound, the parties do hereby agree as follows:

AGREEMENT

1. **Appointment of Agent.** The parties hereby appoint Escrow Agent, as escrow agent, in accordance with the terms and conditions set forth herein, and Escrow Agent hereby accepts such appointment.
2. **Establishment of Escrow.** Escrow Agent acknowledges that it has received One Million Dollars (\$1,000,000.00) from Realty Buyer to be held hereunder as the "**Indemnity Escrow**". The Indemnity Escrow shall be invested in one or more separate FDIC insured interest bearing accounts in one or more financial institutions, as may be directed by the Buyer and Seller, and all interest accruing thereon shall be paid to the party entitled to the Indemnity Escrow under the terms of the Purchase Agreements. Notwithstanding the foregoing, Escrow Agent assumes no responsibility for, nor will Escrow Agent be liable for, any loss accruing that arises solely because the deposit amount in any one escrow account exceeds \$250,000.00, and the excess amount is not insured by the FDIC. Investment of the Indemnity Escrow shall be made only after Buyer and Seller has provided Escrow Agent with an executed W-9 Form stating its Federal Tax Identification Number. All investments shall be further subject to the rules, regulations, policies and procedures of the depository institution.
3. **Release from Escrow Account.**
 - a. If, pursuant to the Purchase Agreements, Buyer or Seller shall be entitled to all or any portion of the Indemnity Escrow (the "**Claimed Amount**"), then Buyer or Seller, as applicable, shall deliver to Escrow Agent written demand for the Claimed Amount (an "**Indemnity Claim**") which Indemnity Claim shall contain all information supporting the claim sufficient for Seller to evaluate the validity and basis of the Indemnity Claim and / or the Claimed Amount, whereupon Escrow Agent shall promptly send a copy thereof to the other party. The other party shall have the right to object to the delivery of the Claimed Amount by sending written notice of such objection to Escrow Agent within thirty (30) days after Escrow Agent delivers a copy of the Indemnity Claim to the objecting party. Such notice of objection shall set forth the basis for objecting to the delivery of the Claimed Amount. Upon receipt of such notice, Escrow Agent shall promptly send a copy thereof to the party who made the Indemnity Claim. In event Buyer and Seller consent to the release of the Claimed Amount pursuant to the demand of the other party, Escrow Agent shall promptly release the Claimed Amount in accordance with such demand and consent. On the first (1st) business day after the twelve (12) month anniversary of the Closing under the Purchase Agreements and provided Escrow Agent has not received an Indemnity Claim from Buyer which remains in dispute, Buyer and Seller shall authorize Escrow Agent to disburse one-half of the then balance of the Indemnity Escrow to Seller (or if a dispute exists, one-half of the portion of the Indemnity Escrow which is not in dispute). On the first (1st) business day after the twenty-four (24) month anniversary of the Closing under

the Purchase Agreements and provided Escrow Agent has not received an Indemnity Claim from Buyer which remains in dispute, Buyer and Seller shall authorize Escrow Agent to disburse the then balance of the Indemnity Escrow to Seller (or if a dispute exists, the portion of the Indemnity Escrow which is not in dispute)

- b. Notwithstanding the foregoing, in the event: (i) Escrow Agent receives a notice of objection from Buyer or Seller, as the case may be, as provided herein; (ii) there is any dispute between Buyer and Seller regarding any disbursement of the Indemnity Escrow; or (iii) Escrow Agent is uncertain as to Escrow Agent's obligations hereunder, Escrow Agent shall have the right, but not the obligation to: (1) refrain from taking any action and retain the Indemnity Escrow in its Escrow Account until otherwise directed by a final, non-appealable order or judgment of a court of competent jurisdiction or by a written agreement signed by Buyer and Seller, or (2) on written notice to Seller and Buyer, take such affirmative steps as it may, at its option, elect in order to terminate its duties as Escrow Agent, including, without limitation, depositing the Indemnity Escrow with a court of competent jurisdiction, the costs of which shall be borne equally by Seller and Buyer.
 - c. If there is any conflict between the provisions of this Agreement and the Purchase Agreements or any additional or supplementary instructions regarding the release of all or any portion of the Indemnity Escrow, the terms of this Agreement shall control.
 - d. Notwithstanding any other provision herein, Escrow Agent shall have the right, but not the obligation, to consult with counsel and to require and receive such written certifications or instructions from any party as Escrow Agent reasonably deems necessary or appropriate before taking any action hereunder.
4. **Resignation of Escrow Agent.** Escrow Agent may resign at will and be discharged from its duties or obligations hereunder by giving notice in writing of such resignation specifying a date when such resignation shall take effect; provided, however, that (a) prior to the effective date of such resignation a substitute escrow agent shall be designated by Seller and Buyer, which shall have joined this Agreement in writing or (b) Escrow Agent shall deposit the Indemnity Escrow with a court of competent jurisdiction. Upon delivery of the Indemnity Escrow to a successor escrow agent in accordance with this Section 4, Escrow Agent shall thereafter be discharged from any future obligations hereunder. All power, authority, duties and obligations of Escrow Agent shall apply to any successor escrow agent.
5. **Exculpation and Indemnification of Escrow Agent.**
- a. Escrow Agent shall not have any duties or liabilities except those set forth in this Agreement. Escrow Agent is not a party to, and is not bound by, or charged with notice of any agreement out of which this escrow may arise, other than this Agreement.
 - b. The parties acknowledge that Escrow Agent: (i) is acting solely as a depository at their request and for their convenience; (ii) shall not be deemed to be the agent of any of the parties; and (iii) shall not be liable to any of the parties for any act or omission on Escrow Agent's part, other than as a result of Escrow Agent's gross negligence or willful misconduct.
 - c. Escrow Agent may rely upon, and shall be protected in acting or refraining from acting upon, any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties.
 - d. Buyer and Seller, on a 50/50 basis, agree to indemnify and hold harmless Escrow Agent against any loss, cost, claim, damage or expense resulting from the Escrow Agent's performance of its duties hereunder (including the reasonable costs and expenses of defending itself against any claim of liability or participating in any legal proceeding), except if incurred by reason of the gross negligence or willful misconduct of Escrow Agent.
6. **Notices.** All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. The parties' addresses are set forth in **Exhibit A**, attached hereto and made a part hereof.
7. **No Third Party Beneficiaries.** This Agreement is not intended by any of the undersigned to give any benefits, rights, privileges, actions or remedies to any person, partnership, firm or entity other than the Escrow Agent, Buyer, and Seller as a third party beneficiary or otherwise under any theory of law.

8. **Amendments.** The provisions of this Agreement may be waived or amended by the parties hereto, provided such action is evidenced by written instrument setting forth the terms of the waiver or amendment and signed by the party by whom such waiver is given or by all parties in the case of an amendment.
9. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Pennsylvania, without giving effect to conflicts of law principles. The parties hereto hereby agree that any action or proceeding with respect to the Indemnity Escrow shall be instituted and maintained in any state or federal court located in the State of Pennsylvania, and each party hereby irrevocably submits and consents to the jurisdiction of any such Pennsylvania court in connection therewith.
10. **Counterparts.** This Agreement may be executed in counterparts signed in original or electronically, including in PDF format delivered via e-mail, each of which when taken together shall constitute an original and all of which shall constitute one and the same instrument.

NEXT PAGE IS SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have caused this Escrow Agreement to be executed as of the Effective Date.

SAINT IGNATIUS NURSING HOME,
a Pennsylvania not for profit corporation

By: _____
Name:
Title:

4401 HAVERFORD AVENUE OPCO LLC,
A Pennsylvania limited liability company

By: _____
Name:
Title:

4401 HAVERFORD AVENUE OPCO LLC,
A Pennsylvania limited liability company

By: _____
Name:
Title:

MID-PENN ABSTRACT CO.

By: _____
Name:
Title:

EXHIBIT A

To Buyer: 4401 Haverford Avenue Opco LLC
115 Dutch Lane Road
Freehold, New Jersey 07728
Att: Ben Kurland

With a copy to: CSG Law
105 Eisenhower Parkway
Roseland, NJ 07068
Attention: Morris Bienenfeld, Esquire

To Seller: St. Ignatius Nursing Rehab Center
4401 Haverford Avenue
Philadelphia, PA 19104
Att: Susan McCrary, President & CEO

With a copy to: Barley Snyder
126 East King Street
Lancaster, PA 17602
Att: Christopher J. Churchill

To Escrow Agent: Mid-Penn Abstract Co.
355 N 21st Street, Ste 205
Camp Hill, PA 17011
Att: Craig Adler

EXHIBIT C

GENERAL ASSIGNMENT AND BILL OF SALE

THIS GENERAL ASSIGNMENT AND BILL OF SALE (the "Assignment") is dated as of _____, 2023 and is executed and delivered by between SAINT IGNATIUS NURSING HOME, a Pennsylvania not for profit corporation dba ST. IGNATIUS NURSING & REHABILITATION CENTER ("Seller"), and 4401 HAVERFORD AVENUE LLC, a Pennsylvania limited liability company (the "Buyer").

WHEREAS, the Seller is the owner of that certain real property located at 4401 Haverford Avenue, Philadelphia, PA, all as more particularly described in the Agreement hereinafter defined (the "Property"); and

WHEREAS, pursuant to a Purchase and Sale Agreement dated _____, 2023 (the "Agreement"), the Seller has agreed to sell, convey and transfer the Property to the Buyer, and the Buyer has agreed to purchase acquire the Property from the Seller, all on the terms set forth therein; and

WHEREAS, pursuant to the Agreement, the Seller has agreed to sell, convey and transfer the Improvements, Personal Property, Plans and Surveys and Warranties and Guaranties (as such terms are defined in the Agreement) to the Buyer, and the Buyer has agreed to purchase acquire the same from the Seller, all on the terms set forth therein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Seller agrees as follows:

1. Terms defined in the Agreement shall have the same meaning when used herein.
2. The Seller hereby transfers, conveys and assigns to the Buyer, and the Buyer hereby purchases and acquires, all of the Seller's right, title and interest, if any, in and to all Improvements, Personal Property, Plans and Surveys and Warranties and Guaranties, each of the foregoing as described in the Agreement.
3. This Assignment shall be binding upon and shall inure to the benefit of the Seller and the Buyer and their respective successors and assigns.
4. This Assignment shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

[Signature on next page]

IN WITNESS WHEREOF, the parties have duly executed this General Assignment and Bill of Sale as of the date set forth on the first page hereof.

SELLER:
SAINT IGNATIUS NURSING HOME,
a Pennsylvania not for profit corporation

By: _____
Name:
Title:

BUYER:
4401 HAVERFORD AVENUE LLC,
A Pennsylvania limited liability company

By: _____
Name:
Title: