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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

**PLAN SPONSORS' WITNESS AND EXHIBIT
LIST FOR CONFIRMATION AND SALE HEARING²**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors' mailing address is 8523 Thackery Street, Dallas, Texas 75225.

² This Witness and Exhibit List will be amended to include exhibits listed in brackets, as Exhibits Nos. 19-21 after these exhibits are timely filed on the docket in these chapter 11 cases.



Northwest Senior Housing Corporation (“**Edgemere**”) and Senior Quality Lifestyles Corporation (“**SQLC**” and together with Edgemere, the “**Debtors**”) and UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”) and in its capacity as lender under the DIP Credit Agreement (the “**DIP Lender**” and together with, the Trustee and the Debtors, the “**Plan Sponsors**”), by and through undersigned counsel, hereby designate the following witnesses and exhibits (the “**Witness and Exhibit List**”) for the confirmation and sale hearing scheduled to commence on February 21, 2023 (the “**Hearing**”) before the Honorable Michelle V. Larson at the United States Bankruptcy Court for the Northern District of Texas.

A. WITNESSES

1. Nick Harshfield, Vice Chair and Treasurer of Debtors;
2. Andres Estrada, Kurtzman Carson Consultants LLC;
3. David B. Fields, RBC Capital Markets, LLC;
4. Any witness necessary to authenticate a document;
5. Any rebuttal and/or impeachment witnesses; and
6. Any person listed on the witness list of another party.

B. EXHIBITS

The Plan Sponsors may offer into evidence any or all of the following at the Hearing:

Plan Sponsor Exhibits	Description of Exhibit	Offered	Objection	Admitted
1.	<i>Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022</i> [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “ Third Amended Plan ”).			
2.	<i>Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022</i> [Docket No. 934] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “ Disclosure Statement ”).			
3.	<i>Order Approving Disclosure Statement and Granting Related Relief</i> [Docket No. 936] (the “ Disclosure Statement Order ”)			
4.	<i>Order (I) Establishing Voting Record Date and Other Deadlines; (II) Authorizing Kurtzman Carson Consultants LLC to Act as the Voting Agent with Respect to the Plan; (III) Approving Solicitation and Notice Procedures; (IV) Approving Manner and Forms of Ballots, Notices and Related Documents; and (V) Granting Related Relief</i> [Docket No. 947] (the “ Solicitation Procedures Order ”)			

Plan Sponsor Exhibits	Description of Exhibit	Offered	Objection	Admitted
5.	<i>Motion of Trustee and DIP Lender for Entry of an Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation and Sale Hearing; and (V) Granting Related Relief [Docket No. 755] (the “Bid Procedures Motion”)</i>			
6.	<i>Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing Entry Into the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation and Sale Hearing and (V) Granting Related Relief [Docket No 946] (the “Bid Procedures Order”)</i>			
7.	<i>Amended Plan and Sale Deadlines [Docket No. 1056]</i>			
8.	<i>Certificate of Service of Andres Estrada re: Solicitation Materials Served on or Before December 27, 2022 [Docket No. 978] (the “Solicitation Certificate”)</i>			

Plan Sponsor Exhibits	Description of Exhibit	Offered	Objection	Admitted
9.	<i>Affidavit of Publication re: 1) Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022; 2) Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022; and 3) Order (I) Establishing Voting Record Date and Other Deadlines; (II) Authorizing Kurtzman Carson Consultants LLC to Act as the Voting Agent with Respect to the Plan; (III) Approving Solicitation and Notice Procedures; (IV) Approving Manner and Forms of Ballots, Notices and Related Documents; and (V) Granting Related Relief in The New York Times National Edition and The Dallas Morning News [Docket No. 1008] (the “Publication Affidavit”)</i>			
10.	<i>Notice of Filing Plan Supplement [Docket No. 1039] (together with all the schedules and exhibits thereto, as amended and modified) (the “Plan Supplement”)</i>			
11.	<i>Certification of Andres A. Estrada with respect to the Tabulation of Votes on the Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022 [Docket No. 1101] (the “Initial Voting Report”)</i>			
12.	<i>Notice of Exhibits to Plan Supplement [Docket No. 1050] (the “Amended Plan Supplement Notice”)</i>			
13.	<i>Exhibit B-1 to the Amended Plan Supplement Notice, an amended “Exhibit B” to the Plan Supplement (Residents Trust Agreement)</i>			

Plan Sponsor Exhibits	Description of Exhibit	Offered	Objection	Admitted
14.	<i>Exhibit B-2 to the Plan Supplement, a redline copy reflecting the changes to “Exhibit B” to the Plan Supplement</i>			
15.	<i>Exhibit D-1 to the Plan Supplement, Form of Independent Living Rental Agreement for Current Residents</i>			
16.	<i>Exhibit D-2 to the Plan Supplement, Form of Assisted Living Rental Agreement for Current Residents</i>			
17.	<i>Exhibit D-3 to the Plan Supplement, Form of Memory Care Rental Agreement for Current Residents</i>			
18.	<i>Amended Certification of Andres A. Estrada with Respect to the Tabulation of Votes on the Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022 [Docket No. 1218] (the “Voting Report”)</i>			
19.	<i>[Declaration of Nick Harshfield, Vice Chair and Treasurer of the Debtors, in Support of Confirmation of The Fourth Amended Chapter 11 Plan of Plan Sponsors Dated _____, 2023 [Docket No. ----]]</i>			
20.	<i>[Declaration of David B. Fields of RBC Capital Markets, LLC as Investment Banker in Support of the Sale of Substantially all of the Debtor’s Assets Pursuant to the Third Amended Plan of Reorganization [Docket No. ----]]</i>			
21.	<i>[Plan Sponsors’ Brief in Support of an Order Confirming Chapter 11 Plan [Docket No. ----]]</i>			

The Plan Sponsors reserve the right to supplement this Witness and Exhibit List at any time prior to the conclusion of the scheduled hearing(s) and further reserve the right to use additional exhibits for purposes of rebuttal or impeachment and to further supplement the foregoing lists of witnesses and exhibits as appropriate. The Plan Sponsors also reserve the right to rely upon and use as evidence (i) any additional documents produced by creditors and/or parties in interest, (ii) exhibits included on the exhibit lists of any other parties in interest or any documents that may be produced by such parties in interest, and (iii) any pleading, hearing transcript, or other document filed with the Court in the above-captioned cases.

Dated: February 15, 2023
Dallas, Texas

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Exhibit 1

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re:

Northwest Senior Housing Corporation, *et al.*,¹
Debtors.

Chapter 11

Case No. 22-30659 (MVL)
(Jointly Administered)

THIRD AMENDED PLAN OF REORGANIZATION OF THE PLAN SPONSORS
DATED DECEMBER 19, 2022

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Dated: December 19, 2022

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INTRODUCTION²

On April 14, 2022, Edgemere and SQLC commenced their Chapter 11 Cases, seeking relief under Chapter 11 of the Bankruptcy Code. The major constituencies in these Chapter 11 Cases have reached a global resolution which is set forth in this *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* (as may be further amended, supplemented, or otherwise modified from time to time, the “**Plan**”). This Plan is supported by the following parties (collectively, the “**Plan Supporters**”): (i) UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”), (ii) UMB Bank, N.A., in its capacity as lender under the DIP Credit Agreement (the “**DIP Lender**” and, together with the Trustee, the “**Initial Plan Sponsors**”), (iii) Northwest Senior Housing Corporation d/b/a Edgemere (“**Edgemere**”), (iv) Senior Quality Lifestyles Corporation (“**SQLC**” and together with Edgemere, the “**Debtors**” and together with the Initial Plan Sponsors, the “**Plan Sponsors**”), (v) Lifespace Communities, Inc. (“**Lifespace**”), and (vi) the Official Committee of Unsecured Creditors (the “**Committee**”). The Plan Sponsors propose this Plan pursuant to Bankruptcy Code sections 1125 and 1129 for the resolution of outstanding Claims against, and Interests in, the Debtors.

Reference is made to the Disclosure Statement for a discussion of the Debtors’ history and assets, a summary and analysis of this Plan, and certain related matters, including the Distributions to be made under this Plan and the risk factors relating to consummation of this Plan. No materials other than the Disclosure Statement, this Plan, the Plan Supplement, and any and all exhibits and/or schedules attached thereto or hereto have been authorized by the Plan Sponsors for use in soliciting votes of acceptance with respect to this Plan.

Copies of this Plan and the Disclosure Statement and all other documents related to the Chapter 11 Cases are available for review without charge, on the website for the Chapter 11 Cases at: <https://kccllc.net/edgemere>.

This Plan will implement the Sale Transaction, pursuant to which substantially all the Debtors’ assets will be sold to a Purchaser who will continue running the Community as a going concern. An initial Purchaser has been selected by the Plan Sponsors and the parties have agreed to an Asset Purchase Agreement, with the initial Purchaser’s offer subject to higher and better bids, including through a potential Auction, pursuant to bidding and sale procedures to be filed with the Bankruptcy Court. The initial Purchaser has offered to purchase the Community for \$48.5 million, subject to certain adjustments set forth in the Asset Purchase Agreement. The remaining assets of the Estates shall be transferred to a Litigation Trust to be liquidated for the benefit of creditors.

Consultants have concluded that the Community cannot continue to operate solely as an entrance fee community. An entrance fee model, in the opinion of such consultants, is not feasible and will exacerbate the financial struggles of Edgemere. Accordingly, the Asset Purchase Agreement contemplates the conversion of the Community to a rental model. Pursuant to the Asset Purchase Agreement, all entrance-fee Residency Agreements will be rejected and, subject to regulatory approvals and/or requirements, all Current Residents will be offered a new monthly

² Capitalized terms used but not defined shall have the meanings ascribed to them in Section 1.A or Section 8 of this Plan.

rental agreement which shall provide similar services to Current Residents as provided prior to the Closing Date.

This Plan will also establish a Litigation Trust, into which all assets of the Debtors not purchased through the Sale Transaction, including the Landlord Litigation and other Retained Causes of Action, will be transferred. The Litigation Trustee will prosecute and liquidate the Litigation Trust Assets, with the proceeds from such liquidation distributed on a Pro Rata basis to Holders of Allowed General Unsecured Claims pursuant to the terms and conditions of this Plan and the Litigation Trust Agreement, which will be included in the Plan Supplement.

This Plan includes a settlement of all potential Estate, Trustee, DIP Lender and Resident claims against Lifespace in exchange for (i) a \$16.5 million payment to the Trustee on the Effective Date for Distribution to current holders of the Original Bonds, pursuant to the terms of the Original Bond Documents, and (ii) subject to certain conditions, annual payments made into a Residents Trust, pursuant to the schedule attached to the Disclosure Statement as Exhibit 4, which funds shall be used to pay Participating Residents for Refund Claims as further described herein. In exchange for the Lifespace Resident Contributions and the releases provided under Section 8 of this Plan, Lifespace will be entitled to a Pro Rata distribution of Litigation Trust Assets, in accordance with the terms of this Plan and the Litigation Trust Agreement.

NOTWITHSTANDING ANYTHING HEREIN, OR IN THIS PLAN, OR IN ANY OTHER AGREEMENT OR DISCLOSURE TO THE CONTRARY, the Purchaser shall have no obligation, duty or other requirement to participate in any aspect of the Residents Trust, including accepting any payments from the Residents Trust, other than to provide periodic reporting to the Residents Trust as required under the Asset Purchase Agreement. Any future rental agreement with any Current Resident will not relate in any way to the Residents Trust, the Lifespace Settlement and Contribution Agreement, or any other provision of this Plan, including but not limited to any payments or adjustments contemplated to Participating Current Residents described herein or otherwise.

ALL HOLDERS OF CLAIMS ENTITLED TO VOTE ON THIS PLAN ARE ENCOURAGED TO READ THIS PLAN AND THE DISCLOSURE STATEMENT FILED CONTEMPORANEOUSLY HERewith IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THIS PLAN.

SECTION 1. DEFINITIONS AND INTERPRETATION

A. Definitions.

The following terms used herein shall have the respective meanings below:

1.1 “*2015 Bond Documents*” means the 2015 Bond Indenture and any bonds, loan agreement, mortgage, security agreement, document, agreement, or instrument executed or delivered in connection with the issuance of the Series 2015 Bonds, including the 2015 Loan Agreement.

1.2 “*2015 Bond Indenture*” means that certain Indenture of Trust, dated May 1, 2015, by and between the Issuer and the Bank of New York Mellon Trust Company, National Association, as initial bond trustee, pursuant to which the Series 2015 Bonds were issued.

1.3 “*2015 Loan Agreement*” means that certain Loan Agreement, dated May 1, 2015, by and between the Issuer and Edgemere, pursuant to which the Issuer loaned the proceeds of the Series 2015 Bonds to Edgemere.

1.4 “*2017 Bond Documents*” means the 2017 Bond Indenture, and any bonds, loan agreement, mortgage, security agreement, document, agreement, or instrument executed or delivered in connection with the issuance of the Series 2017 Bonds, including the 2017 Loan Agreement.

1.5 “*2017 Bond Indenture*” means that certain Indenture of Trust, dated March 1, 2017, between the Issuer and Bank of New York Mellon Trust Company, National Association, as initial bond trustee, pursuant to which the Series 2017 Bonds were issued.

1.6 “*2017 Loan Agreement*” means that certain Loan Agreement, dated March 1, 2017, by and between the Issuer and Edgemere, pursuant to which the Issuer loaned the proceeds of the Series 2017 Bonds to Edgemere.

1.7 “*Administrative Claim*” means any Claim against any Debtor for costs and expenses of administration of the Chapter 11 Cases pursuant to Bankruptcy Code sections 503(b), 507(a)(2), or 507(b), including: (i) the actual and necessary costs and expenses incurred on or after the Petition Date until and including the Effective Date, of preserving the Estates and operating the Debtors’ businesses; (ii) Allowed Professional Claims; (iii) all Allowed requests for compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases pursuant to Bankruptcy Code sections 503(b)(3), (4), and (5); and (iv) all fees and charges assessed pursuant to 28 U.S.C. § 1930(a)(6).

1.8 “*Administrative Claims Bar Date*” means the date by which Administrative Claims must be filed, which shall be set by separate order of the Court pursuant to a separate motion.

1.9 “*Affiliate*” means, with respect to any Entity, an “affiliate” as defined in Bankruptcy Code section 101(2) as if such entity were a debtor.

1.10 “*Allowed*” means with respect to Claims: (i) any Claim, proof of which is timely filed by the applicable Bar Date; (ii) any Claim that is listed in the Schedules as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim has been timely filed; or (iii) any Claim Allowed pursuant to this Plan or a Final Order of the Bankruptcy Court; provided, that with respect to any Claim described in clauses (i) and (ii) above, such Claim shall be considered Allowed only if and to the extent that, with respect to such Claim, no objection to the allowance thereof has been interposed within the applicable period of time, as may be extended by the Bankruptcy Court from time to time, fixed by this Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or such an objection is so interposed and the Claim shall have been Allowed by a Final Order. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim is or has been timely filed, is not considered Allowed and shall be expunged without further action by the Litigation Trustee and without further notice to any party or action, approval, or order of the Bankruptcy Court. An Allowed Claim (i) includes a Disputed Claim to the extent such Disputed Claim becomes Allowed after the Effective Date and (ii) shall be net of any valid setoff exercised with respect to such Claim pursuant to the provisions of the Bankruptcy Code and applicable law; provided, however, such setoff shall not otherwise be applicable to the amounts owed with respect to the Original Bonds. Unless otherwise specified in this Plan, Bankruptcy Code section 506(b), or by Final Order of the Bankruptcy Court, “Allowed” Claims shall not, for purposes of Distributions under this Plan, include interest on such Claim accruing from and after the Petition Date. For the avoidance of doubt, the Trustee shall hold an Allowed Claim in an amount of \$111,728,919.22 as of the Petition Date, plus unliquidated, accrued, and unpaid fees and expenses of the Trustee and its professionals incurred through the Petition Date.

1.11 “*Asset Purchase Agreement*” means that certain agreement, substantially in the form attached hereto in Exhibit 1, between Edgemere and Bay 9 Holdings LLC or its designee for a sale of substantially all the Debtors’ Assets.

1.12 “*Assets*” means all interests, legal or equitable, in property, real, personal, tangible and intangible, of the Debtors as defined in Bankruptcy Code section 541(a).

1.13 “*Assumption Notice*” shall have the meaning set forth in Section 5 of this Plan.

1.14 “*Auction*” has the meaning set forth in the Bidding Procedures Order.

1.15 “*Avoidance Actions*” means all actions, causes of action, suits, choses in action, and claims of the Debtors and/or the Estates against any entity or Person, whether direct, indirect, derivative, or otherwise arising under Bankruptcy Code section 510 or to avoid a transfer of property or recover property pursuant to Bankruptcy Code sections 542 through 550 or applicable non-bankruptcy law.

1.16 “*Ballot*” means the ballots upon which holders of Impaired Claims entitled to vote to accept or reject this Plan may indicate their acceptance or rejection in accordance with applicable rules and instructions regarding voting.

1.17 “*Bankruptcy Code*” means title 11 of the United States Code, 11 U.S.C. §§ 101-1532.

1.18 “*Bankruptcy Court*” means the United States Bankruptcy Court for the Northern District of Texas, having jurisdiction over the Chapter 11 Cases or, if the Bankruptcy Court ceases to exercise jurisdiction over the Chapter 11 Cases, such court or adjunct thereof that exercises jurisdiction over the Chapter 11 Cases in lieu of the United States Bankruptcy Court for the Northern District of Texas.

1.19 “*Bankruptcy Rules*” means the Federal Rules of Bankruptcy Procedure, as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, as amended from time to time.

1.20 “*Bar Date(s)*” means the Claims Bar Date, the Governmental Bar Date, or the Rejection Damages Bar Date, as applicable; and “*Bar Dates*” means a collective reference to the Claims Bar Date, the Governmental Bar Date, and the Rejection Damages Bar Date.

1.21 “*Bar Date Order*” means, collectively, the Bankruptcy Court’s Order (I) Establishing Bar Dates, (II) Approving Form and Manner of Notice Thereof, and (III) Approving Procedures for Filing Proofs of Claims [Docket No. 325] and Order (I) Establishing Bar Dates, (II) Approving Form and Manner of Notice Thereof, and (III) Approving Procedures for Filing Proofs of Claims [Docket No. 386].

1.22 “*Bid Deadline*” has the meaning set forth in the Bidding Procedures Order.

1.23 “*Bidding Procedures Order*” means the Bankruptcy Court’s order establishing the sale procedures with respect to the Sale Transaction.

1.24 “*Bond Claims*” means the Series 2015 Bond Claims and the Series 2017 Bond Claims.

1.25 “*Bond Deficiency Claim*” means the Bond Claims minus the amount paid to the Trustee pursuant to the Sale Transaction.

1.26 “*Business Day*” means any day, other than a Saturday, Sunday or “legal holiday” as defined in Bankruptcy Rule 9006(a).

1.27 “*Cash*” means the legal tender of the United States of America or the equivalent thereof.

1.28 “*Causes of Action*” means any claims, causes of action (including Avoidance Actions), demands, actions, suits, obligations, liabilities, cross-claims, counterclaims, offsets, or setoffs of any kind or character whatsoever, in each case now owned or hereafter acquired by the Debtors and/or their Estates, and in each case, whether known or unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, foreseen or unforeseen, direct or indirect, choate or inchoate, existing or hereafter arising, under statute, in contract, in tort, in law, or in equity, or pursuant to any other theory of law, federal or state, whether asserted or assertable directly or derivatively in law or equity or otherwise by way of claim,

counterclaim, cross-claim, third party action, action for indemnity or contribution or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the Petition Date or during the course of the Chapter 11 Cases, including through the Effective Date, including the Landlord Litigation and other Retained Causes of Action.

1.29 “*Chapter 11*” means chapter 11 of the Bankruptcy Code.

1.30 “*Chapter 11 Cases*” means (i) when used with reference to a particular Debtor, the case under chapter 11 of the Bankruptcy Code commenced by such Debtor in the Bankruptcy Court, and (ii) when used with reference to both Debtors, the cases under chapter 11 of the Bankruptcy Code commenced by the Debtors in the Bankruptcy Court being jointly administered under Case No. 22-30659.

1.31 “*Claim*” means a “claim,” as that term is defined in Bankruptcy Code section 101(5).

1.32 “*Claims Bar Date*” means July 21, 2022 at 4:00 Prevailing Central Time, the general bar date by which entities, other than Governmental Units, shall file Proofs of Claim.

1.33 “*Class*” means a category of holders of Claims or Interests as set forth in Section 3 hereof pursuant to Bankruptcy Code section 1122(a).

1.34 “*Closing*” means the closing on the transactions contemplated by the Sale Transaction pursuant to the Asset Purchase Agreement.

1.35 “*Closing Date*” has the meaning given to such term in the Asset Purchase Agreement.

1.36 “*Committee*” means the official committee of creditors appointed by the U.S. Trustee in the Chapter 11 Cases pursuant to Bankruptcy Code section 1102 [Docket Nos. 135 and 150].

1.37 “*Committee Challenge*” shall have the meaning set forth in Section 4.8 of this Plan.

1.38 “*Community*” means the continuing care retirement community, located in Dallas, Texas, known as “Edgemere.”

1.39 “*Confirmation Date*” means the date on which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases within the meaning of Bankruptcy Rules 5003 and 9021.

1.40 “*Confirmation Hearing*” means the hearing(s) before the Bankruptcy Court under Bankruptcy Code section 1128 at which the Plan Sponsors seek entry of the Confirmation Order, as such hearing(s) may be adjourned or continued from time to time.

1.41 “*Confirmation Order*” means the Bankruptcy Court order confirming this Plan pursuant to Bankruptcy Code section 1129.

1.42 “*Contract Objection*” shall have the meaning set forth in Section 5 of this Plan.

1.43 “*Creditor Released Claims*” has the meaning set forth in Section 8.3 of this Plan.

1.44 “*Cure Escrow*” means the escrow account established to hold asserted cure obligations associated with the Ground Lease pending a Bankruptcy Court determination as to the Allowed cure amount.

1.45 “*Cure and Possible Assumption and Assignment Notice*” shall have the meaning set forth in Section 5 of this Plan.

1.46 “*Cure Objection*” shall have the meaning set forth in Section 5 of this Plan.

1.47 “*Current Resident*” means a Resident that resides at the Community as of the Voting Record Date pursuant to a Residency Agreement.

1.48 “*Dallas County Claim*” means the 2022 tax claim of Dallas County in the amount of \$26,856.19 plus accrued interest.

1.49 “*Debtor Released Claims*” has the meaning set forth in Section 8.2 of this Plan.

1.50 “*Debtors*” means, collectively, Edgemere and SQLC.

1.51 “*Diminution Claim*” means the Trustee’s claim for Diminution as defined in and arising under the DIP Orders.

1.52 “*DIP Credit Agreement*” means that certain Priming Superpriority Debtor-in-Possession Credit Agreement between the Debtors and the DIP Lender, together with any amendments, modifications or supplements thereto, which was approved pursuant to the DIP Orders.

1.53 “*DIP Facility Claims*” means a Claim held by the DIP Lender for all debts, indebtedness, obligations, covenants, and duties of payment and performance arising under or relating to the DIP Credit Agreement or the DIP Orders, including any and all accrued but unpaid interest and any unpaid fees or charges arising under the DIP Credit Agreement.

1.54 “*DIP Lender*” means the lender under the DIP Credit Agreement.

1.55 “*DIP Orders*” means the *Bankruptcy Court’s First Interim Order (1) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing the Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; (4) Granting Liens, Security Interests and Superpriority Claims; and (5) Scheduling a Final Hearing* [Docket No. 112]; *Second Interim Order (1) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing the Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; (4) Granting Liens, Security Interests and Superpriority Claims; and (5)*

Scheduling a Final Hearing [Docket No. 228]; *Third Interim Order (1) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing the Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; (4) Granting Liens, Security Interests and Superpriority Claims; and (5) Scheduling a Final Hearing* [Docket No. 350]; bridge orders extending the deadline in paragraph 22(ii) of the Third Interim DIP Order [Docket Nos. 398 and 415]; and *Final Order (1) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing the Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; and (4) Granting Liens, Security Interests and Superpriority Claims* [Docket No. 421] (as may be amended, modified or supplemented).

1.56 “*Disclosure Statement*” means the Disclosure Statement, as may be modified or amended, accompanying and describing this Plan.

1.57 “*Disclosure Statement Order*” means the Bankruptcy Court’s order approving the Disclosure Statement.

1.58 “*Disputed*” means, with respect to any Claim or Interest, or any portion thereof that is not yet Allowed, including (i) any Claim evidenced by a Proof of Claim that, on its face, is contingent or unliquidated; (ii) any Claim that is subject to an objection filed by the Claims Objection Deadline or a request for estimation, in each case that has not been withdrawn, resolved, or ruled on by a Final Order of the Bankruptcy Court; (iii) any Claim or Interest scheduled by the Debtors as contingent, unliquidated or disputed, (iv) any Claim or Interest evidenced by a Proof of Claim which amends a Claim or Interest scheduled by the Debtors as contingent, unliquidated or disputed, and (v) any Claim or Interest that is not an Allowed Claim or Allowed Interest or a Disallowed Claim or a Disallowed Interest; provided, however, that Refund Claims are not Disputed on account of being scheduled by the Debtors as contingent or unliquidated and the Bond Claims are not Disputed notwithstanding any pending challenges or claims.

1.59 “*Distribution*” means Cash, property, interests in property or other value distributed to holders of Allowed Claims, or their designated agents, under this Plan.

1.60 “*Distribution Record Date*” means, other than with respect to public securities cancelled by this Plan, the Effective Date or such other date as may be designated in the Confirmation Order.

1.61 “*Edgemere*” means Northwest Senior Housing Corporation.

1.62 “*Effective Date*” means the date which is the first Business Day on which the conditions set forth in Section 9 of this Plan have been satisfied or waived.

1.63 “*Entity*” shall have the meaning set forth in Bankruptcy Code section 101(15).

1.64 “*Entrance Fee Escrow*” means the escrow account holding entrance fees received from Residents on or after September 27, 2021, which account is maintained by Regions Bank, as escrow agent, on behalf of such Residents pursuant to the Escrow Agreement.

1.65 “*Entrance Fee Escrow Order*” means the Bankruptcy Court’s Final Order (I) Authorizing the Debtors to Continue (A) Escrowing Entrance Fees in the Ordinary Course and (B) Refunding Certain Entrance Fees During the Chapter 11 Case and (II) Granting Related Relief [Docket No. 393].

1.66 “*Escrow Agreement*” means that certain Escrow Agreement, dated September 27, 2021, by and among Edgemere, the Trustee, and Regions Bank, as escrow agent.

1.67 “*Escrow Resident Claims*” means the Claims of Residents to funds in the Entrance Fee Escrow pursuant to the Escrow Agreement.

1.68 “*Estates*” means the estates of the Debtors created by the Chapter 11 Cases pursuant to Bankruptcy Code section 541.

1.69 “*Exculpated Party*” means each of: (i) the Purchaser, (ii) the Plan Sponsors, (iii) the Issuer, (iv) the Committee and the members of the Committee, (v) Lifespace and (vi) with respect to each of the foregoing Entities in clauses (i) through (v), such Entity and its current and former predecessors, successors and assigns, subsidiaries, affiliates, managed accounts or funds, and all of their respective current and former officers, directors, principals, shareholders, members, partners, managers, employees, attorneys, advisors, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other professionals.

1.70 “*Executory Contract*” means all contracts and leases to which any Debtor is a party that is subject to assumption or rejection under Bankruptcy Code section 365.

1.71 “*Former Resident*” a Resident that no longer resides at the Community as of the Voting Record Date.

1.72 “*Final Order*” means an order or judgment of the Bankruptcy Court entered by the Clerk of the Bankruptcy Court on the docket in the Chapter 11 Cases that has not been reversed, vacated, or stayed and as to which (i) the time to appeal, petition for certiorari, or move for a new trial, reargument, or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for a new trial, reargument, or rehearing shall then be pending and stayed, or (ii) if an appeal, writ of certiorari, new trial, reargument, or rehearing thereof has been sought and a stay of the order or judgment has been granted, such order or judgment of the Bankruptcy Court shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, reargument, or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, to petition for certiorari, or to move for a new trial, reargument, or rehearing shall have expired; provided, however, that the possibility that a motion under Rules 59 or 60 of the Federal Rules of Civil Procedure, or Bankruptcy Rules 9023 or 9024, may be filed relating to such order shall not cause such order to not be a Final Order.

1.73 “*General Unsecured Claim*” means any Claim, other than Administrative Claims, Secured Claims, Other Priority Claims, Priority Tax Claims, the Dallas County Claim, the Diminution Claim, DIP Facility Claims, and Bond Claims (other than the Bond Deficiency Claim).

1.74 “*Ground Lease*” means that certain Ground Lease, dated November 5, 1999, by and between Edgemere and the Landlord.

1.75 “*Governmental Bar Date*” means October 11, 2022 at 4:00 prevailing Central Time, the date by which Governmental Units must file Proofs of Claims.

1.76 “*Government Unit*” means a “governmental unit” as defined in Bankruptcy Code section 101(27).

1.77 “*Impaired*” means, with respect to a Claim, that such Class of Claims is “impaired” within the meaning of Bankruptcy Code section 1124.

1.78 “*Initial Plan Sponsors*” means the Trustee and the DIP Lender.

1.79 “*Insurance Policies*” means, collectively, all the Debtors’ insurance policies.

1.80 “*Interest*” means any membership interest in any Debtor, whether or not transferable, or any option, warrant, or right, contractual or otherwise, to acquire any such interest.

1.81 “*Issuer*” means the Tarrant County Cultural Education Facilities Finance Corporation.

1.82 “*KCC*” means Kurtzman Carson Consultants LLC.

1.83 “*Landlord*” means Intercity Investment Properties, Inc.

1.84 “*Landlord Litigation*” means that certain adversary proceeding commenced in the Bankruptcy Court on April 14, 2022 (Adv. No. 22-03040-mvl) and captioned *Northwest Senior Housing Corporation v. Intercity Investment Properties, Inc., et al.*

1.85 “*Lien*” means “lien,” as defined in Bankruptcy Code section 101(37).

1.86 “*Lifespace*” means Lifespace Communities, Inc.

1.87 “*Lifespace Bond Contribution*” means the \$16.5 million payment to the Trustee on the Effective Date for Distribution to holders of the Original Bonds.

1.88 “*Lifespace Resident Claim*” means Lifespace’s interest in the Litigation Trust Assets on account of the Lifespace Resident Contributions equaling \$143,910,979.78 (assuming no Residents opt out of the Lifespace Settlement and to be adjusted for opt-outs), which shall entitle Lifespace to a Pro Rata Distribution of Litigation Trust Proceeds.

1.89 “*Lifespace Resident Contribution Schedule*” means the schedule of Lifespace Resident Contributions attached to the Disclosure Statement as Exhibit 4.

1.90 “*Lifespace Resident Contributions*” means the annual payments that will be made by Lifespace into the Residents Trust, subject to certain financial conditions, pursuant to the terms of the Lifespace Settlement and Contribution Agreement, in substantially the form attached

to the Disclosure Statement as Exhibit 3, and the Lifespace Resident Contribution Schedule, attached to the Disclosure Statement as Exhibit 4.

1.91 “*Lifespace Settlement*” means the settlement set forth in the Lifespace Settlement and Contribution Agreement.

1.92 “*Lifespace Settlement and Contribution Agreement*” means that certain Lifespace Settlement and Contribution Agreement, in substantially the form attached to the Disclosure Statement as Exhibit 3.

1.93 “*Litigation Trust*” means the trust described in Section 4 of this Plan.

1.94 “*Litigation Trust Agreement*” means the agreement between the Plan Sponsors, the Debtors and the Litigation Trustee to be entered into as of the Effective Date, substantially in form set forth in the Plan Supplement, as it may be amended from time to time in accordance with its terms.

1.95 “*Litigation Trust Assets*” means from and after the Effective Date (i) all legal and equitable interests of the Debtors in Retained Causes of Action, including the Landlord Litigation, and Avoidance Actions, and the proceeds thereof; (ii) all legal and equitable defenses or counterclaims of the Debtors to Claims; and (iii) any other Assets to be vested in the Litigation Trust pursuant to this Plan and the Litigation Trust Agreement, including any Assets that are not sold in the Sale Transaction pursuant to the Asset Purchase Agreement.

1.96 “*Litigation Trust Expenses*” means reasonable and documented out-of-pocket fees, costs and expenses incurred by the Litigation Trust or the Litigation Trustee (or any professional or other Person retained by the Litigation Trustee in administering the Litigation Trust) on or after the Effective Date in connection with any of their responsive duties under this Plan and the Litigation Trust Agreement, including any administrative fees, attorneys’ fees and expenses, insurance fees, taxes and escrow expenses, all as further set forth in the Litigation Trust Agreement.

1.97 “*Litigation Trust Interests*” means an uncertificated interest in the Litigation Trust representing the rights of holders of Allowed General Unsecured Claims.

1.98 “*Litigation Trust Proceeds*” means any Cash proceeds to be distributed to the holders of the Litigation Trust Interests pursuant to the terms of the Litigation Trust Agreement.

1.99 “*Litigation Trust Oversight Committee*” means three (3) Persons identified in the Plan Supplement that shall provide oversight and direction to the Litigation Trustee in accordance with the terms of the Litigation Trust Agreement.

1.100 “*Litigation Trustee*” means the Person identified as such in the Plan Supplement or other filing with the Bankruptcy Court, agreed to by Lifespace and the Trustee, and retained as of the Effective Date pursuant to the terms of the Litigation Trust Agreement, as the fiduciary responsible for implementing the applicable provisions of this Plan and the Litigation Trust Agreement.

1.101 “*Local Rules*” means the Local Rules of Bankruptcy Practice and Procedure of the Bankruptcy Court, or any other court having jurisdiction over the Chapter 11 Cases.

1.102 “*Master Trustee*” means UMB Bank, N.A. as successor master trustee under the Original Master Indenture.

1.103 “*Net Sale Proceeds*” means the sale proceeds of the Sale Transaction, less any less customary transaction fees and expenses.

1.104 “*Non-Resident Contract Counterparty*” shall have the meaning set forth in Section 5 of this Plan.

1.105 “*Notice Parties*” shall have the meaning set forth in Section 5 of this Plan.

1.106 “*Obligated Group*” means Edgemere and SQLC.

1.107 “*Original Bonds*” means, collectively, the Series 2015 Bonds and the Series 2017 Bonds.

1.108 “*Original Bond Documents*” means, collectively the 2015 Bond Documents and the 2017 Bond Documents.

1.109 “*Original Master Indenture*” means that certain Amended and Restated Master Trust Indenture, Deed of Trust and Security Agreement, dated November 15, 1999 and effective as of April 1, 2006, by and between the Obligated Group and JP Morgan Chase Bank, National Association, as initial master trustee and UMB Bank, N.A., as successor Master Trustee, as supplemented by that certain Supplemental Indenture Number 6, dated March 1, 2017.

1.110 “*Other Priority Claim*” means any Claim, other than an Administrative Claim, a Priority Tax Claim, or the DIP Facility Claims, which is entitled to priority under Bankruptcy Code section 507(a).

1.111 “*Other Secured Claim*” means any Secured Claim other than a Bond Claim and the Dallas County Claim.

1.112 “*Participating Residents*” means all Participating Current Residents and Participating Former Residents.

1.113 “*Participating Current Residents*” means all Current Residents who do not opt out of the Lifespace Settlement and the releases under Section 8 of this Plan.

1.114 “*Participating Former Residents*” means all Former Residents who do not opt out of the Lifespace Settlement and the releases under Section 8 of this Plan.

1.115 “*Person*” means an individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, estate, unincorporated organization, governmental unit, government (or agency or political subdivision thereof), or other entity.

1.116 “*Petition Date*” means April 14, 2022, the date on which the Debtors filed their voluntary petitions for relief commencing the Chapter 11 Cases.

1.117 “*Plan*” means this Plan of Reorganization, dated December 19, 2022, including all exhibits, supplements, appendices, and schedules thereto, either in its present form or as the same may be amended, supplemented, or modified from time to time.

1.118 “*Plan Sponsors*” means the Debtors, the Trustee and the DIP Lender.

1.119 “*Plan Supplement*” means the compilation of documents and forms of documents, schedules, and exhibits to this Plan, to be filed prior to the Confirmation Hearing, as amended, supplemented, or modified from time to time in accordance with the terms hereof, the Bankruptcy Code, and the Bankruptcy Rules.

1.120 “*Plan Supporters*” means the Plan Sponsors, Lifespace and the Committee.

1.121 “*Purchased Assets*” means the Assets of the Debtors acquired by the Purchaser pursuant to the Asset Purchase Agreement.

1.122 “*Priority Tax Claim*” means any Claim of a governmental unit of a kind entitled to priority under Bankruptcy Code section 507(a)(8).

1.123 “*Pro Rata*” means, with respect to any Claim, the proportion that the amount of a Claim in a particular Class or Classes bears to the aggregate amount of all Claims in such Class or Classes, unless this Plan otherwise provides.

1.124 “*Professionals*” means all professionals employed in these Chapter 11 Cases pursuant to Bankruptcy Code sections 327, 328, and 1103.

1.125 “*Professional Claim*” means a Claim of a Professional for compensation and/or reimbursement of expenses incurred by such Professional through and including the Effective Date.

1.126 “*Proposed Assumed Contracts*” shall have the meaning given to such term in Section 5 of this Plan.

1.127 “*Purchaser*” means Bay 9 Holdings LLC or its designee, or the purchaser designated by the Initial Plan Sponsors as the prevailing bidder at the Auction, if any.

1.128 “*Proof of Claim*” means a proof of Claim filed against any Debtor in the Chapter 11 Cases.

1.129 “*Qualified Bid*” has the meaning set forth in the Bidding Procedures Order.

1.130 “*Refund Claims*” means Rejection Claims of both Former Residents and Current Residents against Edgemere in the amount of the contractual refund obligation of Edgemere under the rejected Residency Agreements.

1.131 “*Refund Trigger Date*” means the date (a) that a Resident vacates the Community, (b) the Residents Trust is informed that such Resident’s unit is re-leased to a new Resident, and (c) the Residents Trust contains sufficient funds for payment of such Resident’s Refund Claim.

1.132 “*Reinstate,*” “*Reinstated,*” or “*Reinstatement*” means with respect to Claims and Interests, that the Claim or Interest shall be rendered Unimpaired in accordance with Bankruptcy Code section 1124.

1.133 “*Rejection Claims*” means any Claim arising from or relating to, the rejection of an Executory Contract or Unexpired Lease pursuant to Bankruptcy Code section 365(a) by any of the Debtors, as limited, in the case of a rejected Unexpired Lease, by Bankruptcy Code section 502(b)(6).

1.134 “*Rejection Damages Bar Date*” means the date by which Rejection Claims must be filed, which shall be the latest of: (i) the General Bar Date, (ii) thirty (30) days after the date of the entry of any order authorizing the rejection of the Executory Contract or Unexpired Lease, or (iii) thirty (30) days after the effective date of rejection of such Executory Contract or Unexpired Lease, including pursuant to Bankruptcy Code section 365(d)(4).

1.135 “*Released Parties*” means (i) the Committee, (ii) the Purchaser, (iii) the Issuer, (iv) the Plan Sponsors, (v) the holders of the Original Bonds (vi) Lifespace and (vii) with respect to each of the foregoing Entities in clauses (i) through (vi), such Entity and its current and former predecessors, successors and assigns, subsidiaries, affiliates, managed accounts or funds, and all of their respective current and former officers, directors, principals, shareholders, members, partners, managers, employees, attorneys, advisors, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other professionals.

1.136 “*Releasing Party*” means (i) each holder of a Claim who has not chosen, by marking the appropriate box on the Ballot and/or Opt Out Form, as appropriate, to opt out of the “Releases by Holders of Claims” provided for in Section 8.3 of this Plan, (ii) the DIP Lender, the Trustee and the Holders of Bond Claims solely to the extent set forth in Section 8.3 of this Plan, (iii) Lifespace, and (vi) the Committee.³

1.137 “*Residency Agreements*” means those certain agreements entered into by and between the Residents and the Debtors, including all assisted living residency agreements, life care agreements, skilled nursing residency agreements, memory care agreements, and any additional documents related thereto, including any amendments, supplements, or addendums.

1.138 “*Resident*” means a Current Resident or Former Resident of the Community who is or was a party to a Residency Agreement.

1.139 “*Resident Challenges*” shall have the meaning set forth in Section 4.8 of this Plan.

³ Lifespace has requested the Purchaser be added as a Releasing Party.

1.140 “*Resident Claim Cover Letter*” means that certain letter prepared by the Committee that, subject to approval of the Bankruptcy Court, will accompany each Resident Claimant’s Ballot.

1.141 “*Resident Claimants*” means the holders of Claims arising from rejected Residency Agreements.

1.142 “*Residents Trust*” means the trust established by the Residents Trust Agreement into which the Lifespace Resident Contributions shall be made.

1.143 “*Residents Trust Agreement*” means that certain Residents Trust Agreement between the Committee and the Debtors, which will be included in the Plan Supplement.

1.144 “*Residents Trust Interests*” means an uncertificated interest in the Residents Trust representing the rights of Participating Former Residents and Participating Current Residents.

1.145 “*Residents Trust Oversight Committee*” means the three-member committee of the Residents Trust appointed by the Committee.

1.146 “*Residents Trust Assets*” means (i) the Lifespace Resident Contributions, and (ii) the Estates’ rights to enforce the terms of the Lifespace Settlement and Contribution Agreement.

1.147 “*Residents Trustee*” means the Person identified as such in the Plan Supplement or other filing with the Bankruptcy Court, and retained as of the Effective Date pursuant to the terms of the Residents Trust Agreement, as the fiduciary responsible for implementing the applicable provisions of this Plan and the Residents Trust Agreement.

1.148 “*Retained Causes of Action*” means the Causes of Action, including the Landlord Litigation, that the Debtors or their Estates may hold and specifically retain and transfer to the Litigation Trust on the Effective Date. For the avoidance of doubt, Retained Causes of Action shall not include any Claims or Causes of Action against any Released Parties.

1.149 “*Sale Transaction*” means the transactions associated with the sale of substantially all the Debtors’ Assets, which transactions are described in the Asset Purchase Agreement.

1.150 “*Schedules*” means, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases, and statements of financial affairs, if any, filed by a Debtor pursuant to Bankruptcy Code section 521 and in substantial accordance with the Official Bankruptcy Forms, as the same may have been amended, modified, or supplemented from time to time.

1.151 “*Secured Claim*” means any Claim against any Debtor: (i) secured by a Lien on property in which an Estate has an interest, which Lien is valid, perfected and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to setoff pursuant to Bankruptcy Code section 553, to the extent of the value of the creditor’s interest in an

Estates' interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code or (ii) Allowed as such pursuant to this Plan.

1.152 “*Series 2015 Bonds*” means, collectively, the Series 2015A Bonds and the Series 2015B Bonds.

1.153 “*Series 2015 Bond Claims*” means any and all Claims in respect of the Series 2015 Bonds.

1.154 “*Series 2015A Bonds*” means the Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation – Edgemere Project) Series 2015A, in the original aggregate principal amount of \$53,600,000 issued pursuant to the 2015 Bond Indenture.

1.155 “*Series 2015B Bonds*” means the Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation – Edgemere Project) Series 2015B, in the original aggregate principal amount of \$40,590,000 issued pursuant to the 2015 Bond Indenture.

1.156 “*Series 2017 Bonds*” means the Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation – Edgemere Project) Series 2017A, in the original aggregate principal amount of \$21,685,000 issued pursuant to the 2017 Bond Indenture.

1.157 “*Series 2017 Bond Claims*” means any and all Claims in respect of the Series 2017 Bonds.

1.158 “*SQLC*” means Senior Quality Lifestyles Corporation.

1.159 “*Taxing Authorities*” has the meaning set forth in Section 12.15 of this Plan.

1.160 “*Tax Liens*” has the meaning set forth in Section 12.15 of this Plan.

1.161 “*Trustee*” means (i) UMB Bank, N.A., in its capacity as successor Bond Trustee under the 2015 Bond Indenture and the 2017 Bond Indenture, and successor Master Trustee under the Original Master Indenture; and (ii) any successor trustee in any such capacity.

1.162 “*Unexpired Lease*” means a lease to which a Debtor is a party that is subject to assumption or rejection under Bankruptcy Code section 365, including the Ground Lease.

1.163 “*Unimpaired*” means, with respect to a Claim, a Class of Claims that is “unimpaired” within the meaning of Bankruptcy Code section 1124.

1.164 “*U.S. Trustee*” means the Office of the United States Trustee for the Northern District of Texas.

1.165 “*U.S. Trustee Fees*” means all fees and charges assessed against the Estates of the Debtors under 28 U.S.C. § 1930.

1.166 “*Voting Agent*” means KCC.

1.167 “*Voting Deadline*” means the deadline to vote to accept or reject this Plan as set forth in the Disclosure Statement or an order of the Bankruptcy Court, as such deadline may be extended or modified from time to time.

B. Interpretation: Application of Definitions and Rules of Construction.

Unless otherwise specified, all section or exhibit references in this Plan are to the respective section in, or exhibit to, this Plan, as the same may be amended, waived, or modified from time to time. The words “herein,” “hereof,” “hereto,” “hereunder,” and other words of similar import refer to this Plan as a whole and not to any particular section, subsection, or clause contained therein. A term used herein that is not defined herein shall have the meaning assigned to that term in the Bankruptcy Code. The rules of construction contained in Bankruptcy Code section 102 shall apply to this Plan. The headings in this Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof. Unless otherwise provided, any reference in this Plan to an existing document, exhibit, or schedule means such document, exhibit, or schedule as it may have been amended, restated, revised, supplemented, or otherwise modified. If a time or date is specified for any payments or other Distribution under this Plan, it shall mean on or as soon as reasonably practicable thereafter. Further, where appropriate from a contextual reading of a term, each term includes the singular and plural form of the term regardless of how the term is stated and each stated pronoun is gender neutral.

C. Computation of Time.

In computing any period of time prescribed or allowed by the terms of this Plan, the provisions of Bankruptcy Rule 9006(a) shall apply. Any references to the Effective Date shall mean the Effective Date or as soon as reasonably practicable thereafter unless otherwise specified herein.

D. Controlling Document.

In the event of an inconsistency between this Plan and the Disclosure Statement, the terms of this Plan shall control in all respects. In the event of an inconsistency between this Plan and the Plan Supplement, the Plan Supplement shall control. In the event of an inconsistency between this Plan, the Plan Supplement and the Confirmation Order, the Confirmation Order shall control.

SECTION 2. TREATMENT OF ADMINISTRATIVE CLAIMS, PRIORITY TAX CLAIMS, AND U.S. TRUSTEE FEES

2.1 *Administrative Claims.* Unless a holder of an Allowed Administrative Claim and the Plan Sponsors before the Effective Date agree to less favorable treatment, each holder of an Allowed Administrative Claim will be paid the full unpaid amount of such Allowed Administrative Claim in Cash: (i) if such Allowed Administrative Claim is based on liabilities that the Debtors incurred in the ordinary course of business after the Petition Date, on the Effective Date or in accordance with the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claim, in the Plan Sponsors’ discretion, and without any further action by any holder of such Allowed Administrative Claim; (ii) if such Allowed Administrative Claim is due on the Effective Date, or, if such Allowed Administrative Claim is not due as of the Effective Date, on the date that such Allowed Administrative Claim becomes due or as soon as reasonably

practicable thereafter; (iii) if an Administrative Claim is not Allowed as of the Effective Date, on the date that is no later than thirty (30) days after the date on which an order allowing such Administrative Claim becomes a Final Order of the Bankruptcy Court or as soon as reasonably practicable thereafter; or (iv) at such time and upon such terms as set forth in a Final Order of the Bankruptcy Court.

To be eligible to receive Distributions under this Plan on account of an Administrative Claim that is not otherwise Allowed by this Plan, a request for payment of an Administrative Claim must be filed with the Bankruptcy Court on or before the Administrative Claims Bar Date. Any Administrative Claim that is not asserted in accordance herewith shall be deemed disallowed under this Plan and shall be forever barred against the Debtors, the Debtors' Estates, or any of the Debtors' Assets or property, and the holder thereof shall be enjoined from commencing or continuing any action, employment of process or act to collect, offset, recoup or recover such Claim. For the avoidance of doubt, holders of the DIP Facility Claims, the Escrow Resident Claims and the Diminution Claim shall not be required to file an Administrative Claim for the allowance and satisfaction of such Claims.

2.2 Professional Claims. All Professionals seeking payment of Professional Claims shall (i) file their respective final applications for allowance of compensation for services rendered and reimbursement of expenses incurred in the Chapter 11 Cases by the date that is forty-five (45) days after the Effective Date and (ii) be paid (a) the full unpaid amount as is Allowed by the Bankruptcy Court within five (5) Business Days after the date that such Claim is Allowed by order of the Bankruptcy Court, or (b) upon such other terms as may be mutually agreed upon between the holder of such an Allowed Professional Claim and the Plan Sponsors; provided however that Professional Claims shall be cumulatively capped at \$1.5 million from the period of December 1, 2022 through the Effective Date, with holders of Professional Claims sharing Pro Rata in the \$1.5 million in the event Professional Claims exceed the cap. Any Professional Claim that is not asserted in accordance with Section 2.2 of this Plan or that exceed the cap shall be deemed disallowed under this Plan and shall be forever barred against the Plan Sponsors, the Debtors' Estates, or any of the Debtors' Assets or property, and the holder thereof shall be enjoined from commencing or continuing any action, employment of process or act to collect, offset, recoup or recover such Claim. All Professionals seeking payment of Professional Claims for amounts arising through November 30, 2022 shall file their respective interim fee applications for allowance of compensation for services rendered and reimbursement of expenses incurred in the Chapter 11 Cases through November 30, 2022 within twenty-one (21) days of entry of the Confirmation Order.

2.3 Priority Tax Claims. In accordance with Bankruptcy Code section 1123(a)(1), Priority Tax Claims have not been classified and are treated as described in this Section 2 of this Plan. Unless otherwise agreed by the holder of an Allowed Priority Tax Claim, any Person holding an Allowed Priority Tax Claim will receive, as determined by the Plan Sponsors in their sole discretion and in full satisfaction of such Claim, payment in Cash in full on the later of (i) the Effective Date, or as soon as reasonably practicable thereafter as determined by the Litigation Trustee, or (ii) the first Business Day after the date that is thirty (30) calendar days after the date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon thereafter as is reasonably practicable.

2.4 **U.S. Trustee Fees.** U.S. Trustee Fees will be paid in full by the Debtors and the Litigation Trustee, as applicable, as they become due and owing.

2.5 **Escrow Resident Claims.** As of the Petition Date, the Entrance Fee Escrow held \$15,844,326. As of October 31, 2022, the Entrance Fee Escrow balance held for the benefit of Residents, which excludes interest earned, is \$16,494,326. Within ten (10) days of the Effective Date, funds in the Entrance Fee Escrow shall be returned to those respective Residents that deposited such funds, pursuant to the terms of the Escrow Agreement, in full satisfaction of the Escrow Resident Claims.

2.6 **DIP Facility Claims.** The DIP Facility Claims shall be deemed Allowed Secured Claims and superpriority Administrative Claims in the full amount due and owing under the DIP Credit Agreement as of the Effective Date. The DIP Facility Claims shall be satisfied in full from Cash available on the Effective Date.

2.7 **Diminution Claim.** The Diminution Claim shall be deemed an Allowed superpriority Administrative Claim in the full amount due and owing under the DIP Orders as of the Effective Date. The Diminution Claim shall be satisfied in full from Cash available on the Effective Date. Such Diminution Claim is at least the amount due under the DIP Facility.

2.8 **Dallas County Claim.** The Dallas County Claim shall be deemed an Allowed Secured Claim as of the Effective Date. The Dallas County Claim shall be satisfied in full from Cash available on the Effective Date.

SECTION 3. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

3.1 **Classification and Specification of Treatment of Claims.** Pursuant to Bankruptcy Code sections 1122 and 1123, Claims (other than Allowed Administrative Claims, Priority Tax Claims, Professional Claims, DIP Facility Claims, the Dallas County Claim, the Escrow Resident Claims, the Diminution Claim and U.S. Trustee Fees) are classified for all purposes, including, without limitation, voting, confirmation and Distribution pursuant to this Plan, as set forth herein. A Claim or an Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest also is classified in a particular Class for the purpose of receiving Distributions under this Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

This Plan is premised upon the substantive consolidation of the Debtors solely for the purposes of voting, determining which Classes have accepted this Plan, confirming this Plan, and the resultant treatment of Claims and Interests and Distributions under this Plan.

3.2 *Classes of Claims and Interests.*

Class	Claim	Estimated Allowed Claims	Status	Voting Rights

1	Other Priority Claims	\$19,182.99	Unimpaired	Deemed to Accept
2	Bond Claims	\$111,728,919.22	Impaired	Entitled to Vote
3	Other Secured Claims	\$0	Unimpaired	Deemed to Accept
4	General Unsecured Claims	\$206,313,419 ⁴	Impaired	Entitled to Vote
5	Participating Former Resident Refund Claims	\$37,101,059.29	Impaired	Entitled to Vote
6	Participating Current Resident Refund Claims	\$106,809,920.49	Impaired	Entitled to Vote
7	Intercompany Claims	\$5,221,798.74	Impaired	Deemed to Reject
8	Interests in Debtors	N/A	Impaired	Deemed to Reject

3.2.1 Class 1 — Other Priority Claims. In accordance with the Proofs of Claim on file, there are asserted priority claims in the amount of \$19,182.99. To the extent that such Claims have been or will be Allowed, Class 1 Claims will be Unimpaired and not entitled to vote on this Plan. Except to the extent that a holder of an Allowed Other Priority Claim has agreed to a different treatment of such Claim, each such holder shall receive, in full satisfaction of such Allowed Other Priority Claim, Cash in an amount equal to such Allowed Other Priority Claim, on or as soon as reasonably practicable after the later of (i) the Effective Date; (ii) the date the Other Priority Claim becomes an Allowed Claim; or (iii) the date for payment provided by any agreement or arrangement between the Plan Sponsors and the holder of the Allowed Other Priority Claim.

3.2.2 Class 2 — Bond Claims. Class 2 is Impaired and entitled to vote on this Plan. This Class consists of all Bond Claims and includes all Claims of the holders of the Series 2015 Bonds and the Series 2017 Bonds, which Claims shall be deemed Allowed pursuant to this Plan in the aggregate principal amount of \$109,185,000, plus accrued and unpaid interest as of the Petition Date in the amount of \$2,543,919.22. On the Effective Date, the Net Sale Proceeds after payment of Allowed Administrative Claims, Priority Tax Claims, Professional Claims, DIP Facility Claims, the Dallas County Claim, the Diminution Claim and U.S. Trustee Fees, shall be paid to the Trustee, which funds shall be disbursed to holders of the Bond Claims in accordance with the Original Bond Documents. Further, the Lifespace Bond Contribution will be paid to the Trustee on the Effective Date, which funds shall be disbursed to holders of the Bond Claims in accordance with the Original Bond Documents. Assuming no competing qualified bids are received and the Sale Transaction with the initial Purchaser closes, Holders of Bond Claims are estimated to receive Distributions of approximately 40% of their Bond Claims. The Bond

⁴ Includes (i) an estimated Bond Deficiency Claim of \$60,902,439.22 based upon the initial Purchaser’s offer and the Lifespace Bond Contribution (after payment of other amounts set forth in the Plan), (ii) the \$143,910,979.78 Lifespace Resident Claim (subject to opt-out adjustment), and (iii) vendor claims of approximately \$1,500,000.

Deficiency Claim shall be treated on a Pro Rata basis with holders of Allowed General Unsecured Claims.

3.2.3 Class 3 — Other Secured Claims. This Class consists of all Other Secured Claims against the Debtors. In accordance with Debtors' books and records, no Class 3 Claims exist. To the extent that such Claims have been or will be asserted and Allowed, Class 3 Claims will be Unimpaired and not entitled to vote on this Plan. In full satisfaction of an Allowed Other Secured Claim, on the later of the Effective Date and the date on which the Other Secured Claim is Allowed, each holder of an Allowed Other Secured Claim shall receive, at the sole and exclusive option of the Plan Sponsors: (i) Cash equal to the amount of such Claim; (ii) return of the underlying collateral related to their Claims; or (iii) treatment of such Allowed Other Secured Claim in any other manner that renders the Claim Unimpaired, including Reinstatement.

3.2.4 Class 4 — General Unsecured Claims. Class 4 is Impaired and entitled to vote on this Plan. This Class consists of all General Unsecured Claims, including Class 5 and 6 Refund Claims of Residents who OPT OUT of the Lifespace Settlement and the releases under Section 8 of this Plan, and including vendor claims of approximately \$1,500,000, the Bond Deficiency Claim and the Lifespace Resident Claim. Allowed General Unsecured Claims shall be paid a Pro Rata share of the Litigation Trust Proceeds. Holders of Allowed General Unsecured Claims are estimated to receive Distributions ranging from 0% to 50% of their Allowed General Unsecured Claims, depending on the outcome of the Landlord Litigation and the liquidation of other Litigation Trust Assets.

3.2.5 Class 5 — Participating Former Resident Refund Claims. Class 5 is Impaired and entitled to vote on this Plan. This Class consists of the Refund Claims of Participating Former Residents, who, for the avoidance of doubt, no longer reside at Edgemere as of the Voting Record Date. The Residency Agreements of Former Residents shall be rejected, and the holders of Allowed Class 5 Claims who OPT OUT of the Lifespace Settlement and the releases under Section 8 of this Plan shall receive a Class 4 General Unsecured Claim in an amount equal to their Refund Claim. Former Residents who do not OPT OUT of the Lifespace Settlement and the releases under Section 8 of this Plan (i.e. Participating Former Residents) shall receive Cash from the Residents Trust within sixty (60) days of the Refund Trigger Date in an amount equal to their Refund Claim.⁵

3.2.6 Class 6 — Participating Current Resident Refund Claims. Class 6 is Impaired and entitled to vote on this Plan. This Class consists of the Refund Claims of Participating Current Residents, who, for the avoidance of doubt, reside at Edgemere, as of the Voting Record Date. The Residency Agreements of Current Residents shall be rejected, and the holders of Allowed Class 6 Claims who OPT OUT of the Lifespace Settlement and the releases under Section 8 of this Plan shall receive a Class 4 General Unsecured Claim in an amount equal to their Refund Claim. Current Residents who do not OPT OUT of the Lifespace Settlement and the releases under

⁵ The Residents Trust shall be informed of units which have been re-leased semi-annually by the Purchaser, which shall be the date the Residents Trust is deemed informed of units which have been re-leased for purposes of the Refund Trigger Date.

Section 8 of this Plan (i.e. Participating Current Residents) shall receive Cash from the Residents Trust within sixty (60) days of the Refund Trigger Date in an amount equal to their Refund Claim.⁶

3.2.7 Class 7 — Intercompany Claims. Class 7 is Impaired and not entitled to vote on this Plan. This Class consists of all Claims held by Lifespace against the Debtors. Class 7 Claims shall be waived and released and Lifespace, as holder of such Claims, shall receive no Distribution on account of Class 7 Claims.

3.2.8 Class 8 — Interests in Debtors. Class 8 is Impaired and deemed to reject this Plan. This Class consists of Interests of Lifespace in the Debtors, which Interests shall be terminated on the Effective Date.

3.3 *Acceptance or Rejection of this Plan.*

3.3.1 Acceptance by an Impaired Class. In accordance with Bankruptcy Code section 1126(c) and except as provided in Bankruptcy Code section 1126(e), an Impaired Class of Claims shall have accepted this Plan if this Plan is accepted by the holders of at least two-thirds in dollar amount and more than one-half in number of the Allowed Claims of such Class that have timely and properly voted to accept or reject this Plan.

3.3.2 Presumed Acceptance of this Plan. Classes 1 and 3 are conclusively presumed to have accepted this Plan pursuant to Bankruptcy Code section 1126(f).

3.3.3 Presumed Rejection of this Plan. Classes 7 and 8 are Impaired under this Plan and will receive no Distributions and, thus, are conclusively presumed to have rejected this Plan pursuant to Bankruptcy Code section 1126(g).

3.3.4 Voting Class. Classes 2, 4, 5 and 6 are Impaired under this Plan and are entitled to vote to accept or reject this Plan.

3.4 *Subordinated Claims.* The allowance, classification, and treatment of all Allowed Claims and Interests and the respective Distributions and treatments under this Plan take into account the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, Bankruptcy Code section 510(b), or otherwise. For purposes of Bankruptcy Rule 7001(8), this Plan provides for subordination. The Litigation Trustee, as set forth herein, shall have the right to subordinate any Claim in accordance with any contractual, legal, or equitable subordination relating thereto under the Bankruptcy Code as long as such treatment is consistent with the terms of the Litigation Trust Agreement. Subordinated Claims shall not receive a Distribution under this Plan until any and all senior Allowed Claims are paid in full.

3.5 *Cramdown.* If all applicable requirements for confirmation of this Plan are met as set forth in Bankruptcy Code section 1129(a) except subsection (8) thereof, the Plan

⁶ The Residents Trust shall be informed of units which have been re-leased semi-annually by the Purchaser, which shall be the date the Residents Trust is deemed informed of units which have been re-leased for purposes of the Refund Trigger Date.

Sponsors shall request that the Bankruptcy Court confirm this Plan in accordance with Bankruptcy Code section 1129(b) on the bases that this Plan is fair and equitable and does not discriminate unfairly with respect to each Class of Claims or Interests that is Impaired hereunder, and has not accepted or is deemed to reject, this Plan.

SECTION 4. MEANS FOR IMPLEMENTATION OF THIS PLAN

4.1 *Sale Transaction.*

4.1.1 Sale Transaction. Consistent with the Asset Purchase Agreement, substantially all of the property in the Estates shall be sold to the Purchaser (including such Purchaser to be identified as the winning bidder following an Auction), free and clear of all Liens, Claims, charges, or other encumbrances pursuant to section 1123(a)(5)(D) of the Bankruptcy Code, with all such Liens, Claims, charges or other encumbrances attaching automatically to the Net Sale Proceeds in the same manner, extent, validity and priority as existed on the Closing Date, with the Net Sale Proceeds to be distributed pursuant to this Plan; provided, however, that ad valorem personal property tax liens arising and attaching to the subject property by operation of law on January 1, 2023 shall remain attached to the Assets and ad valorem personal property taxes for tax year 2023 shall be the responsibility of the Purchaser, subject to being Pro Rated pursuant to Section 2.6 of the Asset Purchase Agreement and subject to any defenses available under applicable Texas Law; the Taxing Authorities shall retain the right to enforce their liens and take all actions provided by applicable Texas Law. An initial Purchaser has been identified, whose purchase offer in the amount of \$48.5 million (subject to the adjustments in the Asset Purchase Agreement) is subject to higher and better bids. If a competing qualified bid is received by January 13, 2023 at 4:00 p.m. (prevailing Central Time), an Auction shall be held on January 17, 2023 at 10:00 a.m. (prevailing Central Time) to determine the ultimate Purchaser. Upon the Closing of the Sale Transaction, all Net Sale Proceeds therefrom after payments required under the Plan to pay any unpaid Allowed Administrative Claims, Priority Tax Claims, Professional Claims, DIP Facility Claims, the Dallas County Claim, Diminution Claim and the U.S. Trustee Fees, shall be paid to the Trustee for Distribution to holders of Original Bonds, pursuant to the terms of the Original Bond Documents.

4.1.2 Monthly Rental Agreements. The Asset Purchase Agreement contemplates the rejection of all Residency Agreements, provided that, subject to regulatory approvals and/or requirements, any Purchaser shall offer to all Current Residents a monthly rental agreement which, subject to regulatory approvals and/or requirements, shall provide similar services to Current Residents as provided prior to the Closing Date.

4.1.3 Transition to Purchaser. The Asset Purchase Agreement contemplates both the rejection of the Debtors' agreement with Lifespace to manage the Community, and the Purchaser receiving all regulatory approvals to operate the Purchased Assets at or prior to the Closing Date. Prior to the Closing Date, the Debtors and Lifespace shall provide prompt and reasonable assistance in connection with the approval or implementation of the Asset Purchase Agreement or any ancillary agreements, including, without limitation, providing information in connection with Purchaser's seeking of regulatory approvals necessary to own and operate the Community.

4.1.4 Injunction Against Solicitation. The Asset Purchase Agreement contemplates that the Purchaser will continue to operate the Community as a senior living community. In consideration for being a Released Party, Lifespace, on behalf of itself and any of its affiliates, subsidiaries, representatives, or agents, agrees that, without the prior written consent of Purchaser, (i) from the Confirmation Date and until the second anniversary of the Effective Date, Lifespace shall not hire or solicit for employment any individual that was an employee of the Community at any time from November 2, 2022 to the Effective Date; provided, however, Lifespace shall not be prohibited from hiring any individual that responds to a general public solicitation made by Lifespace regarding employment opportunities that is not specifically targeted at such persons, and (ii) shall not solicit by direct contact (as opposed to marketing to the public generally) any individuals that are or were Residents of the Community at any time from November 2, 2022 to the Closing Date for movement or relocation to any other senior living community located in Texas; provided, however, Lifespace shall not be prohibited from responding to any direct inquiry from a Resident regarding potential movement or relocation to such other senior living community in Texas.]⁷

4.1.5 Transfer of Assets to Litigation Trust. On the Effective Date, all of the Estates' assets not sold in the Sale Transaction shall be transferred to the Litigation Trust and administered as set forth more fully below.

4.2 *Creation of the Litigation Trust and Appointment of the Litigation Trustee and Litigation Trust Oversight Committee.*

4.2.1 Creation of the Litigation Trust. On or prior to the Effective Date, the Debtors shall execute the Litigation Trust Agreement. On the Effective Date, the Litigation Trust shall become effective and shall be deemed to be valid, binding and enforceable in accordance with the terms and provisions of this Plan and the Litigation Trust Agreement. After the Effective Date, the Litigation Trust Agreement may be amended in accordance with its terms without further order of the Bankruptcy Court. The Litigation Trust Agreement shall be satisfactory in form and substance to the Plan Sponsors.

4.2.2 Purpose of the Litigation Trust. The Litigation Trust shall be established for the purposes of (i) liquidating any non-Cash Litigation Trust Assets; (ii) maximizing recovery of the Litigation Trust Assets for the benefit of the holders of Litigation Trust Interests; (iii) distributing the proceeds of the Litigation Trust Assets to holders of the Litigation Trust Interests in accordance with this Plan and the Litigation Trust Agreement, with no objective to continue or engage in the conduct of a trade or business, except only in the event and to the extent necessary for, and consistent with, the liquidating purpose of the Litigation Trust; (iv) prosecuting or otherwise resolving the Retained Causes of Action for the benefit of the holders of the Litigation Trust Interests; and (v) winding down the Chapter 11 Cases as provided in this Plan.

4.2.3 Funding of the Litigation Trust. On the Effective Date, Cash in the amount of \$500,000 will be funded Pro Rata by the Trustee and Lifespace. The Cash will be set

⁷ The Purchaser has requested this provision.

aside for the sole purpose of paying Litigation Trust Expenses to be incurred by the Litigation Trust.

4.2.4 Transfer of Litigation Trust Assets to the Litigation Trust. As of the Effective Date, pursuant to the provisions of sections 1141(b) and (c) of the Bankruptcy Code, the Debtors and the Estates shall preserve, transfer and assign all of their respective right, title and interest in and to all of the Litigation Trust Assets, which shall automatically vest in the Litigation Trust free and clear of all Claims, Liens, encumbrances, charges, Interests and other interests, subject only to the Allowed Claims of the holders of Litigation Trust Interests as set forth in this Plan and in the Litigation Trust Agreement.

4.2.5 Appointment of the Litigation Trustee. On the Effective Date, the Litigation Trustee shall be deemed the Estates' representative solely with respect to the Litigation Trust Assets in accordance with section 1123 of the Bankruptcy Code and shall have all powers, authority and responsibilities specified in this Plan and Litigation Trust Agreement solely with respect to the Litigation Trust Assets, including, without limitation, the powers of a trustee under sections 704 and 1106 of the Bankruptcy Code and Bankruptcy Rule 2004.

4.2.6 Governance of Litigation Trust. The Litigation Trust shall be governed by the Litigation Trust Agreement and administered by the Litigation Trustee who shall report to the Litigation Trust Oversight Committee in accordance with the terms of this Plan and the Litigation Trust Agreement.

4.2.7 Tax Treatment. Except to the extent allocable to Disputed Claims, consistent with the principles of Revenue Procedure 94-45, 1994-2 C.B. 684, as of the Effective Date, for federal income tax purposes, (i) the Debtors will be deemed to transfer the Litigation Trust Assets to the holders of the Litigation Trust Interests, (ii) the holders of the Litigation Trust Interests will be deemed to transfer such Assets to the Litigation Trust, (iii) the Litigation Trust will be treated as a "liquidating trust," as defined in Treasury Regulation section 301.7701-4(d), and as a "grantor trust" within the meaning of Internal Revenue Code sections 671-679 and (iv) the holders of the Litigation Trust Interests will be treated as the "grantors" of the Litigation Trust.

4.2.8 Securities Registration Exemption. The Plan Sponsors intend that the Litigation Trust Interests shall not be deemed "securities" under applicable laws, but to the extent such units are deemed to be "securities," the Plan Sponsors believe the issuance of such units under this Plan is exempt, pursuant to section 1145 of the Bankruptcy Code (except with respect to an entity that is an "underwriter" as defined in section 1145(b) of the Bankruptcy Code).

4.2.9 Rights, Powers and Duties of the Litigation Trust and the Litigation Trustee. The Litigation Trustee will act for the benefit of holders of Litigation Trust Interests in a fiduciary capacity and shall have comparable authority as a bankruptcy trustee of the Debtors, as the exclusive representative of the Estates under section 1123(a)(5)(B) of the Bankruptcy Code or any corresponding federal or state laws with respect to the Litigation Trust Assets and shall succeed to all the Debtors' and the Estates' rights with respect thereto, subject to the provisions of this Plan and the Litigation Trust Agreement. The Litigation Trust is the successor to the Debtors and their Estates. The powers, rights and duties of the Litigation Trustee shall arise on the Effective Date

and shall include, all subject to the terms and conditions of the Litigation Trust Agreement, the following:

- (a) commencing, pursuing and liquidating all of the Litigation Trust Assets;
- (b) engaging attorneys, consultants, agents, employees and any other professional persons to assist the Litigation Trustee with respect to the Litigation Trustee's responsibilities;
- (c) paying the fees and expenses of the attorneys, consultants, agents, employees and other professional persons engaged by the Litigation Trust and paying all other expenses;
- (d) compromising and settling Claims without notice or Bankruptcy Court approval;
- (e) calculating and implementing Distributions of Litigation Trust Assets for the benefit of the holders of the Litigation Trust Interests;
- (f) resolving issues involving Claims and Interests in accordance with this Plan;
- (g) consulting with members of the Litigation Trust Oversight Committee regarding the prosecution and/or settlement of Retained Causes of Action and reporting to the Litigation Trust Oversight Committee regarding such matters, and seeking approval from the Litigation Trust Oversight Committee regarding the prosecution and/or settlement of each Cause of Action, to the extent set forth in the Litigation Trust Agreement;
- (h) investing Cash in accordance with section 345 of the Bankruptcy Code, and withdrawing and making Distributions of Cash to holders of Litigation Trust Interests holding and paying taxes and other obligations incurred by the Litigation Trustee in connection with winding down the Estates in accordance with this Plan;
- (i) coordinating the turnover of property, if any, subject to rejected executory contracts or abandonment or liquidation of any Litigation Trust Assets;
- (j) taking possession of all books, records, and files of the Debtors and their Estates; and providing for the retention and storage of such books, records, and files until such time as the Litigation Trust determines, in accordance with the Litigation Trust Agreement, that retention of same is no longer necessary or required;
- (k) overseeing compliance with the accounting, finance and reporting obligations;
- (l) paying taxes or other obligations incurred by the Litigation Trust;
- (m) preparing financial statements and U.S. Trustee post-confirmation quarterly reports, and filing such reports on the docket of the Chapter 11 Cases until such time as a final decree has been entered;

- (n) overseeing the filing of final tax returns, refund requests, audits and other corporate dissolution documents, as required;
- (o) performing any additional corporate actions as necessary to carry out the wind down and liquidation of the Estates;
- (p) exercising such other powers as may be vested in or assumed by the Litigation Trustee pursuant to this Plan, the Litigation Trust Agreement or other Order of the Bankruptcy Court or as may be needed or appropriate to carry out the provisions of this Plan; and
- (q) undertaking all administrative functions of the Chapter 11 Cases, including the payment of fees payable to the U.S. Trustee and the ultimate closing of the Chapter 11 Cases.

4.2.10 Litigation Trust Interests. Holders of Allowed General Unsecured Claims shall, by operation of this Plan, receive a Pro Rata share of the Litigation Trust Interests in accordance with the terms of and priorities set forth in this Plan. Litigation Trust Interests shall also be reserved for holders of Disputed Claims which, if Allowed, would be entitled to participate in Distributions from the Litigation Trust, and such reserved Litigation Trust Interests shall be held by the Litigation Trustee pending allowance or disallowance of such Claims. No other Person shall have any interest, legal, beneficial or otherwise, in the Litigation Trust Assets upon the assignment and transfer of such assets to the Litigation Trust. As set forth in the Litigation Trust Agreement, Distributions from the Litigation Trust on account of Litigation Trust Interests shall be made from the Litigation Trust Assets after paying, reserving against or satisfying, among other things, the Litigation Trust Expenses. The Litigation Trust Interests shall be uncertificated and shall be nontransferable except upon death of the holder or by operation of law. Holders of Litigation Trust Interests shall have no voting rights with respect to such interests.

4.2.11 Pending Adversary Proceedings. Without the need for filing any motion for such relief, in connection with the Litigation Trust Assets, the Litigation Trust or the Litigation Trustee (as applicable) hereby shall be deemed substituted for the applicable Debtor (i) in all pending matters including, but not limited to, motions, contested matters and adversary proceedings in the Bankruptcy Court; and (ii) with respect to any Retained Causes of Action pending before the Bankruptcy Court or any other court.

4.2.12 Preservation of Right to Conduct Investigations. The preservation for the Litigation Trust of any and all rights to conduct investigations pursuant to Bankruptcy Rule 2004 is necessary and relevant to the liquidation and administration of the Litigation Trust Assets. Accordingly, any and all rights to conduct investigations pursuant to Bankruptcy Rule 2004 held by the Debtors prior to the Effective Date shall vest with the Litigation Trust and shall continue until dissolution of the Litigation Trust.

4.3 ***Creation of the Residents Trust and Appointment of the Residents Trust Trustee and Residents Trust Oversight Committee.***

4.3.1 Upon the Plan Effective Date, a Residents Trust will be formed. The Residents Trust shall receive and distribute the Lifespace Resident Contributions pursuant to the

terms of the Lifespace Settlement and Contribution Agreement, the Plan and the Residents Trust Agreement. Holders of Residents Trust Interests shall consist of Participating Former Residents and Participating Current Residents.

4.3.2 Creation of the Residents Trust. On or prior to the Effective Date, the Committee and the Debtors shall execute the Residents Trust Agreement. On the Effective Date, the Residents Trust shall become effective and shall be deemed to be valid, binding and enforceable in accordance with the terms and provisions of the Plan and the Residents Trust Agreement. After the Effective Date, the Residents Trust Agreement may be amended in accordance with its terms without further order of the Bankruptcy Court. The Residents Trust Agreement shall be satisfactory in form and substance to the Committee and Lifespace.

4.3.3 Purpose of the Residents Trust. The Residents Trust shall be established for the purposes of (i) receiving the Lifespace Resident Contributions and the Estates' rights to enforce the terms of the Lifespace Settlement and Contribution Agreement; and (ii) distributing the proceeds of the Residents Trust Assets to Participating Former Residents and Participating Current Residents in accordance with the terms of the Plan and the Residents Trust Agreement. The trustee of the Residents Trust (the "**Residents Trust Trustee**") will act for the benefit of holders of Residents Trust Interests in a fiduciary capacity. Holders of Residents Trust Interests shall consist of Holders of Participating Former Residents and Participating Current Residents. Holders of Residents Trust Interests shall receive a distribution from the Residents Trust in accordance with the terms of the Plan and the Residents Trust Agreement.

4.3.4 Funding of the Residents Trust. Residents Trust expenses incurred by the Residents Trust shall be paid from Residents Trust Assets.

4.3.5 Transfer of Rights under the Lifespace Settlement and Contribution Agreement to the Residents Trust. As of the Effective Date, pursuant to the provisions of sections 1141(b) and (c) of the Bankruptcy Code, the Debtors and the Estates shall preserve, transfer and assign all of their respective right, title and interest in and under the Lifespace Settlement and Contribution Agreement, which shall automatically vest in the Residents Trust and Residents Trust Trustee free and clear of all Claims, Liens, encumbrances, charges, Interests and other interests, subject only to the Allowed Claims of the holders of Residents Trust Interests as set forth in the Plan and in the Residents Trust Agreement.

4.3.6 Appointment of the Residents Trust Trustee. On the Effective Date, the Residents Trust Trustee shall be appointed by a three-member Residents Trust Oversight Board appointed by the Committee and shall be deemed the Estates' representative solely with respect to the Residents Trust Assets in accordance with section 1123 of the Bankruptcy Code and shall have all powers, authority and responsibilities specified in the Plan and Residents Trust Agreement solely with respect to the Residents Trust Assets, including, without limitation, the powers of a trustee under sections 704 and 1106 of the Bankruptcy Code and Bankruptcy Rule 2004.

4.3.7 Governance of Residents Trust. The Residents Trust shall be governed by the Residents Trust Agreement and administered by the Residents Trust Trustee who shall report to the Residents Trust Oversight Committee in accordance with the terms of the Plan and the Residents Trust Agreement.

4.3.8 Tax Treatment. The Debtors and the Committee will structure the Residents Trust as either a taxable trust or as a grantor trust (and not as a qualified settlement fund within the meaning of Section 1.468B-1 of the Treasury Regulations), with the goal of minimizing the cost and expense of reporting and paying tax on net investment income of the Residents Trust. If structured as a grantors trust, except to the extent allocable to Disputed Claims, consistent with the principles of Revenue Procedure 94-45, 1994-2 C.B. 684, as of the Effective Date, for federal income tax purposes, (i) the Debtors will be deemed to transfer the Residents Trust Assets to the holders of the Residents Trust Interests, (ii) the holders of the Residents Trust Interests will be deemed to transfer such Residents Trust Assets to the Residents Trust, (iii) the Residents Trust will be treated as a “liquidating trust,” as defined in Treasury Regulation section 301.7701-4(d), and as a “grantor trust” within the meaning of Internal Revenue Code sections 671-679 and (iv) the holders of the Residents Trust Interests will be treated as the “grantors” and deemed owners of the Residents Trust.

In Revenue Procedure 94-45, the IRS states that a liquidating trust’s term is generally not more than five (5) years from the date of creation and that is reasonable based on all fact and circumstances. Although the Residents Trust’s term is expected to be eighteen (18) years or slightly longer, it is believed that such term is reasonable to carry out the intent of the Residents Trust as a liquidating trust if structured as a liquidating trust.

4.3.9 Securities Registration Exemption. The Plan Sponsors intend that the Residents Trust Interests shall not be deemed “securities” under applicable laws, but to the extent such units are deemed to be “securities,” the Plan Sponsors believe the issuance of such units under the Plan is exempt, pursuant to section 1145 of the Bankruptcy Code (except with respect to an entity that is an “underwriter” as defined in section 1145(b) of the Bankruptcy Code).

4.3.10 Rights, Powers and Duties of the Residents Trust and the Residents Trust Trustee. The Residents Trust Trustee will act for the benefit of holders of Residents Trust Interests in a fiduciary capacity and shall have comparable authority as a bankruptcy trustee of the Debtors, as the exclusive representative of the Estates under section 1123(a)(5)(B) of the Bankruptcy Code or any corresponding federal or state laws with respect to the Residents Trust Assets and shall succeed to all the Debtors’ and the Estates’ rights with respect thereto, subject to the provisions of the Plan and the Residents Trust Agreement. The Residents Trust is the successor to the Debtors and their Estates. The powers, rights and duties of the Residents Trust Trustee shall arise on the Effective Date and shall include, all subject to the terms and conditions of the Residents Trust Agreement, the following:

- (a) engaging attorneys, consultants, agents, employees and any other professional persons to assist the Residents Trust Trustee with respect to the Residents Trust Trustee’s responsibilities;
- (b) paying the fees and expenses of the attorneys, consultants, agents, employees and other professional persons engaged by the Residents Trust and paying all other expenses;
- (c) calculating and implementing Distributions of Residents Trust Assets for the benefit of the holders of the Residents Trust Interests;

- (d) consulting with members of the Residents Trust Oversight Committee regarding the administration of the Residents Trust pursuant to the terms of the Plan and the Lifespace Settlement and Contribution Agreement;
- (e) investing Cash in accordance with section 345 of the Bankruptcy Code, and withdrawing and making Distributions of Cash to holders of Residents Trust Interests holding and paying taxes and other obligations incurred by the Residents Trust Trustee in connection with winding down the Estates in accordance with the Plan;
- (f) overseeing compliance with the accounting, finance and reporting obligations;
- (g) paying taxes or other obligations incurred by the Residents Trust; and
- (h) exercising such other powers as may be vested in or assumed by the Residents Trust Trustee pursuant to this Plan, the Residents Trust Agreement or other Order of the Bankruptcy Court or as may be needed or appropriate to carry out the provisions of this Plan.

4.3.11 Residents Trust Interests. Holders of Allowed Class 5 and 6 Claims that do not OPT OUT of the Lifespace Settlement and the releases under Section 8 of this Plan shall, by operation of this Plan, receive a Pro Rata share of the Residents Trust Interests in accordance with the terms of and priorities set forth in the Plan. Residents Trust Interests shall also be reserved for holders of Disputed Claims which, if Allowed, would be entitled to participate in Distributions from the Residents Trust, and such reserved Residents Trust Interests shall be held by the Residents Trust Trustee pending allowance or disallowance of such Claims. No other Person shall have any interest, legal, beneficial or otherwise, in the Residents Trust Assets upon the assignment and transfer of such assets to the Residents Trust. As set forth in the Residents Trust Agreement, Distributions from the Residents Trust on account of Residents Trust Interests shall be made from the Residents Trust Assets after paying, reserving against or satisfying, among other things, the Residents Trust expenses. The Residents Trust Interests shall be uncertificated and shall be nontransferable except upon death of the holder or by operation of law. Holders of Residents Trust Interests shall have no voting rights with respect to such interests.

4.4 ***Entrance Fee Escrow.*** As of the Petition Date, the Entrance Fee Escrow held \$15,844,326. As of October 31, 2022, the Entrance Fee Escrow balance held for the benefit of Residents, which excludes interest earned, is \$16,494,326. Within ten (10) days of the Effective Date, funds in the Entrance Fee Escrow shall be returned to those respective Residents that deposited such funds, pursuant to the terms of the Escrow Agreement, in full satisfaction of the Escrow Resident Claims.

4.5 ***Corporate Action.*** Upon the Effective Date, all actions contemplated by this Plan (whether to occur before, on, or after the Effective Date) shall be deemed authorized and approved in all respects, and all matters provided for in this Plan involving the corporate structure of the Debtors and any corporate action required by the Debtors in connection with this Plan shall be deemed to have occurred, without any requirement of further action by the directors or officers of the Debtors.

On or (as applicable) before the Effective Date, the appropriate officers of the Debtors or the Litigation Trust, as applicable, shall be authorized and directed to issue, execute, and deliver the agreements, documents, securities, certificates of incorporation, operating agreements, and instruments contemplated by this Plan (or necessary or desirable to effect the transactions contemplated by this Plan), including all documents necessary to consummate the Sale Transaction, in the name of and on behalf of the Debtors or the Litigation Trust, as the case may be, and any and all other agreements, documents, securities, and instruments relating to the foregoing.

4.6 Section 1146 Exemption from Certain Taxes and Fees. Pursuant to Bankruptcy Code section 1146(a), any transfer of property and any issuance, transfer, or exchange of a security in connection with or pursuant to this Plan shall not be subject to any stamp, mortgage recording, or other similar tax, charge, or governmental assessment in the United States, and the Confirmation Order shall direct and be deemed to direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax, charge, or governmental assessment and, as applicable, to accept for filing and recordation instruments or other documents pursuant to such transfer of property or to permit the issuance, transfer, or exchange of a security without the payment of any such tax, charge, or governmental assessment. Such exemption specifically applies, without limitation, to (i) the sale of the Assets pursuant to the Asset Purchase Agreement effectuated under this Plan; (ii) the creation and recordation of any mortgage, deed of trust, lien, or other security interest; (iii) the making or assignment of any lease or sublease; and (iv) the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with this Plan, including: (a) any merger agreements; (b) agreements of consolidation, restructuring, disposition, liquidation, or dissolution; (c) deeds; or (d) assignments executed in connection with any transaction occurring under this Plan.

4.7 Preservation of Causes of Action of the Debtors. In accordance with Bankruptcy Code section 1123(b), and except where such Causes of Action have been expressly released (including, for the avoidance of doubt, the Exculpated Claims against the Exculpated Parties and the Debtor Released Claims against the Released Parties), the Litigation Trustee shall be vested with the authority to enforce all rights to commence and pursue, as appropriate, any and all Causes of Action of the Debtors, whether arising before or after the Petition Date, and the Litigation Trustee's right(s) to commence, prosecute, or settle such Causes of Action shall be consistent with the terms of the Litigation Trust Agreement. The Litigation Trustee is the sole party that may pursue such Causes of Action, as appropriate, in accordance with the best interests of the holders of the Litigation Trust Interests. No Person may rely on the absence of a specific reference in this Plan or the Disclosure Statement to any Cause of Action against such Person as any indication that the Debtors or the Litigation Trustee, as applicable, will not pursue any and all available Causes of Action against such Person. Except with respect to Causes of Action as to which the Debtors have released any Person on or before the Effective Date (including pursuant to the Releases by the Debtors or otherwise), the Litigation Trustee, as applicable, expressly reserves all rights to prosecute any and all Causes of Action of the Debtors against any Person, except as otherwise expressly provided in this Plan. Unless any Causes of Action against a Person are expressly waived, relinquished, exculpated, released, compromised, or settled in this Plan or by an order of the Bankruptcy Court, the Litigation Trustee expressly reserves all Causes of Action for later adjudication and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise),

or laches, shall apply to such Causes of Action upon, after, or as a consequence of the confirmation or consummation of this Plan. For the avoidance of doubt, nothing in this Section 4.7 shall affect the “Releases by the Debtors” provided in Section 8.2 of this Plan.

Notwithstanding anything to the contrary contained herein, the Residents Trust Trustee shall be vested with the authority to enforce the terms of the Lifespace Settlement and Contribution Agreement, which are being assigned to the Residents Trust and the Residents Trust Trustee pursuant to this Plan.

4.8 ***Dismissal of Challenges.*** On July 12, 2022, the Committee filed the *Original Complaint*, commencing Case No. 22-03073-mvl and challenging the Bond Claims and related Liens under Bankruptcy Code section 544 (the “**Committee Challenge**”). The Committee Challenge has been abated on multiple occasions, most recently on November 29, 2022 for an additional sixty days. Furthermore, challenges were filed by certain Former Residents and their estates against the Initial Plan Sponsors’ Liens, security interests, and adequate protection granted under the DIP Orders and the Entrance Fee Escrow Order (collectively, the “**Resident Challenges**”). See Docket Nos. 448, 449, 456, 457, 467, 544. On September 2, 2022, the Court abated the Resident Challenges pending further notice of the parties. See Docket No. 605. Upon the Effective Date, the Committee Challenge and the Resident Challenges will be dismissed with prejudice.

SECTION 5. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Entry of the Confirmation Order shall constitute a Bankruptcy Court order approving the assumptions or rejections of such Executory Contracts or Unexpired Leases as set forth in this Plan or the Plan Supplement, all pursuant to Bankruptcy Code sections 365(a) and 1123. Unless otherwise indicated, all assumptions or rejections of Executory Contracts and Unexpired Leases pursuant to this Plan are effective as of the Closing Date. Each Executory Contract or Unexpired Lease assumed pursuant to this Plan or by Bankruptcy Court order and assigned to a Purchaser shall vest in and be fully enforceable by the Purchaser in accordance with its terms, except as such terms may have been modified by such order. Notwithstanding anything to the contrary in this Plan, the Plan Sponsors reserve the right to alter, amend, modify, or supplement the list of Executory Contracts and Unexpired Leases identified in the Plan Supplement at any time before the Effective Date. After the Effective Date, the Purchaser shall have the right to terminate, amend, or modify any contracts, leases, or other agreements without approval of the Bankruptcy Court, subject to the terms thereof. For the avoidance of doubt, Section 5 of this Plan shall apply to all Executory Contracts and Unexpired Leases except as otherwise provided herein and to the extent addressed and decided by an order of the Bankruptcy Court.

5.1 ***Rejection of Residency Agreements.*** On the Closing Date and as set forth in the Asset Purchase Agreement, the Debtors shall reject the Residency Agreements of all Residents. Any Current Resident that desires to remain at the Community may do so, subject to regulatory approvals and/or requirements, by entering into a new monthly rental agreement which agreements will provide similar services to such Current Resident as provided under their prior Residency Agreement.

Notwithstanding anything herein to the contrary, for the sake of clarity and to avoid confusion, upon the rejection of the Residency Agreements, the holders of Refund Claims are not required to file Rejection Claims if such Resident Claimants agree with the proposed amount of the respective Resident Claimant's Refund Claim, as set forth in the Resident Claim Cover Letter accompanying the Resident Claimant's Ballot. Unless an additional Rejection Claim is filed by any Resident Claimants, all Resident Claimants shall be deemed to hold Allowed Class 5 or Class 6 Claims (unless they OPT OUT of the Lifespace Settlement and the releases under Section 8 of this Plan, in which case they would hold Allowed Class 4 Claims) in the amount of their Refund Claim, as set forth in the Resident Claim Cover Letter accompanying each Resident Claimant's respective Ballot and/or solicitation materials, without the need to file a Rejection Claim for such Refund Claim. If any Resident Claimants disagree with the amount of their respective Refund Claim, as set forth in the Resident Claim Cover Letter accompanying each Resident Claimant's respective Ballot, then the Resident Claimants shall be required to file a Rejection Claim on or before the Rejection Damages Bar Date.

5.2 Assumption and Rejection of Executory Contracts and Unexpired Leases.

Unless assumed and assigned under the Asset Purchase Agreement, on the Closing Date the Debtors shall reject all Executory Contracts and Unexpired Leases. Resulting Rejection Claims will be treated as Class 4 General Unsecured Claims.

5.3 Assumption of the Ground Lease.

On the Closing Date and as set forth in the Asset Purchase Agreement, the Ground Lease shall be assumed, subject to the rights of the Litigation Trustee as set forth in this Plan and assigned to the Purchaser. The Landlord shall have an Allowed Administrative Claim for the amounts due and owing from the Petition Date through the Effective Date, subject to final approval of the Bankruptcy Court and the rights of parties in interest to challenge the asserted Administrative Claim amount. Nothing herein shall be construed as a waiver of the Litigation Trustee, the Plan Sponsors, the Committee or any third parties to pursue any and all Claims against the Landlord. The cure amount associated with the Ground Lease shall be funded from the Net Sale Proceeds into the Cure Escrow pending further order of the Bankruptcy Court as to the Allowed amount of such cure amount, with any balance following such order being distributed to the Trustee for distribution to holders of Bond Claims.

5.4 Claims Based on Rejection of Executory Contracts or Unexpired Leases.

All Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, if any, must be filed no later than the Rejection Damages Bar Date; *provided, that* any such Claims arising from the rejection of an Unexpired Lease shall be subject to the cap on rejection damages imposed by Bankruptcy Code section 502(b)(6). Any Claims arising from the rejection of an Executory Contract or Unexpired Lease that is not timely filed with the Bankruptcy Court (other than Refund Claims) will be automatically disallowed and forever barred from assertion and shall not be enforceable against the Debtors, the Estates, or the Debtors' property, without the need for any objection by any party or further notice to, action by, or order or approval of the Bankruptcy Court. All Allowed Claims arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases, other than with respect to Resident Claimants, shall be classified as Class 4 Claims and shall be treated in accordance with this Plan.

5.5 Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.

Any provisions or terms of the Debtors' Executory Contracts or Unexpired Leases to be

assumed under the Sale Transaction that are, or may be, alleged to be in default, shall be satisfied solely by cure or by a waiver of cure agreed upon between the Purchaser and the applicable counterparty. Except with respect to Executory Contracts or Unexpired Leases in which the Purchaser and the applicable counterparties have stipulated in writing to payment of cure or with respect to Residency Agreements or the Ground Lease, the following procedures shall be established for determining cure with respect to the proposed assumed Executory Contracts or Unexpired Leases (the “**Proposed Assumed Contracts**”):

- (a) Within five (5) days after entry of the Bidding Procedures Order, the Plan Sponsors will file with the Bankruptcy Court and serve a notice to the counterparties to Executory Contracts and Unexpired Leases, other than Residents that are party to a Residency Agreement as of the Petition Date, (each, a “**Non-Resident Contract Counterparty**”), setting forth the Plan Sponsors’ calculation of each Non-Resident Contract Counterparty’s cure amount, if any, that would be owing to such Non-Resident Contract Counterparty if the Debtors were to assume or assume and assign such Executory Contract or Unexpired Lease, and alerting such Non-Resident Contract Counterparty that its agreement may be assumed and assigned to the Purchaser (the “**Cure and Possible Assumption and Assignment Notice**”). Any Non-Resident Contract Counterparty that objects to the cure amount set forth in the Cure and Possible Assumption and Assignment Notice, must file an objection (a “**Cure Objection**”) no later than January 10, 2023 at 4:00 p.m. (prevailing Central Time), which Cure Objection must be served on the following by e-mail: (a) counsel for the Initial Plan Sponsors, Daniel Bleck, dsbleck@mintz.com, Eric Blythe, erblythe@mintz.com, and Kaitlin Walsh, krwalsh@mintz.com; (b) RBC Capital Advisors, David Fields, david.fields@rbccm.com; (c) counsel for the Debtors, Trinitee G. Green, tggreen@polsinelli.com and Jeremy Johnson, jeremy.johnson@polsinelli.com, and (d) counsel for the Committee, Stephen A. McCartin, smccartin@foley.com, Thomas C. Scannell, tscannell@foley.com, and Mark Moore, mmoore@foley.com (collectively, the “**Notice Parties**”).
- (b) If a Non-Resident Contract Counterparty does not timely file and serve a Cure Objection, that party will be forever barred from objecting to the proposed cure amount. Where a Non-Resident Contract Counterparty files a timely Cure Objection asserting a higher cure amount than the amount listed in the Cure and Possible Assumption and Assignment Notice, and the Non-Resident Contract Counterparty and the Plan Sponsor are unable to consensually resolve the dispute, the amount to be paid under Bankruptcy Code section 365 (if any) or, as the case may be, the Debtors’ ability to assign the agreement to the Purchaser, will be determined at the Confirmation Hearing.
- (c) After the conclusion of the Auction, the Plan Sponsors shall file with the Bankruptcy Court and serve on the Notice Parties and Contract Counterparties a further notice (the “**Assumption Notice**”) identifying the Purchaser, stating which Executory Contracts or Unexpired Leases may be assumed and assigned to the Purchaser, and providing such Contract Counterparties with the Purchaser’s assurance of future performance. Any Contract Counterparty that objects to the adequacy of the assurance or assumption and/or assignment of its Executory Contract or Unexpired

Lease set forth in the Assumption Notice must file an objection with the Bankruptcy Court (a “**Contract Objection**”) and serve the Contract Objection on the Notice Parties prior to the Confirmation Hearing. If a Contract Counterparty does not file a Contract Objection prior to the Confirmation Hearing, such party will be forever barred from objecting to the adequacy of the assurance to be provided by the Purchaser and assumption and assignment to the Purchaser. Where a Contract Counterparty files a Contract Objection prior to the Confirmation Hearing, and the parties are unable to consensually resolve the dispute, the adequacy of the assurance provided by the Purchaser or raised issues regarding the potential assumption and assignment will be determined at the Confirmation Hearing.

- (d) For the avoidance of doubt, this section does not address Residency Agreements although the Residency Agreements are Executory Contracts. As provided above, any Purchaser must provide detail regarding the treatment of Residency Agreements with the Debtors’ Current Residents. To the extent a potential Purchaser includes the assumption of the Residency Agreements, the potential Purchaser will be required to satisfy the related cure costs and provide adequate assurance of future performance. The Assumption Notice shall include a description of the Purchaser’s proposed treatment of Residency Agreements.
- (e) Except as specified herein, assumption or assumption and assignment of any Executory Contract or Unexpired Lease pursuant to this Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults on the part of the Debtors or the Estates, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed or assumed and assignment Executory Contract or Unexpired Lease at any time prior to the effective date of assumption or assumption and assignment.

5.6 **Insurance Policies.** Notwithstanding anything herein to the contrary, as of the Closing Date, and unless specifically rejected by the Purchaser, the Debtors shall assume all of the Insurance Policies, including director and officer and general liability policies, identified by the Plan Sponsors in the Plan Supplement pursuant to Bankruptcy Code section 365(a). Entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval of the Debtors’ foregoing assumption of each of the Insurance Policies.

5.7 **Modifications, Amendments, Supplements, Restatements, or Other Agreements.** Unless otherwise provided, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated, or is rejected or repudiated under this Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11

Cases shall not be deemed to alter the perpetuation nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith, unless such Executory Contract or Unexpired Lease has been previously assumed by the Debtors.

5.8 **Reservation of Rights.** Nothing contained in this Plan or the Plan Supplement shall constitute an admission that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that the Debtors have any liability thereunder.

5.9 **Nonoccurrence of Effective Date.** If the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases under Bankruptcy Code section 365(d)(4), unless such deadline(s) have expired.

SECTION 6. PROVISIONS GOVERNING DISTRIBUTIONS

6.1 **Timing and Calculation of Amounts to Be Distributed.** Except as otherwise provided in this Plan, on the Effective Date or as soon as reasonably practicable thereafter (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such a Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter), each holder of an Allowed Claim against the Debtors shall receive the full amount of the Distributions that this Plan provides for Allowed Claims in the applicable Class and in the manner provided herein. In the event that any payment or act under this Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims, Distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in this Plan. Except as otherwise provided for in this Plan, holders of Claims shall not be entitled to interest, dividends, or accruals on the Distributions provided for herein, regardless of whether such Distributions are delivered on or at any time after the Effective Date.

6.2 **Disbursements.** Except as otherwise provided in this Plan, all Distributions under this Plan shall be made by the Litigation Trustee.

6.3 **Rights and Powers of Litigation Trustee regarding Disbursements.** The Litigation Trustee shall be empowered to: (i) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under this Plan; (ii) make all Distributions contemplated hereby; (iii) employ professionals to represent it with respect to its responsibilities; and (iv) exercise such other powers as may be vested in the Litigation Trustee by order of the Bankruptcy Court, pursuant to this Plan, or as deemed by the Litigation Trustee to be necessary and proper to implement the provisions of this Plan.

6.4 **Payments and Distributions on Disputed Claims.** Distributions made after the Effective Date to holders of Disputed Claims that are not Allowed Claims as of the Effective Date (but that later become Allowed Claims), shall be deemed to have been made on the Effective Date.

6.5 **Special Rules for Distributions to Holders of Disputed Claims.** Notwithstanding any other provision of this Plan and except as may be agreed to by the Plan

Sponsors or the Litigation Trustee, on the one hand, and the holder of a Disputed Claim, on the other hand, no partial payments and no partial Distributions shall be made with respect to any Disputed Claim until all Disputed Claims held by the holder of such Disputed Claim have become Allowed Claims or have otherwise been resolved by settlement or Final Order.

6.6 ***Delivery of Distributions in General.*** Except as otherwise provided in this Plan, Distributions to holders of Allowed Claims shall be made to holders of record as of the Distribution Record Date by the Litigation Trustee, including the Distribution to the Trustee of the Net Sale Proceeds as provided in this Plan. Distributions to holders of Allowed Claims will be made at the address of each such holder as set forth in the Debtors' books and records, except that, in the case of holders of the Original Bonds, Distributions will be made by means of book-entry exchange through the facilities of the Depository Trust Company in accordance with the customary practices of the Depository Trust Company, as and to the extent practicable. Distributions under this Plan on account of Allowed Claims shall not be subject to levy, garnishment, attachment, or like legal process, so that each holder of an Allowed Claim shall have and receive the benefit of the Distributions in the manner set forth in this Plan. The Litigation Trustee shall not incur any liability whatsoever on account of any Distributions under this Plan except for gross negligence, willful misconduct, or fraud.

6.7 ***Undeliverable Distributions and Unclaimed Property.*** If any Distribution to any holder is returned as undeliverable, the Litigation Trustee shall use reasonable efforts to determine the current address of such holder. No Distribution to such holder shall be made unless and until the Litigation Trustee has determined such holder's then current address, at which time such Distribution shall be made as soon as practicable; *provided, however*, that such Distributions shall be deemed unclaimed property under Bankruptcy Code section 347(b) and forfeited at the expiration of six months from the later of (i) the Effective Date and (ii) the date of the initial attempted Distribution. After such date, all "unclaimed property" or interests in property shall revert to the Litigation Trust (notwithstanding any applicable federal or state escheat or abandoned or unclaimed property laws to the contrary), and the Claim of any holder to such property shall be discharged and forever barred.

6.8 ***Withholding and Reporting Requirements.*** In connection with this Plan and all instruments issued in connection therewith, the Litigation Trustee shall comply with all applicable withholding and reporting requirements imposed by any federal, state, or local taxing authority, and all Distributions under this Plan shall be subject to any such withholding or reporting requirements.

6.9 ***Setoffs.*** Except as otherwise provided herein and subject to applicable law, the Debtors shall, pursuant to the Bankruptcy Code (including Bankruptcy Code section 553), applicable non-bankruptcy law, or as may be agreed to by the holder of a Claim, setoff against any Allowed Claim (which setoff shall be made against the Allowed Claim, not against any Distributions to be made under this Plan with respect to such Allowed Claim), any claims, rights, and Causes of Action of any nature that the Debtors may hold against the holder of such Allowed Claim, to the extent such claims, rights, or Causes of Action against such holder have not been otherwise released, waived, relinquished, exculpated, compromised, or settled on or prior to the Effective Date (whether pursuant to this Plan or otherwise), and any Distribution to which a holder is entitled under this Plan shall be made on account of the Claim, as reduced after application of

the setoff described above. In no event shall any holder of a Claim be entitled to setoff any Claim against any claim, right, or Cause of Action of the Debtors unless such holder obtains entry of a Final Order authorizing such setoff or unless such setoff is otherwise agreed to in writing by the Debtors and a holder of a Claim; *provided, that*, where there is no written agreement between the Debtors and a holder of a Claim authorizing such setoff, nothing herein shall prejudice or be deemed to have prejudiced the Debtors' right(s) to assert that any holder's setoff rights were required to have been asserted by motion to the Bankruptcy Court prior to the Effective Date. This Section 6.9 shall not be applicable to any Distributions to be made to or for the benefit of the beneficial holders of the Original Bonds.

6.10 ***Insurance Claims.*** No Distributions under this Plan shall be made on account of an Allowed Claim until the holder of such Allowed Claim has exhausted all remedies with respect to the Debtors' Insurance Policies. To the extent that one or more of the Debtors' insurers agrees to satisfy in full a Claim, then immediately upon such agreement, such Claim may be expunged without an objection to such Claim having to be filed and without any further notice to, action by, or order or approval of the Bankruptcy Court.

6.11 ***Applicability of Insurance Policies.*** Except as otherwise provided in this Plan, Distributions to holders of Allowed Claims shall be made in accordance with the provisions of any applicable Insurance Policy. Except as expressly provided in this Plan, nothing contained in this Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Person may hold against any other Person, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

6.12 ***Allocation of Distributions Between Principal and Unpaid Interest.*** With the exception of any Distributions on account of the Original Bonds, which shall be treated as provided in Class 2 herein (other than the Bond Deficiency Claim), to the extent that any Claim entitled to a Distribution under this Plan is comprised of indebtedness and accrued but unpaid interest thereon, such Distribution shall, for U.S. federal income tax purposes, be allocated on the Debtors' books and records to the principal amount of the Claim first and then, to the extent the consideration exceeds the principal amount of the Claim, to the accrued but unpaid interest.

6.13 ***Interest on Claims.*** Unless otherwise specifically provided for in this Plan, postpetition interest will not accrue or be paid on Claims, and no Claim holder will be entitled to interest accruing on or after the Petition Date on any Claim. Similarly, unless otherwise specifically provided for in this Plan, postpetition interest will not accrue or be paid on any Disputed Claim in respect of the period from the Petition Date to the date a final Distribution is made thereon if and after such Disputed Claim becomes an Allowed Claim.

SECTION 7. PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS

7.1 ***Prosecution of Objections to Claims.*** The Litigation Trustee shall have the exclusive authority to file, settle, compromise, withdraw, or litigate to judgment any objections to Claims as permitted under this Plan and the Litigation Trust Agreement. From and after the Effective Date, the Litigation Trustee may settle or compromise any Disputed Claim without

approval of the Bankruptcy Court, but subject to the terms and conditions of the Litigation Trust Agreement. The Litigation Trustee reserves all rights to resolve any Disputed Claim outside the Bankruptcy Court under applicable governing law.

7.2 ***Allowance of Claims.*** Except as expressly provided in this Plan or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), the Litigation Trustee after the Effective Date will have and retain any and all rights and defenses held by the Debtors with respect to any Claim as of the Petition Date. All Claims of any Person against the Debtors shall be disallowed unless and until such Person pays, in full, the amount it owes the Debtors. For the avoidance of doubt, this section is not applicable to the Trustee or the beneficial holders of the Original Bonds.

7.3 ***Distributions After Allowance.*** As soon as practicable following the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Litigation Trustee shall provide to the holder of such Claim the Distribution (if any) to which such holder is entitled under this Plan, without any interest to be paid on account of such Claim.

7.4 ***Estimation of Claims.*** The Plan Sponsors (before the Effective Date) or the Litigation Trustee (on or after the Effective Date) may, at any time, and from time to time, request that the Bankruptcy Court estimate any Disputed Claim pursuant to Bankruptcy Code section 502(c) regardless of whether an objection was previously filed with the Bankruptcy Court with respect to such Claim, or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. If the Bankruptcy Court estimates any Disputed Claim, that estimated amount will constitute either the Allowed amount of such Claim or a maximum limitation on such Claim against any party or Person, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Litigation Trustee may elect to pursue any supplemental proceedings to object to any ultimate Distribution on such Claim. All of the objection, estimation, settlement, and resolution procedures set forth in this Plan are cumulative and not necessarily exclusive of one another. Claims may be estimated and subsequently compromised, objected to, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court. This Section of this Plan shall not be applicable to the Trustee or the beneficial holders of the Original Bonds.

SECTION 8. SETTLEMENT, RELEASE, INJUNCTION AND RELATED PROVISIONS

8.1 ***Compromise and Settlement of Claims, Interests and Controversies.*** Pursuant to Bankruptcy Code section 1123 and Bankruptcy Rule 9019 and in consideration for the Distributions and other benefits provided pursuant to this Plan, the provisions of this Plan shall constitute a good faith compromise of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a holder of a Claim or Interest may have with respect to any Allowed Claim or Interest, including with respect to any challenges to the Bond Claims, or any Distribution to be made on account of such Allowed Claim or Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests, and controversies, as well as a finding by the Bankruptcy

Court that such compromise or settlement is in the best interests of the Debtors, their Estates, and holders of Claims and Interests and is fair, equitable, and reasonable. In accordance with the provisions of this Plan, pursuant to Bankruptcy Code section 363 and Bankruptcy Rule 9019(a), without any further notice to, action by, or order or approval of the Bankruptcy Court, after the Effective Date, the Litigation Trustee may compromise and settle Claims against the Debtors and Causes of Action against other Persons.

8.2 *Releases by the Debtors.* PURSUANT TO BANKRUPTCY CODE SECTION 1123(b), AS OF THE EFFECTIVE DATE, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THIS PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, INCLUDING THE INVESTMENT AND SERVICE OF THE RELEASED PARTIES TO FACILITATE THE EXPEDITIOUS REORGANIZATION OF THE DEBTORS AND THE IMPLEMENTATION OF THE RESTRUCTURING CONTEMPLATED BY THIS PLAN, THE RELEASED PARTIES ARE DEEMED RELEASED AND DISCHARGED BY THE DEBTORS, THE REORGANIZED DEBTOR, AND THE ESTATES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, SETOFFS, RECOUPMENTS, REMEDIES, ENFORCEMENT RIGHTS AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, OR THE RELEASED PARTIES WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR INTEREST, OR OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THIS PLAN, THE DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, THE “DEBTOR RELEASED CLAIMS”), OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASE SET FORTH ABOVE DOES NOT RELEASE ANY PARTY WITH POST-EFFECTIVE DATE OBLIGATIONS UNDER THIS PLAN OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THIS PLAN FROM THOSE POST-EFFECTIVE DATE OBLIGATIONS. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO

PURSUE ANY DEBTOR RELEASED CLAIM(S) FOR THE BENEFIT OF ANY PARTY AS SUCH CLAIMS ARE RELEASED PURSUANT TO THIS PLAN AND, AS SUCH, DO NOT AND WILL NOT CONSTITUTE LITIGATION TRUST OR RESIDENTS TRUST ASSETS.

8.3 *Releases by Holders of Claims.* AS OF THE EFFECTIVE DATE AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THIS PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, EACH RELEASING PARTY SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, LIFESPACE, THE INITIAL PLAN SPONSORS, AND ALL OTHER RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, ENFORCEMENT RIGHTS, SETOFFS, RECOUPMENTS, REMEDIES, AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT SUCH PERSON WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF ANY OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THIS PLAN, THE DISCLOSURE STATEMENT, ANY PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, "CREDITOR RELEASED CLAIMS"), OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE CREDITOR RELEASED CLAIMS.

NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY IN THIS PLAN, THE DIP LENDER, THE TRUSTEE AND HOLDERS OF THE ORIGINAL BONDS SHALL ALL BE RELEASING PARTIES SOLELY WITH RESPECT TO ANY AND ALL CLAIMS RELATING TO THE DEBTORS (OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE), BUT NOT WITH RESPECT TO ANY OTHER CLAIMS SUCH HOLDERS MAY HAVE UNRELATED TO THE DEBTORS, INCLUDING BUT NOT LIMITED TO ANY

OBLIGATIONS OWED TO BONDHOLDERS IN CONNECTION WITH BONDS ISSUED BY LIFESPACE.

8.4 *Exculpation.* UPON THE EFFECTIVE DATE, THE PLAN SPONSORS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS AND AGENTS WILL BE DEEMED TO HAVE SOLICITED ACCEPTANCES OF THIS PLAN IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING BANKRUPTCY CODE SECTION 1125(E).

EXCEPT WITH RESPECT TO ANY ACTS OR OMISSIONS EXPRESSLY SET FORTH IN AND PRESERVED BY THIS PLAN, THE PLAN SUPPLEMENT, OR ANY RELATED DOCUMENTS, THE EXCULPATED PARTIES SHALL NEITHER HAVE, NOR INCUR ANY LIABILITY TO ANY ENTITY FOR ANY PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR RELATED TO FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING, ADMINISTERING, CONFIRMING, OR EFFECTING THIS PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THIS PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION OF THIS PLAN, THE ADMINISTRATION AND IMPLEMENTATION OF THIS PLAN, THE DISTRIBUTION OF PROPERTY UNDER THIS PLAN, OR ANY OTHER RELATED AGREEMENT OR ANY OTHER PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OF THE DEBTORS; PROVIDED, THAT THE FOREGOING “EXCULPATION” SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY ENTITY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT (INCLUDING FRAUD); PROVIDED FURTHER, THAT EACH EXCULPATED PARTY SHALL BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER, OR ITS DUTIES PURSUANT TO, OR IN CONNECTION WITH, THIS PLAN OR ANY OTHER RELATED DOCUMENT, INSTRUMENT, OR AGREEMENT. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY CLAIMS DESCRIBED IN SECTION 8 OF THIS PLAN AGAINST ANY EXCULPATED PARTY.

8.5 *Discharge of Claims.* PURSUANT TO BANKRUPTCY CODE SECTION 1141(D), AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE BAR DATE ORDER, IN THIS PLAN, OR IN ANY CONTRACT, INSTRUMENT, OR OTHER AGREEMENT OR DOCUMENT CREATED PURSUANT TO THIS PLAN, THE DISTRIBUTIONS, RIGHTS, AND TREATMENT THAT ARE PROVIDED IN THIS PLAN SHALL BE IN FULL AND FINAL SATISFACTION, SETTLEMENT, RELEASE, AND DISCHARGE, EFFECTIVE AS OF THE EFFECTIVE DATE, OF ALL CLAIMS AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE,

WHETHER KNOWN OR UNKNOWN, AGAINST, LIABILITIES OF, LIENS ON, OBLIGATIONS OF, AND RIGHTS AGAINST THE DEBTORS OR ANY OF THEIR ASSETS OR PROPERTIES, REGARDLESS OF WHETHER ANY PROPERTY SHALL HAVE BEEN DISTRIBUTED OR RETAINED PURSUANT TO THIS PLAN ON ACCOUNT OF SUCH CLAIMS, INCLUDING DEMANDS, LIABILITIES, AND CAUSES OF ACTION THAT AROSE BEFORE THE EFFECTIVE DATE, ANY CONTINGENT OR NON-CONTINGENT LIABILITY ON ACCOUNT OF REPRESENTATIONS OR WARRANTIES ISSUED ON OR BEFORE THE EFFECTIVE DATE, AND ALL DEBTS OF THE KIND SPECIFIED IN BANKRUPTCY CODE SECTIONS 502(G), 502(H), OR 502(I), IN EACH CASE WHETHER OR NOT: (I) A PROOF OF CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS FILED OR DEEMED FILED PURSUANT TO BANKRUPTCY CODE SECTION 501; (II) A CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS ALLOWED PURSUANT TO BANKRUPTCY CODE SECTION 502; OR (III) THE HOLDER OF SUCH A CLAIM HAS ACCEPTED THIS PLAN. EXCEPT AS OTHERWISE PROVIDED HEREIN, ANY DEFAULT BY THE DEBTORS WITH RESPECT TO ANY CLAIM THAT EXISTED BEFORE OR ON ACCOUNT OF THE FILING OF THE CHAPTER 11 CASES SHALL BE DEEMED CURED ON THE EFFECTIVE DATE. THE CONFIRMATION ORDER SHALL BE A JUDICIAL DETERMINATION OF THE DISCHARGE OF ALL CLAIMS SUBJECT TO THE EFFECTIVE DATE OCCURRING, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS PLAN.

8.6 *Injunction.* FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION, OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED AGAINST ANY RELEASED PARTY PURSUANT TO THIS PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN THIS PLAN, ALL RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION, OR OTHER PROCEEDING ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO THIS PLAN.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS PLAN, THE PLAN SUPPLEMENT, OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THIS PLAN, ALL PERSONS WHO HAVE HELD, HOLD, OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED, DISCHARGED, OR ARE SUBJECT TO EXCULPATION, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING

ACTIONS: (I) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH RIGHTS, CLAIMS OR INTERESTS; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE, RELIEF OR ORDER AGAINST SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (III) CREATING, PERFECTING, OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH PERSONS OR THE PROPERTY OR ESTATE OF SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; AND (IV) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED, OR DISCHARGED PURSUANT TO THIS PLAN.

THE RIGHTS AFFORDED IN THIS PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THE DEBTORS' ASSETS, PROPERTY, OR ESTATES. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE INTERESTS SHALL BE CANCELLED (EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS PLAN).

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR IN THIS PLAN OR IN OBLIGATIONS ISSUED PURSUANT TO THIS PLAN FROM AND AFTER THE EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER BANKRUPTCY CODE SECTION 502(g).

ALL PERSONS SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE LITIGATION TRUST, ALL OTHER RELEASED PARTIES AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS, AGENTS AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS, OR ANY ACT OR OMISSION, TRANSACTION, OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, HOLDERS OF CLAIMS THAT OPT OUT OF THE RELEASES UNDER SECTION 8.3 OF THIS PLAN WILL NOT BE SUBJECT TO THE INJUNCTION WITH RESPECT TO PREPETITION CLAIMS AGAINST NON-DEBTOR ENTITIES.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO RELEASES OR EXCULPATIONS CONTAINED HEREIN SHALL RELEASE LIFESPACE FROM ITS OBLIGATIONS TO THE RESIDENTS TRUST CONTAINED IN THE LIFESPACE SETTLEMENT AND CONTRIBUTION AGREEMENT, WHICH SHALL BE PRESERVED AND ASSIGNED TO THE RESIDENTS TRUST AND THE RESIDENTS TRUST TRUSTEE PURSUANT TO THE TERMS OF THIS PLAN.

8.7 ***Term of Injunctions or Stays.*** Unless otherwise provided in this Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to Bankruptcy Code sections 105 or 362 or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in this Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. Upon the Effective Date, all injunctions or stays contained in this Plan or the Confirmation Order shall be in full force and effect in accordance with their terms.

8.8 ***Protection Against Discriminatory Treatment.*** Consistent with Bankruptcy Code section 525 and the Supremacy Clause of the U.S. Constitution, all Persons, including Governmental Units, shall not discriminate against the Litigation Trustee or the Purchaser or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, or discriminate with respect to such a grant against, the Litigation Trustee, the Purchaser or another Person with whom the Litigation Trustee or Purchaser have been associated, solely because the Debtors have been debtors under Chapter 11, have been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

8.9 ***Release of Liens.*** Except as otherwise provided in this Plan or any contract, instrument, release, or other agreement or document created pursuant to this Plan, on the Effective Date and concurrently with the applicable Distributions made pursuant to this Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Litigation Trustee. For the avoidance of doubt, except as otherwise provided in this Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged on the Effective Date without any further action of any party, including, but not limited to, further order of the Bankruptcy Court or filing updated schedules or statements typically filed pursuant to the Uniform Commercial Code.

SECTION 9. CONDITIONS PRECEDENT TO CONFIRMATION AND THE EFFECTIVE DATE

9.1 ***Conditions Precedent to Confirmation.*** It shall be a condition precedent to the confirmation of this Plan, such that the Confirmation Order shall not be entered, until each of the following conditions precedent have been satisfied or waived pursuant to the provisions of this Plan:

- (a) The proposed Confirmation Order shall be in form and substance reasonably satisfactory in all respects to the Plan Sponsors, Lifespace and the Purchaser; and
- (b) This Plan and the Plan Supplement, including any schedules, documents, supplements and exhibits thereto shall be, in form and substance acceptable in all respects to the Plan Sponsors and Lifespace.

9.2 ***Conditions Precedent to the Effective Date.*** It shall be a condition precedent to the Effective Date that each of the following provisions, terms, and conditions shall have been satisfied or waived pursuant to the provisions of this Plan:

- (a) The Bankruptcy Court shall have entered the Confirmation Order containing findings of fact and conclusions of law satisfactory to the Plan Sponsors, Lifespace and Purchaser, which Confirmation Order shall not be subject to any stay, and which Confirmation Order shall include or provide, among other things:
 - (i) all provisions, terms and conditions of this Plan and related documents are approved; and
 - (ii) all Executory Contracts or Unexpired Leases assumed and assigned by the Debtors during the Chapter 11 Cases including under this Plan shall remain in full force and effect for the benefit of the Purchaser or their assignee(s) notwithstanding any provision in such contract or lease (including those described in Bankruptcy Code sections 365(b)(2) and (f)) that prohibits such assignment or transfer or that enables, permits, or requires termination of such contract or lease;
- (b) The Bankruptcy Court shall have entered a Final Order approving the Disclosure Statement as containing adequate information within the meaning of Bankruptcy Code section 1125;
- (c) On the occurrence of the Effective Date, the conditions to effectiveness of the Sale Transaction shall have been satisfied or waived and the Closing Date has occurred;
- (d) All actions, documents, certificates, and agreements necessary to implement this Plan, including, without limitation, the Asset Purchase Agreement and documents related to the Sale Transaction, shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable governmental units in accordance with applicable laws;

- (e) All payments and transfers to be made on the Effective Date shall be made or duly provided for;
- (f) All authorizations, consents, and regulatory approvals required, if any, in connection with the consummation of this Plan shall have been obtained; and
- (g) All other actions, documents and agreements necessary to implement this Plan shall be in form and substance acceptable to the Plan Sponsors, and shall have been effected or executed.

9.3 ***Effect of Failure of Conditions.*** If the Effective Date does not occur, this Plan shall be null and void in all respects and nothing contained in this Plan or the Disclosure Statement shall: (i) constitute a waiver or release of any claims by the Plan Sponsors or Claims by or against the Debtors or Lifespace; (ii) prejudice in any manner the rights of the Plan Sponsors, any holders of Claims, or any other Person; or (iii) constitute an admission, acknowledgment, offer, or undertaking by the Plan Sponsors or any other Person in any respect.

SECTION 10. MODIFICATION, REVOCATION OR WITHDRAWAL OF THIS PLAN

10.1 ***Modification and Amendments.*** Except as otherwise specifically provided herein, the Plan Sponsors reserve the right to modify this Plan and seek confirmation consistent with the Bankruptcy Code and, as appropriate, not re-solicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in Bankruptcy Code section 1127 of the and Bankruptcy Rule 3019 and those restrictions on modifications set forth in this Plan, the Plan Sponsors expressly reserve their rights to alter, amend, or modify materially this Plan one or more times, after confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify this Plan or remedy any defect or omission, or reconcile any inconsistencies in this Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of this Plan. For the avoidance of doubt, nothing in this Section 10.1 shall be deemed to supplant or supersede the requirements of Bankruptcy Rule 3019.

10.2 ***Effect of Confirmation on Modifications.*** Entry of the Confirmation Order shall mean that all modifications or amendments to this Plan occurring after the solicitation thereof are approved pursuant to Bankruptcy Code section 1127(a) and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

10.3 ***Revocation or Withdrawal of this Plan.*** The Initial Plan Sponsors reserve the right to revoke or withdraw this Plan before the Effective Date. If the Initial Plan Sponsors revoke or withdraw this Plan, or if confirmation does not occur, then: (i) this Plan shall be null and void in all respects, (ii) any settlement or compromise embodied in this Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of any Executory Contract or Unexpired Lease effected by this Plan, and any document or agreement executed pursuant to this Plan, shall be deemed null and void, and (iii) nothing contained in this Plan shall: (a) constitute a waiver or release of any Claims or Interests; (b) prejudice in any manner the rights of the Plan Sponsors or any other Person; or (c) constitute

an admission, acknowledgement, offer or undertaking of any sort by the Plan Sponsors or any other Person.

SECTION 11. RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain jurisdiction over the Chapter 11 Cases and all matters arising out of or related to the Chapter 11 Cases and this Plan, including, without limitation, jurisdiction to:

- (a) allow, disallow, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the secured or unsecured status, priority, amount, or allowance of Claims;
- (b) decide and resolve all matters related to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or this Plan;
- (c) resolve any matters related to: (i) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which any Debtor is party or with respect to which the Debtors may be liable in any manner and to hear, determine, and, if necessary, liquidate any Claims arising therefrom, including Rejection Claims, cure Claims pursuant to Bankruptcy Code section 365, or any other matter related to such Executory Contract or Unexpired Lease, (ii) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed, (iii) the Litigation Trust or Purchaser amending, modifying, or supplementing, after the Effective Date, any Executory Contracts or Unexpired Leases on the list of Executory Contracts and Unexpired Leases to be assumed or rejected, and (iv) any dispute regarding whether a contract or lease is or was executory or unexpired;
- (d) ensure that Distributions to holders of Allowed Claims are accomplished pursuant to the provisions of this Plan;
- (e) adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving the Debtors that may be pending on the Effective Date;
- (f) adjudicate, decide, or resolve any and all matters related to any Cause of Action;
- (g) adjudicate, decide, or resolve any and all matters related to the Asset Purchase Agreement;
- (h) adjudicate, decide, or resolve any and all matters related to Bankruptcy Code section 1141;

- (i) resolve any avoidance or recovery actions under Bankruptcy Code sections 105, 502(d), 542 through 551, and 553;
- (j) resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the consummation of this Plan or any Person's obligations incurred in connection with this Plan;
- (k) issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Person with consummation or enforcement of this Plan;
- (l) resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the discharge, releases, injunctions, exculpations, indemnifications, and other provisions contained in this Plan and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;
- (m) enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;
- (n) adjudicate any and all disputes arising from or relating to Distributions under this Plan;
- (o) adjudicate any and all disputes arising from or relating to the Lifespace Settlement and Contribution Agreement;
- (p) consider any modifications of this Plan, cure any defect or omission, or reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;
- (q) determine requests for the payment of Claims entitled to priority pursuant to Bankruptcy Code section 507;
- (r) hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of this Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with this Plan;
- (s) hear and determine matters concerning state, local, and federal taxes in accordance with Bankruptcy Code sections 346, 505, and 1146;
- (t) hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred before or after the Effective Date;
- (u) enforce all orders previously entered by the Bankruptcy Court;

- (v) hear any other matter not inconsistent with the Bankruptcy Code; and
- (w) enter an order concluding or closing the Chapter 11 Cases.

SECTION 12. MISCELLANEOUS PROVISIONS

12.1 ***Immediate Binding Effect.*** Notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or any other Bankruptcy Rule, upon the occurrence of the Effective Date, the terms of this Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors and any and all holders of Claims or Interests (irrespective of whether such holders of Claims or Interests are deemed to have accepted this Plan), all Persons that are parties to or are subject to the settlements, compromises, releases, exculpation, discharges, and injunctions described in this Plan, each Person acquiring property under this Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

12.2 ***Additional Documents.*** On or before the Effective Date, the Plan Sponsors may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan, subject to the consent of the Trustee. The Debtors and all holders of Claims receiving Distributions pursuant to this Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of this Plan.

12.3 ***Dissolution of the Committee.*** On the Effective Date, the Committee shall dissolve, and members thereof shall be released and discharged from all rights and duties from or related to the Chapter 11 Cases.

12.4 ***Reservation of Rights.*** Except as expressly set forth in this Plan, this Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. None of this Plan, any statement or provision contained in this Plan, or any action taken or not taken by the Plan Sponsors or other Person with respect to this Plan, the Disclosure Statement, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of the Plan Sponsors or other Person with respect to the holders of Claims or Interests before the Effective Date.

12.5 ***Successors and Assigns.*** The rights, benefits, and obligations of any Person named or referred to in this Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign, affiliate, officer, director, manager, agent, representative, attorney, beneficiary, or guardian, if any, of such Person.

12.6 ***Votes Solicited in Good Faith.*** Upon entry of the Confirmation Order, the Plan Sponsors will be deemed to have solicited votes on this Plan in good faith and in compliance with the Bankruptcy Code and any applicable non-bankruptcy law, and pursuant to Bankruptcy Code section 1125(e), the Plan Sponsors and their respective affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of securities offered and sold under this Plan, and, therefore,

will have no liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on this Plan.

12.7 **Closing of Chapter 11 Cases.** The Litigation Trustee shall, promptly after the full administration of the Chapter 11 Cases, file with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Chapter 11 Cases.

12.8 **Notices.** All notices or requests in connection with this Plan shall be in writing and given by mail and email addressed to:

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GLOVSKY AND POPEO, PC**

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Kaitlin R. Walsh
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-and-

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and

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-and-

Northwest Senior Housing Corporation
d/b/a Edgemere
Attn: Nick Harshfield
4201 Corporate Drive
West Des Moines, IA 50266

All notices and requests to Persons holding any Claim in any Class shall be sent to them at their last known address or to the last known address of their attorney of record in these Chapter 11 Cases. Any such holder of a Claim may designate in writing any other address for purposes of this Section 12.8, which designation will be effective upon receipt by the Plan Sponsors.

12.9 **Headings.** The headings used in this Plan are inserted for convenience only and neither constitute a portion of this Plan nor in any manner affect the construction of the provisions of this Plan.

12.10 **Severability.** If, prior to confirmation, any term or provision of this Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of this Plan will remain in full force and effect and will in no way be affected, Impaired, or invalidated by such holding, alteration, or interpretation.

12.11 **Validity and Enforceability.** The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms. Should any provision in this Plan be determined by the Bankruptcy Court or any appellate court to be unenforceable following the Effective Date, such determination shall in no way limit the enforceability and operative effect of any and all other provisions of this Plan.

12.12 **Plan Supplement.** Any exhibits or schedules not filed with this Plan may be contained in the Plan Supplement and the Plan Sponsors reserve the right to alter, modify, or amend the Plan Supplement through and to the Confirmation Hearing.

12.13 **Governing Law.** Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of Texas, without giving effect to the principles of conflicts of laws, shall govern the rights, obligations, construction, and implementation of this Plan and the restructuring transactions consummated or to be consummated in connection therewith.

12.14 **Request for Confirmation.** The Plan Sponsors request entry of a Confirmation Order under Bankruptcy Code section 1129(a) and, to the extent necessary, Bankruptcy Code section 1129(b).

12.15 *Reservation of Rights in Favor of Governmental Units.*

Governmental Units, Texas Health and Human Services Commission and Texas Department of Insurance, have indicated that they will object to any Order confirming this Plan that does not include the following language:

“Nothing in this Order or the Plan discharges, releases, precludes, or enjoins: (i) any liability to any governmental unit as defined in 11 U.S.C. § 101(27) (“**Governmental Unit**”) that is not a “claim” as defined in 11 U.S.C. § 101(5) (“**Claim**”); (ii) any Claim of a Governmental Unit arising on or after the Confirmation Date; (iii) any police or regulatory liability to a Governmental Unit that any entity would be subject to as the owner or operator of property after the Confirmation Date; or (iv) any liability to a Governmental Unit on the part of any non-debtor. Nor shall anything in this Order or the Plan enjoin or otherwise bar a Governmental Unit from asserting or enforcing, outside this Court, any liability described in the preceding sentence. Notwithstanding any provision of the Plan, this Order, or any implementing or supplementing plan documents, Governmental Units’ setoff rights under federal law as recognized in section 553 of the Bankruptcy Code, and recoupment rights, shall be preserved and are unaffected. Nothing in this Order or the Plan divests any tribunal of any jurisdiction it may have under police or regulatory law to interpret this Order or the Plan to adjudicate any defense asserted under this Order or the Plan.”

Dallas County has also requested the following language be included in this Plan:

“Notwithstanding any other provisions of this Plan, any agreements approved hereby, or any other orders in these Chapter 11 Cases, any statutory liens (collectively, the “**Tax Liens**”) held by Dallas County or any other ad valorem tax authority (the “**Taxing Authorities**”) for prepetition and postpetition taxes shall not be primed nor made subordinate to any liens granted to any party hereby to the extent such Tax Liens are valid, senior, perfected, and unavoidable, and all parties’ rights to object to the priority, validity, amount, and extent of the claims and liens asserted by the Taxing Authorities are fully preserved. With respect to the Tax Authorities’ prepetition Secured Claims for ad valorem property Taxes for the 2022 tax year, to the extent such Claims are Allowed, the Taxing Authorities’ prepetition Claims shall be paid in full with all applicable and accrued interest no later than the earlier of the Closing of the Sale Transaction or the Effective Date or otherwise in the ordinary course of business unless an objection to the Claim has been filed. The Taxing Authorities’ Claims shall be paid with interest from the Petition Date through the Effective Date and from the Effective Date through the date of payment in full at the applicable state statutory rate of 1% per month pursuant to 11 U.S.C. §§ 506(b), 511, and 1129. In the event of a claim objection, the Taxing Authorities’ Claims shall be entitled to interest that accrues while the Claim objection is pending. The Taxing Authorities shall retain their Liens until all Taxes and related interest, penalties, and fees (if any) have been paid in full. In the event of a default under this Plan, the Taxing Authorities shall send notice of default to counsel for the Debtors/Reorganized Debtor and the Purchaser, as applicable, via facsimile or electronic mail, and the Debtors and/or Purchaser shall have 15 days from the date of such notice to cure said default. After the Effective Date, in the event of failure to cure the default timely, the Taxing Authorities shall be entitled to pursue collection of all amounts owed pursuant to

applicable nonbankruptcy law from the Debtors/Reorganized Debtor or the Purchaser, as applicable, without further recourse to the Bankruptcy Court.”

Dated: December 19, 2022

HAYNES AND BOONE, LLP

/s/ J. Frasher Murphy

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– and –

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*Counsel to the Debtors and Debtors in
Possession*

Exhibit 2

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re:

Northwest Senior Housing Corporation, *et al.*,¹
Debtors.

Chapter 11

Case No. 22-30659 (MVL)
(Jointly Administered)

**THIRD AMENDED DISCLOSURE STATEMENT FOR THE PLAN OF
REORGANIZATION OF THE PLAN SPONSORS DATED DECEMBER 19, 2022**

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*Counsel to the Debtors and Debtors in
Possession*

Dated: December 19, 2022

¹ The Debtors, along with the last four digits of each Debtor's federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors' mailing address is 8523 Thackery Street, Dallas, Texas 75225.



DISCLAIMER

IF YOU ARE ENTITLED TO VOTE ON THE PLAN, YOU WILL RECEIVE A BALLOT WITH A COPY OF THIS DISCLOSURE STATEMENT. THE PLAN SPONSORS RECOMMEND YOU VOTE TO ACCEPT THE PLAN.

EACH HOLDER OF A CLAIM AGAINST OR INTEREST IN THE DEBTORS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN SHOULD READ THIS DISCLOSURE STATEMENT AND THE PLAN IN THEIR ENTIRETY BEFORE VOTING. NO SOLICITATION OF VOTES TO ACCEPT OR REJECT THE PLAN MAY BE MADE EXCEPT PURSUANT TO THIS DISCLOSURE STATEMENT AND BANKRUPTCY CODE SECTION 1125. NO HOLDER OF A CLAIM SHOULD RELY ON ANY INFORMATION RELATING TO THE DEBTORS, THE DEBTORS' PROPERTY, OR THE PLAN OTHER THAN THAT CONTAINED IN THIS DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT AND THE RELATED EXHIBITS.

THIS DISCLOSURE STATEMENT CONTAINS A SUMMARY OF CERTAIN PROVISIONS OF THE PLAN. ALTHOUGH THE PLAN SPONSORS BELIEVE AND HAVE MADE EVERY EFFORT TO ENSURE THAT THIS SUMMARY PROVIDES ADEQUATE INFORMATION WITH RESPECT TO THE PLAN, THE SUMMARY DOES NOT PURPORT TO BE COMPLETE AND IS QUALIFIED TO THE EXTENT IT DOES NOT SET FORTH THE ENTIRE TEXT OF THE PLAN. IF THERE IS ANY INCONSISTENCY BETWEEN THE PLAN AND THE SUMMARY OF THE PLAN CONTAINED IN THIS DISCLOSURE STATEMENT, THE PLAN SHALL CONTROL. ACCORDINGLY, EACH HOLDER OF A CLAIM SHOULD REVIEW THE PLAN IN ITS ENTIRETY.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH BANKRUPTCY CODE SECTION 1125 AND BANKRUPTCY RULE 3016 AND NOT IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAW OR OTHER APPLICABLE NONBANKRUPTCY LAW. PERSONS OR ENTITIES TRADING IN OR OTHERWISE PURCHASING, SELLING, OR TRANSFERRING CLAIMS AGAINST THE DEBTORS SHOULD EVALUATE THIS DISCLOSURE STATEMENT AND THE PLAN IN LIGHT OF THE PURPOSE FOR WHICH IT WAS PREPARED. THIS DISCLOSURE STATEMENT SHALL NOT BE CONSTRUED TO BE ADVICE ON THE TAX, SECURITIES, OR OTHER LEGAL EFFECTS OF THE PLAN AS TO HOLDERS OF CLAIMS AGAINST THE DEBTORS.

HOLDERS OF CLAIMS AND INTERESTS SHOULD NOT CONSTRUE THE CONTENTS OF THIS DISCLOSURE STATEMENT AS PROVIDING ANY LEGAL, BUSINESS, FINANCIAL, OR TAX ADVICE. THEREFORE, EACH SUCH HOLDER SHOULD CONSULT WITH ITS OWN LEGAL, BUSINESS, FINANCIAL, AND TAX ADVISORS AS TO ANY SUCH MATTERS CONCERNING THE PLAN AND THE TRANSACTIONS CONTEMPLATED HEREBY.

THERE HAS BEEN NO INDEPENDENT AUDIT OF THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT EXCEPT AS

EXPRESSLY INDICATED HEREIN. THIS DISCLOSURE STATEMENT WAS COMPILED FROM INFORMATION OBTAINED FROM NUMEROUS SOURCES BELIEVED TO BE ACCURATE TO THE BEST OF THE PLAN SPONSORS' AND THEIR PROFESSIONALS' KNOWLEDGE, INFORMATION, AND BELIEF. NO GOVERNMENTAL AUTHORITY HAS PASSED ON, CONFIRMED, OR DETERMINED THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED HEREIN.

AS TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS, AND OTHER ACTIONS OR THREATENED ACTIONS, THIS DISCLOSURE STATEMENT SHALL NOT CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, STIPULATION, OR WAIVER, BUT RATHER AS THE PLAN SPONSORS' STATEMENT OF THE STATUS OF THE RESPECTIVE MATTER.

ALL OF THE PROJECTED RECOVERIES TO CREDITORS CONTAINED IN THIS DISCLOSURE STATEMENT ARE BASED UPON THE ANALYSES PERFORMED BY THE PLAN SPONSORS AND THEIR PROFESSIONALS. ALTHOUGH THE PLAN SPONSORS HAVE MADE EVERY EFFORT TO VERIFY THE ACCURACY OF THE INFORMATION PRESENTED HEREIN AND IN THE EXHIBITS ATTACHED HERETO, THE PLAN SPONSORS CANNOT MAKE ANY REPRESENTATIONS OR WARRANTIES REGARDING THE ACCURACY OF THE INFORMATION.

THE PLAN SPONSORS RECOMMEND THAT CREDITORS SUPPORT AND VOTE TO ACCEPT THE PLAN. THE PLAN SPONSORS CONTEND THAT THE TREATMENT OF CREDITORS UNDER THE PLAN CONTEMPLATES A GREATER RECOVERY THAN THAT WHICH IS LIKELY TO BE ACHIEVED UNDER OTHER ALTERNATIVES FOR THE REORGANIZATION OR LIQUIDATION OF THE DEBTORS. ACCORDINGLY, THE PLAN SPONSORS ASSERT THAT CONFIRMATION OF THE PLAN IS IN THE BEST INTERESTS OF CREDITORS.

EXHIBITS

- Exhibit 1 Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022
- Exhibit 2 Liquidation Analysis
- Exhibit 3 Lifespace Settlement and Contribution Agreement
- Exhibit 4 Lifespace Resident Contribution Schedule

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I. EXECUTIVE SUMMARY

This Executive Summary provides an overview of this Disclosure Statement and the material terms of, and the transactions proposed by, the *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* (as may be further amended, supplemented, or otherwise modified from time to time, the “**Plan**”). The Plan is supported by: (i) UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”), (ii) UMB Bank, N.A., in its capacity as lender under the DIP Credit Agreement (the “**DIP Lender**” and, together with the Trustee, the “**Initial Plan Sponsors**”), (iii) Northwest Senior Housing Corporation d/b/a Edgemere (“**Edgemere**”), (iv) Senior Quality Lifestyles Corporation (“**SQLC**” and together with Edgemere, the “**Debtors**” and together with the Initial Plan Sponsors, the “**Plan Sponsors**”), (v) Lifespace Communities, Inc. (“**Lifespace**”), and (vi) the Official Committee of Unsecured Creditors (the “**Committee**”).² A copy of the Plan is attached hereto as Exhibit 1.³ The Plan Sponsors urge all parties to read this Executive Summary in conjunction with the remainder of this Disclosure Statement and the Plan. The rules of interpretation set forth in Section 1 of the Plan shall govern the interpretation of this Disclosure Statement.

A. Introduction.

Edgemere is a not-for-profit corporation that owns and operates a best-in-class continuing care retirement community (the “**Community**”) on land owned by Intercity Investments Properties, Inc. (the “**Landlord**”) in Dallas, Texas.⁴ The Community offers residents a continuum of care in a campus-style setting, providing living accommodations and related health care and support services to persons aged 62 or older.

As discussed in greater detail below, prior to the Petition Date, the Debtors experienced liquidity constraints that threatened the viability of the Community. On April 14, 2022, Edgemere and SQLC commenced their Chapter 11 Cases seeking relief under Chapter 11 of the Bankruptcy Code. Based upon a Bankruptcy Court order dated October 13, 2022, the Initial Plan Sponsors were granted authority to file a proposed plan of reorganization to resolve outstanding Claims against, and Interests in, the Debtors. On November 2, 2022, the Initial Plan Sponsors filed the *Plan of Reorganization of the Trustee and DIP Lender Dated November 2, 2022* [Docket No. 752] (the “**Initial Plan**”) and the *Disclosure Statement for the Plan of Reorganization of the Trustee and DIP Lender Dated November 2, 2022* [Docket No. 753] (the “**Initial Disclosure Statement**”). Thereafter, settlement discussions among the Initial Plan Sponsors, the Debtors, Lifespace and the Committee resulted in the filing of the Plan and this Disclosure Statement, as further described herein.

The overarching goal of the Plan is to ensure the ongoing viability of the Community such that it can successfully operate for the remainder of the Ground Lease, all while meeting Resident expectations with respect to quality of service and care. To accomplish this goal, the Plan will

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

³ Copies of the Plan, this Disclosure Statement, and all other documents related to the Chapter 11 Cases are available for review without charge on the bankruptcy case website at <https://kccllc.net/edgemere>.

⁴ SQLC is a legacy entity with no business operations but is an obligor under the Original Bonds, and thus, a member of the Obligated Group.

implement the Sale Transaction, pursuant to which substantially all the Debtors' assets will be sold to a Purchaser who will continue running the Community as a going concern.

An initial Purchaser has been selected by the Initial Plan Sponsors and the parties have agreed to an Asset Purchase Agreement, with the initial Purchaser's offer subject to higher and better bids, including through a potential Auction, pursuant to bidding and sale procedures to be filed with the Bankruptcy Court. The initial Purchaser has offered to purchase the Community for \$48.5 million, subject to certain adjustments set forth in the Asset Purchase Agreement. The remaining assets of the Estates shall be transferred to a Litigation Trust to be liquidated for the benefit of creditors.

Consultants have concluded that the Community cannot continue to operate solely as an entrance fee community. An entrance fee model, in the opinion of such consultants, is not feasible and will exacerbate the financial struggles of Edgemere. Accordingly, the Asset Purchase Agreement contemplates the conversion of the Community to a rental model. Pursuant to the Asset Purchase Agreement, all entrance-fee Residency Agreements will be rejected and, subject to regulatory approvals and/or requirements, all Current Residents will be offered a new monthly rental agreement which shall provide similar services to Current Residents as provided prior to the Closing Date.

The Plan will also establish a Litigation Trust, into which all assets of the Debtors not purchased through the Sale Transaction, including the Landlord Litigation and other Retained Causes of Action, will be transferred. The Litigation Trustee will prosecute and liquidate the Litigation Trust Assets, with the proceeds from such liquidation distributed on a Pro Rata basis to Holders of Allowed General Unsecured Claims pursuant to the terms and conditions of the Plan and the Litigation Trust Agreement, which will be included in the Plan Supplement.

The Plan will also include a settlement of all potential Estate, Trustee, DIP Lender and Resident claims against Lifespace in exchange for (i) a \$16.5 million payment (the "**Lifespace Bond Contribution**") to the Trustee on the Effective Date for Distribution to holders of the Original Bonds, pursuant to the terms of the Original Bond Documents, and (ii) subject to certain conditions, annual payments (the "**Lifespace Resident Contributions**") made into a trust (the "**Residents Trust**"), pursuant to the schedule attached hereto as Exhibit 4, which funds shall be used to pay participating Residents for claims relating to their Residency Agreements (the "**Participating Resident Refund Claims**") as further described herein. In exchange for the Lifespace Resident Contributions and the releases provided under the Plan, Lifespace will be entitled to a Pro Rata distribution of Litigation Trust Assets (the "**Lifespace Resident Claim**"), in accordance with the terms of the Plan and the Litigation Trust Agreement.

B. Overview of Financial Challenges Precipitating the Chapter 11 Filings.

As discussed in greater detail herein, Edgemere relies on revenue generated by existing and new Residents to, among other things, maintain its day-to-day operations, service its debt obligations and honor Resident obligations. However, as has become common in the senior living industry and in particular among continuing care retirement communities ("**CCRC**"), Edgemere has faced challenges that have threatened the Debtors' ability to honor their obligations and maintain operational stability. To address certain of those issues, in June 2019, Lifespace

completed an affiliation with SQLC, and Edgemere became an affiliate of Lifespace. However, Edgemere continued to face financial pressure. The Debtors' financial distress has been further exacerbated by actions taken by the Debtors' Landlord, which led to the initiation of adversary proceeding number 22-03040 (the "**Adversary Proceeding**") against the Landlord and its consultant Kong Capital, LLC ("**Kong**"), which Adversary Proceeding is discussed further below. The Landlord and Kong deny that any of their actions contributed to the Debtors' financial distress and dispute all claims asserted in the Landlord Litigation.

C. The Plan and Proposed Sale Transaction.

The Plan contemplates the sale of substantially all of the property in the Estates to a Purchaser, free and clear of all Liens, Claims, charges, or other encumbrances, pursuant to the terms of an Asset Purchase Agreement. The proposed sale process will subject the initial Purchaser's bid of \$48.5 million, subject to certain adjustments set forth in the Asset Purchase Agreement, to higher and better bids, with an Auction to be conducted if a competing qualified bid is received. The Asset Purchase Agreement contemplates the rejection of all Residency Agreements, provided that any Purchaser shall offer to all Current Residents a monthly rental agreement which, subject to regulatory approvals and/or requirements, shall provide similar services to Current Residents as provided prior to the Closing Date.

Upon the Closing of the Sale Transaction, all Net Sale Proceeds therefrom, after payments required under the Plan to pay any unpaid Allowed Administrative Claims, Priority Tax Claims, Professional Claims, DIP Facility Claims, the Dallas County Claim, the Diminution Claim and the U.S. Trustee Fees, shall be paid to the Trustee for Distribution to holders of the Original Bonds, pursuant to the terms of the Original Bond Documents.

D. Creation of the Litigation Trust and Appointment of the Litigation Trustee and Litigation Trust Oversight Committee.

Upon the Effective Date, a Litigation Trust will be formed, into which various Assets of the Debtors, including the Landlord Litigation, shall be transferred. The Litigation Trust shall be established for the purposes of (i) liquidating any non-Cash Litigation Trust Assets; (ii) maximizing recovery of the Litigation Trust Assets for the benefit of the holders of Litigation Trust Interests; (iii) distributing the proceeds of the Litigation Trust Assets to holders of the Litigation Trust Interests in accordance with the Plan and the Litigation Trust Agreement; (iv) prosecuting or otherwise resolving the Retained Causes of Action, including the Landlord Litigation, for the benefit of the holders of the Litigation Trust Interests; and (v) winding down the Chapter 11 Cases as provided in the Plan and the Litigation Trust Agreement.

The Litigation Trustee will act for the benefit of holders of Litigation Trust Interests in a fiduciary capacity. Holders of Litigation Trust Interests shall consist of Holders of Allowed General Unsecured Claims. Holders of Litigation Trust Interests shall receive a Pro Rata share of the Litigation Trust Interests, and associated Distributions, in accordance with the terms of the Plan and the Litigation Trust Agreement.

E. Lifespace Settlement and Contributions.

Lifespace has agreed to enter into the Lifespace Settlement and Contribution Agreement (in substantially the form attached hereto as Exhibit 3), in which Lifespace shall agree to make annual payments to the Residents Trust pursuant to the schedule attached hereto as Exhibit 4. If Participating Resident Refund Claims in any year exceed the amounts available in the Residents Trust, such excess Participating Resident Refund Claims will be paid, in the order they were triggered, upon replenishment of the Residents Trust on the next Lifespace annual payment date. Participating Current Residents (defined below) with life care benefits under their current Residency Agreements shall have the option to utilize amounts owed on their Refund Claims (defined below) to pay any increases in monthly costs resulting from their moving to a higher level of care, in exchange for a dollar-for-dollar reduction in their Resident Claim. In addition, Participating Current Residents may utilize amounts owed on their Refund Claims to pay their entire monthly costs upon a determination that such Participating Current Resident is indigent and unable to pay rental obligations for a dollar-for-dollar reduction in their Resident Claim until that Resident Claim is exhausted.

Lifespace has further agreed to pay \$16.5 million to the Trustee on the Effective Date for Distribution to current holders of the Original Bonds, pursuant to the terms of the Original Bond Documents, as a settlement of any potential claims the Trustee may have against Lifespace.

In exchange for the Lifespace Bond Contribution and the Lifespace Resident Contributions, Lifespace and the other Plan Sponsors, including the Debtors, shall be Released Parties under the Plan. In exchange for such significant contributions, and, in particular, the Lifespace Resident Contributions, the Released Parties shall receive complete and full releases of any and all prepetition claims and any and all obligations that may have arisen prior to the Petition Date, irrespective of whether a claim was asserted by or on behalf of a current or former Resident. For the avoidance of doubt, unless creditors, including Residents, affirmatively opt out of the releases under Section 8.3 of the Plan, released claims will include, without limitation, any breach of contract and or fraudulent transfer claims and, in particular, the claims listed on Attachment 7 to the Schedules filed on May 17, 2022 in these Chapter 11 Cases [Docket No. 241] (as may be amended prior to the Voting Deadline) and as set forth in the following chart:

Case Title	Case Number	Nature of Case	Court Name
Marylin B. Calloway, Christopher C. Calloway, and R.W. Calloway Jr. v. Lifespace Communities, Inc. and Northwest Senior Housing d/b/a the Edgemere	DC-22-03556	Breach of Contract; Fraudulent Transfer	101 st District Court
Northwest Senior Housing Corp. v. David Steve Donosky	DC-21-18245	Broker’s Lien	68 th Civil District Court

Pamela Siviglia; Andrew Adams v. Northwest Senior Housing Corp.; John Faldine; Ann Joyce; Christopher Silasavage; Martha Holloway	DC-22-01814	Contract	68 th Civil District Court
Robert Ogden v. Northwest Senior Housing Corp.	DC-22-01993	Discovery	191 st District Court

NOTWITHSTANDING ANYTHING HEREIN, OR IN THE PLAN, OR IN ANY OTHER AGREEMENT OR DISCLOSURE TO THE CONTRARY, the Purchaser shall have no obligation, duty or other requirement to participate in any aspect of the Residents Trust, including accepting any payments from the Residents Trust, other than to provide periodic reporting to the Residents Trust as required under the Asset Purchase Agreement. Any future rental agreement with any Current Resident will not relate in any way to the Residents Trust, the Lifespace Settlement and Contribution Agreement, or any other provision of the Plan, including but not limited to any payments or adjustments contemplated to Participating Current Residents described herein or otherwise.

Financial information with respect to Lifespace is available on the bankruptcy case website maintained by the claims, solicitation and tabulation agent in these Chapter 11 Cases. The information may be accessed for free by visiting <https://www.kccllc.net/edgemere> and selecting the “Lifespace Financials” tab on the home page. Parties in interest may contact the Voting Agent and/or the undersigned to request a copy of the Master Trust Indenture (as defined in the Lifespace Settlement and Contribution Agreement).

F. Residents Trust.

Upon the Effective Date, a Residents Trust will be formed. The Residents Trust shall be established for the purposes of receiving (i) the Lifespace Resident Contributions, and (ii) the Estates’ rights to enforce the terms of the Lifespace Settlement and Contribution Agreement (collectively, with earnings on deposits, the “**Residents Trust Assets**”); and distributing the proceeds of the Residents Trust Assets to Participating Former Residents and Participating Current Residents in accordance with the terms of the Plan and that certain Residents Trust Agreement, between the Committee and the Debtors, which will be included in the Plan Supplement (the “**Residents Trust Agreement**”).

The Residents Trust Trustee will act for the benefit of holders of the Residents Trust Interests in a fiduciary capacity. Holders of Residents Trust Interests shall consist of Participating Former Residents and Participating Current Residents. Holders of Residents Trust Interests shall receive distributions from the Residents Trust in accordance with the terms of the Plan and the Residents Trust Agreement.

The Lifespace Resident Contributions will be made in annual payments outlined on Exhibit 4 as necessary to pay Participating Residents Refund Claims. The Lifespace Resident Contributions may be deferred under certain financial circumstances more specifically outlined in the Lifespace Settlement and Contribution Agreement in substantially the form attached hereto as Exhibit 3, which generally provides for deferral if any portion of any annual Lifespace Resident Contribution would cause Lifespace Days Cash on Hand to fall below 250 days, in which case such portion can be deferred to the following year. If any such deferral remains outstanding after two years, then it must be paid by Lifespace in full the following year (year three). However, any portion of any payment of the Lifespace Resident Contribution that would cause Lifespace to default under that certain Lifespace Master Trust Indenture (as defined in the Lifespace Settlement and Contribution Agreement) may be deferred until such payment would not trigger a default thereunder.

The Residents Trust Trustee will distribute funds directly to Participating Former Residents and Participating Current Residents pursuant to the terms of the Residents Trust Agreement, and generally as described below.

As stated above, all existing Residency Agreements will be rejected, which triggers a rejection damages claim by both Former Residents and Current Residents against Edgemere in the amount of the contractual refund and any other obligations of Edgemere under the rejected Residency Agreements (the “**Refund Claims**”). The Residents do not need to vacate the Community for Refund Claims to arise under the rejected Residency Agreements. Refund Claims receive the following treatment under the Plan:

Former Residents who do not OPT OUT of the releases under the Plan (referred to as the “**Participating Former Residents**”), will receive payment of their Refund Claim within sixty (60) days of the Refund Trigger Date. It is estimated that after the Residents Trust is established and funded pursuant to the Lifespace Settlement and Contribution Agreement, there will be approximately \$12.8 million in refunds paid to thirty (30) Former Residents that have satisfied the conditions of the Refund Trigger Date shortly after the Plan Effective Date. There are an additional fifty-nine (59) Former Residents where the units have not yet been released, this group is owed approximately \$25.9 million.

Current Residents who do not OPT OUT of the releases under the Plan (referred to as the “**Participating Current Residents**”), will receive payment of their Refund Claim from the Residents Trust within sixty (60) days of the Refund Trigger Date.

“**Refund Trigger Date**” is defined as the date (a) that a Resident vacates the Community, (b) the Residents Trust is informed that such Resident’s unit is re-leased to a new Resident,⁵ and (c) the Residents Trust contains sufficient funds for payment of such Resident’s Refund Claim.

⁵ The Residents Trust shall be informed of units which have been re-leased semi-annually by the Purchaser, which shall be the date the Residents Trust is deemed informed of units which have been re-leased for purposes of the Refund Trigger Date. The Residents Trust Agreement will clarify that any unit is deemed to be re-leased if it is leased for any length of time after the Petition Date.

Participating Former Residents and Participating Current Residents are projected to receive 100% of their Refund Claims from the Residents Trust.

Residents who OPT OUT of the releases under the Plan shall receive a Class 4 General Unsecured Claim in the amount of their Refund Claim.

The new Residency Agreements will not contain life care benefits. However, Participating Current Residents with life care benefits under their existing rejected Residency Agreements will have the option of having the Residents Trust pay any future increase in their monthly fees after the Effective Date resulting from moving to a higher level of care which payments will reduce their Refund Claim dollar for dollar.

G. Entrance Fee Escrow.

As of the Petition Date, the Entrance Fee Escrow held \$15,844,326. As of October 31, 2022, the Entrance Fee Escrow balance held for the benefit of Residents, which excludes interest earned, is \$16,494,326. Within ten (10) days of the Effective Date, funds in the Entrance Fee Escrow shall be returned to those respective Residents that deposited such funds, pursuant to the terms of the Escrow Agreement, in full satisfaction of the Escrow Resident Claims.

H. Purpose of this Disclosure Statement.

The Plan Sponsors have prepared this Disclosure Statement as required by Bankruptcy Code section 1125 and Bankruptcy Rule 3016(c). It is being distributed to assist holders of Claims and Interests in evaluating the Plan, the manner in which Claims and Interests will be treated under the Plan, and whether the Plan satisfies the requirements for confirmation set forth under Bankruptcy Code section 1129. The purpose of this Disclosure Statement is to assist those entitled to vote on the Plan to make an informed judgment when choosing whether to accept or reject the Plan.

This Disclosure Statement describes the background of the Debtors and the significant events leading up to the filing of their Chapter 11 Cases on the Petition Date. It also summarizes the Plan, which divides Claims and Interests into Classes and provides for the treatment of Allowed Claims.

THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE A DETERMINATION WITH RESPECT TO THE MERITS OF THE PLAN. ALL CREDITORS ARE ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND ITS EXHIBITS CAREFULLY AND IN THEIR ENTIRETY BEFORE DECIDING TO VOTE TO ACCEPT OR REJECT THE PLAN.

The summary of the Plan provided herein is qualified in its entirety by reference to the Plan. To the extent that the information provided in this Disclosure Statement and the Plan (including the Plan Supplement) conflict, the terms of the Plan (including the Plan Supplement) will control.

I. The Solicitation Materials.

Only record holders of Claims in Classes 2, 4, 5 and 6 (the “**Voting Classes**”) are entitled to vote on the Plan. Holders of Claims in Voting Classes will receive a solicitation package that will include the following materials (collectively, the “**Solicitation Materials**”):

- a Ballot, which will include the voting instructions, and a postage-prepaid return envelope;
- a copy of this Disclosure Statement with all exhibits, including the Plan, and any other supplements or amendments to these documents, and the Disclosure Statement Order, excluding exhibits;
- a copy of the Confirmation Hearing Notice; and
- any supplemental documents filed with the Bankruptcy Court and any documents that the Bankruptcy Court orders to be included in the Solicitation Materials, including any letters in support of the Plan.

In lieu of the foregoing Solicitation Materials, the Debtors will distribute the following to holders who are not in Voting Classes:

- a form of non-voting status (subject to Court approval);
- a form permitting Residents and other third parties to OPT OUT of the Lifespace Settlement and third-party releases and other provisions set forth under Section 8 of the Plan; and
- a copy of the Confirmation Hearing Notice.

J. The Plan.

1. Purpose and Effect of the Plan.

Chapter 11 of the Bankruptcy Code allows debtors to reorganize or to liquidate and wind up their affairs for the benefit of the debtors and their creditors. Upon the commencement of a chapter 11 case, an estate is created comprised of all the legal and equitable interests of a debtor as of the date the petition is filed, which typically remain in control of the debtor as a debtor-in-possession.

Pursuant to Bankruptcy Code section 362, the filing of a chapter 11 petition imposes an automatic stay of all attempts by creditors or third parties to collect or enforce prepetition claims against a debtor or otherwise interfere with its property or business, unless relief from the automatic stay is obtained from the bankruptcy court.

The Bankruptcy Code is designed to encourage the parties in interest in a chapter 11 proceeding to negotiate the terms of a chapter 11 plan so that it may be confirmed. A chapter 11 plan is the vehicle for satisfying or otherwise addressing the claims against and the interests in the

debtor. Confirmation of a chapter 11 plan makes it binding on the debtor and all of its creditors and the prior obligations owed by the debtor to such parties are compromised in exchange for the obligations specified in the plan.

2. Analysis of Recoveries to Holders of Claims and Interests under the Plan.

The Plan provides for a comprehensive restructuring of the Debtors’ obligations to Holders of Claims and Interests.

After a careful review of current operations and liquidity, prospects as an ongoing business, and estimated recoveries to creditors in alternative scenarios, the Plan Sponsors concluded that the Plan will maximize recoveries to the Debtors’ stakeholders by effectuating the Sale Transaction and stabilizing the Community by providing for the conversion to a rental model. As set forth more fully below, the Plan Sponsors along with Lifespace and the Committee believe that the Plan provides the best recoveries possible for the Debtors’ stakeholders and recommend that, if you are entitled to vote, you vote to accept the Plan.

3. Classification and Treatment of Claims and Interests Under the Plan.

Section 3 of the Plan describes the Classes of Claims and Interests and their treatment under the Plan, which is summarized herein. Allowed Claims (other than Allowed Administrative Claims, Priority Tax Claims, Professional Claims, DIP Facility Claims, the Dallas County Claim, the Escrow Resident Claims, the Diminution Claim and U.S. Trustee Fees) are placed in the following Classes and will receive the following treatment under the Plan:

Summary of Classification and Treatment of Claims Under the Plan

Class	Claim	Estimated Allowed Claims	Status	Voting Rights
1	Other Priority Claims	\$19,182.99	Unimpaired	Deemed to Accept
2	Bond Claims	\$111,728,919.22	Impaired	Entitled to Vote
3	Other Secured Claims	\$0	Unimpaired	Deemed to Accept
4	General Unsecured Claims	\$206,313,419 ⁶	Impaired	Entitled to Vote
5	Participating Former Resident Refund Claims	\$37,101,059.29	Impaired	Entitled to Vote

⁶ Includes (i) an estimated Bond Deficiency Claim of \$60,902,439.22 based upon the initial Purchaser’s offer and the Lifespace Bond Contribution (after payment of other amounts set forth in the Plan), (ii) the \$143,910,979.78 Lifespace Resident Claim (subject to opt-out adjustment), and (iii) vendor claims of approximately \$1,500,000.

6	Participating Current Resident Refund Claims	\$106,809,920.49	Impaired	Entitled to Vote
7	Intercompany Claims	\$5,221,798.74	Impaired	Deemed to Reject
8	Interests in Debtors	N/A	Impaired	Deemed to Reject

4. Summary of Voting Requirements for Plan Confirmation.

a. **In General.**

Creditors should refer only to this Disclosure Statement and the Plan to determine whether to vote to accept or reject the Plan. Under the Bankruptcy Code, only holders of Claims that are “impaired” are entitled to vote to accept or reject the Plan. Under Bankruptcy Code section 1124 of the, a class of claims or interests is deemed to be “impaired” unless (1) the plan leaves unaltered the legal, equitable and contractual rights to which such claim or interest entitles the holder thereof; or (2) notwithstanding any legal right to an accelerated payment of such claim or interest, the plan, among other things, cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy) and reinstates the maturity of such claim or interest as it existed before the default. An Impaired class of creditors votes to accept a plan if the holders of at least two-thirds (2/3) in dollar amount, and more than one-half (1/2) in number, of those creditors that actually cast ballots vote to accept such plan. *See* 11 U.S.C. § 1124. Classes that are not Impaired are not entitled to vote and are deemed to accept a plan. Classes that are not entitled to a Distribution and will not retain property under a plan are deemed to reject a plan.

A class of interest holders is deemed to accept a plan if the holders of at least two-thirds (2/3) in amount of those interest holders that actually cast ballots vote to accept such plan. A class of interest holders is Impaired, not entitled to vote, and deemed to reject the plan if the plan treats such holders by providing that they will retain no property and receive no distributions under the plan.

Pursuant to the Bankruptcy Code, only holders of Claims and Interests who *actually* vote on the Plan will be counted for purposes of determining whether the required number of acceptances have been obtained. Failure to deliver a properly completed Ballot to the Voting Agent by the Voting Deadline will result in an abstention, which means such vote will not be counted.

5. Impaired Classes Entitled to Vote.

The holders of Claims in Classes 2, 4, 5 and 6 are Impaired under the Plan and, thus, such holders are entitled to vote to accept or reject the Plan. However, holders of Claims in Class 7 and holders of Interests in Class 8 will receive no Distribution under the Plan and, thus, are deemed to vote to reject the Plan, as discussed below.

6. Unimpaired Classes Deemed to Accept the Plan.

The holders of Claims in Classes 1 and 3 are Unimpaired under the Plan and, thus, such holders are not entitled to vote as such Class is deemed to accept the Plan.

7. Classes Deemed to Reject the Plan and Do Not Vote.

Holders of Claims in Class 7 and Interests in Class 8 will receive no Distributions on account of such Claims or Interests. Thus, under Bankruptcy Code section 1126(g), Classes 7 and 8 are deemed to have rejected the Plan and the vote of holders of Classes 7 and 8 Claims will not be solicited. *See* 11 U.S.C. § 1126(g).

8. Voting Deadline.

The Voting Agent will assist the Plan Sponsors with the transmission of the Solicitation Materials and the tabulation of votes with respect to the Plan. Holders of Claims classified in voting Classes will have the right to vote to accept or reject the Plan. To be counted, votes *must* be submitted in accordance with the voting instructions, which require such votes to be made in writing and prior to January 20, 2023 at 4:00 p.m. (prevailing Central Time) (the “**Voting Deadline**”). The record date for determining which holders may vote on the Plan is December 15, 2022 (the “**Voting Record Date**”).

9. Voting Instructions.

Bankruptcy Code section 1126(c) defines “acceptance” of a plan by a class of claims as acceptance by creditors in that class that hold at least two-thirds in dollar amount and more than one-half in number of the allowed claims in that class, counting only those claims that actually vote to accept or to reject such plan. *See* 11 U.S.C. § 1126(c).

As stated above, to be counted as votes to accept or reject the Plan, all Ballots must be properly executed, completed, and timely delivered by the Voting Deadline.

Most holders of Claims related to the Original Bonds will submit votes by completing a Ballot and returning it to their specified bank, broker, nominee or other intermediary (a “**Nominee**”). Each Nominee may provide specific instructions to beneficial holders of Bond Claims related with respect to how to complete and submit a Ballot. Such holders will be instructed to return their Ballot to the Nominee to enable the Nominee to complete and submit a master Ballot to the Voting Agent so that it is received by the Voting Deadline. Beneficial holders of Claims related to the Original Bonds should carefully follow the instructions that accompany their Ballot to ensure that it is properly received by the Nominee with sufficient time for the Nominee to complete a master Ballot that can be delivered to the Voting Agent by the Voting Deadline. Voting instructions are more fully described in the Ballots.

Unless otherwise directed by the Bankruptcy Court, all questions as to the validity, form, eligibility (including time of receipt), acceptance, revocation, or withdrawal of Ballots will be determined by the Plan Sponsors in their sole discretion and such determination will be final and binding unless otherwise ordered by the Bankruptcy Court. Once a party delivers a valid Ballot for the acceptance or rejection of the Plan, such party may not withdraw or revoke such acceptance

or rejection without the Plan Sponsors' written consent or an order of the Bankruptcy Court. The Plan Sponsors also reserve the right to reject any and all Ballots not in proper form, if the acceptance of which would, in the opinion of the Plan Sponsors with the advice of its counsel, be unlawful.

The Plan Sponsors further reserve the right to waive any defects or irregularities or conditions of delivery as to any particular Ballot. The interpretation (including the Ballot and the respective instructions therein) by the Plan Sponsors, unless otherwise directed by the Bankruptcy Court, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with deliveries of Ballots must be cured within such time as the Plan Sponsors (or the Bankruptcy Court) determines. Neither the Plan Sponsors nor any other person will be under any duty to provide notification of defects or irregularities with respect to deliveries of Ballots nor will any of them incur any liabilities for failure to provide such notification. Unless otherwise directed by the Bankruptcy Court, delivery of such Ballots will not be deemed to have been made until such irregularities are cured or waived. Ballots previously furnished (and as to which any irregularities have not theretofore been cured or waived) will be invalidated.

If a holder of a Claim casts more than one Ballot with respect to the same Claim prior to the Voting Deadline, the last valid Ballot timely received shall be deemed to reflect the voter's intent and shall supersede and revoke any earlier received Ballot. If a holder of a Claim simultaneously casts inconsistent duplicate Ballots with respect to the same Claim, such Ballots shall not be counted.

10. Additional Information.

If you have any questions about (i) the procedure for voting with respect to your Claim, (ii) the Solicitation Materials that you have received, or (iii) obtaining or replacing a Ballot, the Plan, this Disclosure Statement, any exhibits to such documents, or the Master Trust Indenture (as defined in the Lifespace Settlement and Contribution Agreement), please contact the Voting Agent by (a) calling (866) 967-0269 (toll free) or +1 (310) 751-2669 (international); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; or (c) emailing at EdgemereInfo@kccllc.com with a reference to "Edgemere" in the subject line.

11. The Confirmation and Sale Hearing.

The Initial Plan Sponsors filed a motion to approve this Disclosure Statement [Docket No. 754], wherein the Initial Plan Sponsors requested, among other things, that the Bankruptcy Court schedule a hearing to consider approval of the Sale Transaction and confirmation of the Plan (the "**Confirmation Hearing**") and to approve the proposed form of notice of such Confirmation Hearing. Subject to the Bankruptcy Court's approval, the Plan Sponsors will provide such notice to all necessary parties in accordance with applicable law.

The Confirmation Hearing may be continued from time to time without further notice other than an adjournment announced in open court or a notice of adjournment filed with the Bankruptcy Court and served on any master service list ordered by the Bankruptcy Court and any entities which filed objections to the Plan, without further notice to parties in interest. The Bankruptcy Court, in

its discretion and prior to the Confirmation Hearing, may put in place additional procedures governing the Confirmation Hearing. The Plan may be modified, if necessary, prior to, during, or as a result of the Confirmation Hearing, without further notice to parties in interest.

12. Effect of Confirmation and Consummation of the Plan.

Following Confirmation, subject to the occurrences of certain conditions precedent set forth under Section 9 of the Plan, the Plan will be consummated on the Effective Date. Among other things, on the Effective Date, certain release, injunction, exculpation and discharge provisions set forth in Section 8 of the Plan will become effective and will bind any parties that do not affirmatively elect to opt out. As such, it is important to read the provisions contained in Section 8 of the Plan very carefully so that you understand how confirmation and consummation of the Plan will affect you and any Claim you may hold against the Debtors. **Regardless of whether you are entitled to vote, if you do *not* wish to be a “Releasing Party” as defined in the Plan and/or you do not wish to be bound by the releases, injunctions, and exculpation provisions under Section 8 of the Plan, you *must* affirmatively elect to opt-out.**

II. BACKGROUND INFORMATION

A. Overview of the Debtors’ Business.

Edgemere is an upscale and well-established CCRC that offers senior residents a continuum of care in a luxury campus-style setting, providing living accommodations and related health care and support services to a target market of seniors aged sixty-two (62) and older. Edgemere consists of approximately 304 independent living (“IL”) apartment-style residences in one, two and three-bedroom configurations. Edgemere also houses 68 residential-style assisted living (“AL”) suites, 45 memory support (“MS”) assisted living suites and a skilled nursing Community (“SNF”) with 87 skilled nursing beds, all located on a 16.25 acre campus.

Edgemere primarily receives revenue from entrance fee deposits and monthly service fees. Residents must enter into a Residency Agreement to move into the Community. As of the Petition Date, Edgemere offered the following types of Residency Agreements: life care agreements, assisted living residency agreements, and SNF residency agreements.

B. Organizational Structure of the Debtors.

1. Corporate Governance.

The Debtors are governed by their respective Boards of Directors that are elected by Lifespace, the sole corporate member of the Debtors and a non-profit corporation chartered under the laws of the State of Iowa, a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “IRC”). The current members of the Board of Directors for Edgemere are Stuart Walker, David Stewart, Dana Smith, Jesse Jantzen, and Nick Harshfield. The current members of the Board of Directors for SQLC are Jesse Jantzen, Nick Harshfield and Dana Smith.

2. Management by Lifespace.

Pursuant to that certain Management Services Agreement, dated August 15, 2019, between Edgemere and Lifespace (the “**Management Agreement**”), Lifespace serves as the exclusive manager of the day-to-day operations of Edgemere. The services provided by Lifespace include: (i) determining operating policies, procedures, and standards; (ii) developing advertising, marketing, and sales plan, (iii) establishing food and beverage policies; (iv) establishing all employment policies, including wage and salary terms, benefits, retirement plan, and bonuses; (v) hiring, promoting, supervising, directing, training, transferring, and discharging all of Edgemere’s employees; (vi) negotiating and consummating such agreements as Lifespace deems necessary or advisable for furnishing all utilities, services, supplies, food, beverages, equipment, and other materials and supplies for the maintenance and operation of the Community; (vii) establishing such bank accounts as needed for operation and maintenance of the Community according to GAAP; (viii) developing an annual business plan and an annual budget, specifically including, but not limited to, (a) capital improvements, (b) furniture, fixtures, and equipment, (c) employee compensation and taxes, (d) Community operating costs and administrative expenses, (e) taxes, insurance, bonds, and other expenses, (f) revenues, and (g) fees, rates, and other costs and charges to Residents; (ix) managing and overseeing the Community’s investment portfolio, if any, through an investment advisor selected by Lifespace; (x) providing cash management, accounting, bookkeeping and record keeping software and services for the Community, specifically including, but not limited to (a) Resident billings, (b) accounts payable, (c) accounts receivable, and (d) general ledger records; (xi) providing risk management and compliance services; and (xii) providing other services as may be required by the Community and mutually agreed to by the parties to the Management Agreement from time to time in connection with the development and operation of the Community’s business.

Pursuant to the Management Agreement, Edgemere pays to Lifespace compensation for the performance of the foregoing listed services (the “**Corporate Overhead Fee**”), as defined and set forth in the Management Agreement.

3. CCRC Regulators.

The CCRC industry nationwide is regulated by various state and federal agencies. Each state has a different regulatory scheme governing CCRCs. As a Medicare-certified CCRC operating in the State of Texas, Edgemere is regulated by, among others, the Centers for Medicare and Medicaid Services, the State of Texas Department of Health and the Texas Department of Insurance.

4. Original Bonds.

The development of the Community was financed through the issuance of bonds. At the request of Edgemere and pursuant to that certain Indenture of Trust, dated May 1, 2015 (the “**2015 Bond Indenture**”), between the Tarrant County Cultural Education Facilities Finance Corporation (the “**Issuer**”) and the Bank of New York Mellon Trust Company, National Association, as initial bond trustee, the Issuer authorized and issued the Retirement Community Revenue Bonds (Northwest Senior Housing Corporation – Edgemere Project) consisting of: (a) Series 2015A bonds in the original aggregate principal amount of \$53,600,000 (the “**Series 2015A Bonds**”); and

(b) Series 2015B bonds in the original aggregate principal amount of \$40,590,000 (the “**Series 2015B Bonds**” and together with the Series 2015A Bonds, the “**Series 2015 Bonds**”).

Contemporaneously with the issuance of the Series 2015 Bonds, the Issuer loaned the proceeds of the Series 2015 Bonds to Edgemere, pursuant to a Loan Agreement between Edgemere and the Issuer (the “**2015 Loan Agreement**”), for the purpose of financing and refinancing certain costs relating to the Community, including (a) the refunding of all of the Issuer’s Retirement Community Revenue Bonds (Northwest Senior Housing Corporation – Edgemere Project) Series 2006B, (b) refunding of a portion of the Issuer’s Retirement Community Revenue Bonds (Northwest Senior Housing Corporation – Edgemere Project) Series 2006A, (c) funding a portion of interest during construction, (d) funding debt service reserve funds, and (e) paying a portion of the cost of the issuances.

At the request of Edgemere and pursuant to that certain Indenture of Trust, dated March 1, 2017 (the “**2017 Bond Indenture**”), between the Issuer and the Bank of New York Mellon Trust Company, National Association, as initial bond trustee, the Issuer authorized and issued the Retirement Community Revenue Bonds (Northwest Senior Housing Corporation – Edgemere Project) consisting of Series 2017 bonds in the original aggregate principal amount of \$21,685,000 (the “**Series 2017 Bonds**” and together with the Series 2015 Bonds, the “**Original Bonds**”).

Contemporaneously with the issuance of the Series 2017 Bonds, the Issuer loaned the proceeds of the Series 2017 Bonds to Edgemere, pursuant to a Loan Agreement between Edgemere and the Issuer (the “**2017 Loan Agreement**”), for the purpose of financing and refinancing certain costs relating to the Community, including (a) the refunding of all of the Issuer’s Retirement Community Revenue Bonds (Northwest Senior Housing Corporation – Edgemere Project) Series 2006A, (b) funding debt service reserve fund, and (c) paying a portion of the cost of the issuance.

Prior to the Petition Date, Edgemere defaulted on the Original Bonds by, among other things, failing to meet the debt service coverage covenant in 2019 and 2020. Failing to satisfy this covenant for two consecutive fiscal years constitutes an event of default on the Original Bonds. Additionally, to preserve liquidity, Edgemere ceased making payments on its obligations under the Original Bonds in October 2021.

As of the Petition Date, the outstanding principal amount owed by the Obligated Group on account of the Original Bonds as of the Petition Date is approximately \$111,728,919.22 plus unliquidated fees and expenses. As set forth in the DIP Orders, the Bond Claims are secured by first priority liens on substantially all of the Debtors’ assets, including (i) all revenue, accounts, accounts receivable, and Gross Revenues (as defined in the Original Master Indenture) of Edgemere; (ii) all general intangibles, equipment, inventory and other personal property of Edgemere; (iii) Edgemere’s leasehold interest created by Ground Lease, including Edgemere’s interests in the Premises, Land and Existing Improvements (as each are defined in the Ground Lease), and any and all appurtenances, rights and benefits relating thereto and to the use and occupancy thereof; and (v) all funds held in the various accounts established under the Original Bond Documents.

5. Other Debt.

Based on filings by the Debtors in these Chapter 11 Cases, as of April 14, 2022, Edgemere had the following approximate liabilities (other than obligations relating to the Original Bonds): (i) \$1,321,000 of trade accounts payable; (ii) \$1,500,000 of non-contingent Resident refund claims; (iii) \$158,000,000 of entrance fee liabilities (including contingent and untriggered liabilities); and (iv) \$5,351,798.91 of liabilities to non-debtor Affiliates.

III. EVENTS LEADING TO THE CHAPTER 11 CASES

The Debtors rely on revenue generated by existing and new residents to, among other things, maintain day-to-day operations, service debt obligations and honor Resident obligations. However, for some time Edgemere has faced challenges that have threatened its ability to honor its obligations and maintain operational stability, including optimal occupancy levels.

In June 2019, Lifespace entered into an affiliation agreement pursuant to which Lifespace became the new sole member of Edgemere.

When the COVID-19 pandemic began, it severely disrupted the senior living industry, especially because older adults are particularly vulnerable to the effects of COVID-19. As a result, Edgemere incurred significant, additional costs, including those necessary to retain qualified staff and purchase personal protective equipment. In addition to increasing costs, the pandemic caused occupancy rates to drop. In response, Edgemere engaged professionals, including restructuring counsel, who retained consultants, including FTI Consulting, Inc. (“FTI”) to assist with efforts to stabilize Edgemere’s operations and financial circumstances.

In addition to negotiating with the Trustee and the Landlord toward a restructuring of the debt under the Original Bonds and the Ground Lease, the Debtors implemented a new escrow structure to allow the Community to continue an improved marketing program while providing new Residents who choose to enter into a Residency Agreement that their deposits and entrance fees would be protected during Edgemere’s time of financial distress. As of September 27, 2021, any new entrance fees received were deposited into an escrow account pursuant to the Escrow Agreement. This change is typical among distressed “entrance fee model” CCRCs as a safeguard to protect new Resident deposits and entrance fees and encourage and promote new sales.

By the fourth quarter of 2021, the Debtors’ sales performance had improved in comparison to the fourth quarter of 2020. Nevertheless, liquidity constraints persisted, in part, because deposits and entrance fees received on or after September 27, 2021 were not available to cover operating expenses.

In September 2021, the Debtors did not make the monthly rent payment under the Ground Lease. Following the Ground Lease default, the parties agreed to commence negotiations regarding a potential Ground Lease restructuring. To evaluate such a restructuring, Edgemere provided Landlord confidential information pursuant to that certain Confidentiality and Non-Disclosure Agreement, dated September 7, 2021 (the “NDA”) which NDA restricted the Landlord’s ability to use confidential information provided pursuant to the NDA.

Over the next several months, the Debtors, Lifespace, the Trustee, and the Landlord engaged in discussions regarding the Original Bonds and the Ground Lease, with the purported aim of reaching a global resolution that would permit the Community to stabilize and continue its mission while also satisfying obligations to the Landlord and the Trustee. Throughout this process, in reliance on the NDA, the Debtors shared confidential information with the Landlord. The Landlord acknowledges that certain of the information it received pursuant to the NDA was confidential and proprietary, but asserts that most of the information was available through non-confidential sources. The Debtors, Lifespace, the Trustee, and the Landlord also negotiated a forbearance agreement to facilitate the restructuring discussions. This forbearance agreement required, among other things, that Edgemere would provide a Ground Lease restructuring term sheet to the Landlord and, in turn, the Landlord would provide substantive responses thereto. The Landlord denies it was required to provide a response to any term sheet related to the Ground Lease. Edgemere complied by providing the contemplated term sheet; the Landlord did not respond. The Debtors assert that the Landlord received monetary benefits under the forbearance agreement and obtained Edgemere's confidential information, subject to the NDA, after which the Landlord repudiated the forbearance agreement and refused to provide a substantive response to the term sheet; the Landlord denies these assertions or any wrongdoing.

Additionally, as alleged in the Complaint commencing the Landlord Litigation, the Landlord, directly or through its consultant Kong, improperly disclosed and otherwise used Edgemere's confidential information in violation of the NDA, including causing the Dallas Morning News ("DMN") to publish negative news articles about Edgemere based on confidential information provided by the Landlord and/or Kong.⁷ The Landlord and Kong deny each of these statements as set forth in its answer to the Complaint. *See* Adv. Docket No. 130. Immediately after the first DMN article was published, inquiries from prospective residents completely dried up. As a result, the Debtors filed these Chapter 11 Cases.

In the lead up to the Chapter 11 Cases and thereafter, the Debtors and their advisors explored various ways to improve the Community's financial performance, including by evaluating different entrance fee and rental models. Various consultants have concluded that the Community can no longer operate as an entrance fee model and that the best way to stabilize the Community is to transition to a rental model.

IV. THE CHAPTER 11 CASES

A. First Day Pleadings.

On the Petition Date, the Debtors commenced the Chapter 11 Cases by filing voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. In conjunction therewith, the Debtors filed certain "first day motions." Among other things, the Debtors requested that the Bankruptcy Court enter orders (i) protecting Resident and patient confidentiality; (ii) authorizing the Debtors to continue their cash management system, including intercompany accounting protocol and procedure; (iii) permitting the Debtors to pay employees on account of prepetition work and services rendered and to continue benefit and compensation programs throughout the Chapter 11 Cases; (iv) prohibiting utility companies from discontinuing services; (v) allowing the

⁷ The Landlord and Kong dispute the allegations in the Complaint.

Debtors to continue to escrow entrance fees and maintaining Resident refund programs; and (vi) paying prepetition taxes and fees; and (vii) maintaining insurance policies and paying related obligations. *See* Docket Nos. 10, 11, 15, 17, 18, 19, and 20. These motions were supported by the *Declaration of Nick Harshfield in Support of Chapter 11 Petition and First Day Pleadings* [Docket No. 7].

The Bankruptcy Court conducted hearings and entered Orders with respect to each of the first day motions. *See* Docket Nos. 98, 220, 221, 223, 224, 323, and 393.

B. Cash Collateral and DIP Financing.

On the Petition Date, the Debtors filed the *Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Use of Cash Collateral, (II) Authorizing Post-Petition Financing, (III) Granting Adequate Protection, (IV) Modifying the Automatic Stay, (V) Scheduling the Final Hearing and Approving the Form and Method of Notice thereof, and (VI) Granting Related Relief* [Docket No. 35]. Thereafter, the Bankruptcy Court entered the DIP Orders, which include the *Final Order (1) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; and (4) Granting Liens, Security Interests and Superpriority Claims* (as further amended, the “**DIP Orders**”) [Docket No. 421].

The DIP Orders, among other things, allow the Debtors to (i) use the Trustee’s Cash Collateral to maintain the Community and pay necessary business operations expenses, and (ii) obtain financing through the DIP Facility on the terms set forth in the DIP Credit Agreement and in the DIP Orders. The DIP Orders also granted the DIP Lender first priority security interests (senior to all other liens, including those securing the Bond Claims) on substantially all of the Debtors’ assets to secure the DIP Facility Claims, and granted the Trustee Supplemental Liens on substantially all of the Debtors’ assets to the extent of Diminution (as each are defined in the DIP Orders), along with a superpriority administrative expense claim to the extent of Diminution.

C. Schedules, Statements, and Rule 2015.3 Reports.

On April 19, 2022, following a hearing on the Debtors’ motion requesting an extension of the filing deadline, the Bankruptcy Court entered its *Order Extending the Time to File (I) Schedules of Assets and Liabilities, (II) Statements of Financial Affairs, and (III) Reports of Financial Information Required under Bankruptcy Rule 2015.3* [Docket No. 90].

On May 17, 2022, the Debtors filed their *Schedules and Statements of Financial Affairs*. *See* Docket Nos. 240 and 241; Case No. 22-30660, Docket Nos. 19 and 20. On June 1, 2022, Edgemere filed its *Initial Periodic Report of Debtors pursuant to Bankruptcy Rule 2015.3* [Docket No. 346]. On June 24, 2022, SQLC filed its *Initial Periodic Report of Debtor Senior Quality Lifestyles Corporation pursuant to Bankruptcy Rule 2015.3* [Case No. 22-30660, Docket No. 23].

D. Retention of Debtors’ Professionals.

The Bankruptcy Court has approved the Debtors’ retention and employment of the following Professionals in these Chapter 11 Cases: (i) Polsinelli PC, as restructuring counsel [Docket No. 226]; (ii) FTI, as financial advisor [Docket No. 227]; (iii) Kurtzman Carson

Consultants LLC as claims, noticing, and solicitation agent [Docket Nos. 110]; and (iv) Assessment Technologies, Ltd. d/b/a A.T. Tax Advisory, as property tax consultant [Docket No. 434].

E. Patient Care Ombudsman.

The U.S. Trustee appointed Susan N. Goodman as the Patient Care Ombudsman (the “PCO”) in these Chapter 11 Cases pursuant to Bankruptcy Code section 333. *See* Docket No. 137. On June 2, 2022, the PCO filed the *Patient Care Ombudsman’s First Interim Report*. *See* Docket No. 364. On August 2, 2022, the PCO filed the *Patient Care Ombudsman’s Second Interim Report*. *See* Docket No. 504. On October 4, 2022, the PCO filed the *Patient Care Ombudsman’s Third Interim Report*. *See* Docket No. 681.

F. Appointment of the Committee.

The U.S. Trustee appointed an official committee of unsecured creditors (the “Committee”) pursuant to Bankruptcy Code section 1102(a)(1). *See* Docket Nos. 135, 142, and 150. The Committee is comprised of the following: Donald R. Trice, James Eckelberger, James A. Smith, Erle A. Nye, Jane Sommerhalder Wilson, and Steve Helbing.⁸ The Bankruptcy Court has approved the Committee’s retention and employment of the following Professionals in these Chapter 11 Cases: (i) Foley & Lardner LLP, as Committee counsel [Docket No. 429]; and (ii) Ankura Consulting Group, LLC, as the Committee’s financial advisor [Docket No. 514].

G. The Adversary Proceeding

As noted above, the Debtors allege their financial distress has been further exacerbated by actions taken by the Landlord. As a result, on the Petition Date Edgemere filed its complaint (the “Complaint”) against the Landlord and its consultant Kong, commencing the Adversary Proceeding in the Chapter 11 Cases. Edgemere alleges in the Complaint that the Landlord and Kong engaged in an unlawful scheme to destroy the Community. The Complaint alleges causes of action against the Landlord and Kong for breach of contract, promissory fraud, tortious interference with existing and prospective contractual and business relations, civil conspiracy, equitable subordination, and reformation of the Ground Lease. On September 7, 2022, the Landlord and Kong answered the Complaint denying the allegations, asserting affirmative defenses, and asserting three counterclaims: fraudulent inducement, slander of title, and breach of lease. The Landlord Litigation remains ongoing and will be transferred to the Litigation Trust under the Plan.

H. Challenges.

On July 12, 2022, the Committee filed the *Original Complaint*, commencing Case No. 22-03073-mvl and challenging the Bond Claims and related Liens under Bankruptcy Code section 544 (the “Committee Challenge”). The Committee Challenge has been abated on multiple occasions, most recently on November 29, 2022 for an additional sixty days. Furthermore, challenges were filed by certain former Residents and their estates against the Initial Plan Sponsors’ Liens, security interests, and adequate protection granted under the DIP Orders and the

⁸ Pamela Siviglia is no longer a member of the Committee.

Entrance Fee Escrow Order (collectively, the “**Resident Challenges**”). See Docket Nos. 448, 449, 456, 457, 467, 544. On September 2, 2022, the Court abated the Resident Challenges pending further notice of the parties. See Docket No. 605. Upon the Effective Date, the Committee Challenge and the Resident Challenges will be dismissed with prejudice.

I. Termination of Exclusivity.

Pursuant to the *Motion of Debtors for Entry of an Order Extending the Exclusivity Period for the Filing of a Chapter 11 Plan* [Docket No. 534], the Debtors sought to extend the period by which only the Debtors could file a chapter 11 plan to February 8, 2023. Such motion was objected to by the Landlord [Docket No. 602], the Committee [Docket No. 634] and the Initial Plan Sponsors [Docket No. 639]. Following a hearing on the motion, the Bankruptcy Court held the Debtors’ exclusivity period would terminate on October 26, 2022, and that, beginning on October 27, 2022, the Initial Plan Sponsors and/or Lifespace could each file chapter 11 plans.

J. Competing Plans.

On November 2, 2022, the Initial Plan Sponsors filed the Initial Plan and the Initial Disclosure Statement, along with other supporting documents. Also on November 2, 2022, the Debtors and the Committee filed the *Joint Plan of Reorganization Proposed by the Committee and the Debtors* [Docket No. 750] (the “**Debtors’ Plan**”) and the *Disclosure Statement in Support of Joint Plan of Reorganization Proposed by the Committee and the Debtors* [Docket No. 751] (the “**Debtors’ Disclosure Statement**”).

K. Global Resolution Resulting in Third Amended Plan and Disclosure Statement.

Since the filing of the competing plans, the Plan Sponsors, Lifespace and the Committee have worked to reach a global resolution that would allow for a largely consensual plan process. Following a series of negotiations, the Plan Sponsors, Lifespace and the Committee agreed to modify the Initial Plan Sponsors’ Plan and Disclosure Statement as set forth herein, including to incorporate the Lifespace Bond Contribution and the Lifespace Resident Contributions, and the Debtors and Committee agreed to withdraw the Debtors’ Plan and Debtors’ Disclosure Statement.

L. Initial Purchaser Disclosures

Bay 9 Holdings LLC has been identified as the initial Purchaser under the Plan. The initial Purchaser is ultimately owned, directly or indirectly, by one or more funds managed or advised by Lapis Advisers, LP (“**Lapis**”), who is also a holder of the Original Bonds. Lapis is a San Francisco based investment firm with over a decade of experience in successful healthcare turnarounds in the municipal bond space, having raised over \$1.2 billion in aggregate investor commitments. Since its inception in 2009, Lapis has invested in over forty life plan and rental senior living communities, including several communities located in Texas. Through its equity ownership, Lapis has significant experience in investing in, operating, and turning around senior living special situations and is uniquely situated to ensure the Community maintains its quality of care to Residents and meets its obligations under the Plan, including as to employees, assumed Executory Contracts and assumed liabilities pursuant to the Asset Purchase Agreement.

Backed by Lapis, the initial Purchaser has the committed financial resources necessary to both close on an all-cash purchase of the Community as contemplated by the Asset Purchase Agreement, and to maintain and successfully operate the Community on a go-forward basis. More specifically, the initial Purchaser has access to committed funds in excess of the \$48.5 million purchase price for acquisition of the Community. Additionally, the initial Purchaser is committed to maintaining and improving the Community. The initial Purchaser is in the process of developing a detailed capital improvement plan to advance those goals, which plan has been informed by an extensive assessment of the Community undertaken by Arch Consultants, Ltd. While details of its capital improvement plan continue to be developed, if the initial Purchaser is the ultimate Purchaser, it anticipates dedicating several million dollars to capital expenditure improvements over time, such as HVAC improvements, roofing, exterior and interior updates, and system updates. These capital improvements are in addition to typical apartment refurbishments and upgrades made when a unit is leased to a new resident.

As part of its commitment to ensuring that the Community will thrive if purchased by the initial Purchaser, the initial Purchaser has identified The Long Hill Company (“**Long Hill**”) to serve as the third-party manager of the Community. The initial Purchaser and Long Hill have dedicated significant resources to jointly develop appropriately conservative financial projections to ensure a successful transition to new ownership and management for the Community. Long Hill specializes in turnaround management and, for over twenty years, has served as a traditional full-service manager, court-appointed receiver, and advisory consultant. Long Hill’s management team has a long track record of stabilizing troubled situations in skilled nursing, assisted living, hospice, and continuing care communities. Long Hill’s transactions have ranged from single-site projects to large portfolios across multiple states.

Long Hill and its subsidiaries provide full-service management services to seventeen senior living communities, eleven of which are located in Texas and are comprised of 1,262 units of independent living, assisted living and memory care. A member of Long Hill’s key management team has served as a board member for a chain of twenty-two skilled nursing facilities in Texas. Another key management team member has served as the CEO of a hospice organization with multiple Texas sites of care. While review of the future needs of the Community is ongoing, Long Hill anticipates retaining many of the on-site leadership team members at the Community to provide continuity in care and programming to current and future Residents. Based upon Long Hill’s track record, commitment to quality patient care and the depth and knowledge of its team, the initial Purchaser is confident that Long Hill will provide a reliable and successful management of the Community.

V. THE CHAPTER 11 PLAN

THIS SECTION PROVIDES A SUMMARY OF THE STRUCTURE, CLASSIFICATION, TREATMENT AND IMPLEMENTATION OF THE PLAN, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN, WHICH IS ATTACHED TO THIS DISCLOSURE STATEMENT AS EXHIBIT 1.

The Claims against the Debtors are divided into Classes according to their seniority and other criteria. The Classes of Claims and Interests against the Debtors and their Estates and the funds and other property to be distributed under the Plan are described more fully below.

THE PLAN SPONSORS BELIEVE THAT THE PLAN AFFORDS CREDITORS THE POTENTIAL FOR THE GREATEST REALIZATION OF THE VALUE OF THE DEBTORS' ASSETS.

A. Treatment of Claims and Interests Under the Plan.

1. Unclassified Administrative and Priority Claims.

a. **Administrative Claims.**

Unless a holder of an Allowed Administrative Claim and the Plan Sponsors before the Effective Date agree to less favorable treatment, each holder of an Allowed Administrative Claim will be paid the full unpaid amount of such Allowed Administrative Claim in Cash: (i) if such Allowed Administrative Claim is based on liabilities that the Debtors incurred in the ordinary course of business after the Petition Date, on the Effective Date or in accordance with the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claim, in the Plan Sponsors' discretion, and without any further action by any holder of such Allowed Administrative Claim; (ii) if such Allowed Administrative Claim is due on the Effective Date, or, if such Allowed Administrative Claim is not due as of the Effective Date, on the date that such Allowed Administrative Claim becomes due or as soon as reasonably practicable thereafter; (iii) if an Administrative Claim is not Allowed as of the Effective Date, on the date that is no later than thirty (30) days after the date on which an order allowing such Administrative Claim becomes a Final Order of the Bankruptcy Court or as soon as reasonably practicable thereafter; or (iv) at such time and upon such terms as set forth in a Final Order of the Bankruptcy Court.

To be eligible to receive Distributions under the Plan on account of an Administrative Claim that is not otherwise Allowed by the Plan, a request for payment of an Administrative Claim must be filed with the Bankruptcy Court on or before the Administrative Claims Bar Date. Any Administrative Claim that is not asserted in accordance herewith shall be deemed disallowed under the Plan and shall be forever barred against the Debtors, the Debtors' Estates, or any of the Debtors' Assets or property, and the holder thereof shall be enjoined from commencing or continuing any action, employment of process or act to collect, offset, recoup or recover such Claim. For the avoidance of doubt, holders of the DIP Facility Claims, the Escrow Resident Claims and the Diminution Claim shall not be required to file an Administrative Claim for the allowance and satisfaction of such Claims.

b. **Professional Claims.**

All Professionals seeking payment of Professional Claims shall (i) file their respective final applications for allowance of compensation for services rendered and reimbursement of expenses incurred in the Chapter 11 Cases by the date that is forty-five (45) days after the Effective Date and (ii) be paid (a) the full unpaid amount as is Allowed by the Bankruptcy Court within five (5) Business Days after the date that such Claim is Allowed by order of the Bankruptcy Court, or (b) upon such other terms as may be mutually agreed upon between the holder of such an Allowed Professional Claim and the Plan Sponsors; provided however that Professional Claims shall be cumulatively capped at \$1.5 million from the period of December 1, 2022 through the Effective Date, with holders of Professional Claims sharing Pro Rata in the \$1.5 million in the event

Professional Claims exceed the cap. Any Professional Claim that is not asserted in accordance with Section 2.2 of the Plan or that exceed the cap shall be deemed disallowed under the Plan and shall be forever barred against the Plan Sponsors, the Debtors' Estates, or any of the Debtors' Assets or property, and the holder thereof shall be enjoined from commencing or continuing any action, employment of process or act to collect, offset, recoup or recover such Claim. All Professionals seeking payment of Professional Claims for amounts arising through November 30, 2022 shall file their respective interim fee applications for allowance of compensation for services rendered and reimbursement of expenses incurred in the Chapter 11 Cases through November 30, 2022 within twenty-one (21) days of entry of the Confirmation Order.

c. **Priority Tax Claims.**

In accordance with Bankruptcy Code section 1123(a)(1), Priority Tax Claims have not been classified and are treated as described in Section 2 of the Plan. Unless otherwise agreed by the holder of an Allowed Priority Tax Claim, any Person holding an Allowed Priority Tax Claim will receive, as determined by the Plan Sponsors in their sole discretion and in full satisfaction of such Claim, payment in Cash in full on the later of (i) the Effective Date, or as soon as reasonably practicable thereafter as determined by the Litigation Trustee, or (ii) the first Business Day after the date that is thirty (30) calendar days after the date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon thereafter as is reasonably practicable.

d. **U.S. Trustee Fees.**

U.S. Trustee Fees will be paid in full by the Debtors and the Litigation Trustee, as applicable, as they become due and owing.

e. **Escrow Resident Claims.**

As of the Petition Date, the Entrance Fee Escrow held \$15,844,326. As of October 31, 2022, the Entrance Fee Escrow balance held for the benefit of Residents, which excludes interest earned, is \$16,494,326. Within ten (10) days of the Effective Date, funds in the Entrance Fee Escrow shall be returned to those respective Residents that deposited such funds, pursuant to the terms of the Escrow Agreement, in full satisfaction of the Escrow Resident Claims.

f. **DIP Facility Claims.**

The DIP Facility Claims shall be deemed Allowed Secured Claims and superpriority Administrative Claims in the full amount due and owing under the DIP Credit Agreement as of the Effective Date. The DIP Facility Claims shall be satisfied in full from Cash available on the Effective Date.

g. **Diminution Claim.**

The Diminution Claim shall be deemed an Allowed superpriority Administrative Claim in the full amount due and owing under the DIP Orders as of the Effective Date. The Diminution Claim shall be satisfied in full from Cash available on the Effective Date. Such Diminution Claim is at least the amount due under the DIP Facility.

h. **Dallas County Claim.**

The 2022 tax claim of Dallas County, in the amount of \$26,856.19 (the “**Dallas County Claim**”), shall be deemed an Allowed Secured Claim as of the Effective Date. The Dallas County Claim shall be satisfied in full from Cash available on the Effective Date.

2. Classification of Claims and Interests.

Except as set forth in the Plan, all Claims against and Interests in the Debtors are placed in a particular Class. The Debtors have not classified Administrative Claims, Priority Tax Claims, Professional Claims, DIP Facility Claims, the Dallas County Claim, the Escrow Resident Claims, the Diminution Claim or U.S. Trustee Fees.

Subject to all other applicable provisions of the Plan (including its Distribution provisions), classified Claims shall receive the treatment described in Section 3 of the Plan. The Plan will not provide any Distributions on account of a Claim to the extent that such Claim has been disallowed, released, withdrawn, waived, or otherwise satisfied or paid as of the Effective Date, including, without limitation, payments by third parties.

The following table designates the Classes of Claims against and Interests in the Debtors and specifies which of those Classes are: (i) Impaired or Unimpaired by the Plan; (ii) entitled to vote to accept the Plan; (iii) deemed to reject the Plan; or (iv) deemed to accept the Plan.

Class	Claim	Estimated Allowed Claims	Status	Voting Rights
1	Other Priority Claims	\$19,182.99	Unimpaired	Deemed to Accept
2	Bond Claims	\$111,728,919.22	Impaired	Entitled to Vote
3	Other Secured Claims	\$0	Unimpaired	Deemed to Accept
4	General Unsecured Claims	\$206,313,419 ⁹	Impaired	Entitled to Vote
5	Participating Former Resident Refund Claims	\$37,101,059.29	Impaired	Entitled to Vote
6	Participating Current Resident Refund Claims	\$106,809,920.49	Impaired	Entitled to Vote
7	Intercompany Claims	\$5,221,798.74	Impaired	Deemed to Reject

⁹ Includes (i) an estimated Bond Deficiency Claim of \$60,902,439.22 based upon the initial Purchaser’s offer and the Lifespace Bond Contribution (after payment of other amounts set forth in the Plan), (ii) the \$143,910,979.78 Lifespace Resident Claim (subject to opt-out adjustment), and (iii) vendor claims of approximately \$1,500,000.

8	Interests in Debtors	N/A	Impaired	Deemed to Reject
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3. Treatment of Claims and Interests.

a. **Other Priority Claims (Class 1).**

In accordance with the Proofs of Claim on file, there are asserted priority claims in the amount of \$19,182.99. To the extent that such Claims have been or will be Allowed, Class 1 Claims will be Unimpaired and not entitled to vote on the Plan. Except to the extent that a holder of an Allowed Other Priority Claim has agreed to a different treatment of such Claim, each such holder shall receive, in full satisfaction of such Allowed Other Priority Claim, Cash in an amount equal to such Allowed Other Priority Claim, on or as soon as reasonably practicable after the later of (i) the Effective Date; (ii) the date the Other Priority Claim becomes an Allowed Claim; or (iii) the date for payment provided by any agreement or arrangement between the Plan Sponsors and the holder of the Allowed Other Priority Claim.

b. **Bond Claims (Class 2).**

Class 2 is Impaired and entitled to vote on the Plan. This Class consists of all Bond Claims and includes all Claims of the holders of the Series 2015 Bonds and the Series 2017 Bonds, which Claims shall be deemed Allowed pursuant to the Plan in the aggregate principal amount of \$109,185,000, plus accrued and unpaid interest as of the Petition Date in the amount of \$2,543,919.22. On the Effective Date, the Net Sale Proceeds after payment of Allowed Administrative Claims, Priority Tax Claims, Professional Claims, DIP Facility Claims, the Dallas County Claim, the Diminution Claim and U.S. Trustee Fees, shall be paid to the Trustee, which funds shall be disbursed to holders of the Bond Claims in accordance with the Original Bond Documents. Further, the Lifespace Bond Contribution will be paid to the Trustee on the Effective Date, which funds shall be disbursed to holders of the Bond Claims in accordance with the Original Bond Documents. Assuming no competing qualified bids are received and the Sale Transaction with the initial Purchaser closes, Holders of Bond Claims are estimated to receive Distributions of approximately 40% of their Bond Claims. The Bond Deficiency Claim shall be treated on a Pro Rata basis with holders of Allowed General Unsecured Claims.

c. **Other Secured Claims (Class 3).**

This Class consists of all Other Secured Claims against the Debtors. In accordance with Debtors' books and records, no Class 3 Claims exist. To the extent that such Claims have been or will be asserted and Allowed, Class 3 Claims will be Unimpaired and not entitled to vote on the Plan. In full satisfaction of an Allowed Other Secured Claim, on the later of the Effective Date and the date on which the Other Secured Claim is Allowed, each holder of an Allowed Other Secured Claim shall receive, at the sole and exclusive option of the Plan Sponsors: (i) Cash equal to the amount of such Claim; (ii) return of the underlying collateral related to their Claims; or (iii) treatment of such Allowed Other Secured Claim in any other manner that renders the Claim Unimpaired, including Reinstatement.

d. **General Unsecured Claims (Class 4).**

Class 4 is Impaired and entitled to vote on the Plan. This Class consists of all General Unsecured Claims, including Class 5 and 6 Refund Claims of Residents who OPT OUT of the Lifespace Settlement and the releases under Section 8 of the Plan, and including vendor claims of approximately \$1,500,000, the Bond Deficiency Claim and the Lifespace Resident Claim. Allowed General Unsecured Claims shall be paid a Pro Rata share of the Litigation Trust Proceeds. Holders of Allowed General Unsecured Claims are estimated to receive Distributions ranging from 0% to 50% of their Allowed General Unsecured Claims, depending on the outcome of the Landlord Litigation and the liquidation of other Litigation Trust Assets.

e. **Participating Former Resident Refund Claims (Class 5).**

Class 5 is Impaired and entitled to vote on the Plan. This Class consists of the Refund Claims of Participating Former Residents, who, for the avoidance of doubt, no longer reside at Edgemere as of the Voting Record Date. The Residency Agreements of Former Residents shall be rejected, and the holders of Allowed Class 5 Claims who OPT OUT of the Lifespace Settlement and the releases under Section 8 of the Plan shall receive a Class 4 General Unsecured Claim in an amount equal to their Refund Claim. Former Residents who do not OPT OUT of the Lifespace Settlement and the releases under Section 8 of the Plan (i.e. Participating Former Residents) shall receive Cash from the Residents Trust within sixty (60) days of the Refund Trigger Date in an amount equal to their Refund Claim.

f. **Participating Current Resident Refund Claims (Class 6).**

Class 6 is Impaired and entitled to vote on the Plan. This Class consists of the Refund Claims of Participating Current Residents, who, for the avoidance of doubt, reside at Edgemere, as of the Voting Record Date. The Residency Agreements of Current Residents shall be rejected, and the holders of Allowed Class 6 Claims who OPT OUT of the Lifespace Settlement and the releases under Section 8 of the Plan shall receive a Class 4 General Unsecured Claim in an amount equal to their Refund Claim. Current Residents who do not OPT OUT of the Lifespace Settlement and the releases under Section 8 of the Plan (i.e. Participating Current Residents) shall receive payment of their Refund Claim from the Residents Trust within sixty (60) days of the Refund Trigger Date in an amount equal to their Refund Claim.

g. **Intercompany Claims (Class 7).**

Class 7 is Impaired and not entitled to vote on the Plan. This Class consists of all Claims held by Lifespace against the Debtors. Class 7 Claims shall be waived and released and Lifespace, as holder of such Claims, shall receive no Distribution on account of Class 7 Claims.

h. **Interest in Debtors (Class 8).**

Class 8 is Impaired and deemed to reject the Plan. This Class consists of Interests of Lifespace in the Debtors, which Interests shall be terminated on the Effective Date.

4. Subordinated Claims.

The allowance, classification, and treatment of all Allowed Claims and Interests and the respective Distributions and treatments under the Plan take into account the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, Bankruptcy Code section 510(b), or otherwise. For purposes of Bankruptcy Rule 7001(8), the Plan provides for subordination. The Litigation Trustee, as set forth herein, shall have the right to subordinate any Claim in accordance with any contractual, legal, or equitable subordination relating thereto under the Bankruptcy Code as long as such treatment is consistent with the terms of the Litigation Trust Agreement. Subordinated Claims shall not receive a Distribution under the Plan until any and all senior Allowed Claims are paid in full.

B. Cramdown.

If all applicable requirements for confirmation of the Plan are met as set forth in Bankruptcy Code section 1129(a) except subsection (8) thereof, the Plan Sponsors shall request that the Bankruptcy Court confirm the Plan in accordance with Bankruptcy Code section 1129(b) on the bases that the Plan is fair and equitable and does not discriminate unfairly with respect to each Class of Claims or Interests that is Impaired hereunder, and has not accepted or is deemed to reject, the Plan.

C. Means for Implementation of the Plan.

1. Sale Transaction.

a. Sale Transaction. Consistent with the Asset Purchase Agreement, substantially all of the property in the Estates shall be sold to the Purchaser (including such Purchaser to be identified as the winning bidder following an Auction), free and clear of all Liens, Claims, charges or other encumbrances pursuant to section 1123(a)(5)(D) of the Bankruptcy Code, with all such Liens, Claims, charges or other encumbrances attaching automatically to the Net Sale Proceeds in the same manner, extent, validity and priority as existed on the Closing Date, with the Net Sale Proceeds to be distributed pursuant to the Plan; provided, however, that ad valorem personal property tax liens arising and attaching to the subject property by operation of law on January 1, 2023 shall remain attached to the Assets and ad valorem personal property taxes for tax year 2023 shall be the responsibility of the Purchaser, subject to being Pro Rated pursuant to Section 2.6 of the Asset Purchase Agreement and subject to any defenses available under applicable Texas Law; the Taxing Authorities shall retain the right to enforce their liens and take all actions provided by applicable Texas Law. An initial Purchaser has been identified, whose purchase offer in the amount of \$48.5 million (subject to the adjustments in the Asset Purchase Agreement) is subject to higher and better bids. If a competing qualified bid is received by January 13, 2023 at 4:00 p.m. (prevailing Central Time), an Auction shall be held on January 17, 2023 at 10:00 a.m. (prevailing Central Time) to determine the ultimate Purchaser. Upon the Closing of the Sale Transaction, all Net Sale Proceeds therefrom after payments required under the Plan to pay any unpaid Allowed Administrative Claims, Priority Tax Claims, Professional Claims, DIP Facility Claims, the Dallas County Claim, Diminution Claim and the U.S. Trustee Fees, shall be

paid to the Trustee for Distribution to holders of Original Bonds, pursuant to the terms of the Original Bond Documents.

b. Monthly Rental Agreements. The Asset Purchase Agreement contemplates the rejection of all Residency Agreements, provided that, subject to regulatory approvals and/or requirements, any Purchaser shall offer to all Current Residents a monthly rental agreement which shall provide similar services to Current Residents as provided prior to the Closing Date.

c. Transition to Purchaser. The Asset Purchase Agreement contemplates both the rejection of the Management Agreement, and the Purchaser receiving all regulatory approvals to operate the Purchased Assets at or prior to the Closing Date. Prior to the Closing Date, the Debtors and Lifespace shall provide prompt and reasonable assistance in connection with the approval or implementation of the Asset Purchase Agreement or any ancillary agreements, including, without limitation, providing information in connection with Purchaser's seeking of regulatory approvals necessary to own and operate the Community.

d. [Injunction Against Solicitation. The Asset Purchase Agreement contemplates that the Purchaser will continue to operate the Community as a senior living community. In consideration for being a Released Party, Lifespace, on behalf of itself and any of its affiliates, subsidiaries, representatives, or agents, agrees that, without the prior written consent of Purchaser, (i) from the Confirmation Date and until the second anniversary of the Effective Date, Lifespace shall not hire or solicit for employment any individual that was an employee of the Community at any time from November 2, 2022 to the Effective Date; provided, however, Lifespace shall not be prohibited from hiring any individual that responds to a general public solicitation made by Lifespace regarding employment opportunities that is not specifically targeted at such persons, and (ii) shall not solicit by direct contact (as opposed to marketing to the public generally) any individuals that are or were Residents of the Community at any time from November 2, 2022 to the Closing Date for movement or relocation to any other senior living community located in Texas; provided, however, Lifespace shall not be prohibited from responding to any direct inquiry from a Resident regarding potential movement or relocation to such other senior living community in Texas.]¹⁰

e. Transfer of Assets to Litigation Trust. On the Effective Date, all of the Estates' assets not sold in the Sale Transaction shall be transferred to the Litigation Trust and administered as set forth more fully below.

2. Creation of the Litigation Trust and Appointment of the Litigation Trustee and Litigation Trust Oversight Committee.

Upon the Plan Effective Date, a Litigation Trust will be formed, into which various Causes of Action of the Debtors, including all Retained Causes of Action, shall be transferred. The Litigation Trust shall commence, pursue and liquidate all of the Litigation Trust Assets, including the Landlord Litigation, for the benefit of holders of Litigation Trust Interests. Holders of Litigation Trust Interests shall consist of Holders of an Allowed General Unsecured Claim.

¹⁰ The Purchaser has requested this provision.

a. Creation of the Litigation Trust. On or prior to the Effective Date, the Debtors shall execute the Litigation Trust Agreement. On the Effective Date, the Litigation Trust shall become effective and shall be deemed to be valid, binding and enforceable in accordance with the terms and provisions of the Plan and the Litigation Trust Agreement. After the Effective Date, the Litigation Trust Agreement may be amended in accordance with its terms without further order of the Bankruptcy Court. The Litigation Trust Agreement shall be satisfactory in form and substance to the Plan Sponsors.

b. Purpose of the Litigation Trust. The Litigation Trust shall be established for the purposes of (i) liquidating any non-Cash Litigation Trust Assets; (ii) maximizing recovery of the Litigation Trust Assets for the benefit of the holders of Litigation Trust Interests; (iii) distributing the proceeds of the Litigation Trust Assets to holders of the Litigation Trust Interests in accordance with the Plan and the Litigation Trust Agreement, with no objective to continue or engage in the conduct of a trade or business, except only in the event and to the extent necessary for, and consistent with, the liquidating purpose of the Litigation Trust; (iv) prosecuting or otherwise resolving the Retained Causes of Action for the benefit of the holders of the Litigation Trust Interests; and (v) winding down the Chapter 11 Cases as provided in the Plan.

c. Funding of the Litigation Trust. On the Effective Date, Cash in the amount of \$500,000 will be funded Pro Rata by the Trustee and Lifespace. The Cash will be set aside for the sole purpose of paying Litigation Trust Expenses to be incurred by the Litigation Trust.

d. Transfer of Litigation Trust Assets to the Litigation Trust. As of the Effective Date, pursuant to the provisions of sections 1141(b) and (c) of the Bankruptcy Code, the Debtors and the Estates shall preserve, transfer and assign all of their respective right, title and interest in and to all of the Litigation Trust Assets, which shall automatically vest in the Litigation Trust free and clear of all Claims, Liens, encumbrances, charges, Interests and other interests, subject only to the Allowed Claims of the holders of Litigation Trust Interests as set forth in the Plan and in the Litigation Trust Agreement.

e. Appointment of the Litigation Trustee. On the Effective Date, the Litigation Trustee shall be deemed the Estates' representative solely with respect to the Litigation Trust Assets in accordance with section 1123 of the Bankruptcy Code and shall have all powers, authority and responsibilities specified in the Plan and Litigation Trust Agreement solely with respect to the Litigation Trust Assets, including, without limitation, the powers of a trustee under sections 704 and 1106 of the Bankruptcy Code and Bankruptcy Rule 2004.

f. Governance of Litigation Trust. The Litigation Trust shall be governed by the Litigation Trust Agreement and administered by the Litigation Trustee who shall report to the Litigation Trust Oversight Committee in accordance with the terms of the Plan and the Litigation Trust Agreement.

g. Tax Treatment. Except to the extent allocable to Disputed Claims, consistent with the principles of Revenue Procedure 94-45, 1994-2 C.B. 684, as of the Effective Date, for federal income tax purposes, (i) the Debtors will be deemed to transfer the Litigation Trust Assets to the holders of the Litigation Trust Interests, (ii) the holders of the Litigation Trust Interests will be deemed to transfer such Assets to the Litigation Trust, (iii) the Litigation Trust

will be treated as a “liquidating trust,” as defined in Treasury Regulation section 301.7701-4(d), and as a “grantor trust” within the meaning of Internal Revenue Code sections 671-679 and (iv) the holders of the Litigation Trust Interests will be treated as the “grantors” of the Litigation Trust.

h. Securities Registration Exemption. The Plan Sponsors intend that the Litigation Trust Interests shall not be deemed “securities” under applicable laws, but to the extent such units are deemed to be “securities,” the Plan Sponsors believe the issuance of such units under the Plan is exempt, pursuant to section 1145 of the Bankruptcy Code (except with respect to an entity that is an “underwriter” as defined in section 1145(b) of the Bankruptcy Code).

i. Rights, Powers and Duties of the Litigation Trust and the Litigation Trustee. The Litigation Trustee will act for the benefit of holders of Litigation Trust Interests in a fiduciary capacity and shall have comparable authority as a bankruptcy trustee of the Debtors, as the exclusive representative of the Estates under section 1123(a)(5)(B) of the Bankruptcy Code or any corresponding federal or state laws with respect to the Litigation Trust Assets and shall succeed to all of the Debtors’ and the Estates’ rights with respect thereto, subject to the provisions of the Plan and the Litigation Trust Agreement. The Litigation Trust is the successor to the Debtors and their Estates. The powers, rights and duties of the Litigation Trustee shall arise on the Effective Date and shall include, all subject to the terms and conditions of the Litigation Trust Agreement, the following:

- i. commencing, pursuing and liquidating all of the Litigation Trust Assets;
- ii. engaging attorneys, consultants, agents, employees and any other professional persons to assist the Litigation Trustee with respect to the Litigation Trustee’s responsibilities;
- iii. paying the fees and expenses of the attorneys, consultants, agents, employees and other professional persons engaged by the Litigation Trust and paying all other expenses;
- iv. compromising and settling Claims without notice or Bankruptcy Court approval;
- v. calculating and implementing Distributions of Litigation Trust Assets for the benefit of the holders of the Litigation Trust Interests;
- vi. resolving issues involving Claims and Interests in accordance with the Plan;
- vii. consulting with members of the Litigation Trust Oversight Committee regarding the prosecution and/or settlement of Retained Causes of Action and reporting to the Litigation Trust Oversight Committee regarding such matters, and seeking approval from the Litigation Trust Oversight Committee regarding the prosecution and/or settlement of each Cause of Action, to the extent set forth in the Litigation Trust Agreement;

- viii. investing Cash in accordance with section 345 of the Bankruptcy Code, and withdrawing and making Distributions of Cash to holders of Litigation Trust Interests holding and paying taxes and other obligations incurred by the Litigation Trustee in connection with winding down the Estates in accordance with the Plan;
- ix. coordinating the turnover of property, if any, subject to rejected executory contracts or abandonment or liquidation of any Litigation Trust Assets;
- x. taking possession of all books, records, and files of the Debtors and their Estates; and providing for the retention and storage of such books, records, and files until such time as the Litigation Trust determines, in accordance with the Litigation Trust Agreement, that retention of same is no longer necessary or required;
- xi. overseeing compliance with the accounting, finance and reporting obligations;
- xii. paying taxes or other obligations incurred by the Litigation Trust;
- xiii. preparing financial statements and U.S. Trustee post-confirmation quarterly reports, and filing such reports on the docket of the Chapter 11 Cases until such time as a final decree has been entered;
- xiv. overseeing the filing of final tax returns, refund requests, audits and other corporate dissolution documents, as required;
- xv. performing any additional corporate actions as necessary to carry out the wind down and liquidation of the Estates;
- xvi. exercising such other powers as may be vested in or assumed by the Litigation Trustee pursuant to the Plan, the Litigation Trust Agreement or other Order of the Bankruptcy Court or as may be needed or appropriate to carry out the provisions of the Plan; and
- xvii. undertaking all administrative functions of the Chapter 11 Cases, including the payment of fees payable to the U.S. Trustee and the ultimate closing of the Chapter 11 Cases..

j. Litigation Trust Interests. Holders of Allowed General Unsecured Claims shall, by operation of the Plan, receive a Pro Rata share of the Litigation Trust Interests in accordance with the terms of and priorities set forth in the Plan. Litigation Trust Interests shall also be reserved for holders of Disputed Claims which, if Allowed, would be entitled to participate in Distributions from the Litigation Trust, and such reserved Litigation Trust Interests shall be held by the Litigation Trustee pending allowance or disallowance of such Claims. No other Person shall have any interest, legal, beneficial or otherwise, in the Litigation Trust Assets upon the assignment and transfer of such assets to the Litigation Trust. As set forth in the Litigation Trust

Agreement, Distributions from the Litigation Trust on account of Litigation Trust Interests shall be made from the Litigation Trust Assets after paying, reserving against or satisfying, among other things, the Litigation Trust Expenses. The Litigation Trust Interests shall be uncertificated and shall be nontransferable except upon death of the holder or by operation of law. Holders of Litigation Trust Interests shall have no voting rights with respect to such interests.

k. Pending Adversary Proceedings. Without the need for filing any motion for such relief, in connection with the Litigation Trust Assets, the Litigation Trust or the Litigation Trustee (as applicable) hereby shall be deemed substituted for the applicable Debtor (i) in all pending matters including, but not limited to, motions, contested matters and adversary proceedings in the Bankruptcy Court; and (ii) with respect to any Retained Causes of Action pending before the Bankruptcy Court or any other court.

l. Preservation of Right to Conduct Investigations. The preservation for the Litigation Trust of any and all rights to conduct investigations pursuant to Bankruptcy Rule 2004 is necessary and relevant to the liquidation and administration of the Litigation Trust Assets. Accordingly, any and all rights to conduct investigations pursuant to Bankruptcy Rule 2004 held by the Debtors prior to the Effective Date shall vest with the Litigation Trust and shall continue until dissolution of the Litigation Trust.

3. Creation of the Residents Trust and Appointment of the Residents Trust Trustee and Residents Trust Oversight Committee.

Upon the Plan Effective Date, a Residents Trust will be formed. The Residents Trust shall receive and distribute the Lifespace Resident Contributions pursuant to the terms of the Lifespace Settlement and Contribution Agreement, the Plan and the Residents Trust Agreement. Holders of Residents Trust Interests shall consist of Participating Former Residents and Participating Current Residents.

a. Creation of the Residents Trust. On or prior to the Effective Date, the Committee and the Debtors shall execute the Residents Trust Agreement. On the Effective Date, the Residents Trust shall become effective and shall be deemed to be valid, binding and enforceable in accordance with the terms and provisions of the Plan and the Residents Trust Agreement. After the Effective Date, the Residents Trust Agreement may be amended in accordance with its terms without further order of the Bankruptcy Court. The Residents Trust Agreement shall be satisfactory in form and substance to the Committee and Lifespace.

b. Purpose of the Residents Trust. The Residents Trust shall be established for the purposes of (i) receiving the Lifespace Resident Contributions and the Estates' rights to enforce the terms of the Lifespace Settlement and Contribution Agreement; and (ii) distributing the proceeds of the Residents Trust Assets to Participating Former Residents and Participating Current Residents in accordance with the terms of the Plan and the Residents Trust Agreement. The trustee of the Residents Trust (the "**Residents Trust Trustee**") will act for the benefit of holders of Residents Trust Interests in a fiduciary capacity. Holders of Residents Trust Interests shall consist of Holders of Participating Former Residents and Participating Current Residents. Holders of Residents Trust Interests shall receive a distribution from the Residents Trust in accordance with the terms of the Plan and the Residents Trust Agreement.

c. Funding of the Residents Trust. Residents Trust expenses incurred by the Residents Trust shall be paid from Residents Trust Assets.

d. Transfer of Rights under the Lifespace Settlement and Contribution Agreement to the Residents Trust. As of the Effective Date, pursuant to the provisions of sections 1141(b) and (c) of the Bankruptcy Code, the Debtors and the Estates shall preserve, transfer and assign all of their respective right, title and interest in and under the Lifespace Settlement and Contribution Agreement, which shall automatically vest in the Residents Trust and Residents Trust Trustee free and clear of all Claims, Liens, encumbrances, charges, Interests and other interests, subject only to the Allowed Claims of the holders of Residents Trust Interests as set forth in the Plan and in the Residents Trust Agreement.

e. Appointment of the Residents Trust Trustee. On the Effective Date, the Residents Trust Trustee shall be appointed by a three-member committee appointed by the Committee (the “**Residents Trust Oversight Committee**”) and shall be deemed the Estates’ representative solely with respect to the Residents Trust Assets in accordance with section 1123 of the Bankruptcy Code and shall have all powers, authority and responsibilities specified in the Plan and Residents Trust Agreement solely with respect to the Residents Trust Assets, including, without limitation, the powers of a trustee under sections 704 and 1106 of the Bankruptcy Code and Bankruptcy Rule 2004.

f. Governance of Residents Trust. The Residents Trust shall be governed by the Residents Trust Agreement and administered by the Residents Trust Trustee who shall report to the Residents Trust Oversight Committee in accordance with the terms of the Plan and the Residents Trust Agreement.

g. Tax Treatment. The Debtors and the Committee will structure the Residents Trust as either a taxable trust or as a grantor trust (and not as a qualified settlement fund within the meaning of Section 1.468B-1 of the Treasury Regulations), with the goal of minimizing the cost and expense of reporting and paying tax on net investment income of the Residents Trust. If structured as a grantors trust, except to the extent allocable to Disputed Claims, consistent with the principles of Revenue Procedure 94-45, 1994-2 C.B. 684, as of the Effective Date, for federal income tax purposes, (i) the Debtors will be deemed to transfer the Residents Trust Assets to the holders of the Residents Trust Interests, (ii) the holders of the Residents Trust Interests will be deemed to transfer such Assets to the Residents Trust, (iii) the Residents Trust will be treated as a “liquidating trust,” as defined in Treasury Regulation section 301.7701-4(d), and as a “grantor trust” within the meaning of Internal Revenue Code sections 671-679 and (iv) the holders of the Residents Trust Interests will be treated as the “grantors” and deemed owners of the Residents Trust.

In Revenue Procedure 94-45, the IRS states that a liquidating trust’s term is generally not more than 5 years from the date of creation and that is reasonable based on all fact and circumstances. Although the Residents Trust’s term is expected to be 18 years or slightly longer, it is believed that such term is reasonable to carry out the intent of the Residents Trust as a liquidating trust if structured as a liquidating trust.

h. Securities Registration Exemption. The Plan Sponsors intend that the Residents Trust Interests shall not be deemed “securities” under applicable laws, but to the extent such units are deemed to be “securities,” the Plan Sponsors believe the issuance of such units under the Plan is exempt, pursuant to section 1145 of the Bankruptcy Code (except with respect to an entity that is an “underwriter” as defined in section 1145(b) of the Bankruptcy Code).

i. Rights, Powers and Duties of the Residents Trust and the Residents Trust Trustee. The Residents Trust Trustee will act for the benefit of holders of Residents Trust Interests in a fiduciary capacity and shall have comparable authority as a bankruptcy trustee of the Debtors, as the exclusive representative of the Estates under section 1123(a)(5)(B) of the Bankruptcy Code or any corresponding federal or state laws with respect to the Residents Trust Assets and shall succeed to all of the Debtors’ and the Estates’ rights with respect thereto, subject to the provisions of the Plan and the Residents Trust Agreement. The Residents Trust is the successor to the Debtors and their Estates. The powers, rights and duties of the Residents Trust Trustee shall arise on the Effective Date and shall include, all subject to the terms and conditions of the Residents Trust Agreement, the following:

- i. engaging attorneys, consultants, agents, employees and any other professional persons to assist the Residents Trust Trustee with respect to the Residents Trust Trustee’s responsibilities;
- ii. paying the fees and expenses of the attorneys, consultants, agents, employees and other professional persons engaged by the Residents Trust and paying all other expenses;
- iii. calculating and implementing Distributions of Residents Trust Assets for the benefit of the holders of the Residents Trust Interests;
- iv. consulting with members of the Residents Trust Oversight Committee regarding the administration of the Residents Trust pursuant to the terms of the Plan and the Lifespace Settlement and Contribution Agreement;
- v. investing Cash in accordance with section 345 of the Bankruptcy Code, and withdrawing and making Distributions of Cash to holders of Residents Trust Interests holding and paying taxes and other obligations incurred by the Residents Trust Trustee in connection with winding down the Estates in accordance with the Plan;
- vi. overseeing compliance with the accounting, finance and reporting obligations;
- vii. paying taxes or other obligations incurred by the Residents Trust; and
- viii. exercising such other powers as may be vested in or assumed by the Residents Trust Trustee pursuant to the Plan, the Residents Trust

Agreement or other Order of the Bankruptcy Court or as may be needed or appropriate to carry out the provisions of the Plan.

j. Residents Trust Interests. Holders of Allowed Class 5 and 6 Claims that do not OPT OUT of the Lifespace Settlement and the releases under Section 8 of the Plan shall, by operation of the Plan, receive a Pro Rata share of the Residents Trust Interests in accordance with the terms of and priorities set forth in the Plan. Residents Trust Interests shall also be reserved for holders of Disputed Claims which, if Allowed, would be entitled to participate in Distributions from the Residents Trust, and such reserved Residents Trust Interests shall be held by the Residents Trust Trustee pending allowance or disallowance of such Claims. No other Person shall have any interest, legal, beneficial or otherwise, in the Residents Trust Assets upon the assignment and transfer of such assets to the Residents Trust. As set forth in the Residents Trust Agreement, Distributions from the Residents Trust on account of Residents Trust Interests shall be made from the Residents Trust Assets after paying, reserving against or satisfying, among other things, the Residents Trust Expenses. The Residents Trust Interests shall be uncertificated and shall be nontransferable except upon death of the holder or by operation of law. Holders of Residents Trust Interests shall have no voting rights with respect to such interests.

4. Entrance Fee Escrow.

As of the Petition Date, the Entrance Fee Escrow held \$15,844,326. As of October 31, 2022, the Entrance Fee Escrow balance held for the benefit of Residents, which excludes interest earned, is \$16,494,326. Within ten (10) days of the Effective Date, funds in the Entrance Fee Escrow shall be returned to those respective Residents that deposited such funds, pursuant to the terms of the Escrow Agreement.

5. Section 1146 Exemption from Certain Taxes and Fees.

Pursuant to Bankruptcy Code section 1146(a), any transfer of property and any issuance, transfer, or exchange of a security in connection with or pursuant to the Plan shall not be subject to any stamp, mortgage recording, or other similar tax, charge, or governmental assessment in the United States, and the Confirmation Order shall direct and be deemed to direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax, charge, or governmental assessment and, as applicable, to accept for filing and recordation instruments or other documents pursuant to such transfer of property or to permit the issuance, transfer, or exchange of a security without the payment of any such tax, charge, or governmental assessment. Such exemption specifically applies, without limitation, to (i) the sale of the Assets pursuant to the Asset Purchase Agreement effectuated under the Plan; (ii) the creation and recordation of any mortgage, deed of trust, lien, or other security interest; (iii) the making or assignment of any lease or sublease; and (iv) the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan, including: (a) any merger agreements; (b) agreements of consolidation, restructuring, disposition, liquidation, or dissolution; (c) deeds; or (d) assignments executed in connection with any transaction occurring under the Plan.

6. Preservation of Causes of Action of the Debtors.

In accordance with Bankruptcy Code section 1123(b), and except where such Causes of Action have been expressly released (including, for the avoidance of doubt, the Exculpated Claims against the Exculpated Parties and the Debtor Released Claims against the Released Parties), the Litigation Trustee shall be vested with the authority to enforce all rights to commence and pursue, as appropriate, any and all Causes of Action of the Debtors, whether arising before or after the Petition Date, and the Litigation Trustee's right(s) to commence, prosecute, or settle such Causes of Action shall be consistent with the terms of the Litigation Trust Agreement. The Litigation Trustee is the sole party that may pursue such Causes of Action, as appropriate, in accordance with the best interests of the holders of the Litigation Trust Interests. No Person may rely on the absence of a specific reference in the Plan or this Disclosure Statement to any Cause of Action against such Person as any indication that the Debtors or the Litigation Trustee, as applicable, will not pursue any and all available Causes of Action against such Person. Except with respect to Causes of Action as to which the Debtors have released any Person on or before the Effective Date (including pursuant to the Releases by the Debtors or otherwise), the Litigation Trustee, as applicable, expressly reserves all rights to prosecute any and all Causes of Action of the Debtors against any Person, except as otherwise expressly provided in the Plan. Unless any Causes of Action against a Person are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or by an order of the Bankruptcy Court, the Litigation Trustee expressly reserves all Causes of Action for later adjudication and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the confirmation or consummation of the Plan. For the avoidance of doubt, nothing in Section 4.7 of the Plan shall affect the "Releases by the Debtors" provided in Section 8.2 of the Plan.

D. Assumption and Rejection of Executory Contracts and Unexpired Leases.

Entry of the Confirmation Order shall constitute a Bankruptcy Court order approving the assumptions or rejections of such Executory Contracts or Unexpired Leases as set forth in the Plan or the Plan Supplement, all pursuant to Bankruptcy Code sections 365(a) and 1123. Unless otherwise indicated, all assumptions or rejections of Executory Contracts and Unexpired Leases pursuant to the Plan are effective as of the Closing Date. Each Executory Contract or Unexpired Lease assumed pursuant to the Plan or by Bankruptcy Court order and assigned to a Purchaser shall vest in and be fully enforceable by the Purchaser in accordance with its terms, except as such terms may have been modified by such order. Notwithstanding anything to the contrary in the Plan, the Plan Sponsors reserve the right to alter, amend, modify, or supplement the list of Executory Contracts and Unexpired Leases identified in the Plan Supplement at any time before the Effective Date. After the Effective Date, the Purchaser shall have the right to terminate, amend, or modify any contracts, leases, or other agreements without approval of the Bankruptcy Court, subject to the terms thereof. For the avoidance of doubt, Section 5 of the Plan shall apply to all Executory Contracts and Unexpired Leases except as otherwise provided herein and to the extent addressed and decided by an order of the Bankruptcy Court.

1. Rejection of Residency Agreements.

On the Closing Date and as set forth in the Asset Purchase Agreement, the Debtors shall reject the Residency Agreements of all Residents. Any Current Resident that desires to remain at the Community may do so, subject to regulatory approvals and/or requirements, by entering into a new monthly rental agreement which agreements will provide similar services to such Current Resident as provided under their prior Residency Agreement.

Notwithstanding anything herein to the contrary, for the sake of clarity and to avoid confusion, upon the rejection of the Residency Agreements, the holders of Refund Claims (the “**Resident Claimants**”) are not required to file Rejection Claims if such Resident Claimants agree with the proposed amount of the respective Resident Claimant’s Refund Claim, as set forth in the Resident Claim Cover Letter accompanying the Resident Claimant’s Ballot. Unless an additional Rejection Claim is filed by any Resident Claimants, all Resident Claimants shall be deemed to hold Allowed Class 5 or Class 6 Claims (unless they OPT OUT of the Lifespace Settlement and the releases under Section 8 of the Plan, in which case they would hold Allowed Class 4 Claims) in the amount of their Refund Claim, as set forth in the Resident Claim Cover Letter accompanying each Resident Claimant’s respective Ballot and/or solicitation materials, without the need to file a Rejection Claim for such Refund Claim. If any Resident Claimants disagree with the amount of their respective Refund Claim, as set forth in the Resident Claim Cover Letter accompanying each Resident Claimant’s respective Ballot, then the Resident Claimants shall be required to file a Rejection Claim on or before the Rejection Damages Bar Date.

2. Assumption and Rejection of Executory Contracts and Unexpired Leases; Cure Provisions.

Any provisions or terms of the Debtors’ Executory Contracts or Unexpired Leases to be assumed under the Sale Transaction that are, or may be, alleged to be in default, shall be satisfied solely by cure or by a waiver of cure agreed upon between the Purchaser and the applicable counterparty. Except with respect to Executory Contracts or Unexpired Leases in which the Purchaser and the applicable counterparties have stipulated in writing to payment of cure or with respect to Residency Agreements or the Ground Lease, the following procedures shall be established for determining cure with respect to the proposed assumed Executory Contracts or Unexpired Leases (the “**Proposed Assumed Contracts**”):

a. Within five (5) days after entry of the Bidding Procedures Order, the Plan Sponsors will file with the Bankruptcy Court and serve a notice to the counterparties to Executory Contracts and Unexpired Leases, other than Residents that are party to a Residency Agreement as of the Petition Date (each, a “**Non-Resident Contract Counterparty**”), setting forth the Plan Sponsors’ calculation of each Non-Resident Contract Counterparty’s cure amount, if any, that would be owing to such Non-Resident Contract Counterparty if the Debtors were to assume or assume and assign such Executory Contract or Unexpired Lease, and alerting such Non-Resident Contract Counterparty that its agreement may be assumed and assigned to the Purchaser (the “**Cure and Possible Assumption and Assignment Notice**”). Any Non-Resident Contract Counterparty that objects to the cure amount set forth in the Cure and Possible Assumption and Assignment Notice, must file an objection (a “**Cure Objection**”) no later than January 10, 2023 at 4:00 p.m. (prevailing Central Time), which Cure Objection must be served on the following by e-

mail: (a) counsel for the Initial Plan Sponsors, Daniel Bleck, dsbleck@mintz.com, Eric Blythe, erblythe@mintz.com, and Kaitlin Walsh, krwalsh@mintz.com; (b) RBC Capital Advisors, David Fields, david.fields@rbccm.com; (c) counsel for the Debtors, Trinitee G. Green, tggreen@polsinelli.com and Jeremy Johnson, Jeremy.johnson@polsinelli.com, and (d) counsel for the Committee, Stephen A. McCartin, smccartin@foley.com, Thomas C. Scannell, tscannell@foley.com, and Mark Moore, mmoore@foley.com (collectively, the “**Notice Parties**”).

b. If a Non-Resident Contract Counterparty does not timely file and serve a Cure Objection, that party will be forever barred from objecting to the proposed cure amount. Where a Non-Resident Contract Counterparty files a timely Cure Objection asserting a higher cure amount than the amount listed in the Cure and Possible Assumption and Assignment Notice, and the Non-Resident Contract Counterparty and the Plan Sponsor are unable to consensually resolve the dispute, the amount to be paid under Bankruptcy Code section 365 (if any) or, as the case may be, the Debtors’ ability to assign the agreement to the Purchaser, will be determined at the Confirmation Hearing.

c. After the conclusion of the Auction, the Plan Sponsors shall file with the Bankruptcy Court and serve on the Notice Parties and Contract Counterparties a further notice (the “**Assumption Notice**”) identifying the Purchaser, stating which Executory Contracts or Unexpired Leases may be assumed and assigned to the Purchaser, and providing such Contract Counterparties with the Purchaser’s assurance of future performance. Any Contract Counterparty that objects to the adequacy of the assurance or assumption and/or assignment of its Executory Contract or Unexpired Lease set forth in the Assumption Notice must file an objection with the Bankruptcy Court (a “**Contract Objection**”) and serve the Contract Objection on the Notice Parties prior to the Confirmation Hearing. If a Contract Counterparty does not file a Contract Objection prior to the Confirmation Hearing, such party will be forever barred from objecting to the adequacy of the assurance to be provided by the Purchaser and assumption and assignment to the Purchaser. Where a Contract Counterparty files a Contract Objection prior to the Confirmation Hearing, and the parties are unable to consensually resolve the dispute, the adequacy of the assurance provided by the Purchaser or raised issues regarding the potential assumption and assignment will be determined at the Confirmation Hearing.

d. For the avoidance of doubt, this section does not address Residency Agreements although the Residency Agreements are Executory Contracts. As provided above, any Purchaser must provide detail regarding the treatment of Residency Agreements with the Debtors’ Current Residents. To the extent a potential Purchaser includes the assumption of the Residency Agreements, the potential Purchaser will be required to satisfy the related cure costs and provide adequate assurance of future performance. The Assumption Notice shall include a description of the Purchaser’s proposed treatment of Residency Agreements.

e. Except as specified herein, assumption or assumption and assignment of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults on the part of the Debtors or the Estates, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed or assumed and assignment Executory Contract or Unexpired Lease at any time prior to the effective date of assumption or assumption and assignment. Unless assumed and assigned

under the Asset Purchase Agreement, on the Closing Date the Debtors shall reject all Executory Contracts and Unexpired Leases. Resulting Rejection Claims will be treated as Class 4 General Unsecured Claims.

3. Assumption of the Ground Lease.

On the Closing Date and as set forth in the Asset Purchase Agreement, the Ground Lease shall be assumed, subject to the rights of the Litigation Trustee as set forth in the Plan and assigned to the Purchaser. The Landlord shall have an Allowed Administrative Claim for the amounts due and owing from the Petition Date through the Effective Date, subject to final approval of the Bankruptcy Court and the rights of parties in interest to challenge the asserted Administrative Claim amount. Nothing herein shall be construed as a waiver of the Litigation Trustee, the Plan Sponsors, the Committee or any third parties to pursue any and all Claims against the Landlord. The issues concerning the cure and the adequate assurance of future performance with respect to the Ground Lease shall be governed by the Bidding Procedures Order. The cure amount associated with the Ground Lease shall be funded from the Net Sale Proceeds into the Cure Escrow pending further order of the Bankruptcy Court as to the Allowed amount of such cure amount, with any balance following such order being distributed to the Trustee for distribution to holders of Bond Claims.

Stephen Donosky asserts that the assumption of the Ground Lease also requires assumption of the Northwest Lifecare Commission Agreement, dated November 5, 1997. The Plan Sponsors dispute this assertion and the parties have agreed this will be resolved as part of the confirmation process.

4. Claims Based on Rejection of Executory Contracts or Unexpired Leases.

All Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, if any, must be filed no later than the Rejection Damages Bar Date; *provided, that* any such Claims arising from the rejection of an Unexpired Lease shall be subject to the cap on rejection damages imposed by Bankruptcy Code section 502(b)(6). Any Claims arising from the rejection of an Executory Contract or Unexpired Lease that is not timely filed with the Bankruptcy Court (other than Refund Claims) will be automatically disallowed and forever barred from assertion and shall not be enforceable against the Debtors, the Estates, or the Debtors' property, without the need for any objection by any party or further notice to, action by, or order or approval of the Bankruptcy Court. All Allowed Claims arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases, other than with respect to Resident Claimants, shall be classified as Class 4 General Unsecured Claims and shall be treated in accordance with the Plan.

5. Insurance Policies.

Notwithstanding anything herein to the contrary, as of the Closing Date, and unless specifically rejected by the Purchaser, the Debtors shall assume all of the Insurance Policies, including director and officer and general liability policies, identified by the Plan Sponsors in the Plan Supplement pursuant to Bankruptcy Code section 365(a). Entry of the Confirmation Order

shall constitute the Bankruptcy Court's approval of the Debtors' foregoing assumption of each of the Insurance Policies.

6. Modifications, Amendments, Supplements, Restatements, or Other Agreements.

Unless otherwise provided, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated, or is rejected or repudiated under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith, unless such Executory Contract or Unexpired Lease has been previously assumed by the Debtors.

7. Reservation of Rights.

Nothing contained in the Plan or the Plan Supplement shall constitute an admission that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that the Debtors have any liability thereunder.

8. Nonoccurrence of Effective Date.

If the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases under Bankruptcy Code section 365(d)(4), unless such deadline(s) have expired.

E. Conditions Precedent to Confirmation and the Effective Date.

1. Conditions Precedent to Confirmation.

It shall be a condition precedent to the confirmation of the Plan, such that the Confirmation Order shall not be entered, until each of the following conditions precedent have been satisfied or waived pursuant to the provisions of the Plan:

a. The proposed Confirmation Order shall be in form and substance reasonably satisfactory in all respects to the Plan Sponsors, Lifespace and the Purchaser; and

b. The Plan and the Plan Supplement, including any schedules, documents, supplements and exhibits thereto shall be, in form and substance acceptable in all respects to the Plan Sponsors and Lifespace.

2. Conditions Precedent to the Effective Date.

It shall be a condition precedent to the Effective Date that each of the following provisions, terms, and conditions shall have been satisfied or waived pursuant to the provisions of the Plan:

a. The Bankruptcy Court shall have entered the Confirmation Order containing findings of fact and conclusions of law satisfactory to the Plan Sponsors, Lifespace and Purchaser, which Confirmation Order shall not be subject to any stay, and which Confirmation Order shall include or provide, among other things:

- i. all provisions, terms and conditions of the Plan and related documents are approved; and
- ii. all Executory Contracts or Unexpired Leases assumed and assigned by the Debtors during the Chapter 11 Cases including under the Plan shall remain in full force and effect for the benefit of the Purchaser or their assignee(s) notwithstanding any provision in such contract or lease (including those described in Bankruptcy Code sections 365(b)(2) and (f)) that prohibits such assignment or transfer or that enables, permits, or requires termination of such contract or lease;

b. The Bankruptcy Court shall have entered a Final Order approving this Disclosure Statement as containing adequate information within the meaning of Bankruptcy Code section 1125;

c. On the occurrence of the Effective Date, the conditions to effectiveness of the Sale Transaction shall have been satisfied or waived and the Closing Date has occurred;

d. All actions, documents, certificates, and agreements necessary to implement the Plan, including, without limitation, the Asset Purchase Agreement and documents related to the Sale Transaction, shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable governmental units in accordance with applicable laws;

e. All payments and transfers to be made on the Effective Date shall be made or duly provided for;

f. All authorizations, consents, and regulatory approvals required, if any, in connection with the consummation of the Plan shall have been obtained; and

g. All other actions, documents and agreements necessary to implement the Plan shall be in form and substance acceptable to the Plan Sponsors, and shall have been effected or executed.

3. Effect of Failure of Conditions.

If the Effective Date does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or this Disclosure Statement shall: (i) constitute a waiver or release

of any claims by the Plan Sponsors or Claims by or against the Debtors or Lifespace; (ii) prejudice in any manner the rights of the Plan Sponsors, any holders of Claims, or any other Person; or (iii) constitute an admission, acknowledgment, offer, or undertaking by the Plan Sponsors or any other Person in any respect.

F. Effect of Confirmation.

1. Compromise and Settlement of Claims, Interests and Controversies.

Pursuant to Bankruptcy Code section 1123 and Bankruptcy Rule 9019 and in consideration for the Distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good faith compromise of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a holder of a Claim or Interest may have with respect to any Allowed Claim or Interest, including with respect to any challenges to the Bond Claims, or any Distribution to be made on account of such Allowed Claim or Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests, and controversies, as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Debtors, their Estates, and holders of Claims and Interests and is fair, equitable, and reasonable. In accordance with the provisions of the Plan, pursuant to Bankruptcy Code section 363 and Bankruptcy Rule 9019(a), without any further notice to, action by, or order or approval of the Bankruptcy Court, after the Effective Date, the Litigation Trustee may compromise and settle Claims against the Debtors and Causes of Action against other Persons.

2. Releases by the Debtors.

PURSUANT TO BANKRUPTCY CODE SECTION 1123(B), AS OF THE EFFECTIVE DATE, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, INCLUDING THE INVESTMENT AND SERVICE OF THE RELEASED PARTIES TO FACILITATE THE EXPEDITIOUS REORGANIZATION OF THE DEBTORS AND THE IMPLEMENTATION OF THE RESTRUCTURING CONTEMPLATED BY THE PLAN, THE RELEASED PARTIES ARE DEEMED RELEASED AND DISCHARGED BY THE DEBTORS, THE REORGANIZED DEBTOR, AND THE ESTATES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, SETOFFS, RECOUPMENTS, REMEDIES, ENFORCEMENT RIGHTS AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, OR THE RELEASED PARTIES WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR INTEREST, OR OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR

OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THIS DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, THE “DEBTOR RELEASED CLAIMS”), OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASE SET FORTH ABOVE DOES NOT RELEASE ANY PARTY WITH POST-EFFECTIVE DATE OBLIGATIONS UNDER THE PLAN OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN FROM THOSE POST-EFFECTIVE DATE OBLIGATIONS. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY DEBTOR RELEASED CLAIM(S) FOR THE BENEFIT OF ANY PARTY AS SUCH CLAIMS ARE RELEASED PURSUANT TO THE PLAN AND, AS SUCH, DO NOT AND WILL NOT CONSTITUTE LITIGATION TRUST OR RESIDENTS TRUST ASSETS.

3. Releases by Holders of Claims.

AS OF THE EFFECTIVE DATE AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, EACH RELEASING PARTY SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, LIFESPACE, THE INITIAL PLAN SPONSORS, AND ALL OTHER RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, ENFORCEMENT RIGHTS, SETOFFS, RECOUPMENTS, REMEDIES, AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT SUCH PERSON WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF ANY OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS,

FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THE DISCLOSURE STATEMENT, ANY PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, "CREDITOR RELEASED CLAIMS") OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE CREDITOR RELEASED CLAIMS.

NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY IN THE PLAN, THE DIP LENDER, THE TRUSTEE AND HOLDERS OF THE ORIGINAL BONDS SHALL ALL BE RELEASING PARTIES SOLELY WITH RESPECT TO ANY AND ALL CLAIMS RELATING TO THE DEBTORS (OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE), BUT NOT WITH RESPECT TO ANY OTHER CLAIMS SUCH HOLDERS MAY HAVE UNRELATED TO THE DEBTORS, INCLUDING BUT NOT LIMITED TO ANY OBLIGATIONS OWED TO BONDHOLDERS IN CONNECTION WITH BONDS ISSUED BY LIFESPACE.

4. Exculpation.

UPON THE EFFECTIVE DATE, THE PLAN SPONSORS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS AND AGENTS WILL BE DEEMED TO HAVE SOLICITED ACCEPTANCES OF THE PLAN IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING BANKRUPTCY CODE SECTION 1125(E).

EXCEPT WITH RESPECT TO ANY ACTS OR OMISSIONS EXPRESSLY SET FORTH IN AND PRESERVED BY THE PLAN, THE PLAN SUPPLEMENT, OR ANY RELATED DOCUMENTS, THE EXCULPATED PARTIES SHALL NEITHER HAVE, NOR INCUR ANY LIABILITY TO ANY ENTITY FOR ANY PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR RELATED TO FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING, ADMINISTERING, CONFIRMING, OR EFFECTING THE PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION OF THE PLAN, THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN, THE DISTRIBUTION OF PROPERTY UNDER THE PLAN, OR ANY OTHER RELATED AGREEMENT OR ANY OTHER

PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OF THE DEBTORS; *PROVIDED, THAT* THE FOREGOING “EXCULPATION” SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY ENTITY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT (INCLUDING FRAUD); *PROVIDED FURTHER, THAT* EACH EXCULPATED PARTY SHALL BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER, OR ITS DUTIES PURSUANT TO, OR IN CONNECTION WITH, THE PLAN OR ANY OTHER RELATED DOCUMENT, INSTRUMENT, OR AGREEMENT. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY CLAIMS DESCRIBED IN SECTION 8 OF THE PLAN AGAINST ANY EXCULPATED PARTY.

5. Discharge of Claims.

PURSUANT TO BANKRUPTCY CODE SECTION 1141(D), AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE BAR DATE ORDER, IN THE PLAN, OR IN ANY CONTRACT, INSTRUMENT, OR OTHER AGREEMENT OR DOCUMENT CREATED PURSUANT TO THE PLAN, THE DISTRIBUTIONS, RIGHTS, AND TREATMENT THAT ARE PROVIDED IN THE PLAN SHALL BE IN FULL AND FINAL SATISFACTION, SETTLEMENT, RELEASE, AND DISCHARGE, EFFECTIVE AS OF THE EFFECTIVE DATE, OF ALL CLAIMS AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, WHETHER KNOWN OR UNKNOWN, AGAINST, LIABILITIES OF, LIENS ON, OBLIGATIONS OF, AND RIGHTS AGAINST THE DEBTORS OR ANY OF THEIR ASSETS OR PROPERTIES, REGARDLESS OF WHETHER ANY PROPERTY SHALL HAVE BEEN DISTRIBUTED OR RETAINED PURSUANT TO THE PLAN ON ACCOUNT OF SUCH CLAIMS, INCLUDING DEMANDS, LIABILITIES, AND CAUSES OF ACTION THAT AROSE BEFORE THE EFFECTIVE DATE, ANY CONTINGENT OR NON-CONTINGENT LIABILITY ON ACCOUNT OF REPRESENTATIONS OR WARRANTIES ISSUED ON OR BEFORE THE EFFECTIVE DATE, AND ALL DEBTS OF THE KIND SPECIFIED IN BANKRUPTCY CODE SECTIONS 502(G), 502(H), OR 502(I), IN EACH CASE WHETHER OR NOT: (I) A PROOF OF CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS FILED OR DEEMED FILED PURSUANT TO BANKRUPTCY CODE SECTION 501; (II) A CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS ALLOWED PURSUANT TO BANKRUPTCY CODE SECTION 502; OR (III) THE HOLDER OF SUCH A CLAIM HAS ACCEPTED THE PLAN. EXCEPT AS OTHERWISE PROVIDED HEREIN, ANY DEFAULT BY THE DEBTORS WITH RESPECT TO ANY CLAIM THAT EXISTED BEFORE OR ON ACCOUNT OF THE FILING OF THE CHAPTER 11 CASES SHALL BE DEEMED CURED ON THE EFFECTIVE DATE. THE CONFIRMATION ORDER SHALL BE A JUDICIAL DETERMINATION OF THE DISCHARGE OF ALL CLAIMS SUBJECT TO THE EFFECTIVE DATE OCCURRING, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN.

6. Injunction.

FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION, OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED AGAINST ANY RELEASED PARTY PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN THE PLAN, ALL RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION, OR OTHER PROCEEDING ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO THE PLAN.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THE PLAN, ALL PERSONS WHO HAVE HELD, HOLD, OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED, DISCHARGED, OR ARE SUBJECT TO EXCULPATION, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS: (I) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH RIGHTS, CLAIMS OR INTERESTS; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE, RELIEF OR ORDER AGAINST SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (III) CREATING, PERFECTING, OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH PERSONS OR THE PROPERTY OR ESTATE OF SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; AND (IV) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED, OR DISCHARGED PURSUANT TO THE PLAN.

THE RIGHTS AFFORDED IN THE PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THE

DEBTORS' ASSETS, PROPERTY, OR ESTATES. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE INTERESTS SHALL BE CANCELLED (EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN).

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR IN THE PLAN OR IN OBLIGATIONS ISSUED PURSUANT TO THE PLAN FROM AND AFTER THE EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER BANKRUPTCY CODE SECTION 502(g).

ALL PERSONS SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE LITIGATION TRUST, ALL OTHER RELEASED PARTIES AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS, AGENTS AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS, OR ANY ACT OR OMISSION, TRANSACTION, OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, HOLDERS OF CLAIMS THAT OPT OUT OF THE RELEASES UNDER SECTION 8.3 OF THE PLAN WILL NOT BE SUBJECT TO THE INJUNCTION WITH RESPECT TO PREPETITION CLAIMS AGAINST NON-DEBTOR ENTITIES.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO RELEASES OR EXCULPATIONS CONTAINED HEREIN SHALL RELEASE LIFESPACE FROM ITS OBLIGATIONS TO THE RESIDENTS TRUST CONTAINED IN THE LIFESPACE SETTLEMENT AND CONTRIBUTION AGREEMENT, WHICH SHALL BE PRESERVED AND ASSIGNED TO THE RESIDENTS TRUST AND THE RESIDENTS TRUST TRUSTEE PURSUANT TO THE TERMS OF THE PLAN.

7. Protection Against Discriminatory Treatment.

Consistent with Bankruptcy Code section 525 and the Supremacy Clause of the U.S. Constitution, all Persons, including Governmental Units, shall not discriminate against the Litigation Trustee or the Purchaser or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, or discriminate with respect to such a grant against, the Litigation Trustee, the Purchaser or another Person with whom the Litigation Trustee or Purchaser have been associated, solely because the Debtors have been debtors under Chapter 11, have been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

8. Term of Injunctions or Stays.

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to Bankruptcy Code sections 105 or 362 or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. Upon the Effective Date, all injunctions or stays contained in the Plan or the Confirmation Order shall be in full force and effect in accordance with their terms.

9. Release of Liens.

Except as otherwise provided in the Plan or any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable Distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Litigation Trustee. For the avoidance of doubt, except as otherwise provided in the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged on the Effective Date without any further action of any party, including, but not limited to, further order of the Bankruptcy Court or filing updated schedules or statements typically filed pursuant to the Uniform Commercial Code.

G. Modification, Revocation or Withdrawal of the Plan.

1. Modification and Amendments.

Except as otherwise specifically provided herein, the Plan Sponsors reserve the right to modify the Plan and seek confirmation consistent with the Bankruptcy Code and, as appropriate, not re-solicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in Bankruptcy Code section 1127 of the and Bankruptcy Rule 3019 and those restrictions on modifications set forth in the Plan, the Plan Sponsors expressly reserve their rights to alter, amend, or modify materially the Plan one or more times, after confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan or remedy any defect or omission, or reconcile any inconsistencies in the Plan, this Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. For the avoidance of doubt, nothing in Section 10.1 of the Plan shall be deemed to supplant or supersede the requirements of Bankruptcy Rule 3019.

2. Effect of Confirmation on Modifications.

Entry of the Confirmation Order shall mean that all modifications or amendments to the Plan occurring after the solicitation thereof are approved pursuant to Bankruptcy Code section 1127(a) and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

3. Revocation or Withdrawal of the Plan.

The Initial Plan Sponsors reserve the right to revoke or withdraw the Plan before the Effective Date. If the Initial Plan Sponsors revoke or withdraw the Plan, or if confirmation does not occur, then: (i) the Plan shall be null and void in all respects, (ii) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of any Executory Contract or Unexpired Lease effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void, and (iii) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims or Interests; (b) prejudice in any manner the rights of the Plan Sponsors or any other Person; or (c) constitute an admission, acknowledgement, offer or undertaking of any sort by the Plan Sponsors or any other Person.

H. Retention of Jurisdiction.

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain jurisdiction over the Chapter 11 Cases and all matters arising out of or related to the Chapter 11 Cases and the Plan, including, without limitation, jurisdiction to:

- i. allow, disallow, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the secured or unsecured status, priority, amount, or allowance of Claims;
- ii. decide and resolve all matters related to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;
- iii. resolve any matters related to: (i) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which any Debtor is party or with respect to which the Debtors may be liable in any manner and to hear, determine, and, if necessary, liquidate any Claims arising therefrom, including Rejection Claims, cure Claims pursuant to Bankruptcy Code section 365, or any other matter related to such Executory Contract or Unexpired Lease, (ii) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed, (iii) the Litigation Trust or Purchaser amending, modifying, or supplementing, after the Effective Date, any Executory Contracts or Unexpired Leases on the list of Executory Contracts and Unexpired Leases to be assumed or rejected, and (iv) any dispute regarding whether a contract or lease is or was executory or unexpired;
- iv. ensure that Distributions to holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

- v. adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving the Debtors that may be pending on the Effective Date;
- vi. adjudicate, decide, or resolve any and all matters related to any Cause of Action;
- vii. adjudicate, decide, or resolve any and all matters related to the Asset Purchase Agreement;
- viii. adjudicate, decide, or resolve any and all matters related to Bankruptcy Code section 1141;
- ix. resolve any avoidance or recovery actions under Bankruptcy Code sections 105, 502(d), 542 through 551, and 553;
- x. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the consummation of the Plan or any Person's obligations incurred in connection with the Plan;
- xi. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Person with consummation or enforcement of the Plan;
- xii. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the discharge, releases, injunctions, exculpations, indemnifications, and other provisions contained in the Plan and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;
- xiii. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;
- xiv. adjudicate any and all disputes arising from or relating to Distributions under the Plan;
- xv. adjudicate any and all disputes arising from or relating to the Lifespace Settlement and Contribution Agreement;
- xvi. consider any modifications of the Plan, cure any defect or omission, or reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;
- xvii. determine requests for the payment of Claims entitled to priority pursuant to Bankruptcy Code section 507;
- xviii. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with the Plan;

- xix. hear and determine matters concerning state, local, and federal taxes in accordance with Bankruptcy Code sections 346, 505, and 1146;
- xx. hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred before or after the Effective Date;
- xxi. enforce all orders previously entered by the Bankruptcy Court;
- xxii. hear any other matter not inconsistent with the Bankruptcy Code; and
- xxiii. enter an order concluding or closing the Chapter 11 Cases.

I. Miscellaneous Provisions.

1. Immediate Binding Effect.

Notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or any other Bankruptcy Rule, upon the occurrence of the Effective Date, the terms of the Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors and any and all holders of Claims or Interests (irrespective of whether such holders of Claims or Interests are deemed to have accepted the Plan), all Persons that are parties to or are subject to the settlements, compromises, releases, exculpation, discharges, and injunctions described in the Plan, each Person acquiring property under the Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

2. Additional Documents.

On or before the Effective Date, the Plan Sponsors may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan, subject to the consent of the Trustee. The Debtors and all holders of Claims receiving Distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

3. Dissolution of the Committee.

On the Effective Date, the Committee shall dissolve, and members thereof shall be released and discharged from all rights and duties from or related to the Chapter 11 Cases.

4. Reservation of Rights.

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. None of the Plan, any statement or provision contained in the Plan, or any action taken or not taken by the Plan Sponsors or other Person with

respect to the Plan, this Disclosure Statement, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of the Plan Sponsors or other Person with respect to the holders of Claims or Interests before the Effective Date.

5. Successors and Assigns.

The rights, benefits, and obligations of any Person named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign, affiliate, officer, director, manager, agent, representative, attorney, beneficiary, or guardian, if any, of such Person.

6. Votes Solicited in Good Faith.

Upon entry of the Confirmation Order, the Plan Sponsors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code and any applicable non-bankruptcy law, and pursuant to Bankruptcy Code section 1125(e), the Plan Sponsors and their respective affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of securities offered and sold under the Plan, and, therefore, will have no liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on the Plan.

7. Closing of the Chapter 11 Cases.

The Litigation Trustee shall, promptly after the full administration of the Chapter 11 Cases, file with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Chapter 11 Cases.

8. Notices.

All notices or requests in connection with the Plan shall be in writing and given by mail and email addressed to:

**MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY AND POPEO, PC**

Daniel S. Bleck
Eric Blythe
Kaitlin R. Walsh
One Financial Center
Boston, MA 02111
Telephone: (617) 546-6000
dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

-and-

HAYNES AND BOONE, LLP

J. Frasher Murphy
Thomas J. Zavala
2323 Victory Avenue, Suite 700
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Telephone: (214) 651-5000
frasher.murphy@haynesboone.com
tom.zavala@haynesboone.com

-and-

POLSINELLI PC

Jeremy Johnson
600 3rd Avenue, 42nd Floor
New York, New York 10016
Telephone: (212) 684-0199
jeremy.johnson@polsinelli.com

and

Trinitee G. Green
2950 N. Harwood Street, Suite 2100
Dallas, Texas 75201
Telephone: (214) 397-0030
tggreen@polsinelli.com

-and-

Northwest Senior Housing Corporation

d/b/a Edgemere
Attn: Nick Harshfield
4201 Corporate Drive
West Des Moines, IA 50266

All notices and requests to Persons holding any Claim in any Class shall be sent to them at their last known address or to the last known address of their attorney of record in these Chapter 11 Cases. Any such holder of a Claim may designate in writing any other address for purposes of Section 12.8 of the Plan, which designation will be effective upon receipt by the Plan Sponsors.

9. Headings.

The headings used in the Plan are inserted for convenience only and neither constitute a portion of the Plan nor in any manner affect the construction of the provisions of the Plan.

10. Severability.

If, prior to confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, Impaired, or invalidated by such holding, alteration, or interpretation.

11. Validity and Enforceability.

The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms. Should any provision in the Plan be determined by the Bankruptcy Court or any appellate court to be unenforceable following the Effective Date, such determination shall in no way limit the enforceability and operative effect of any and all other provisions of the Plan.

12. Plan Supplement.

Any exhibits or schedules not filed with the Plan may be contained in the Plan Supplement and the Plan Sponsors reserve the right to alter, modify, or amend the Plan Supplement through and to the Confirmation Hearing.

13. Tax Consequences for Holders of Claims.

Generally, a Holder of a Claim should in most, but not all circumstances, recognize gain or loss equal to the difference between the “amount realized” by such Holder in exchange for its Claim and such Holder’s adjusted tax basis in the Claim. The “amount realized” is equal to the sum of the Cash and the fair market value of any other consideration received under a plan of reorganization in respect of a Holder’s Claim. The tax basis of a Holder in a Claim will generally

be equal to the Holder's cost. To the extent applicable, the character of any recognized gain or loss (e.g., ordinary income, or short-term or long-term capital gain, or loss) will depend upon the status of the Holder, the nature of the Claim in the Holder's hands, the purpose and circumstances of its acquisition, the Holder's holding period of the Claim, and the extent to which the Holder previously claimed a deduction for the worthlessness of all or a portion of the Claim. Generally, if the Claim is a capital asset in the Holder's hands, any gain or loss realized generally will be characterized as capital gain or loss, and will constitute long-term capital gain or loss if the Holder has held such Claim for more than one year.

A Holder who received Cash (or potentially other consideration) in satisfaction of its Claims may recognize ordinary income or loss to the extent that any portion of such consideration is characterized as accrued interest. A Holder who did not previously include in income accrued but unpaid interest attributable to its Claim, and who receives a distribution on account of its Claim pursuant to the Plan, will be treated as having received interest income to the extent that any consideration received is characterized for United States federal income tax purposes as interest, regardless of whether such Holder realizes an overall gain or loss as a result of surrendering its Claim. A Holder who previously included in its income accrued but unpaid interest attributable to its Claim should recognize an ordinary loss to the extent that such accrued but unpaid interest is not satisfied, regardless of whether such Holder realizes an overall gain or loss as a result of the distribution it may receive under the Plan on account of its Claim.

14. Governing Law.

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of Texas, without giving effect to the principles of conflicts of laws, shall govern the rights, obligations, construction, and implementation of the Plan and the restructuring transactions consummated or to be consummated in connection therewith.

15. Request for Confirmation.

The Plan Sponsors request entry of a Confirmation Order under Bankruptcy Code section 1129(a) and, to the extent necessary, Bankruptcy Code section 1129(b).

16. Reservation of Rights in Favor of Governmental Units

Governmental Units, Texas Health and Human Services Commission and Texas Department of Insurance, have indicated that they will object to any Order confirming the Plan that does not include the following language:

“Nothing in this Order or the Plan discharges, releases, precludes, or enjoins: (i) any liability to any governmental unit as defined in 11 U.S.C. § 101(27) (“Governmental Unit”) that is not a “claim” as defined in 11 U.S.C. § 101(5) (“Claim”); (ii) any Claim of a Governmental Unit arising on or after the Confirmation Date; (iii) any police or regulatory liability to a Governmental Unit that any entity would be subject to as the owner or operator of property after the Confirmation Date; or (iv) any liability to a Governmental Unit on the part of any non-debtor. Nor shall anything in this Order or the Plan enjoin or otherwise bar a

Governmental Unit from asserting or enforcing, outside this Court, any liability described in the preceding sentence. Notwithstanding any provision of the Plan, this Order, or any implementing or supplementing plan documents, Governmental Units' setoff rights under federal law as recognized in section 553 of the Bankruptcy Code, and recoupment rights, shall be preserved and are unaffected. Nothing in this Order or the Plan divests any tribunal of any jurisdiction it may have under police or regulatory law to interpret this Order or the Plan to adjudicate any defense asserted under this Order or the Plan.”

Dallas County has also requested the following language be added to the Plan:

“Notwithstanding any other provisions of this Plan, any agreements approved hereby, or any other orders in these Chapter 11 Cases, any statutory liens (collectively, the “**Tax Liens**”) held by Dallas County or any other ad valorem tax authority (the “**Taxing Authorities**”) for prepetition and postpetition taxes shall not be primed nor made subordinate to any liens granted to any party hereby to the extent such Tax Liens are valid, senior, perfected, and unavoidable, and all parties’ rights to object to the priority, validity, amount, and extent of the claims and liens asserted by the Taxing Authorities are fully preserved. With respect to the Tax Authorities’ prepetition Secured Claims for ad valorem property Taxes for the 2022 tax year, to the extent such Claims are Allowed, the Taxing Authorities’ prepetition Claims shall be paid in full with all applicable and accrued interest no later than the earlier of the Closing of the Sale Transaction or the Effective Date or otherwise in the ordinary course of business unless an objection to the Claim has been filed. The Taxing Authorities’ Claims shall be paid with interest from the Petition Date through the Effective Date and from the Effective Date through the date of payment in full at the applicable state statutory rate of 1% per month pursuant to 11 U.S.C. §§ 506(b), 511, and 1129. In the event of a claim objection, the Taxing Authorities’ Claims shall be entitled to interest that accrues while the Claim objection is pending. The Taxing Authorities shall retain their Liens until all Taxes and related interest, penalties, and fees (if any) have been paid in full. In the event of a default under this Plan, the Taxing Authorities shall send notice of default to counsel for the Debtors/Reorganized Debtors and the Purchaser, as applicable, via facsimile or electronic mail, and the Debtors and/or Purchaser shall have 15 days from the date of such notice to cure said default. After the Effective Date, in the event of failure to cure the default timely, the Taxing Authorities shall be entitled to pursue collection of all amounts owed pursuant to applicable nonbankruptcy law from the Debtors/Reorganized Debtors or the Purchaser, as applicable, without further recourse to the Bankruptcy Court.”

VI. RISK FACTORS IN CONNECTION WITH THE PLAN

The Holders of Claims and Interests against the Debtors should read and carefully consider the following risk factors, as well as the other information set forth in this Disclosure Statement (and the documents delivered together herewith), before deciding whether to vote to accept or reject the Plan. These risk factors should not, however, be regarded as constituting the only risks associated with the Plan and its implementation.

A. Bankruptcy Considerations.

Although the Plan Sponsors believe the Plan will satisfy all requirements necessary for confirmation by the Bankruptcy Court, there can be no assurance that the Bankruptcy Court will confirm the Plan as proposed. Moreover, there can be no assurance that modifications of the Plan will not be required for confirmation or that such modifications would not necessitate the re-solicitation of votes.

In addition, the occurrence of the Effective Date is conditioned on the satisfaction (or waiver) of the conditions precedent set forth in Section 9 of the Plan, including conditions relating to the Asset Purchase Agreement and other documents related to the Sale Transaction, and there can be no assurance that such conditions will be satisfied or waived. In the event the conditions precedent described in the Plan have not been satisfied, or waived (to the extent possible) by the Plan Sponsors or applicable parties (as provided for in the Plan) as of the Effective Date, including the failure of the Closing Date to occur, then the Confirmation Order will be vacated, no Distributions will be made pursuant to the Plan, and the Plan Sponsors and all holders of Claims and Interests will be restored to the status quo ante as of the day immediately preceding the Confirmation Date as though the Confirmation Date had never occurred.

Bankruptcy Code section 1122 provides that a plan may place a claim or an equity interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. The Plan Sponsors believe that the classification of Claims and Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because each Class of Claims and Interests encompass Claims or Interests, as applicable, that are substantially similar to the other Claims and Interests in each such Class. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

B. Risks Related to the Sale.

The Plan contemplates that the Sale Transaction will be consummated with the Purchaser and that the Net Sale Proceeds from the Sale Transaction will be distributed to certain Holders of Claims in accordance with the Plan. Although the Initial Plan Sponsors and initial Purchaser have agreed on the form Asset Purchase Agreement, there is no guarantee that the initial or any other Purchaser will close on the transaction. Moreover, there is no guarantee that the Purchaser will obtain the requisite approval from regulatory authorities in connection with the Sale Transaction.

C. Litigation Risks.

The Plan contemplates recoveries by the Litigation Trust with respect to the Retained Causes of Action. Litigation, by its nature, is uncertain and the Plan Sponsors cannot predict or guaranty that the Litigation Trustee will be successful.

D. Additional Factors.

1. No Duty to Update Disclosures.

The Plan Sponsors have no duty to update the information contained in this Disclosure Statement as of the date hereof, unless otherwise specified herein, or unless the Plan Sponsors are

required to do so pursuant to an order of the Bankruptcy Court. Delivery of this Disclosure Statement after the date hereof does not imply that the information contained herein has remained unchanged.

2. Representations Outside this Disclosure Statement.

This Disclosure Statement contains representations concerning or related to the Debtors and the Plan that are subject to approval by the Bankruptcy Court. Please be advised that any representations or inducements outside this Disclosure Statement and any related documents which are intended to secure your acceptance or rejection of the Plan should not be relied upon by Holders of Claims that are entitled to vote to accept or reject the Plan.

3. No Admission.

The information and representations contained herein shall not be construed to constitute an admission of, or be deemed evidence of, any legal effect of the Plan on the Plan Sponsors or Holders of Claims and Interests.

4. Tax and Other Related Considerations.

A discussion of potential tax consequences of the Plan is provided in Section IX hereof; however, the content of this Disclosure Statement is not intended and should not be construed as tax, legal, business or other professional advice. Holders of Claims and/or Interests should seek advice from their own independent tax, legal or other professional advisors based on their own individual circumstances.

VII. PLAN CONFIRMATION AND CONSUMMATION

A. The Confirmation Hearing.

Bankruptcy Code section 1128(a) requires the Bankruptcy Court, after appropriate notice, to hold a Confirmation Hearing. On, or as promptly as practicable after the filing of the Plan and this Disclosure Statement, the Plan Sponsors will request, pursuant to the requirements of the Bankruptcy Code and the Bankruptcy Rules, that the Bankruptcy Court schedule the Confirmation Hearing. Notice of the Confirmation Hearing (the “**Confirmation Hearing Notice**”) will be provided to all known Creditors or their representatives. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or any subsequent adjourned Confirmation Hearing.

Pursuant to Bankruptcy Code section 1128(b), any party in interest may object to confirmation of a plan of reorganization or liquidation. Any objection to confirmation of the Plan must be in writing, must conform to the Bankruptcy Rules, must set forth the name of the objector, the nature and amount of Claims or Interests held or asserted by the objector against the Plan Sponsors, the basis for the objection and the specific grounds of the objection, and must be filed with the Bankruptcy Court, together with proof of service thereof, and served upon: (i) counsel for the Initial Plan Sponsors, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, Attn: Daniel Bleck; (ii) counsel for the Committee, Foley

& Lardner, 2021 McKinney Avenue, Ste. 1600, Dallas, Texas 75201, Attn: Stephen A. McCartin, Thomas C. Scannell, and Mark C. Moore; (iii) counsel for the Debtors, Polsinelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201, Attn: Trinitee G. Green and 600 3rd Avenue, 42nd Floor, New York, NY 10016, Attn: Jeremy R. Johnson; (iv) counsel for Lifespace, Cooley LLP, 110 North Wacker Drive, Suite 4200, Chicago, Illinois 60606, Attn: Eric. E. Walker; (v) the Office of the United States Trustee, 1100 Commerce St, Room 976, Dallas, Texas 75242-1699, Attn: Lisa Lambert; and (vi) such other parties as the Bankruptcy Court may order, so as to be actually received no later than the date and time designated in the Confirmation Hearing Notice.

Bankruptcy Rule 9014 governs objections to confirmation of the Plan.

UNLESS AN OBJECTION TO CONFIRMATION OF THE PLAN IS TIMELY SERVED UPON THE PARTIES LISTED ABOVE AND FILED WITH THE BANKRUPTCY COURT, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT IN DETERMINING CONFIRMATION OF THE PLAN.

B. Plan Confirmation Requirements Under the Bankruptcy Code.

In order for the Plan to be confirmed, the Bankruptcy Code requires that the Bankruptcy Court determine that the Plan complies with the technical requirements of Chapter 11 and that the disclosures concerning the Plan have been adequate and have included information concerning all payments made or promised in connection with the Plan and the Chapter 11 Cases. The Bankruptcy Code also requires that: (1) the Plan be accepted by the requisite votes of Creditors except to the extent that confirmation despite dissent is available under Bankruptcy Code section 1129(b); (2) the Plan is feasible (that is, there is a reasonable probability that the Debtors will be able to perform their obligations under the Plan without needing further reorganizations not contemplated by the Plan); and (3) the Plan is in the “best interests” of all Creditors (that is, Creditors will receive at least as much under the Plan as they would receive in a hypothetical liquidation case under chapter 7 of the Bankruptcy Code). To confirm the Plan, the Bankruptcy Court must find that all of the above conditions are met, unless the applicable provisions of Bankruptcy Code section 1129(b) are employed to confirm the Plan, subject to satisfying certain conditions, over the dissent or deemed rejections of Classes of Claims.

1. Best Interests of Creditors.

The Bankruptcy Code requires that, with respect to an Impaired class of claims or interests, each holder of an Impaired claim or interest in such class either (i) accepts the plan or (ii) receives or retains under the plan property of a value, as of the effective date of the plan, that is not less than the amount (value) such holder would receive or retain if the debtor was liquidated under chapter 7 of the Bankruptcy Code on the Effective Date.

The Plan Sponsors, with the assistance of their professionals, have prepared the Liquidation Analysis attached hereto as Exhibit 2. The Liquidation Analysis is based upon a hypothetical liquidation in a chapter 7 case. In preparing the Liquidation Analysis, the Plan Sponsors have taken into account the nature, status and underlying value of its Assets, the ultimate realizable value of its Assets, and the extent to which such Assets are subject to liens and security interests. In addition, the Liquidation Analysis also reflects the required time and resources necessary to

effectuate an orderly wind down of the Community, which provides critical care to residents and must comply with numerous federal and state regulations.

Based upon the Liquidation Analysis, the Plan Sponsors believe that liquidation under chapter 7 would result in smaller distributions, if any, being made to Creditors than those provided for in the Plan because of: (a) the likelihood that the Debtors' Assets would have to be sold or otherwise disposed of in an orderly fashion; (b) additional administrative expenses attendant to the appointment of a trustee and the trustee's employment of attorneys and other professionals; and (c) additional expenses and Claims, some of which would be entitled to priority, which would be generated during the liquidation and from the rejection of leases and other executory contracts in connection with a cessation of the Debtors' operations. In the opinion of the Plan Sponsors, the recoveries projected to be available in a chapter 7 liquidation are not likely to afford the holders of Claims as great a realization potential as afforded to them under the Plan.

Accordingly, the Plan Sponsors believe that in a chapter 7 liquidation, holders of Claims would receive less than such holders would receive under the Plan. There can be no assurance, however, as to values that would actually be realized in a chapter 7 liquidation, nor can there be any assurance that a Bankruptcy Court would accept the Plan Sponsors' conclusions or concur with such assumptions in making its determinations under section 1129(a)(7) of the Bankruptcy Code.

2. Feasibility of the Plan.

Pursuant to section 1129(a)(11) of the Bankruptcy Code, a plan proponent must demonstrate that a bankruptcy court's confirmation of a plan is not likely to be followed by the liquidation or need for further financial reorganization of the debtor or its successor under the plan, unless such liquidation or reorganization is proposed under the plan. The Plan contemplates the sale of substantially all of the Debtors' Assets to a Purchaser and transfer of remaining Assets, including the Retained Causes of Action, to the Litigation Trust to be liquidated and distributed to Holders of Litigation Trust Interests in accordance with the Plan and Litigation Trust Agreement. Therefore, the Bankruptcy Court's confirmation of the Plan is not likely to be followed by liquidation or the need for any further reorganization.

3. Acceptance by Impaired Classes.

The Bankruptcy Code requires, as a condition to confirmation, that, except as described below, each class of claims or equity interests that is Impaired under a plan, accept the plan. A class that is not "impaired" under a plan is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to such class is not required. As a general matter under the Bankruptcy Code, a class is "impaired," unless the plan: (a) leaves unaltered the legal, equitable and contractual rights to which the claim or the equity interest entitles the holder of such claim or equity interest; (b) cures any default and reinstates the original terms of such claim or equity interest; or (c) provides that, on the consummation date, the holder of such claim or equity interest receives Cash equal to the allowed amount of that claim or, with respect to any equity interest, any fixed liquidation preference to which the holder of such equity interest is entitled to any fixed price at which the debtor may redeem the security.

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of Impaired claims as acceptance by holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of claims in that class, but for that purpose counts only those who actually vote to accept or to reject the plan. Thus, a class of claims will have voted to accept the plan only if two-thirds (2/3) in amount and a majority in number actually voting cast their ballots in favor of acceptance. A vote may be disregarded if the Bankruptcy Court determines, after notice and a hearing, that acceptance or rejection was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code.

Any Class of Claims that is not occupied as of the commencement of the Confirmation Hearing by an Allowed Claim or a Claim temporarily Allowed under Bankruptcy Rule 3018 shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code. If no votes to accept or reject the Plan are received with respect to a Class whose votes have been solicited under the Plan (other than a Class that is deemed eliminated under the Plan), such Class shall be deemed to have voted to accept the Plan.

4. Additional Requirements for Nonconsensual Confirmation.

The Bankruptcy Code permits confirmation of a plan even if it is not accepted by all Impaired classes, as long as: (a) the plan otherwise satisfies the requirements for confirmation; (b) at least one Impaired class of claims has accepted it without taking into consideration the votes of any insiders in such class; and (c) the plan is “fair and equitable” and does not “discriminate unfairly” as to any Impaired class that has not accepted the plan. These so called “cramdown” provisions are set forth in Bankruptcy Code section 1129(b).

5. No Unfair Discrimination.

The “no unfair discrimination” test requires that the plan not provide for unfair treatment with respect to classes of claims or interests that are of equal priority, but are receiving different treatment under the plan.

6. Fair and Equitable.

The fair and equitable requirement applies to classes of claims of different priority and status, such as secured versus unsecured. The plan satisfies the fair and equitable requirement if no class of claims receives more than 100% of the allowed amount of the claims in such class. Further, if a class of claims is considered a dissenting class (“**Dissenting Class**”), i.e., a Class of Claims that is deemed to reject the Plan because the required majorities in amount and number of votes is not received from the Class, the following requirements apply:

a. Class of Secured Claims.

Each holder of an Impaired secured claim either: (i) retains its liens on the subject property, to the extent of the allowed amount of its secured claim and receives deferred Cash payments having a value, as of the effective date of the plan, of at least the allowed amount of such claim; (ii) has the right to credit bid the amount of its claim if its property is sold and retains its liens on

the proceeds of the sale (or if sold, on the proceeds thereof); or (iii) receives the “indubitable equivalent” of its allowed secured claim.

b. **Class of Unsecured Creditors.**

Either (i) each holder of an Impaired unsecured claim receives or retains under the plan property of a value equal to the amount of its allowed claim or (ii) the holders of claims and interests that are junior to the claims of the Dissenting Class will not receive any property under the plan.

c. **Class of Interests.**

Either (i) each interest holder will receive or retain under the plan property of a value equal to the greater of (a) the fixed liquidation preference or redemption price, if any, of such stock and (b) the value of the stock, or (ii) the holders of interests that are junior to the interests of the Dissenting Class will not receive any property under the plan.

The Plan Sponsors believe the Plan does not “discriminate unfairly” and will satisfy the “fair and equitable” requirement notwithstanding that certain Classes of Interests are deemed to reject the Plan because no Class that is junior to such Class will receive or retain any property on account of the Claims and Interests in such Class and the Plan does not provide for unfair treatment with respect to Classes of Claims or Interests that are of equal priority.

VIII. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Plan Sponsors believe the Plan is in the best interests of its Creditors and should accordingly be accepted and confirmed. If the Plan as proposed, however, is not confirmed, the following alternatives may be available to the Plan Sponsors: (i) a liquidation of the Debtors’ Assets pursuant to chapter 7 of the Bankruptcy Code; or (ii) an alternative plan of reorganization or liquidation may be proposed and confirmed; there can be no assurance that the terms of any such alternative would be similar or as favorable to the Holders of Allowed Claims as those proposed in the Plan.

A. Chapter 7 Liquidation.

If a plan pursuant to chapter 11 of the Bankruptcy Code is not confirmed by the Bankruptcy Court, the Debtors’ Chapter 11 Cases may be converted to liquidation cases under chapter 7 of the Bankruptcy Code, in which a trustee would be elected or appointed, pursuant to applicable provisions of chapter 7 of the Bankruptcy Code, to liquidate the Assets of the Debtors for Distribution in accordance with the priorities established by the Bankruptcy Code. The Plan Sponsors believe that such a liquidation would result in smaller distributions being made to the Debtors’ creditors than those provided for in the Plan because of: (a) the likelihood that other Assets of the Debtors would have to be sold or otherwise disposed of in an orderly fashion; (b) additional administrative expenses attendant to the appointment of a trustee and the trustee’s employment of attorneys and other professionals; and (c) additional expenses and Claims, some of which would be entitled to priority, which would be generated during the liquidation and from the rejection of leases and other executory contracts in connection with a cessation of the Debtors’ operations. The Plan Sponsors have concluded that confirmation of the Plan will provide each

holder of an Allowed Claim with a recovery that is not less than such holder would receive pursuant to liquidation of the Debtors under chapter 7 of the Bankruptcy Code.

B. Alternative Plan Pursuant to Chapter 11 of the Bankruptcy Code.

If the Plan is not confirmed, the Plan Sponsors may propose a different plan, which might involve an alternative means for the reorganization or liquidation of the Debtors' Assets. However, the Plan Sponsors believe that the terms of the Plan provide for an orderly and efficient restructuring of the Debtors' obligations and will result in the realization of the most value for holders of Claims against the Debtors' Estates.

IX. RECOMMENDATION AND CONCLUSION

The Plan Sponsors believe the Plan is in the best interests of the Estates, creditors and other interested parties and urge the holders of Claims entitled to vote to accept the Plan and to evidence such acceptance by properly voting and timely returning their Ballots.

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Dated: December 19, 2022

HAYNES AND BOONE, LLP

/s/ J. Frasher Murphy

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EXHIBIT 1

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

THIRD AMENDED PLAN OF REORGANIZATION OF THE PLAN SPONSORS
DATED DECEMBER 19, 2022

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¹ The Debtors, along with the last four digits of each Debtor's federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors' mailing address is 8523 Thackery Street, Dallas, Texas 75225.

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INTRODUCTION²

On April 14, 2022, Edgemere and SQLC commenced their Chapter 11 Cases, seeking relief under Chapter 11 of the Bankruptcy Code. The major constituencies in these Chapter 11 Cases have reached a global resolution which is set forth in this *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* (as may be further amended, supplemented, or otherwise modified from time to time, the “**Plan**”). This Plan is supported by the following parties (collectively, the “**Plan Supporters**”): (i) UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”), (ii) UMB Bank, N.A., in its capacity as lender under the DIP Credit Agreement (the “**DIP Lender**” and, together with the Trustee, the “**Initial Plan Sponsors**”), (iii) Northwest Senior Housing Corporation d/b/a Edgemere (“**Edgemere**”), (iv) Senior Quality Lifestyles Corporation (“**SQLC**” and together with Edgemere, the “**Debtors**” and together with the Initial Plan Sponsors, the “**Plan Sponsors**”), (v) Lifespace Communities, Inc. (“**Lifespace**”), and (vi) the Official Committee of Unsecured Creditors (the “**Committee**”). The Plan Sponsors propose this Plan pursuant to Bankruptcy Code sections 1125 and 1129 for the resolution of outstanding Claims against, and Interests in, the Debtors.

Reference is made to the Disclosure Statement for a discussion of the Debtors’ history and assets, a summary and analysis of this Plan, and certain related matters, including the Distributions to be made under this Plan and the risk factors relating to consummation of this Plan. No materials other than the Disclosure Statement, this Plan, the Plan Supplement, and any and all exhibits and/or schedules attached thereto or hereto have been authorized by the Plan Sponsors for use in soliciting votes of acceptance with respect to this Plan.

Copies of this Plan and the Disclosure Statement and all other documents related to the Chapter 11 Cases are available for review without charge, on the website for the Chapter 11 Cases at: <https://kccllc.net/edgemere>.

This Plan will implement the Sale Transaction, pursuant to which substantially all the Debtors’ assets will be sold to a Purchaser who will continue running the Community as a going concern. An initial Purchaser has been selected by the Plan Sponsors and the parties have agreed to an Asset Purchase Agreement, with the initial Purchaser’s offer subject to higher and better bids, including through a potential Auction, pursuant to bidding and sale procedures to be filed with the Bankruptcy Court. The initial Purchaser has offered to purchase the Community for \$48.5 million, subject to certain adjustments set forth in the Asset Purchase Agreement. The remaining assets of the Estates shall be transferred to a Litigation Trust to be liquidated for the benefit of creditors.

Consultants have concluded that the Community cannot continue to operate solely as an entrance fee community. An entrance fee model, in the opinion of such consultants, is not feasible and will exacerbate the financial struggles of Edgemere. Accordingly, the Asset Purchase Agreement contemplates the conversion of the Community to a rental model. Pursuant to the Asset Purchase Agreement, all entrance-fee Residency Agreements will be rejected and, subject to regulatory approvals and/or requirements, all Current Residents will be offered a new monthly

² Capitalized terms used but not defined shall have the meanings ascribed to them in Section 1.A or Section 8 of this Plan.

rental agreement which shall provide similar services to Current Residents as provided prior to the Closing Date.

This Plan will also establish a Litigation Trust, into which all assets of the Debtors not purchased through the Sale Transaction, including the Landlord Litigation and other Retained Causes of Action, will be transferred. The Litigation Trustee will prosecute and liquidate the Litigation Trust Assets, with the proceeds from such liquidation distributed on a Pro Rata basis to Holders of Allowed General Unsecured Claims pursuant to the terms and conditions of this Plan and the Litigation Trust Agreement, which will be included in the Plan Supplement.

This Plan includes a settlement of all potential Estate, Trustee, DIP Lender and Resident claims against Lifespace in exchange for (i) a \$16.5 million payment to the Trustee on the Effective Date for Distribution to current holders of the Original Bonds, pursuant to the terms of the Original Bond Documents, and (ii) subject to certain conditions, annual payments made into a Residents Trust, pursuant to the schedule attached to the Disclosure Statement as Exhibit 4, which funds shall be used to pay Participating Residents for Refund Claims as further described herein. In exchange for the Lifespace Resident Contributions and the releases provided under Section 8 of this Plan, Lifespace will be entitled to a Pro Rata distribution of Litigation Trust Assets, in accordance with the terms of this Plan and the Litigation Trust Agreement.

NOTWITHSTANDING ANYTHING HEREIN, OR IN THIS PLAN, OR IN ANY OTHER AGREEMENT OR DISCLOSURE TO THE CONTRARY, the Purchaser shall have no obligation, duty or other requirement to participate in any aspect of the Residents Trust, including accepting any payments from the Residents Trust, other than to provide periodic reporting to the Residents Trust as required under the Asset Purchase Agreement. Any future rental agreement with any Current Resident will not relate in any way to the Residents Trust, the Lifespace Settlement and Contribution Agreement, or any other provision of this Plan, including but not limited to any payments or adjustments contemplated to Participating Current Residents described herein or otherwise.

ALL HOLDERS OF CLAIMS ENTITLED TO VOTE ON THIS PLAN ARE ENCOURAGED TO READ THIS PLAN AND THE DISCLOSURE STATEMENT FILED CONTEMPORANEOUSLY HERewith IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THIS PLAN.

SECTION 1. DEFINITIONS AND INTERPRETATION

A. Definitions.

The following terms used herein shall have the respective meanings below:

1.1 “*2015 Bond Documents*” means the 2015 Bond Indenture and any bonds, loan agreement, mortgage, security agreement, document, agreement, or instrument executed or delivered in connection with the issuance of the Series 2015 Bonds, including the 2015 Loan Agreement.

1.2 “*2015 Bond Indenture*” means that certain Indenture of Trust, dated May 1, 2015, by and between the Issuer and the Bank of New York Mellon Trust Company, National Association, as initial bond trustee, pursuant to which the Series 2015 Bonds were issued.

1.3 “*2015 Loan Agreement*” means that certain Loan Agreement, dated May 1, 2015, by and between the Issuer and Edgemere, pursuant to which the Issuer loaned the proceeds of the Series 2015 Bonds to Edgemere.

1.4 “*2017 Bond Documents*” means the 2017 Bond Indenture, and any bonds, loan agreement, mortgage, security agreement, document, agreement, or instrument executed or delivered in connection with the issuance of the Series 2017 Bonds, including the 2017 Loan Agreement.

1.5 “*2017 Bond Indenture*” means that certain Indenture of Trust, dated March 1, 2017, between the Issuer and Bank of New York Mellon Trust Company, National Association, as initial bond trustee, pursuant to which the Series 2017 Bonds were issued.

1.6 “*2017 Loan Agreement*” means that certain Loan Agreement, dated March 1, 2017, by and between the Issuer and Edgemere, pursuant to which the Issuer loaned the proceeds of the Series 2017 Bonds to Edgemere.

1.7 “*Administrative Claim*” means any Claim against any Debtor for costs and expenses of administration of the Chapter 11 Cases pursuant to Bankruptcy Code sections 503(b), 507(a)(2), or 507(b), including: (i) the actual and necessary costs and expenses incurred on or after the Petition Date until and including the Effective Date, of preserving the Estates and operating the Debtors’ businesses; (ii) Allowed Professional Claims; (iii) all Allowed requests for compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases pursuant to Bankruptcy Code sections 503(b)(3), (4), and (5); and (iv) all fees and charges assessed pursuant to 28 U.S.C. § 1930(a)(6).

1.8 “*Administrative Claims Bar Date*” means the date by which Administrative Claims must be filed, which shall be set by separate order of the Court pursuant to a separate motion.

1.9 “*Affiliate*” means, with respect to any Entity, an “affiliate” as defined in Bankruptcy Code section 101(2) as if such entity were a debtor.

1.10 “*Allowed*” means with respect to Claims: (i) any Claim, proof of which is timely filed by the applicable Bar Date; (ii) any Claim that is listed in the Schedules as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim has been timely filed; or (iii) any Claim Allowed pursuant to this Plan or a Final Order of the Bankruptcy Court; provided, that with respect to any Claim described in clauses (i) and (ii) above, such Claim shall be considered Allowed only if and to the extent that, with respect to such Claim, no objection to the allowance thereof has been interposed within the applicable period of time, as may be extended by the Bankruptcy Court from time to time, fixed by this Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or such an objection is so interposed and the Claim shall have been Allowed by a Final Order. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim is or has been timely filed, is not considered Allowed and shall be expunged without further action by the Litigation Trustee and without further notice to any party or action, approval, or order of the Bankruptcy Court. An Allowed Claim (i) includes a Disputed Claim to the extent such Disputed Claim becomes Allowed after the Effective Date and (ii) shall be net of any valid setoff exercised with respect to such Claim pursuant to the provisions of the Bankruptcy Code and applicable law; provided, however, such setoff shall not otherwise be applicable to the amounts owed with respect to the Original Bonds. Unless otherwise specified in this Plan, Bankruptcy Code section 506(b), or by Final Order of the Bankruptcy Court, “Allowed” Claims shall not, for purposes of Distributions under this Plan, include interest on such Claim accruing from and after the Petition Date. For the avoidance of doubt, the Trustee shall hold an Allowed Claim in an amount of \$111,728,919.22 as of the Petition Date, plus unliquidated, accrued, and unpaid fees and expenses of the Trustee and its professionals incurred through the Petition Date.

1.11 “*Asset Purchase Agreement*” means that certain agreement, substantially in the form attached hereto in Exhibit 1, between Edgemere and Bay 9 Holdings LLC or its designee for a sale of substantially all the Debtors’ Assets.

1.12 “*Assets*” means all interests, legal or equitable, in property, real, personal, tangible and intangible, of the Debtors as defined in Bankruptcy Code section 541(a).

1.13 “*Assumption Notice*” shall have the meaning set forth in Section 5 of this Plan.

1.14 “*Auction*” has the meaning set forth in the Bidding Procedures Order.

1.15 “*Avoidance Actions*” means all actions, causes of action, suits, choses in action, and claims of the Debtors and/or the Estates against any entity or Person, whether direct, indirect, derivative, or otherwise arising under Bankruptcy Code section 510 or to avoid a transfer of property or recover property pursuant to Bankruptcy Code sections 542 through 550 or applicable non-bankruptcy law.

1.16 “*Ballot*” means the ballots upon which holders of Impaired Claims entitled to vote to accept or reject this Plan may indicate their acceptance or rejection in accordance with applicable rules and instructions regarding voting.

1.17 “*Bankruptcy Code*” means title 11 of the United States Code, 11 U.S.C. §§ 101-1532.

1.18 “*Bankruptcy Court*” means the United States Bankruptcy Court for the Northern District of Texas, having jurisdiction over the Chapter 11 Cases or, if the Bankruptcy Court ceases to exercise jurisdiction over the Chapter 11 Cases, such court or adjunct thereof that exercises jurisdiction over the Chapter 11 Cases in lieu of the United States Bankruptcy Court for the Northern District of Texas.

1.19 “*Bankruptcy Rules*” means the Federal Rules of Bankruptcy Procedure, as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, as amended from time to time.

1.20 “*Bar Date(s)*” means the Claims Bar Date, the Governmental Bar Date, or the Rejection Damages Bar Date, as applicable; and “*Bar Dates*” means a collective reference to the Claims Bar Date, the Governmental Bar Date, and the Rejection Damages Bar Date.

1.21 “*Bar Date Order*” means, collectively, the Bankruptcy Court’s Order (I) Establishing Bar Dates, (II) Approving Form and Manner of Notice Thereof, and (III) Approving Procedures for Filing Proofs of Claims [Docket No. 325] and Order (I) Establishing Bar Dates, (II) Approving Form and Manner of Notice Thereof, and (III) Approving Procedures for Filing Proofs of Claims [Docket No. 386].

1.22 “*Bid Deadline*” has the meaning set forth in the Bidding Procedures Order.

1.23 “*Bidding Procedures Order*” means the Bankruptcy Court’s order establishing the sale procedures with respect to the Sale Transaction.

1.24 “*Bond Claims*” means the Series 2015 Bond Claims and the Series 2017 Bond Claims.

1.25 “*Bond Deficiency Claim*” means the Bond Claims minus the amount paid to the Trustee pursuant to the Sale Transaction.

1.26 “*Business Day*” means any day, other than a Saturday, Sunday or “legal holiday” as defined in Bankruptcy Rule 9006(a).

1.27 “*Cash*” means the legal tender of the United States of America or the equivalent thereof.

1.28 “*Causes of Action*” means any claims, causes of action (including Avoidance Actions), demands, actions, suits, obligations, liabilities, cross-claims, counterclaims, offsets, or setoffs of any kind or character whatsoever, in each case now owned or hereafter acquired by the Debtors and/or their Estates, and in each case, whether known or unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, foreseen or unforeseen, direct or indirect, choate or inchoate, existing or hereafter arising, under statute, in contract, in tort, in law, or in equity, or pursuant to any other theory of law, federal or state, whether asserted or assertable directly or derivatively in law or equity or otherwise by way of claim,

counterclaim, cross-claim, third party action, action for indemnity or contribution or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the Petition Date or during the course of the Chapter 11 Cases, including through the Effective Date, including the Landlord Litigation and other Retained Causes of Action.

1.29 “*Chapter 11*” means chapter 11 of the Bankruptcy Code.

1.30 “*Chapter 11 Cases*” means (i) when used with reference to a particular Debtor, the case under chapter 11 of the Bankruptcy Code commenced by such Debtor in the Bankruptcy Court, and (ii) when used with reference to both Debtors, the cases under chapter 11 of the Bankruptcy Code commenced by the Debtors in the Bankruptcy Court being jointly administered under Case No. 22-30659.

1.31 “*Claim*” means a “claim,” as that term is defined in Bankruptcy Code section 101(5).

1.32 “*Claims Bar Date*” means July 21, 2022 at 4:00 Prevailing Central Time, the general bar date by which entities, other than Governmental Units, shall file Proofs of Claim.

1.33 “*Class*” means a category of holders of Claims or Interests as set forth in Section 3 hereof pursuant to Bankruptcy Code section 1122(a).

1.34 “*Closing*” means the closing on the transactions contemplated by the Sale Transaction pursuant to the Asset Purchase Agreement.

1.35 “*Closing Date*” has the meaning given to such term in the Asset Purchase Agreement.

1.36 “*Committee*” means the official committee of creditors appointed by the U.S. Trustee in the Chapter 11 Cases pursuant to Bankruptcy Code section 1102 [Docket Nos. 135 and 150].

1.37 “*Committee Challenge*” shall have the meaning set forth in Section 4.8 of this Plan.

1.38 “*Community*” means the continuing care retirement community, located in Dallas, Texas, known as “Edgemere.”

1.39 “*Confirmation Date*” means the date on which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases within the meaning of Bankruptcy Rules 5003 and 9021.

1.40 “*Confirmation Hearing*” means the hearing(s) before the Bankruptcy Court under Bankruptcy Code section 1128 at which the Plan Sponsors seek entry of the Confirmation Order, as such hearing(s) may be adjourned or continued from time to time.

1.41 “*Confirmation Order*” means the Bankruptcy Court order confirming this Plan pursuant to Bankruptcy Code section 1129.

1.42 “*Contract Objection*” shall have the meaning set forth in Section 5 of this Plan.

1.43 “*Creditor Released Claims*” has the meaning set forth in Section 8.3 of this Plan.

1.44 “*Cure Escrow*” means the escrow account established to hold asserted cure obligations associated with the Ground Lease pending a Bankruptcy Court determination as to the Allowed cure amount.

1.45 “*Cure and Possible Assumption and Assignment Notice*” shall have the meaning set forth in Section 5 of this Plan.

1.46 “*Cure Objection*” shall have the meaning set forth in Section 5 of this Plan.

1.47 “*Current Resident*” means a Resident that resides at the Community as of the Voting Record Date pursuant to a Residency Agreement.

1.48 “*Dallas County Claim*” means the 2022 tax claim of Dallas County in the amount of \$26,856.19 plus accrued interest.

1.49 “*Debtor Released Claims*” has the meaning set forth in Section 8.2 of this Plan.

1.50 “*Debtors*” means, collectively, Edgemere and SQLC.

1.51 “*Diminution Claim*” means the Trustee’s claim for Diminution as defined in and arising under the DIP Orders.

1.52 “*DIP Credit Agreement*” means that certain Priming Superpriority Debtor-in-Possession Credit Agreement between the Debtors and the DIP Lender, together with any amendments, modifications or supplements thereto, which was approved pursuant to the DIP Orders.

1.53 “*DIP Facility Claims*” means a Claim held by the DIP Lender for all debts, indebtedness, obligations, covenants, and duties of payment and performance arising under or relating to the DIP Credit Agreement or the DIP Orders, including any and all accrued but unpaid interest and any unpaid fees or charges arising under the DIP Credit Agreement.

1.54 “*DIP Lender*” means the lender under the DIP Credit Agreement.

1.55 “*DIP Orders*” means the *Bankruptcy Court’s First Interim Order (1) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing the Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; (4) Granting Liens, Security Interests and Superpriority Claims; and (5) Scheduling a Final Hearing* [Docket No. 112]; *Second Interim Order (1) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing the Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; (4) Granting Liens, Security Interests and Superpriority Claims; and (5)*

Scheduling a Final Hearing [Docket No. 228]; *Third Interim Order (1) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing the Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; (4) Granting Liens, Security Interests and Superpriority Claims; and (5) Scheduling a Final Hearing* [Docket No. 350]; bridge orders extending the deadline in paragraph 22(ii) of the Third Interim DIP Order [Docket Nos. 398 and 415]; and *Final Order (1) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing the Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; and (4) Granting Liens, Security Interests and Superpriority Claims* [Docket No. 421] (as may be amended, modified or supplemented).

1.56 “*Disclosure Statement*” means the Disclosure Statement, as may be modified or amended, accompanying and describing this Plan.

1.57 “*Disclosure Statement Order*” means the Bankruptcy Court’s order approving the Disclosure Statement.

1.58 “*Disputed*” means, with respect to any Claim or Interest, or any portion thereof that is not yet Allowed, including (i) any Claim evidenced by a Proof of Claim that, on its face, is contingent or unliquidated; (ii) any Claim that is subject to an objection filed by the Claims Objection Deadline or a request for estimation, in each case that has not been withdrawn, resolved, or ruled on by a Final Order of the Bankruptcy Court; (iii) any Claim or Interest scheduled by the Debtors as contingent, unliquidated or disputed, (iv) any Claim or Interest evidenced by a Proof of Claim which amends a Claim or Interest scheduled by the Debtors as contingent, unliquidated or disputed, and (v) any Claim or Interest that is not an Allowed Claim or Allowed Interest or a Disallowed Claim or a Disallowed Interest; provided, however, that Refund Claims are not Disputed on account of being scheduled by the Debtors as contingent or unliquidated and the Bond Claims are not Disputed notwithstanding any pending challenges or claims.

1.59 “*Distribution*” means Cash, property, interests in property or other value distributed to holders of Allowed Claims, or their designated agents, under this Plan.

1.60 “*Distribution Record Date*” means, other than with respect to public securities cancelled by this Plan, the Effective Date or such other date as may be designated in the Confirmation Order.

1.61 “*Edgemere*” means Northwest Senior Housing Corporation.

1.62 “*Effective Date*” means the date which is the first Business Day on which the conditions set forth in Section 9 of this Plan have been satisfied or waived.

1.63 “*Entity*” shall have the meaning set forth in Bankruptcy Code section 101(15).

1.64 “*Entrance Fee Escrow*” means the escrow account holding entrance fees received from Residents on or after September 27, 2021, which account is maintained by Regions Bank, as escrow agent, on behalf of such Residents pursuant to the Escrow Agreement.

1.65 “*Entrance Fee Escrow Order*” means the Bankruptcy Court’s Final Order (I) Authorizing the Debtors to Continue (A) Escrowing Entrance Fees in the Ordinary Course and (B) Refunding Certain Entrance Fees During the Chapter 11 Case and (II) Granting Related Relief [Docket No. 393].

1.66 “*Escrow Agreement*” means that certain Escrow Agreement, dated September 27, 2021, by and among Edgemere, the Trustee, and Regions Bank, as escrow agent.

1.67 “*Escrow Resident Claims*” means the Claims of Residents to funds in the Entrance Fee Escrow pursuant to the Escrow Agreement.

1.68 “*Estates*” means the estates of the Debtors created by the Chapter 11 Cases pursuant to Bankruptcy Code section 541.

1.69 “*Exculpated Party*” means each of: (i) the Purchaser, (ii) the Plan Sponsors, (iii) the Issuer, (iv) the Committee and the members of the Committee, (v) Lifespace and (vi) with respect to each of the foregoing Entities in clauses (i) through (v), such Entity and its current and former predecessors, successors and assigns, subsidiaries, affiliates, managed accounts or funds, and all of their respective current and former officers, directors, principals, shareholders, members, partners, managers, employees, attorneys, advisors, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other professionals.

1.70 “*Executory Contract*” means all contracts and leases to which any Debtor is a party that is subject to assumption or rejection under Bankruptcy Code section 365.

1.71 “*Former Resident*” a Resident that no longer resides at the Community as of the Voting Record Date.

1.72 “*Final Order*” means an order or judgment of the Bankruptcy Court entered by the Clerk of the Bankruptcy Court on the docket in the Chapter 11 Cases that has not been reversed, vacated, or stayed and as to which (i) the time to appeal, petition for certiorari, or move for a new trial, reargument, or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for a new trial, reargument, or rehearing shall then be pending and stayed, or (ii) if an appeal, writ of certiorari, new trial, reargument, or rehearing thereof has been sought and a stay of the order or judgment has been granted, such order or judgment of the Bankruptcy Court shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, reargument, or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, to petition for certiorari, or to move for a new trial, reargument, or rehearing shall have expired; provided, however, that the possibility that a motion under Rules 59 or 60 of the Federal Rules of Civil Procedure, or Bankruptcy Rules 9023 or 9024, may be filed relating to such order shall not cause such order to not be a Final Order.

1.73 “*General Unsecured Claim*” means any Claim, other than Administrative Claims, Secured Claims, Other Priority Claims, Priority Tax Claims, the Dallas County Claim, the Diminution Claim, DIP Facility Claims, and Bond Claims (other than the Bond Deficiency Claim).

1.74 “*Ground Lease*” means that certain Ground Lease, dated November 5, 1999, by and between Edgemere and the Landlord.

1.75 “*Governmental Bar Date*” means October 11, 2022 at 4:00 prevailing Central Time, the date by which Governmental Units must file Proofs of Claims.

1.76 “*Government Unit*” means a “governmental unit” as defined in Bankruptcy Code section 101(27).

1.77 “*Impaired*” means, with respect to a Claim, that such Class of Claims is “impaired” within the meaning of Bankruptcy Code section 1124.

1.78 “*Initial Plan Sponsors*” means the Trustee and the DIP Lender.

1.79 “*Insurance Policies*” means, collectively, all the Debtors’ insurance policies.

1.80 “*Interest*” means any membership interest in any Debtor, whether or not transferable, or any option, warrant, or right, contractual or otherwise, to acquire any such interest.

1.81 “*Issuer*” means the Tarrant County Cultural Education Facilities Finance Corporation.

1.82 “*KCC*” means Kurtzman Carson Consultants LLC.

1.83 “*Landlord*” means Intercity Investment Properties, Inc.

1.84 “*Landlord Litigation*” means that certain adversary proceeding commenced in the Bankruptcy Court on April 14, 2022 (Adv. No. 22-03040-mvl) and captioned *Northwest Senior Housing Corporation v. Intercity Investment Properties, Inc., et al.*

1.85 “*Lien*” means “lien,” as defined in Bankruptcy Code section 101(37).

1.86 “*Lifespace*” means Lifespace Communities, Inc.

1.87 “*Lifespace Bond Contribution*” means the \$16.5 million payment to the Trustee on the Effective Date for Distribution to holders of the Original Bonds.

1.88 “*Lifespace Resident Claim*” means Lifespace’s interest in the Litigation Trust Assets on account of the Lifespace Resident Contributions equaling \$143,910,979.78 (assuming no Residents opt out of the Lifespace Settlement and to be adjusted for opt-outs), which shall entitle Lifespace to a Pro Rata Distribution of Litigation Trust Proceeds.

1.89 “*Lifespace Resident Contribution Schedule*” means the schedule of Lifespace Resident Contributions attached to the Disclosure Statement as Exhibit 4.

1.90 “*Lifespace Resident Contributions*” means the annual payments that will be made by Lifespace into the Residents Trust, subject to certain financial conditions, pursuant to the terms of the Lifespace Settlement and Contribution Agreement, in substantially the form attached

to the Disclosure Statement as Exhibit 3, and the Lifespace Resident Contribution Schedule, attached to the Disclosure Statement as Exhibit 4.

1.91 “*Lifespace Settlement*” means the settlement set forth in the Lifespace Settlement and Contribution Agreement.

1.92 “*Lifespace Settlement and Contribution Agreement*” means that certain Lifespace Settlement and Contribution Agreement, in substantially the form attached to the Disclosure Statement as Exhibit 3.

1.93 “*Litigation Trust*” means the trust described in Section 4 of this Plan.

1.94 “*Litigation Trust Agreement*” means the agreement between the Plan Sponsors, the Debtors and the Litigation Trustee to be entered into as of the Effective Date, substantially in form set forth in the Plan Supplement, as it may be amended from time to time in accordance with its terms.

1.95 “*Litigation Trust Assets*” means from and after the Effective Date (i) all legal and equitable interests of the Debtors in Retained Causes of Action, including the Landlord Litigation, and Avoidance Actions, and the proceeds thereof; (ii) all legal and equitable defenses or counterclaims of the Debtors to Claims; and (iii) any other Assets to be vested in the Litigation Trust pursuant to this Plan and the Litigation Trust Agreement, including any Assets that are not sold in the Sale Transaction pursuant to the Asset Purchase Agreement.

1.96 “*Litigation Trust Expenses*” means reasonable and documented out-of-pocket fees, costs and expenses incurred by the Litigation Trust or the Litigation Trustee (or any professional or other Person retained by the Litigation Trustee in administering the Litigation Trust) on or after the Effective Date in connection with any of their responsive duties under this Plan and the Litigation Trust Agreement, including any administrative fees, attorneys’ fees and expenses, insurance fees, taxes and escrow expenses, all as further set forth in the Litigation Trust Agreement.

1.97 “*Litigation Trust Interests*” means an uncertificated interest in the Litigation Trust representing the rights of holders of Allowed General Unsecured Claims.

1.98 “*Litigation Trust Proceeds*” means any Cash proceeds to be distributed to the holders of the Litigation Trust Interests pursuant to the terms of the Litigation Trust Agreement.

1.99 “*Litigation Trust Oversight Committee*” means three (3) Persons identified in the Plan Supplement that shall provide oversight and direction to the Litigation Trustee in accordance with the terms of the Litigation Trust Agreement.

1.100 “*Litigation Trustee*” means the Person identified as such in the Plan Supplement or other filing with the Bankruptcy Court, agreed to by Lifespace and the Trustee, and retained as of the Effective Date pursuant to the terms of the Litigation Trust Agreement, as the fiduciary responsible for implementing the applicable provisions of this Plan and the Litigation Trust Agreement.

1.101 “*Local Rules*” means the Local Rules of Bankruptcy Practice and Procedure of the Bankruptcy Court, or any other court having jurisdiction over the Chapter 11 Cases.

1.102 “*Master Trustee*” means UMB Bank, N.A. as successor master trustee under the Original Master Indenture.

1.103 “*Net Sale Proceeds*” means the sale proceeds of the Sale Transaction, less any less customary transaction fees and expenses.

1.104 “*Non-Resident Contract Counterparty*” shall have the meaning set forth in Section 5 of this Plan.

1.105 “*Notice Parties*” shall have the meaning set forth in Section 5 of this Plan.

1.106 “*Obligated Group*” means Edgemere and SQLC.

1.107 “*Original Bonds*” means, collectively, the Series 2015 Bonds and the Series 2017 Bonds.

1.108 “*Original Bond Documents*” means, collectively the 2015 Bond Documents and the 2017 Bond Documents.

1.109 “*Original Master Indenture*” means that certain Amended and Restated Master Trust Indenture, Deed of Trust and Security Agreement, dated November 15, 1999 and effective as of April 1, 2006, by and between the Obligated Group and JP Morgan Chase Bank, National Association, as initial master trustee and UMB Bank, N.A., as successor Master Trustee, as supplemented by that certain Supplemental Indenture Number 6, dated March 1, 2017.

1.110 “*Other Priority Claim*” means any Claim, other than an Administrative Claim, a Priority Tax Claim, or the DIP Facility Claims, which is entitled to priority under Bankruptcy Code section 507(a).

1.111 “*Other Secured Claim*” means any Secured Claim other than a Bond Claim and the Dallas County Claim.

1.112 “*Participating Residents*” means all Participating Current Residents and Participating Former Residents.

1.113 “*Participating Current Residents*” means all Current Residents who do not opt out of the Lifespace Settlement and the releases under Section 8 of this Plan.

1.114 “*Participating Former Residents*” means all Former Residents who do not opt out of the Lifespace Settlement and the releases under Section 8 of this Plan.

1.115 “*Person*” means an individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, estate, unincorporated organization, governmental unit, government (or agency or political subdivision thereof), or other entity.

1.116 “*Petition Date*” means April 14, 2022, the date on which the Debtors filed their voluntary petitions for relief commencing the Chapter 11 Cases.

1.117 “*Plan*” means this Plan of Reorganization, dated December 19, 2022, including all exhibits, supplements, appendices, and schedules thereto, either in its present form or as the same may be amended, supplemented, or modified from time to time.

1.118 “*Plan Sponsors*” means the Debtors, the Trustee and the DIP Lender.

1.119 “*Plan Supplement*” means the compilation of documents and forms of documents, schedules, and exhibits to this Plan, to be filed prior to the Confirmation Hearing, as amended, supplemented, or modified from time to time in accordance with the terms hereof, the Bankruptcy Code, and the Bankruptcy Rules.

1.120 “*Plan Supporters*” means the Plan Sponsors, Lifespace and the Committee.

1.121 “*Purchased Assets*” means the Assets of the Debtors acquired by the Purchaser pursuant to the Asset Purchase Agreement.

1.122 “*Priority Tax Claim*” means any Claim of a governmental unit of a kind entitled to priority under Bankruptcy Code section 507(a)(8).

1.123 “*Pro Rata*” means, with respect to any Claim, the proportion that the amount of a Claim in a particular Class or Classes bears to the aggregate amount of all Claims in such Class or Classes, unless this Plan otherwise provides.

1.124 “*Professionals*” means all professionals employed in these Chapter 11 Cases pursuant to Bankruptcy Code sections 327, 328, and 1103.

1.125 “*Professional Claim*” means a Claim of a Professional for compensation and/or reimbursement of expenses incurred by such Professional through and including the Effective Date.

1.126 “*Proposed Assumed Contracts*” shall have the meaning given to such term in Section 5 of this Plan.

1.127 “*Purchaser*” means Bay 9 Holdings LLC or its designee, or the purchaser designated by the Initial Plan Sponsors as the prevailing bidder at the Auction, if any.

1.128 “*Proof of Claim*” means a proof of Claim filed against any Debtor in the Chapter 11 Cases.

1.129 “*Qualified Bid*” has the meaning set forth in the Bidding Procedures Order.

1.130 “*Refund Claims*” means Rejection Claims of both Former Residents and Current Residents against Edgemere in the amount of the contractual refund obligation of Edgemere under the rejected Residency Agreements.

1.131 “*Refund Trigger Date*” means the date (a) that a Resident vacates the Community, (b) the Residents Trust is informed that such Resident’s unit is re-leased to a new Resident, and (c) the Residents Trust contains sufficient funds for payment of such Resident’s Refund Claim.

1.132 “*Reinstate*,” “*Reinstated*,” or “*Reinstatement*” means with respect to Claims and Interests, that the Claim or Interest shall be rendered Unimpaired in accordance with Bankruptcy Code section 1124.

1.133 “*Rejection Claims*” means any Claim arising from or relating to, the rejection of an Executory Contract or Unexpired Lease pursuant to Bankruptcy Code section 365(a) by any of the Debtors, as limited, in the case of a rejected Unexpired Lease, by Bankruptcy Code section 502(b)(6).

1.134 “*Rejection Damages Bar Date*” means the date by which Rejection Claims must be filed, which shall be the latest of: (i) the General Bar Date, (ii) thirty (30) days after the date of the entry of any order authorizing the rejection of the Executory Contract or Unexpired Lease, or (iii) thirty (30) days after the effective date of rejection of such Executory Contract or Unexpired Lease, including pursuant to Bankruptcy Code section 365(d)(4).

1.135 “*Released Parties*” means (i) the Committee, (ii) the Purchaser, (iii) the Issuer, (iv) the Plan Sponsors, (v) the holders of the Original Bonds (vi) Lifespace and (vii) with respect to each of the foregoing Entities in clauses (i) through (vi), such Entity and its current and former predecessors, successors and assigns, subsidiaries, affiliates, managed accounts or funds, and all of their respective current and former officers, directors, principals, shareholders, members, partners, managers, employees, attorneys, advisors, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other professionals.

1.136 “*Releasing Party*” means (i) each holder of a Claim who has not chosen, by marking the appropriate box on the Ballot and/or Opt Out Form, as appropriate, to opt out of the “Releases by Holders of Claims” provided for in Section 8.3 of this Plan, (ii) the DIP Lender, the Trustee and the Holders of Bond Claims solely to the extent set forth in Section 8.3 of this Plan, (iii) Lifespace, and (vi) the Committee.³

1.137 “*Residency Agreements*” means those certain agreements entered into by and between the Residents and the Debtors, including all assisted living residency agreements, life care agreements, skilled nursing residency agreements, memory care agreements, and any additional documents related thereto, including any amendments, supplements, or addendums.

1.138 “*Resident*” means a Current Resident or Former Resident of the Community who is or was a party to a Residency Agreement.

1.139 “*Resident Challenges*” shall have the meaning set forth in Section 4.8 of this Plan.

³ Lifespace has requested the Purchaser be added as a Releasing Party.

1.140 “*Resident Claim Cover Letter*” means that certain letter prepared by the Committee that, subject to approval of the Bankruptcy Court, will accompany each Resident Claimant’s Ballot.

1.141 “*Resident Claimants*” means the holders of Claims arising from rejected Residency Agreements.

1.142 “*Residents Trust*” means the trust established by the Residents Trust Agreement into which the Lifespace Resident Contributions shall be made.

1.143 “*Residents Trust Agreement*” means that certain Residents Trust Agreement between the Committee and the Debtors, which will be included in the Plan Supplement.

1.144 “*Residents Trust Interests*” means an uncertificated interest in the Residents Trust representing the rights of Participating Former Residents and Participating Current Residents.

1.145 “*Residents Trust Oversight Committee*” means the three-member committee of the Residents Trust appointed by the Committee.

1.146 “*Residents Trust Assets*” means (i) the Lifespace Resident Contributions, and (ii) the Estates’ rights to enforce the terms of the Lifespace Settlement and Contribution Agreement.

1.147 “*Residents Trustee*” means the Person identified as such in the Plan Supplement or other filing with the Bankruptcy Court, and retained as of the Effective Date pursuant to the terms of the Residents Trust Agreement, as the fiduciary responsible for implementing the applicable provisions of this Plan and the Residents Trust Agreement.

1.148 “*Retained Causes of Action*” means the Causes of Action, including the Landlord Litigation, that the Debtors or their Estates may hold and specifically retain and transfer to the Litigation Trust on the Effective Date. For the avoidance of doubt, Retained Causes of Action shall not include any Claims or Causes of Action against any Released Parties.

1.149 “*Sale Transaction*” means the transactions associated with the sale of substantially all the Debtors’ Assets, which transactions are described in the Asset Purchase Agreement.

1.150 “*Schedules*” means, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases, and statements of financial affairs, if any, filed by a Debtor pursuant to Bankruptcy Code section 521 and in substantial accordance with the Official Bankruptcy Forms, as the same may have been amended, modified, or supplemented from time to time.

1.151 “*Secured Claim*” means any Claim against any Debtor: (i) secured by a Lien on property in which an Estate has an interest, which Lien is valid, perfected and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to setoff pursuant to Bankruptcy Code section 553, to the extent of the value of the creditor’s interest in an

Estates' interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code or (ii) Allowed as such pursuant to this Plan.

1.152 “*Series 2015 Bonds*” means, collectively, the Series 2015A Bonds and the Series 2015B Bonds.

1.153 “*Series 2015 Bond Claims*” means any and all Claims in respect of the Series 2015 Bonds.

1.154 “*Series 2015A Bonds*” means the Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation – Edgemere Project) Series 2015A, in the original aggregate principal amount of \$53,600,000 issued pursuant to the 2015 Bond Indenture.

1.155 “*Series 2015B Bonds*” means the Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation – Edgemere Project) Series 2015B, in the original aggregate principal amount of \$40,590,000 issued pursuant to the 2015 Bond Indenture.

1.156 “*Series 2017 Bonds*” means the Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation – Edgemere Project) Series 2017A, in the original aggregate principal amount of \$21,685,000 issued pursuant to the 2017 Bond Indenture.

1.157 “*Series 2017 Bond Claims*” means any and all Claims in respect of the Series 2017 Bonds.

1.158 “*SQLC*” means Senior Quality Lifestyles Corporation.

1.159 “*Taxing Authorities*” has the meaning set forth in Section 12.15 of this Plan.

1.160 “*Tax Liens*” has the meaning set forth in Section 12.15 of this Plan.

1.161 “*Trustee*” means (i) UMB Bank, N.A., in its capacity as successor Bond Trustee under the 2015 Bond Indenture and the 2017 Bond Indenture, and successor Master Trustee under the Original Master Indenture; and (ii) any successor trustee in any such capacity.

1.162 “*Unexpired Lease*” means a lease to which a Debtor is a party that is subject to assumption or rejection under Bankruptcy Code section 365, including the Ground Lease.

1.163 “*Unimpaired*” means, with respect to a Claim, a Class of Claims that is “unimpaired” within the meaning of Bankruptcy Code section 1124.

1.164 “*U.S. Trustee*” means the Office of the United States Trustee for the Northern District of Texas.

1.165 “*U.S. Trustee Fees*” means all fees and charges assessed against the Estates of the Debtors under 28 U.S.C. § 1930.

1.166 “*Voting Agent*” means KCC.

1.167 “*Voting Deadline*” means the deadline to vote to accept or reject this Plan as set forth in the Disclosure Statement or an order of the Bankruptcy Court, as such deadline may be extended or modified from time to time.

B. Interpretation: Application of Definitions and Rules of Construction.

Unless otherwise specified, all section or exhibit references in this Plan are to the respective section in, or exhibit to, this Plan, as the same may be amended, waived, or modified from time to time. The words “herein,” “hereof,” “hereto,” “hereunder,” and other words of similar import refer to this Plan as a whole and not to any particular section, subsection, or clause contained therein. A term used herein that is not defined herein shall have the meaning assigned to that term in the Bankruptcy Code. The rules of construction contained in Bankruptcy Code section 102 shall apply to this Plan. The headings in this Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof. Unless otherwise provided, any reference in this Plan to an existing document, exhibit, or schedule means such document, exhibit, or schedule as it may have been amended, restated, revised, supplemented, or otherwise modified. If a time or date is specified for any payments or other Distribution under this Plan, it shall mean on or as soon as reasonably practicable thereafter. Further, where appropriate from a contextual reading of a term, each term includes the singular and plural form of the term regardless of how the term is stated and each stated pronoun is gender neutral.

C. Computation of Time.

In computing any period of time prescribed or allowed by the terms of this Plan, the provisions of Bankruptcy Rule 9006(a) shall apply. Any references to the Effective Date shall mean the Effective Date or as soon as reasonably practicable thereafter unless otherwise specified herein.

D. Controlling Document.

In the event of an inconsistency between this Plan and the Disclosure Statement, the terms of this Plan shall control in all respects. In the event of an inconsistency between this Plan and the Plan Supplement, the Plan Supplement shall control. In the event of an inconsistency between this Plan, the Plan Supplement and the Confirmation Order, the Confirmation Order shall control.

SECTION 2. TREATMENT OF ADMINISTRATIVE CLAIMS, PRIORITY TAX CLAIMS, AND U.S. TRUSTEE FEES

2.1 *Administrative Claims.* Unless a holder of an Allowed Administrative Claim and the Plan Sponsors before the Effective Date agree to less favorable treatment, each holder of an Allowed Administrative Claim will be paid the full unpaid amount of such Allowed Administrative Claim in Cash: (i) if such Allowed Administrative Claim is based on liabilities that the Debtors incurred in the ordinary course of business after the Petition Date, on the Effective Date or in accordance with the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claim, in the Plan Sponsors’ discretion, and without any further action by any holder of such Allowed Administrative Claim; (ii) if such Allowed Administrative Claim is due on the Effective Date, or, if such Allowed Administrative Claim is not due as of the Effective Date, on the date that such Allowed Administrative Claim becomes due or as soon as reasonably

practicable thereafter; (iii) if an Administrative Claim is not Allowed as of the Effective Date, on the date that is no later than thirty (30) days after the date on which an order allowing such Administrative Claim becomes a Final Order of the Bankruptcy Court or as soon as reasonably practicable thereafter; or (iv) at such time and upon such terms as set forth in a Final Order of the Bankruptcy Court.

To be eligible to receive Distributions under this Plan on account of an Administrative Claim that is not otherwise Allowed by this Plan, a request for payment of an Administrative Claim must be filed with the Bankruptcy Court on or before the Administrative Claims Bar Date. Any Administrative Claim that is not asserted in accordance herewith shall be deemed disallowed under this Plan and shall be forever barred against the Debtors, the Debtors' Estates, or any of the Debtors' Assets or property, and the holder thereof shall be enjoined from commencing or continuing any action, employment of process or act to collect, offset, recoup or recover such Claim. For the avoidance of doubt, holders of the DIP Facility Claims, the Escrow Resident Claims and the Diminution Claim shall not be required to file an Administrative Claim for the allowance and satisfaction of such Claims.

2.2 Professional Claims. All Professionals seeking payment of Professional Claims shall (i) file their respective final applications for allowance of compensation for services rendered and reimbursement of expenses incurred in the Chapter 11 Cases by the date that is forty-five (45) days after the Effective Date and (ii) be paid (a) the full unpaid amount as is Allowed by the Bankruptcy Court within five (5) Business Days after the date that such Claim is Allowed by order of the Bankruptcy Court, or (b) upon such other terms as may be mutually agreed upon between the holder of such an Allowed Professional Claim and the Plan Sponsors; provided however that Professional Claims shall be cumulatively capped at \$1.5 million from the period of December 1, 2022 through the Effective Date, with holders of Professional Claims sharing Pro Rata in the \$1.5 million in the event Professional Claims exceed the cap. Any Professional Claim that is not asserted in accordance with Section 2.2 of this Plan or that exceed the cap shall be deemed disallowed under this Plan and shall be forever barred against the Plan Sponsors, the Debtors' Estates, or any of the Debtors' Assets or property, and the holder thereof shall be enjoined from commencing or continuing any action, employment of process or act to collect, offset, recoup or recover such Claim. All Professionals seeking payment of Professional Claims for amounts arising through November 30, 2022 shall file their respective interim fee applications for allowance of compensation for services rendered and reimbursement of expenses incurred in the Chapter 11 Cases through November 30, 2022 within twenty-one (21) days of entry of the Confirmation Order.

2.3 Priority Tax Claims. In accordance with Bankruptcy Code section 1123(a)(1), Priority Tax Claims have not been classified and are treated as described in this Section 2 of this Plan. Unless otherwise agreed by the holder of an Allowed Priority Tax Claim, any Person holding an Allowed Priority Tax Claim will receive, as determined by the Plan Sponsors in their sole discretion and in full satisfaction of such Claim, payment in Cash in full on the later of (i) the Effective Date, or as soon as reasonably practicable thereafter as determined by the Litigation Trustee, or (ii) the first Business Day after the date that is thirty (30) calendar days after the date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon thereafter as is reasonably practicable.

2.4 **U.S. Trustee Fees.** U.S. Trustee Fees will be paid in full by the Debtors and the Litigation Trustee, as applicable, as they become due and owing.

2.5 **Escrow Resident Claims.** As of the Petition Date, the Entrance Fee Escrow held \$15,844,326. As of October 31, 2022, the Entrance Fee Escrow balance held for the benefit of Residents, which excludes interest earned, is \$16,494,326. Within ten (10) days of the Effective Date, funds in the Entrance Fee Escrow shall be returned to those respective Residents that deposited such funds, pursuant to the terms of the Escrow Agreement, in full satisfaction of the Escrow Resident Claims.

2.6 **DIP Facility Claims.** The DIP Facility Claims shall be deemed Allowed Secured Claims and superpriority Administrative Claims in the full amount due and owing under the DIP Credit Agreement as of the Effective Date. The DIP Facility Claims shall be satisfied in full from Cash available on the Effective Date.

2.7 **Diminution Claim.** The Diminution Claim shall be deemed an Allowed superpriority Administrative Claim in the full amount due and owing under the DIP Orders as of the Effective Date. The Diminution Claim shall be satisfied in full from Cash available on the Effective Date. Such Diminution Claim is at least the amount due under the DIP Facility.

2.8 **Dallas County Claim.** The Dallas County Claim shall be deemed an Allowed Secured Claim as of the Effective Date. The Dallas County Claim shall be satisfied in full from Cash available on the Effective Date.

SECTION 3. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

3.1 **Classification and Specification of Treatment of Claims.** Pursuant to Bankruptcy Code sections 1122 and 1123, Claims (other than Allowed Administrative Claims, Priority Tax Claims, Professional Claims, DIP Facility Claims, the Dallas County Claim, the Escrow Resident Claims, the Diminution Claim and U.S. Trustee Fees) are classified for all purposes, including, without limitation, voting, confirmation and Distribution pursuant to this Plan, as set forth herein. A Claim or an Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest also is classified in a particular Class for the purpose of receiving Distributions under this Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

This Plan is premised upon the substantive consolidation of the Debtors solely for the purposes of voting, determining which Classes have accepted this Plan, confirming this Plan, and the resultant treatment of Claims and Interests and Distributions under this Plan.

3.2 *Classes of Claims and Interests.*

Class	Claim	Estimated Allowed Claims	Status	Voting Rights
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1	Other Priority Claims	\$19,182.99	Unimpaired	Deemed to Accept
2	Bond Claims	\$111,728,919.22	Impaired	Entitled to Vote
3	Other Secured Claims	\$0	Unimpaired	Deemed to Accept
4	General Unsecured Claims	\$206,313,419 ⁴	Impaired	Entitled to Vote
5	Participating Former Resident Refund Claims	\$37,101,059.29	Impaired	Entitled to Vote
6	Participating Current Resident Refund Claims	\$106,809,920.49	Impaired	Entitled to Vote
7	Intercompany Claims	\$5,221,798.74	Impaired	Deemed to Reject
8	Interests in Debtors	N/A	Impaired	Deemed to Reject

3.2.1 Class 1 — Other Priority Claims. In accordance with the Proofs of Claim on file, there are asserted priority claims in the amount of \$19,182.99. To the extent that such Claims have been or will be Allowed, Class 1 Claims will be Unimpaired and not entitled to vote on this Plan. Except to the extent that a holder of an Allowed Other Priority Claim has agreed to a different treatment of such Claim, each such holder shall receive, in full satisfaction of such Allowed Other Priority Claim, Cash in an amount equal to such Allowed Other Priority Claim, on or as soon as reasonably practicable after the later of (i) the Effective Date; (ii) the date the Other Priority Claim becomes an Allowed Claim; or (iii) the date for payment provided by any agreement or arrangement between the Plan Sponsors and the holder of the Allowed Other Priority Claim.

3.2.2 Class 2 — Bond Claims. Class 2 is Impaired and entitled to vote on this Plan. This Class consists of all Bond Claims and includes all Claims of the holders of the Series 2015 Bonds and the Series 2017 Bonds, which Claims shall be deemed Allowed pursuant to this Plan in the aggregate principal amount of \$109,185,000, plus accrued and unpaid interest as of the Petition Date in the amount of \$2,543,919.22. On the Effective Date, the Net Sale Proceeds after payment of Allowed Administrative Claims, Priority Tax Claims, Professional Claims, DIP Facility Claims, the Dallas County Claim, the Diminution Claim and U.S. Trustee Fees, shall be paid to the Trustee, which funds shall be disbursed to holders of the Bond Claims in accordance with the Original Bond Documents. Further, the Lifespace Bond Contribution will be paid to the Trustee on the Effective Date, which funds shall be disbursed to holders of the Bond Claims in accordance with the Original Bond Documents. Assuming no competing qualified bids are received and the Sale Transaction with the initial Purchaser closes, Holders of Bond Claims are estimated to receive Distributions of approximately 40% of their Bond Claims. The Bond

⁴ Includes (i) an estimated Bond Deficiency Claim of \$60,902,439.22 based upon the initial Purchaser’s offer and the Lifespace Bond Contribution (after payment of other amounts set forth in the Plan), (ii) the \$143,910,979.78 Lifespace Resident Claim (subject to opt-out adjustment), and (iii) vendor claims of approximately \$1,500,000.

Deficiency Claim shall be treated on a Pro Rata basis with holders of Allowed General Unsecured Claims.

3.2.3 Class 3 — Other Secured Claims. This Class consists of all Other Secured Claims against the Debtors. In accordance with Debtors' books and records, no Class 3 Claims exist. To the extent that such Claims have been or will be asserted and Allowed, Class 3 Claims will be Unimpaired and not entitled to vote on this Plan. In full satisfaction of an Allowed Other Secured Claim, on the later of the Effective Date and the date on which the Other Secured Claim is Allowed, each holder of an Allowed Other Secured Claim shall receive, at the sole and exclusive option of the Plan Sponsors: (i) Cash equal to the amount of such Claim; (ii) return of the underlying collateral related to their Claims; or (iii) treatment of such Allowed Other Secured Claim in any other manner that renders the Claim Unimpaired, including Reinstatement.

3.2.4 Class 4 — General Unsecured Claims. Class 4 is Impaired and entitled to vote on this Plan. This Class consists of all General Unsecured Claims, including Class 5 and 6 Refund Claims of Residents who OPT OUT of the Lifespace Settlement and the releases under Section 8 of this Plan, and including vendor claims of approximately \$1,500,000, the Bond Deficiency Claim and the Lifespace Resident Claim. Allowed General Unsecured Claims shall be paid a Pro Rata share of the Litigation Trust Proceeds. Holders of Allowed General Unsecured Claims are estimated to receive Distributions ranging from 0% to 50% of their Allowed General Unsecured Claims, depending on the outcome of the Landlord Litigation and the liquidation of other Litigation Trust Assets.

3.2.5 Class 5 — Participating Former Resident Refund Claims. Class 5 is Impaired and entitled to vote on this Plan. This Class consists of the Refund Claims of Participating Former Residents, who, for the avoidance of doubt, no longer reside at Edgemere as of the Voting Record Date. The Residency Agreements of Former Residents shall be rejected, and the holders of Allowed Class 5 Claims who OPT OUT of the Lifespace Settlement and the releases under Section 8 of this Plan shall receive a Class 4 General Unsecured Claim in an amount equal to their Refund Claim. Former Residents who do not OPT OUT of the Lifespace Settlement and the releases under Section 8 of this Plan (i.e. Participating Former Residents) shall receive Cash from the Residents Trust within sixty (60) days of the Refund Trigger Date in an amount equal to their Refund Claim.⁵

3.2.6 Class 6 — Participating Current Resident Refund Claims. Class 6 is Impaired and entitled to vote on this Plan. This Class consists of the Refund Claims of Participating Current Residents, who, for the avoidance of doubt, reside at Edgemere, as of the Voting Record Date. The Residency Agreements of Current Residents shall be rejected, and the holders of Allowed Class 6 Claims who OPT OUT of the Lifespace Settlement and the releases under Section 8 of this Plan shall receive a Class 4 General Unsecured Claim in an amount equal to their Refund Claim. Current Residents who do not OPT OUT of the Lifespace Settlement and the releases under

⁵ The Residents Trust shall be informed of units which have been re-leased semi-annually by the Purchaser, which shall be the date the Residents Trust is deemed informed of units which have been re-leased for purposes of the Refund Trigger Date.

Section 8 of this Plan (i.e. Participating Current Residents) shall receive Cash from the Residents Trust within sixty (60) days of the Refund Trigger Date in an amount equal to their Refund Claim.⁶

3.2.7 Class 7 — Intercompany Claims. Class 7 is Impaired and not entitled to vote on this Plan. This Class consists of all Claims held by Lifespace against the Debtors. Class 7 Claims shall be waived and released and Lifespace, as holder of such Claims, shall receive no Distribution on account of Class 7 Claims.

3.2.8 Class 8 — Interests in Debtors. Class 8 is Impaired and deemed to reject this Plan. This Class consists of Interests of Lifespace in the Debtors, which Interests shall be terminated on the Effective Date.

3.3 *Acceptance or Rejection of this Plan.*

3.3.1 Acceptance by an Impaired Class. In accordance with Bankruptcy Code section 1126(c) and except as provided in Bankruptcy Code section 1126(e), an Impaired Class of Claims shall have accepted this Plan if this Plan is accepted by the holders of at least two-thirds in dollar amount and more than one-half in number of the Allowed Claims of such Class that have timely and properly voted to accept or reject this Plan.

3.3.2 Presumed Acceptance of this Plan. Classes 1 and 3 are conclusively presumed to have accepted this Plan pursuant to Bankruptcy Code section 1126(f).

3.3.3 Presumed Rejection of this Plan. Classes 7 and 8 are Impaired under this Plan and will receive no Distributions and, thus, are conclusively presumed to have rejected this Plan pursuant to Bankruptcy Code section 1126(g).

3.3.4 Voting Class. Classes 2, 4, 5 and 6 are Impaired under this Plan and are entitled to vote to accept or reject this Plan.

3.4 *Subordinated Claims.* The allowance, classification, and treatment of all Allowed Claims and Interests and the respective Distributions and treatments under this Plan take into account the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, Bankruptcy Code section 510(b), or otherwise. For purposes of Bankruptcy Rule 7001(8), this Plan provides for subordination. The Litigation Trustee, as set forth herein, shall have the right to subordinate any Claim in accordance with any contractual, legal, or equitable subordination relating thereto under the Bankruptcy Code as long as such treatment is consistent with the terms of the Litigation Trust Agreement. Subordinated Claims shall not receive a Distribution under this Plan until any and all senior Allowed Claims are paid in full.

3.5 *Cramdown.* If all applicable requirements for confirmation of this Plan are met as set forth in Bankruptcy Code section 1129(a) except subsection (8) thereof, the Plan

⁶ The Residents Trust shall be informed of units which have been re-leased semi-annually by the Purchaser, which shall be the date the Residents Trust is deemed informed of units which have been re-leased for purposes of the Refund Trigger Date.

Sponsors shall request that the Bankruptcy Court confirm this Plan in accordance with Bankruptcy Code section 1129(b) on the bases that this Plan is fair and equitable and does not discriminate unfairly with respect to each Class of Claims or Interests that is Impaired hereunder, and has not accepted or is deemed to reject, this Plan.

SECTION 4. MEANS FOR IMPLEMENTATION OF THIS PLAN

4.1 *Sale Transaction.*

4.1.1 Sale Transaction. Consistent with the Asset Purchase Agreement, substantially all of the property in the Estates shall be sold to the Purchaser (including such Purchaser to be identified as the winning bidder following an Auction), free and clear of all Liens, Claims, charges, or other encumbrances pursuant to section 1123(a)(5)(D) of the Bankruptcy Code, with all such Liens, Claims, charges or other encumbrances attaching automatically to the Net Sale Proceeds in the same manner, extent, validity and priority as existed on the Closing Date, with the Net Sale Proceeds to be distributed pursuant to this Plan; provided, however, that ad valorem personal property tax liens arising and attaching to the subject property by operation of law on January 1, 2023 shall remain attached to the Assets and ad valorem personal property taxes for tax year 2023 shall be the responsibility of the Purchaser, subject to being Pro Rated pursuant to Section 2.6 of the Asset Purchase Agreement and subject to any defenses available under applicable Texas Law; the Taxing Authorities shall retain the right to enforce their liens and take all actions provided by applicable Texas Law. An initial Purchaser has been identified, whose purchase offer in the amount of \$48.5 million (subject to the adjustments in the Asset Purchase Agreement) is subject to higher and better bids. If a competing qualified bid is received by January 13, 2023 at 4:00 p.m. (prevailing Central Time), an Auction shall be held on January 17, 2023 at 10:00 a.m. (prevailing Central Time) to determine the ultimate Purchaser. Upon the Closing of the Sale Transaction, all Net Sale Proceeds therefrom after payments required under the Plan to pay any unpaid Allowed Administrative Claims, Priority Tax Claims, Professional Claims, DIP Facility Claims, the Dallas County Claim, Diminution Claim and the U.S. Trustee Fees, shall be paid to the Trustee for Distribution to holders of Original Bonds, pursuant to the terms of the Original Bond Documents.

4.1.2 Monthly Rental Agreements. The Asset Purchase Agreement contemplates the rejection of all Residency Agreements, provided that, subject to regulatory approvals and/or requirements, any Purchaser shall offer to all Current Residents a monthly rental agreement which, subject to regulatory approvals and/or requirements, shall provide similar services to Current Residents as provided prior to the Closing Date.

4.1.3 Transition to Purchaser. The Asset Purchase Agreement contemplates both the rejection of the Debtors' agreement with Lifespace to manage the Community, and the Purchaser receiving all regulatory approvals to operate the Purchased Assets at or prior to the Closing Date. Prior to the Closing Date, the Debtors and Lifespace shall provide prompt and reasonable assistance in connection with the approval or implementation of the Asset Purchase Agreement or any ancillary agreements, including, without limitation, providing information in connection with Purchaser's seeking of regulatory approvals necessary to own and operate the Community.

4.1.4 Injunction Against Solicitation. The Asset Purchase Agreement contemplates that the Purchaser will continue to operate the Community as a senior living community. In consideration for being a Released Party, Lifespace, on behalf of itself and any of its affiliates, subsidiaries, representatives, or agents, agrees that, without the prior written consent of Purchaser, (i) from the Confirmation Date and until the second anniversary of the Effective Date, Lifespace shall not hire or solicit for employment any individual that was an employee of the Community at any time from November 2, 2022 to the Effective Date; provided, however, Lifespace shall not be prohibited from hiring any individual that responds to a general public solicitation made by Lifespace regarding employment opportunities that is not specifically targeted at such persons, and (ii) shall not solicit by direct contact (as opposed to marketing to the public generally) any individuals that are or were Residents of the Community at any time from November 2, 2022 to the Closing Date for movement or relocation to any other senior living community located in Texas; provided, however, Lifespace shall not be prohibited from responding to any direct inquiry from a Resident regarding potential movement or relocation to such other senior living community in Texas.]⁷

4.1.5 Transfer of Assets to Litigation Trust. On the Effective Date, all of the Estates' assets not sold in the Sale Transaction shall be transferred to the Litigation Trust and administered as set forth more fully below.

4.2 *Creation of the Litigation Trust and Appointment of the Litigation Trustee and Litigation Trust Oversight Committee.*

4.2.1 Creation of the Litigation Trust. On or prior to the Effective Date, the Debtors shall execute the Litigation Trust Agreement. On the Effective Date, the Litigation Trust shall become effective and shall be deemed to be valid, binding and enforceable in accordance with the terms and provisions of this Plan and the Litigation Trust Agreement. After the Effective Date, the Litigation Trust Agreement may be amended in accordance with its terms without further order of the Bankruptcy Court. The Litigation Trust Agreement shall be satisfactory in form and substance to the Plan Sponsors.

4.2.2 Purpose of the Litigation Trust. The Litigation Trust shall be established for the purposes of (i) liquidating any non-Cash Litigation Trust Assets; (ii) maximizing recovery of the Litigation Trust Assets for the benefit of the holders of Litigation Trust Interests; (iii) distributing the proceeds of the Litigation Trust Assets to holders of the Litigation Trust Interests in accordance with this Plan and the Litigation Trust Agreement, with no objective to continue or engage in the conduct of a trade or business, except only in the event and to the extent necessary for, and consistent with, the liquidating purpose of the Litigation Trust; (iv) prosecuting or otherwise resolving the Retained Causes of Action for the benefit of the holders of the Litigation Trust Interests; and (v) winding down the Chapter 11 Cases as provided in this Plan.

4.2.3 Funding of the Litigation Trust. On the Effective Date, Cash in the amount of \$500,000 will be funded Pro Rata by the Trustee and Lifespace. The Cash will be set

⁷ The Purchaser has requested this provision.

aside for the sole purpose of paying Litigation Trust Expenses to be incurred by the Litigation Trust.

4.2.4 Transfer of Litigation Trust Assets to the Litigation Trust. As of the Effective Date, pursuant to the provisions of sections 1141(b) and (c) of the Bankruptcy Code, the Debtors and the Estates shall preserve, transfer and assign all of their respective right, title and interest in and to all of the Litigation Trust Assets, which shall automatically vest in the Litigation Trust free and clear of all Claims, Liens, encumbrances, charges, Interests and other interests, subject only to the Allowed Claims of the holders of Litigation Trust Interests as set forth in this Plan and in the Litigation Trust Agreement.

4.2.5 Appointment of the Litigation Trustee. On the Effective Date, the Litigation Trustee shall be deemed the Estates' representative solely with respect to the Litigation Trust Assets in accordance with section 1123 of the Bankruptcy Code and shall have all powers, authority and responsibilities specified in this Plan and Litigation Trust Agreement solely with respect to the Litigation Trust Assets, including, without limitation, the powers of a trustee under sections 704 and 1106 of the Bankruptcy Code and Bankruptcy Rule 2004.

4.2.6 Governance of Litigation Trust. The Litigation Trust shall be governed by the Litigation Trust Agreement and administered by the Litigation Trustee who shall report to the Litigation Trust Oversight Committee in accordance with the terms of this Plan and the Litigation Trust Agreement.

4.2.7 Tax Treatment. Except to the extent allocable to Disputed Claims, consistent with the principles of Revenue Procedure 94-45, 1994-2 C.B. 684, as of the Effective Date, for federal income tax purposes, (i) the Debtors will be deemed to transfer the Litigation Trust Assets to the holders of the Litigation Trust Interests, (ii) the holders of the Litigation Trust Interests will be deemed to transfer such Assets to the Litigation Trust, (iii) the Litigation Trust will be treated as a "liquidating trust," as defined in Treasury Regulation section 301.7701-4(d), and as a "grantor trust" within the meaning of Internal Revenue Code sections 671-679 and (iv) the holders of the Litigation Trust Interests will be treated as the "grantors" of the Litigation Trust.

4.2.8 Securities Registration Exemption. The Plan Sponsors intend that the Litigation Trust Interests shall not be deemed "securities" under applicable laws, but to the extent such units are deemed to be "securities," the Plan Sponsors believe the issuance of such units under this Plan is exempt, pursuant to section 1145 of the Bankruptcy Code (except with respect to an entity that is an "underwriter" as defined in section 1145(b) of the Bankruptcy Code).

4.2.9 Rights, Powers and Duties of the Litigation Trust and the Litigation Trustee. The Litigation Trustee will act for the benefit of holders of Litigation Trust Interests in a fiduciary capacity and shall have comparable authority as a bankruptcy trustee of the Debtors, as the exclusive representative of the Estates under section 1123(a)(5)(B) of the Bankruptcy Code or any corresponding federal or state laws with respect to the Litigation Trust Assets and shall succeed to all the Debtors' and the Estates' rights with respect thereto, subject to the provisions of this Plan and the Litigation Trust Agreement. The Litigation Trust is the successor to the Debtors and their Estates. The powers, rights and duties of the Litigation Trustee shall arise on the Effective Date

and shall include, all subject to the terms and conditions of the Litigation Trust Agreement, the following:

- (a) commencing, pursuing and liquidating all of the Litigation Trust Assets;
- (b) engaging attorneys, consultants, agents, employees and any other professional persons to assist the Litigation Trustee with respect to the Litigation Trustee's responsibilities;
- (c) paying the fees and expenses of the attorneys, consultants, agents, employees and other professional persons engaged by the Litigation Trust and paying all other expenses;
- (d) compromising and settling Claims without notice or Bankruptcy Court approval;
- (e) calculating and implementing Distributions of Litigation Trust Assets for the benefit of the holders of the Litigation Trust Interests;
- (f) resolving issues involving Claims and Interests in accordance with this Plan;
- (g) consulting with members of the Litigation Trust Oversight Committee regarding the prosecution and/or settlement of Retained Causes of Action and reporting to the Litigation Trust Oversight Committee regarding such matters, and seeking approval from the Litigation Trust Oversight Committee regarding the prosecution and/or settlement of each Cause of Action, to the extent set forth in the Litigation Trust Agreement;
- (h) investing Cash in accordance with section 345 of the Bankruptcy Code, and withdrawing and making Distributions of Cash to holders of Litigation Trust Interests holding and paying taxes and other obligations incurred by the Litigation Trustee in connection with winding down the Estates in accordance with this Plan;
- (i) coordinating the turnover of property, if any, subject to rejected executory contracts or abandonment or liquidation of any Litigation Trust Assets;
- (j) taking possession of all books, records, and files of the Debtors and their Estates; and providing for the retention and storage of such books, records, and files until such time as the Litigation Trust determines, in accordance with the Litigation Trust Agreement, that retention of same is no longer necessary or required;
- (k) overseeing compliance with the accounting, finance and reporting obligations;
- (l) paying taxes or other obligations incurred by the Litigation Trust;
- (m) preparing financial statements and U.S. Trustee post-confirmation quarterly reports, and filing such reports on the docket of the Chapter 11 Cases until such time as a final decree has been entered;

- (n) overseeing the filing of final tax returns, refund requests, audits and other corporate dissolution documents, as required;
- (o) performing any additional corporate actions as necessary to carry out the wind down and liquidation of the Estates;
- (p) exercising such other powers as may be vested in or assumed by the Litigation Trustee pursuant to this Plan, the Litigation Trust Agreement or other Order of the Bankruptcy Court or as may be needed or appropriate to carry out the provisions of this Plan; and
- (q) undertaking all administrative functions of the Chapter 11 Cases, including the payment of fees payable to the U.S. Trustee and the ultimate closing of the Chapter 11 Cases.

4.2.10 Litigation Trust Interests. Holders of Allowed General Unsecured Claims shall, by operation of this Plan, receive a Pro Rata share of the Litigation Trust Interests in accordance with the terms of and priorities set forth in this Plan. Litigation Trust Interests shall also be reserved for holders of Disputed Claims which, if Allowed, would be entitled to participate in Distributions from the Litigation Trust, and such reserved Litigation Trust Interests shall be held by the Litigation Trustee pending allowance or disallowance of such Claims. No other Person shall have any interest, legal, beneficial or otherwise, in the Litigation Trust Assets upon the assignment and transfer of such assets to the Litigation Trust. As set forth in the Litigation Trust Agreement, Distributions from the Litigation Trust on account of Litigation Trust Interests shall be made from the Litigation Trust Assets after paying, reserving against or satisfying, among other things, the Litigation Trust Expenses. The Litigation Trust Interests shall be uncertificated and shall be nontransferable except upon death of the holder or by operation of law. Holders of Litigation Trust Interests shall have no voting rights with respect to such interests.

4.2.11 Pending Adversary Proceedings. Without the need for filing any motion for such relief, in connection with the Litigation Trust Assets, the Litigation Trust or the Litigation Trustee (as applicable) hereby shall be deemed substituted for the applicable Debtor (i) in all pending matters including, but not limited to, motions, contested matters and adversary proceedings in the Bankruptcy Court; and (ii) with respect to any Retained Causes of Action pending before the Bankruptcy Court or any other court.

4.2.12 Preservation of Right to Conduct Investigations. The preservation for the Litigation Trust of any and all rights to conduct investigations pursuant to Bankruptcy Rule 2004 is necessary and relevant to the liquidation and administration of the Litigation Trust Assets. Accordingly, any and all rights to conduct investigations pursuant to Bankruptcy Rule 2004 held by the Debtors prior to the Effective Date shall vest with the Litigation Trust and shall continue until dissolution of the Litigation Trust.

4.3 ***Creation of the Residents Trust and Appointment of the Residents Trust Trustee and Residents Trust Oversight Committee.***

4.3.1 Upon the Plan Effective Date, a Residents Trust will be formed. The Residents Trust shall receive and distribute the Lifespace Resident Contributions pursuant to the

terms of the Lifespace Settlement and Contribution Agreement, the Plan and the Residents Trust Agreement. Holders of Residents Trust Interests shall consist of Participating Former Residents and Participating Current Residents.

4.3.2 Creation of the Residents Trust. On or prior to the Effective Date, the Committee and the Debtors shall execute the Residents Trust Agreement. On the Effective Date, the Residents Trust shall become effective and shall be deemed to be valid, binding and enforceable in accordance with the terms and provisions of the Plan and the Residents Trust Agreement. After the Effective Date, the Residents Trust Agreement may be amended in accordance with its terms without further order of the Bankruptcy Court. The Residents Trust Agreement shall be satisfactory in form and substance to the Committee and Lifespace.

4.3.3 Purpose of the Residents Trust. The Residents Trust shall be established for the purposes of (i) receiving the Lifespace Resident Contributions and the Estates' rights to enforce the terms of the Lifespace Settlement and Contribution Agreement; and (ii) distributing the proceeds of the Residents Trust Assets to Participating Former Residents and Participating Current Residents in accordance with the terms of the Plan and the Residents Trust Agreement. The trustee of the Residents Trust (the "**Residents Trust Trustee**") will act for the benefit of holders of Residents Trust Interests in a fiduciary capacity. Holders of Residents Trust Interests shall consist of Holders of Participating Former Residents and Participating Current Residents. Holders of Residents Trust Interests shall receive a distribution from the Residents Trust in accordance with the terms of the Plan and the Residents Trust Agreement.

4.3.4 Funding of the Residents Trust. Residents Trust expenses incurred by the Residents Trust shall be paid from Residents Trust Assets.

4.3.5 Transfer of Rights under the Lifespace Settlement and Contribution Agreement to the Residents Trust. As of the Effective Date, pursuant to the provisions of sections 1141(b) and (c) of the Bankruptcy Code, the Debtors and the Estates shall preserve, transfer and assign all of their respective right, title and interest in and under the Lifespace Settlement and Contribution Agreement, which shall automatically vest in the Residents Trust and Residents Trust Trustee free and clear of all Claims, Liens, encumbrances, charges, Interests and other interests, subject only to the Allowed Claims of the holders of Residents Trust Interests as set forth in the Plan and in the Residents Trust Agreement.

4.3.6 Appointment of the Residents Trust Trustee. On the Effective Date, the Residents Trust Trustee shall be appointed by a three-member Residents Trust Oversight Board appointed by the Committee and shall be deemed the Estates' representative solely with respect to the Residents Trust Assets in accordance with section 1123 of the Bankruptcy Code and shall have all powers, authority and responsibilities specified in the Plan and Residents Trust Agreement solely with respect to the Residents Trust Assets, including, without limitation, the powers of a trustee under sections 704 and 1106 of the Bankruptcy Code and Bankruptcy Rule 2004.

4.3.7 Governance of Residents Trust. The Residents Trust shall be governed by the Residents Trust Agreement and administered by the Residents Trust Trustee who shall report to the Residents Trust Oversight Committee in accordance with the terms of the Plan and the Residents Trust Agreement.

4.3.8 Tax Treatment. The Debtors and the Committee will structure the Residents Trust as either a taxable trust or as a grantor trust (and not as a qualified settlement fund within the meaning of Section 1.468B-1 of the Treasury Regulations), with the goal of minimizing the cost and expense of reporting and paying tax on net investment income of the Residents Trust. If structured as a grantors trust, except to the extent allocable to Disputed Claims, consistent with the principles of Revenue Procedure 94-45, 1994-2 C.B. 684, as of the Effective Date, for federal income tax purposes, (i) the Debtors will be deemed to transfer the Residents Trust Assets to the holders of the Residents Trust Interests, (ii) the holders of the Residents Trust Interests will be deemed to transfer such Residents Trust Assets to the Residents Trust, (iii) the Residents Trust will be treated as a “liquidating trust,” as defined in Treasury Regulation section 301.7701-4(d), and as a “grantor trust” within the meaning of Internal Revenue Code sections 671-679 and (iv) the holders of the Residents Trust Interests will be treated as the “grantors” and deemed owners of the Residents Trust.

In Revenue Procedure 94-45, the IRS states that a liquidating trust’s term is generally not more than five (5) years from the date of creation and that is reasonable based on all fact and circumstances. Although the Residents Trust’s term is expected to be eighteen (18) years or slightly longer, it is believed that such term is reasonable to carry out the intent of the Residents Trust as a liquidating trust if structured as a liquidating trust.

4.3.9 Securities Registration Exemption. The Plan Sponsors intend that the Residents Trust Interests shall not be deemed “securities” under applicable laws, but to the extent such units are deemed to be “securities,” the Plan Sponsors believe the issuance of such units under the Plan is exempt, pursuant to section 1145 of the Bankruptcy Code (except with respect to an entity that is an “underwriter” as defined in section 1145(b) of the Bankruptcy Code).

4.3.10 Rights, Powers and Duties of the Residents Trust and the Residents Trust Trustee. The Residents Trust Trustee will act for the benefit of holders of Residents Trust Interests in a fiduciary capacity and shall have comparable authority as a bankruptcy trustee of the Debtors, as the exclusive representative of the Estates under section 1123(a)(5)(B) of the Bankruptcy Code or any corresponding federal or state laws with respect to the Residents Trust Assets and shall succeed to all the Debtors’ and the Estates’ rights with respect thereto, subject to the provisions of the Plan and the Residents Trust Agreement. The Residents Trust is the successor to the Debtors and their Estates. The powers, rights and duties of the Residents Trust Trustee shall arise on the Effective Date and shall include, all subject to the terms and conditions of the Residents Trust Agreement, the following:

- (a) engaging attorneys, consultants, agents, employees and any other professional persons to assist the Residents Trust Trustee with respect to the Residents Trust Trustee’s responsibilities;
- (b) paying the fees and expenses of the attorneys, consultants, agents, employees and other professional persons engaged by the Residents Trust and paying all other expenses;
- (c) calculating and implementing Distributions of Residents Trust Assets for the benefit of the holders of the Residents Trust Interests;

- (d) consulting with members of the Residents Trust Oversight Committee regarding the administration of the Residents Trust pursuant to the terms of the Plan and the Lifespace Settlement and Contribution Agreement;
- (e) investing Cash in accordance with section 345 of the Bankruptcy Code, and withdrawing and making Distributions of Cash to holders of Residents Trust Interests holding and paying taxes and other obligations incurred by the Residents Trust Trustee in connection with winding down the Estates in accordance with the Plan;
- (f) overseeing compliance with the accounting, finance and reporting obligations;
- (g) paying taxes or other obligations incurred by the Residents Trust; and
- (h) exercising such other powers as may be vested in or assumed by the Residents Trust Trustee pursuant to this Plan, the Residents Trust Agreement or other Order of the Bankruptcy Court or as may be needed or appropriate to carry out the provisions of this Plan.

4.3.11 Residents Trust Interests. Holders of Allowed Class 5 and 6 Claims that do not OPT OUT of the Lifespace Settlement and the releases under Section 8 of this Plan shall, by operation of this Plan, receive a Pro Rata share of the Residents Trust Interests in accordance with the terms of and priorities set forth in the Plan. Residents Trust Interests shall also be reserved for holders of Disputed Claims which, if Allowed, would be entitled to participate in Distributions from the Residents Trust, and such reserved Residents Trust Interests shall be held by the Residents Trust Trustee pending allowance or disallowance of such Claims. No other Person shall have any interest, legal, beneficial or otherwise, in the Residents Trust Assets upon the assignment and transfer of such assets to the Residents Trust. As set forth in the Residents Trust Agreement, Distributions from the Residents Trust on account of Residents Trust Interests shall be made from the Residents Trust Assets after paying, reserving against or satisfying, among other things, the Residents Trust expenses. The Residents Trust Interests shall be uncertificated and shall be nontransferable except upon death of the holder or by operation of law. Holders of Residents Trust Interests shall have no voting rights with respect to such interests.

4.4 ***Entrance Fee Escrow.*** As of the Petition Date, the Entrance Fee Escrow held \$15,844,326. As of October 31, 2022, the Entrance Fee Escrow balance held for the benefit of Residents, which excludes interest earned, is \$16,494,326. Within ten (10) days of the Effective Date, funds in the Entrance Fee Escrow shall be returned to those respective Residents that deposited such funds, pursuant to the terms of the Escrow Agreement, in full satisfaction of the Escrow Resident Claims.

4.5 ***Corporate Action.*** Upon the Effective Date, all actions contemplated by this Plan (whether to occur before, on, or after the Effective Date) shall be deemed authorized and approved in all respects, and all matters provided for in this Plan involving the corporate structure of the Debtors and any corporate action required by the Debtors in connection with this Plan shall be deemed to have occurred, without any requirement of further action by the directors or officers of the Debtors.

On or (as applicable) before the Effective Date, the appropriate officers of the Debtors or the Litigation Trust, as applicable, shall be authorized and directed to issue, execute, and deliver the agreements, documents, securities, certificates of incorporation, operating agreements, and instruments contemplated by this Plan (or necessary or desirable to effect the transactions contemplated by this Plan), including all documents necessary to consummate the Sale Transaction, in the name of and on behalf of the Debtors or the Litigation Trust, as the case may be, and any and all other agreements, documents, securities, and instruments relating to the foregoing.

4.6 Section 1146 Exemption from Certain Taxes and Fees. Pursuant to Bankruptcy Code section 1146(a), any transfer of property and any issuance, transfer, or exchange of a security in connection with or pursuant to this Plan shall not be subject to any stamp, mortgage recording, or other similar tax, charge, or governmental assessment in the United States, and the Confirmation Order shall direct and be deemed to direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax, charge, or governmental assessment and, as applicable, to accept for filing and recordation instruments or other documents pursuant to such transfer of property or to permit the issuance, transfer, or exchange of a security without the payment of any such tax, charge, or governmental assessment. Such exemption specifically applies, without limitation, to (i) the sale of the Assets pursuant to the Asset Purchase Agreement effectuated under this Plan; (ii) the creation and recordation of any mortgage, deed of trust, lien, or other security interest; (iii) the making or assignment of any lease or sublease; and (iv) the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with this Plan, including: (a) any merger agreements; (b) agreements of consolidation, restructuring, disposition, liquidation, or dissolution; (c) deeds; or (d) assignments executed in connection with any transaction occurring under this Plan.

4.7 Preservation of Causes of Action of the Debtors. In accordance with Bankruptcy Code section 1123(b), and except where such Causes of Action have been expressly released (including, for the avoidance of doubt, the Exculpated Claims against the Exculpated Parties and the Debtor Released Claims against the Released Parties), the Litigation Trustee shall be vested with the authority to enforce all rights to commence and pursue, as appropriate, any and all Causes of Action of the Debtors, whether arising before or after the Petition Date, and the Litigation Trustee's right(s) to commence, prosecute, or settle such Causes of Action shall be consistent with the terms of the Litigation Trust Agreement. The Litigation Trustee is the sole party that may pursue such Causes of Action, as appropriate, in accordance with the best interests of the holders of the Litigation Trust Interests. No Person may rely on the absence of a specific reference in this Plan or the Disclosure Statement to any Cause of Action against such Person as any indication that the Debtors or the Litigation Trustee, as applicable, will not pursue any and all available Causes of Action against such Person. Except with respect to Causes of Action as to which the Debtors have released any Person on or before the Effective Date (including pursuant to the Releases by the Debtors or otherwise), the Litigation Trustee, as applicable, expressly reserves all rights to prosecute any and all Causes of Action of the Debtors against any Person, except as otherwise expressly provided in this Plan. Unless any Causes of Action against a Person are expressly waived, relinquished, exculpated, released, compromised, or settled in this Plan or by an order of the Bankruptcy Court, the Litigation Trustee expressly reserves all Causes of Action for later adjudication and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise),

or laches, shall apply to such Causes of Action upon, after, or as a consequence of the confirmation or consummation of this Plan. For the avoidance of doubt, nothing in this Section 4.7 shall affect the “Releases by the Debtors” provided in Section 8.2 of this Plan.

Notwithstanding anything to the contrary contained herein, the Residents Trust Trustee shall be vested with the authority to enforce the terms of the Lifespace Settlement and Contribution Agreement, which are being assigned to the Residents Trust and the Residents Trust Trustee pursuant to this Plan.

4.8 ***Dismissal of Challenges.*** On July 12, 2022, the Committee filed the *Original Complaint*, commencing Case No. 22-03073-mvl and challenging the Bond Claims and related Liens under Bankruptcy Code section 544 (the “**Committee Challenge**”). The Committee Challenge has been abated on multiple occasions, most recently on November 29, 2022 for an additional sixty days. Furthermore, challenges were filed by certain Former Residents and their estates against the Initial Plan Sponsors’ Liens, security interests, and adequate protection granted under the DIP Orders and the Entrance Fee Escrow Order (collectively, the “**Resident Challenges**”). See Docket Nos. 448, 449, 456, 457, 467, 544. On September 2, 2022, the Court abated the Resident Challenges pending further notice of the parties. See Docket No. 605. Upon the Effective Date, the Committee Challenge and the Resident Challenges will be dismissed with prejudice.

SECTION 5. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Entry of the Confirmation Order shall constitute a Bankruptcy Court order approving the assumptions or rejections of such Executory Contracts or Unexpired Leases as set forth in this Plan or the Plan Supplement, all pursuant to Bankruptcy Code sections 365(a) and 1123. Unless otherwise indicated, all assumptions or rejections of Executory Contracts and Unexpired Leases pursuant to this Plan are effective as of the Closing Date. Each Executory Contract or Unexpired Lease assumed pursuant to this Plan or by Bankruptcy Court order and assigned to a Purchaser shall vest in and be fully enforceable by the Purchaser in accordance with its terms, except as such terms may have been modified by such order. Notwithstanding anything to the contrary in this Plan, the Plan Sponsors reserve the right to alter, amend, modify, or supplement the list of Executory Contracts and Unexpired Leases identified in the Plan Supplement at any time before the Effective Date. After the Effective Date, the Purchaser shall have the right to terminate, amend, or modify any contracts, leases, or other agreements without approval of the Bankruptcy Court, subject to the terms thereof. For the avoidance of doubt, Section 5 of this Plan shall apply to all Executory Contracts and Unexpired Leases except as otherwise provided herein and to the extent addressed and decided by an order of the Bankruptcy Court.

5.1 ***Rejection of Residency Agreements.*** On the Closing Date and as set forth in the Asset Purchase Agreement, the Debtors shall reject the Residency Agreements of all Residents. Any Current Resident that desires to remain at the Community may do so, subject to regulatory approvals and/or requirements, by entering into a new monthly rental agreement which agreements will provide similar services to such Current Resident as provided under their prior Residency Agreement.

Notwithstanding anything herein to the contrary, for the sake of clarity and to avoid confusion, upon the rejection of the Residency Agreements, the holders of Refund Claims are not required to file Rejection Claims if such Resident Claimants agree with the proposed amount of the respective Resident Claimant's Refund Claim, as set forth in the Resident Claim Cover Letter accompanying the Resident Claimant's Ballot. Unless an additional Rejection Claim is filed by any Resident Claimants, all Resident Claimants shall be deemed to hold Allowed Class 5 or Class 6 Claims (unless they OPT OUT of the Lifespace Settlement and the releases under Section 8 of this Plan, in which case they would hold Allowed Class 4 Claims) in the amount of their Refund Claim, as set forth in the Resident Claim Cover Letter accompanying each Resident Claimant's respective Ballot and/or solicitation materials, without the need to file a Rejection Claim for such Refund Claim. If any Resident Claimants disagree with the amount of their respective Refund Claim, as set forth in the Resident Claim Cover Letter accompanying each Resident Claimant's respective Ballot, then the Resident Claimants shall be required to file a Rejection Claim on or before the Rejection Damages Bar Date.

5.2 Assumption and Rejection of Executory Contracts and Unexpired Leases.

Unless assumed and assigned under the Asset Purchase Agreement, on the Closing Date the Debtors shall reject all Executory Contracts and Unexpired Leases. Resulting Rejection Claims will be treated as Class 4 General Unsecured Claims.

5.3 Assumption of the Ground Lease.

On the Closing Date and as set forth in the Asset Purchase Agreement, the Ground Lease shall be assumed, subject to the rights of the Litigation Trustee as set forth in this Plan and assigned to the Purchaser. The Landlord shall have an Allowed Administrative Claim for the amounts due and owing from the Petition Date through the Effective Date, subject to final approval of the Bankruptcy Court and the rights of parties in interest to challenge the asserted Administrative Claim amount. Nothing herein shall be construed as a waiver of the Litigation Trustee, the Plan Sponsors, the Committee or any third parties to pursue any and all Claims against the Landlord. The cure amount associated with the Ground Lease shall be funded from the Net Sale Proceeds into the Cure Escrow pending further order of the Bankruptcy Court as to the Allowed amount of such cure amount, with any balance following such order being distributed to the Trustee for distribution to holders of Bond Claims.

5.4 Claims Based on Rejection of Executory Contracts or Unexpired Leases.

All Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, if any, must be filed no later than the Rejection Damages Bar Date; *provided, that* any such Claims arising from the rejection of an Unexpired Lease shall be subject to the cap on rejection damages imposed by Bankruptcy Code section 502(b)(6). Any Claims arising from the rejection of an Executory Contract or Unexpired Lease that is not timely filed with the Bankruptcy Court (other than Refund Claims) will be automatically disallowed and forever barred from assertion and shall not be enforceable against the Debtors, the Estates, or the Debtors' property, without the need for any objection by any party or further notice to, action by, or order or approval of the Bankruptcy Court. All Allowed Claims arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases, other than with respect to Resident Claimants, shall be classified as Class 4 Claims and shall be treated in accordance with this Plan.

5.5 Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.

Any provisions or terms of the Debtors' Executory Contracts or Unexpired Leases to be

assumed under the Sale Transaction that are, or may be, alleged to be in default, shall be satisfied solely by cure or by a waiver of cure agreed upon between the Purchaser and the applicable counterparty. Except with respect to Executory Contracts or Unexpired Leases in which the Purchaser and the applicable counterparties have stipulated in writing to payment of cure or with respect to Residency Agreements or the Ground Lease, the following procedures shall be established for determining cure with respect to the proposed assumed Executory Contracts or Unexpired Leases (the “**Proposed Assumed Contracts**”):

- (a) Within five (5) days after entry of the Bidding Procedures Order, the Plan Sponsors will file with the Bankruptcy Court and serve a notice to the counterparties to Executory Contracts and Unexpired Leases, other than Residents that are party to a Residency Agreement as of the Petition Date, (each, a “**Non-Resident Contract Counterparty**”), setting forth the Plan Sponsors’ calculation of each Non-Resident Contract Counterparty’s cure amount, if any, that would be owing to such Non-Resident Contract Counterparty if the Debtors were to assume or assume and assign such Executory Contract or Unexpired Lease, and alerting such Non-Resident Contract Counterparty that its agreement may be assumed and assigned to the Purchaser (the “**Cure and Possible Assumption and Assignment Notice**”). Any Non-Resident Contract Counterparty that objects to the cure amount set forth in the Cure and Possible Assumption and Assignment Notice, must file an objection (a “**Cure Objection**”) no later than January 10, 2023 at 4:00 p.m. (prevailing Central Time), which Cure Objection must be served on the following by e-mail: (a) counsel for the Initial Plan Sponsors, Daniel Bleck, dsbleck@mintz.com, Eric Blythe, erblythe@mintz.com, and Kaitlin Walsh, krwalsh@mintz.com; (b) RBC Capital Advisors, David Fields, david.fields@rbccm.com; (c) counsel for the Debtors, Trinitee G. Green, tggreen@polsinelli.com and Jeremy Johnson, jeremy.johnson@polsinelli.com, and (d) counsel for the Committee, Stephen A. McCartin, smccartin@foley.com, Thomas C. Scannell, tscannell@foley.com, and Mark Moore, mmoore@foley.com (collectively, the “**Notice Parties**”).
- (b) If a Non-Resident Contract Counterparty does not timely file and serve a Cure Objection, that party will be forever barred from objecting to the proposed cure amount. Where a Non-Resident Contract Counterparty files a timely Cure Objection asserting a higher cure amount than the amount listed in the Cure and Possible Assumption and Assignment Notice, and the Non-Resident Contract Counterparty and the Plan Sponsor are unable to consensually resolve the dispute, the amount to be paid under Bankruptcy Code section 365 (if any) or, as the case may be, the Debtors’ ability to assign the agreement to the Purchaser, will be determined at the Confirmation Hearing.
- (c) After the conclusion of the Auction, the Plan Sponsors shall file with the Bankruptcy Court and serve on the Notice Parties and Contract Counterparties a further notice (the “**Assumption Notice**”) identifying the Purchaser, stating which Executory Contracts or Unexpired Leases may be assumed and assigned to the Purchaser, and providing such Contract Counterparties with the Purchaser’s assurance of future performance. Any Contract Counterparty that objects to the adequacy of the assurance or assumption and/or assignment of its Executory Contract or Unexpired

Lease set forth in the Assumption Notice must file an objection with the Bankruptcy Court (a “**Contract Objection**”) and serve the Contract Objection on the Notice Parties prior to the Confirmation Hearing. If a Contract Counterparty does not file a Contract Objection prior to the Confirmation Hearing, such party will be forever barred from objecting to the adequacy of the assurance to be provided by the Purchaser and assumption and assignment to the Purchaser. Where a Contract Counterparty files a Contract Objection prior to the Confirmation Hearing, and the parties are unable to consensually resolve the dispute, the adequacy of the assurance provided by the Purchaser or raised issues regarding the potential assumption and assignment will be determined at the Confirmation Hearing.

- (d) For the avoidance of doubt, this section does not address Residency Agreements although the Residency Agreements are Executory Contracts. As provided above, any Purchaser must provide detail regarding the treatment of Residency Agreements with the Debtors’ Current Residents. To the extent a potential Purchaser includes the assumption of the Residency Agreements, the potential Purchaser will be required to satisfy the related cure costs and provide adequate assurance of future performance. The Assumption Notice shall include a description of the Purchaser’s proposed treatment of Residency Agreements.
- (e) Except as specified herein, assumption or assumption and assignment of any Executory Contract or Unexpired Lease pursuant to this Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults on the part of the Debtors or the Estates, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed or assumed and assignment Executory Contract or Unexpired Lease at any time prior to the effective date of assumption or assumption and assignment.

5.6 **Insurance Policies.** Notwithstanding anything herein to the contrary, as of the Closing Date, and unless specifically rejected by the Purchaser, the Debtors shall assume all of the Insurance Policies, including director and officer and general liability policies, identified by the Plan Sponsors in the Plan Supplement pursuant to Bankruptcy Code section 365(a). Entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval of the Debtors’ foregoing assumption of each of the Insurance Policies.

5.7 **Modifications, Amendments, Supplements, Restatements, or Other Agreements.** Unless otherwise provided, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated, or is rejected or repudiated under this Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11

Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith, unless such Executory Contract or Unexpired Lease has been previously assumed by the Debtors.

5.8 **Reservation of Rights.** Nothing contained in this Plan or the Plan Supplement shall constitute an admission that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that the Debtors have any liability thereunder.

5.9 **Nonoccurrence of Effective Date.** If the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases under Bankruptcy Code section 365(d)(4), unless such deadline(s) have expired.

SECTION 6. PROVISIONS GOVERNING DISTRIBUTIONS

6.1 **Timing and Calculation of Amounts to Be Distributed.** Except as otherwise provided in this Plan, on the Effective Date or as soon as reasonably practicable thereafter (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such a Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter), each holder of an Allowed Claim against the Debtors shall receive the full amount of the Distributions that this Plan provides for Allowed Claims in the applicable Class and in the manner provided herein. In the event that any payment or act under this Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims, Distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in this Plan. Except as otherwise provided for in this Plan, holders of Claims shall not be entitled to interest, dividends, or accruals on the Distributions provided for herein, regardless of whether such Distributions are delivered on or at any time after the Effective Date.

6.2 **Disbursements.** Except as otherwise provided in this Plan, all Distributions under this Plan shall be made by the Litigation Trustee.

6.3 **Rights and Powers of Litigation Trustee regarding Disbursements.** The Litigation Trustee shall be empowered to: (i) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under this Plan; (ii) make all Distributions contemplated hereby; (iii) employ professionals to represent it with respect to its responsibilities; and (iv) exercise such other powers as may be vested in the Litigation Trustee by order of the Bankruptcy Court, pursuant to this Plan, or as deemed by the Litigation Trustee to be necessary and proper to implement the provisions of this Plan.

6.4 **Payments and Distributions on Disputed Claims.** Distributions made after the Effective Date to holders of Disputed Claims that are not Allowed Claims as of the Effective Date (but that later become Allowed Claims), shall be deemed to have been made on the Effective Date.

6.5 **Special Rules for Distributions to Holders of Disputed Claims.** Notwithstanding any other provision of this Plan and except as may be agreed to by the Plan

Sponsors or the Litigation Trustee, on the one hand, and the holder of a Disputed Claim, on the other hand, no partial payments and no partial Distributions shall be made with respect to any Disputed Claim until all Disputed Claims held by the holder of such Disputed Claim have become Allowed Claims or have otherwise been resolved by settlement or Final Order.

6.6 ***Delivery of Distributions in General.*** Except as otherwise provided in this Plan, Distributions to holders of Allowed Claims shall be made to holders of record as of the Distribution Record Date by the Litigation Trustee, including the Distribution to the Trustee of the Net Sale Proceeds as provided in this Plan. Distributions to holders of Allowed Claims will be made at the address of each such holder as set forth in the Debtors' books and records, except that, in the case of holders of the Original Bonds, Distributions will be made by means of book-entry exchange through the facilities of the Depository Trust Company in accordance with the customary practices of the Depository Trust Company, as and to the extent practicable. Distributions under this Plan on account of Allowed Claims shall not be subject to levy, garnishment, attachment, or like legal process, so that each holder of an Allowed Claim shall have and receive the benefit of the Distributions in the manner set forth in this Plan. The Litigation Trustee shall not incur any liability whatsoever on account of any Distributions under this Plan except for gross negligence, willful misconduct, or fraud.

6.7 ***Undeliverable Distributions and Unclaimed Property.*** If any Distribution to any holder is returned as undeliverable, the Litigation Trustee shall use reasonable efforts to determine the current address of such holder. No Distribution to such holder shall be made unless and until the Litigation Trustee has determined such holder's then current address, at which time such Distribution shall be made as soon as practicable; *provided, however*, that such Distributions shall be deemed unclaimed property under Bankruptcy Code section 347(b) and forfeited at the expiration of six months from the later of (i) the Effective Date and (ii) the date of the initial attempted Distribution. After such date, all "unclaimed property" or interests in property shall revert to the Litigation Trust (notwithstanding any applicable federal or state escheat or abandoned or unclaimed property laws to the contrary), and the Claim of any holder to such property shall be discharged and forever barred.

6.8 ***Withholding and Reporting Requirements.*** In connection with this Plan and all instruments issued in connection therewith, the Litigation Trustee shall comply with all applicable withholding and reporting requirements imposed by any federal, state, or local taxing authority, and all Distributions under this Plan shall be subject to any such withholding or reporting requirements.

6.9 ***Setoffs.*** Except as otherwise provided herein and subject to applicable law, the Debtors shall, pursuant to the Bankruptcy Code (including Bankruptcy Code section 553), applicable non-bankruptcy law, or as may be agreed to by the holder of a Claim, setoff against any Allowed Claim (which setoff shall be made against the Allowed Claim, not against any Distributions to be made under this Plan with respect to such Allowed Claim), any claims, rights, and Causes of Action of any nature that the Debtors may hold against the holder of such Allowed Claim, to the extent such claims, rights, or Causes of Action against such holder have not been otherwise released, waived, relinquished, exculpated, compromised, or settled on or prior to the Effective Date (whether pursuant to this Plan or otherwise), and any Distribution to which a holder is entitled under this Plan shall be made on account of the Claim, as reduced after application of

the setoff described above. In no event shall any holder of a Claim be entitled to setoff any Claim against any claim, right, or Cause of Action of the Debtors unless such holder obtains entry of a Final Order authorizing such setoff or unless such setoff is otherwise agreed to in writing by the Debtors and a holder of a Claim; *provided, that*, where there is no written agreement between the Debtors and a holder of a Claim authorizing such setoff, nothing herein shall prejudice or be deemed to have prejudiced the Debtors' right(s) to assert that any holder's setoff rights were required to have been asserted by motion to the Bankruptcy Court prior to the Effective Date. This Section 6.9 shall not be applicable to any Distributions to be made to or for the benefit of the beneficial holders of the Original Bonds.

6.10 ***Insurance Claims.*** No Distributions under this Plan shall be made on account of an Allowed Claim until the holder of such Allowed Claim has exhausted all remedies with respect to the Debtors' Insurance Policies. To the extent that one or more of the Debtors' insurers agrees to satisfy in full a Claim, then immediately upon such agreement, such Claim may be expunged without an objection to such Claim having to be filed and without any further notice to, action by, or order or approval of the Bankruptcy Court.

6.11 ***Applicability of Insurance Policies.*** Except as otherwise provided in this Plan, Distributions to holders of Allowed Claims shall be made in accordance with the provisions of any applicable Insurance Policy. Except as expressly provided in this Plan, nothing contained in this Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Person may hold against any other Person, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

6.12 ***Allocation of Distributions Between Principal and Unpaid Interest.*** With the exception of any Distributions on account of the Original Bonds, which shall be treated as provided in Class 2 herein (other than the Bond Deficiency Claim), to the extent that any Claim entitled to a Distribution under this Plan is comprised of indebtedness and accrued but unpaid interest thereon, such Distribution shall, for U.S. federal income tax purposes, be allocated on the Debtors' books and records to the principal amount of the Claim first and then, to the extent the consideration exceeds the principal amount of the Claim, to the accrued but unpaid interest.

6.13 ***Interest on Claims.*** Unless otherwise specifically provided for in this Plan, postpetition interest will not accrue or be paid on Claims, and no Claim holder will be entitled to interest accruing on or after the Petition Date on any Claim. Similarly, unless otherwise specifically provided for in this Plan, postpetition interest will not accrue or be paid on any Disputed Claim in respect of the period from the Petition Date to the date a final Distribution is made thereon if and after such Disputed Claim becomes an Allowed Claim.

SECTION 7. PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS

7.1 ***Prosecution of Objections to Claims.*** The Litigation Trustee shall have the exclusive authority to file, settle, compromise, withdraw, or litigate to judgment any objections to Claims as permitted under this Plan and the Litigation Trust Agreement. From and after the Effective Date, the Litigation Trustee may settle or compromise any Disputed Claim without

approval of the Bankruptcy Court, but subject to the terms and conditions of the Litigation Trust Agreement. The Litigation Trustee reserves all rights to resolve any Disputed Claim outside the Bankruptcy Court under applicable governing law.

7.2 **Allowance of Claims.** Except as expressly provided in this Plan or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), the Litigation Trustee after the Effective Date will have and retain any and all rights and defenses held by the Debtors with respect to any Claim as of the Petition Date. All Claims of any Person against the Debtors shall be disallowed unless and until such Person pays, in full, the amount it owes the Debtors. For the avoidance of doubt, this section is not applicable to the Trustee or the beneficial holders of the Original Bonds.

7.3 **Distributions After Allowance.** As soon as practicable following the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Litigation Trustee shall provide to the holder of such Claim the Distribution (if any) to which such holder is entitled under this Plan, without any interest to be paid on account of such Claim.

7.4 **Estimation of Claims.** The Plan Sponsors (before the Effective Date) or the Litigation Trustee (on or after the Effective Date) may, at any time, and from time to time, request that the Bankruptcy Court estimate any Disputed Claim pursuant to Bankruptcy Code section 502(c) regardless of whether an objection was previously filed with the Bankruptcy Court with respect to such Claim, or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. If the Bankruptcy Court estimates any Disputed Claim, that estimated amount will constitute either the Allowed amount of such Claim or a maximum limitation on such Claim against any party or Person, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Litigation Trustee may elect to pursue any supplemental proceedings to object to any ultimate Distribution on such Claim. All of the objection, estimation, settlement, and resolution procedures set forth in this Plan are cumulative and not necessarily exclusive of one another. Claims may be estimated and subsequently compromised, objected to, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court. This Section of this Plan shall not be applicable to the Trustee or the beneficial holders of the Original Bonds.

SECTION 8. SETTLEMENT, RELEASE, INJUNCTION AND RELATED PROVISIONS

8.1 **Compromise and Settlement of Claims, Interests and Controversies.** Pursuant to Bankruptcy Code section 1123 and Bankruptcy Rule 9019 and in consideration for the Distributions and other benefits provided pursuant to this Plan, the provisions of this Plan shall constitute a good faith compromise of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a holder of a Claim or Interest may have with respect to any Allowed Claim or Interest, including with respect to any challenges to the Bond Claims, or any Distribution to be made on account of such Allowed Claim or Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests, and controversies, as well as a finding by the Bankruptcy

Court that such compromise or settlement is in the best interests of the Debtors, their Estates, and holders of Claims and Interests and is fair, equitable, and reasonable. In accordance with the provisions of this Plan, pursuant to Bankruptcy Code section 363 and Bankruptcy Rule 9019(a), without any further notice to, action by, or order or approval of the Bankruptcy Court, after the Effective Date, the Litigation Trustee may compromise and settle Claims against the Debtors and Causes of Action against other Persons.

8.2 Releases by the Debtors. PURSUANT TO BANKRUPTCY CODE SECTION 1123(b), AS OF THE EFFECTIVE DATE, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THIS PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, INCLUDING THE INVESTMENT AND SERVICE OF THE RELEASED PARTIES TO FACILITATE THE EXPEDITIOUS REORGANIZATION OF THE DEBTORS AND THE IMPLEMENTATION OF THE RESTRUCTURING CONTEMPLATED BY THIS PLAN, THE RELEASED PARTIES ARE DEEMED RELEASED AND DISCHARGED BY THE DEBTORS, THE REORGANIZED DEBTOR, AND THE ESTATES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, SETOFFS, RECOUPMENTS, REMEDIES, ENFORCEMENT RIGHTS AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, OR THE RELEASED PARTIES WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR INTEREST, OR OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THIS PLAN, THE DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, THE “DEBTOR RELEASED CLAIMS”), OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASE SET FORTH ABOVE DOES NOT RELEASE ANY PARTY WITH POST-EFFECTIVE DATE OBLIGATIONS UNDER THIS PLAN OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THIS PLAN FROM THOSE POST-EFFECTIVE DATE OBLIGATIONS. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO

PURSUE ANY DEBTOR RELEASED CLAIM(S) FOR THE BENEFIT OF ANY PARTY AS SUCH CLAIMS ARE RELEASED PURSUANT TO THIS PLAN AND, AS SUCH, DO NOT AND WILL NOT CONSTITUTE LITIGATION TRUST OR RESIDENTS TRUST ASSETS.

8.3 *Releases by Holders of Claims.* AS OF THE EFFECTIVE DATE AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THIS PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, EACH RELEASING PARTY SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, LIFESPACE, THE INITIAL PLAN SPONSORS, AND ALL OTHER RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, ENFORCEMENT RIGHTS, SETOFFS, RECOUPMENTS, REMEDIES, AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT SUCH PERSON WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF ANY OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THIS PLAN, THE DISCLOSURE STATEMENT, ANY PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, “CREDITOR RELEASED CLAIMS”), OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE CREDITOR RELEASED CLAIMS.

NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY IN THIS PLAN, THE DIP LENDER, THE TRUSTEE AND HOLDERS OF THE ORIGINAL BONDS SHALL ALL BE RELEASING PARTIES SOLELY WITH RESPECT TO ANY AND ALL CLAIMS RELATING TO THE DEBTORS (OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE), BUT NOT WITH RESPECT TO ANY OTHER CLAIMS SUCH HOLDERS MAY HAVE UNRELATED TO THE DEBTORS, INCLUDING BUT NOT LIMITED TO ANY

OBLIGATIONS OWED TO BONDHOLDERS IN CONNECTION WITH BONDS ISSUED BY LIFESPACE.

8.4 *Exculpation.* UPON THE EFFECTIVE DATE, THE PLAN SPONSORS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS AND AGENTS WILL BE DEEMED TO HAVE SOLICITED ACCEPTANCES OF THIS PLAN IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING BANKRUPTCY CODE SECTION 1125(E).

EXCEPT WITH RESPECT TO ANY ACTS OR OMISSIONS EXPRESSLY SET FORTH IN AND PRESERVED BY THIS PLAN, THE PLAN SUPPLEMENT, OR ANY RELATED DOCUMENTS, THE EXCULPATED PARTIES SHALL NEITHER HAVE, NOR INCUR ANY LIABILITY TO ANY ENTITY FOR ANY PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR RELATED TO FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING, ADMINISTERING, CONFIRMING, OR EFFECTING THIS PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THIS PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION OF THIS PLAN, THE ADMINISTRATION AND IMPLEMENTATION OF THIS PLAN, THE DISTRIBUTION OF PROPERTY UNDER THIS PLAN, OR ANY OTHER RELATED AGREEMENT OR ANY OTHER PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OF THE DEBTORS; PROVIDED, THAT THE FOREGOING “EXCULPATION” SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY ENTITY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT (INCLUDING FRAUD); PROVIDED FURTHER, THAT EACH EXCULPATED PARTY SHALL BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER, OR ITS DUTIES PURSUANT TO, OR IN CONNECTION WITH, THIS PLAN OR ANY OTHER RELATED DOCUMENT, INSTRUMENT, OR AGREEMENT. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY CLAIMS DESCRIBED IN SECTION 8 OF THIS PLAN AGAINST ANY EXCULPATED PARTY.

8.5 *Discharge of Claims.* PURSUANT TO BANKRUPTCY CODE SECTION 1141(D), AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE BAR DATE ORDER, IN THIS PLAN, OR IN ANY CONTRACT, INSTRUMENT, OR OTHER AGREEMENT OR DOCUMENT CREATED PURSUANT TO THIS PLAN, THE DISTRIBUTIONS, RIGHTS, AND TREATMENT THAT ARE PROVIDED IN THIS PLAN SHALL BE IN FULL AND FINAL SATISFACTION, SETTLEMENT, RELEASE, AND DISCHARGE, EFFECTIVE AS OF THE EFFECTIVE DATE, OF ALL CLAIMS AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE,

WHETHER KNOWN OR UNKNOWN, AGAINST, LIABILITIES OF, LIENS ON, OBLIGATIONS OF, AND RIGHTS AGAINST THE DEBTORS OR ANY OF THEIR ASSETS OR PROPERTIES, REGARDLESS OF WHETHER ANY PROPERTY SHALL HAVE BEEN DISTRIBUTED OR RETAINED PURSUANT TO THIS PLAN ON ACCOUNT OF SUCH CLAIMS, INCLUDING DEMANDS, LIABILITIES, AND CAUSES OF ACTION THAT AROSE BEFORE THE EFFECTIVE DATE, ANY CONTINGENT OR NON-CONTINGENT LIABILITY ON ACCOUNT OF REPRESENTATIONS OR WARRANTIES ISSUED ON OR BEFORE THE EFFECTIVE DATE, AND ALL DEBTS OF THE KIND SPECIFIED IN BANKRUPTCY CODE SECTIONS 502(G), 502(H), OR 502(I), IN EACH CASE WHETHER OR NOT: (I) A PROOF OF CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS FILED OR DEEMED FILED PURSUANT TO BANKRUPTCY CODE SECTION 501; (II) A CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS ALLOWED PURSUANT TO BANKRUPTCY CODE SECTION 502; OR (III) THE HOLDER OF SUCH A CLAIM HAS ACCEPTED THIS PLAN. EXCEPT AS OTHERWISE PROVIDED HEREIN, ANY DEFAULT BY THE DEBTORS WITH RESPECT TO ANY CLAIM THAT EXISTED BEFORE OR ON ACCOUNT OF THE FILING OF THE CHAPTER 11 CASES SHALL BE DEEMED CURED ON THE EFFECTIVE DATE. THE CONFIRMATION ORDER SHALL BE A JUDICIAL DETERMINATION OF THE DISCHARGE OF ALL CLAIMS SUBJECT TO THE EFFECTIVE DATE OCCURRING, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS PLAN.

8.6 *Injunction.* FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION, OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED AGAINST ANY RELEASED PARTY PURSUANT TO THIS PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN THIS PLAN, ALL RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION, OR OTHER PROCEEDING ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO THIS PLAN.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS PLAN, THE PLAN SUPPLEMENT, OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THIS PLAN, ALL PERSONS WHO HAVE HELD, HOLD, OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED, DISCHARGED, OR ARE SUBJECT TO EXCULPATION, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING

ACTIONS: (I) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH RIGHTS, CLAIMS OR INTERESTS; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE, RELIEF OR ORDER AGAINST SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (III) CREATING, PERFECTING, OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH PERSONS OR THE PROPERTY OR ESTATE OF SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; AND (IV) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED, OR DISCHARGED PURSUANT TO THIS PLAN.

THE RIGHTS AFFORDED IN THIS PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THE DEBTORS' ASSETS, PROPERTY, OR ESTATES. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE INTERESTS SHALL BE CANCELLED (EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS PLAN).

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR IN THIS PLAN OR IN OBLIGATIONS ISSUED PURSUANT TO THIS PLAN FROM AND AFTER THE EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER BANKRUPTCY CODE SECTION 502(g).

ALL PERSONS SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE LITIGATION TRUST, ALL OTHER RELEASED PARTIES AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS, AGENTS AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS, OR ANY ACT OR OMISSION, TRANSACTION, OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, HOLDERS OF CLAIMS THAT OPT OUT OF THE RELEASES UNDER SECTION 8.3 OF THIS PLAN WILL NOT BE SUBJECT TO THE INJUNCTION WITH RESPECT TO PREPETITION CLAIMS AGAINST NON-DEBTOR ENTITIES.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO RELEASES OR EXCULPATIONS CONTAINED HEREIN SHALL RELEASE LIFESPACE FROM ITS OBLIGATIONS TO THE RESIDENTS TRUST CONTAINED IN THE LIFESPACE SETTLEMENT AND CONTRIBUTION AGREEMENT, WHICH SHALL BE PRESERVED AND ASSIGNED TO THE RESIDENTS TRUST AND THE RESIDENTS TRUST TRUSTEE PURSUANT TO THE TERMS OF THIS PLAN.

8.7 ***Term of Injunctions or Stays.*** Unless otherwise provided in this Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to Bankruptcy Code sections 105 or 362 or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in this Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. Upon the Effective Date, all injunctions or stays contained in this Plan or the Confirmation Order shall be in full force and effect in accordance with their terms.

8.8 ***Protection Against Discriminatory Treatment.*** Consistent with Bankruptcy Code section 525 and the Supremacy Clause of the U.S. Constitution, all Persons, including Governmental Units, shall not discriminate against the Litigation Trustee or the Purchaser or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, or discriminate with respect to such a grant against, the Litigation Trustee, the Purchaser or another Person with whom the Litigation Trustee or Purchaser have been associated, solely because the Debtors have been debtors under Chapter 11, have been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

8.9 ***Release of Liens.*** Except as otherwise provided in this Plan or any contract, instrument, release, or other agreement or document created pursuant to this Plan, on the Effective Date and concurrently with the applicable Distributions made pursuant to this Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Litigation Trustee. For the avoidance of doubt, except as otherwise provided in this Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged on the Effective Date without any further action of any party, including, but not limited to, further order of the Bankruptcy Court or filing updated schedules or statements typically filed pursuant to the Uniform Commercial Code.

SECTION 9. CONDITIONS PRECEDENT TO CONFIRMATION AND THE EFFECTIVE DATE

9.1 ***Conditions Precedent to Confirmation.*** It shall be a condition precedent to the confirmation of this Plan, such that the Confirmation Order shall not be entered, until each of the following conditions precedent have been satisfied or waived pursuant to the provisions of this Plan:

- (a) The proposed Confirmation Order shall be in form and substance reasonably satisfactory in all respects to the Plan Sponsors, Lifespace and the Purchaser; and
- (b) This Plan and the Plan Supplement, including any schedules, documents, supplements and exhibits thereto shall be, in form and substance acceptable in all respects to the Plan Sponsors and Lifespace.

9.2 ***Conditions Precedent to the Effective Date.*** It shall be a condition precedent to the Effective Date that each of the following provisions, terms, and conditions shall have been satisfied or waived pursuant to the provisions of this Plan:

- (a) The Bankruptcy Court shall have entered the Confirmation Order containing findings of fact and conclusions of law satisfactory to the Plan Sponsors, Lifespace and Purchaser, which Confirmation Order shall not be subject to any stay, and which Confirmation Order shall include or provide, among other things:
 - (i) all provisions, terms and conditions of this Plan and related documents are approved; and
 - (ii) all Executory Contracts or Unexpired Leases assumed and assigned by the Debtors during the Chapter 11 Cases including under this Plan shall remain in full force and effect for the benefit of the Purchaser or their assignee(s) notwithstanding any provision in such contract or lease (including those described in Bankruptcy Code sections 365(b)(2) and (f)) that prohibits such assignment or transfer or that enables, permits, or requires termination of such contract or lease;
- (b) The Bankruptcy Court shall have entered a Final Order approving the Disclosure Statement as containing adequate information within the meaning of Bankruptcy Code section 1125;
- (c) On the occurrence of the Effective Date, the conditions to effectiveness of the Sale Transaction shall have been satisfied or waived and the Closing Date has occurred;
- (d) All actions, documents, certificates, and agreements necessary to implement this Plan, including, without limitation, the Asset Purchase Agreement and documents related to the Sale Transaction, shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable governmental units in accordance with applicable laws;

- (e) All payments and transfers to be made on the Effective Date shall be made or duly provided for;
- (f) All authorizations, consents, and regulatory approvals required, if any, in connection with the consummation of this Plan shall have been obtained; and
- (g) All other actions, documents and agreements necessary to implement this Plan shall be in form and substance acceptable to the Plan Sponsors, and shall have been effected or executed.

9.3 ***Effect of Failure of Conditions.*** If the Effective Date does not occur, this Plan shall be null and void in all respects and nothing contained in this Plan or the Disclosure Statement shall: (i) constitute a waiver or release of any claims by the Plan Sponsors or Claims by or against the Debtors or Lifespace; (ii) prejudice in any manner the rights of the Plan Sponsors, any holders of Claims, or any other Person; or (iii) constitute an admission, acknowledgment, offer, or undertaking by the Plan Sponsors or any other Person in any respect.

SECTION 10. MODIFICATION, REVOCATION OR WITHDRAWAL OF THIS PLAN

10.1 ***Modification and Amendments.*** Except as otherwise specifically provided herein, the Plan Sponsors reserve the right to modify this Plan and seek confirmation consistent with the Bankruptcy Code and, as appropriate, not re-solicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in Bankruptcy Code section 1127 of the and Bankruptcy Rule 3019 and those restrictions on modifications set forth in this Plan, the Plan Sponsors expressly reserve their rights to alter, amend, or modify materially this Plan one or more times, after confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify this Plan or remedy any defect or omission, or reconcile any inconsistencies in this Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of this Plan. For the avoidance of doubt, nothing in this Section 10.1 shall be deemed to supplant or supersede the requirements of Bankruptcy Rule 3019.

10.2 ***Effect of Confirmation on Modifications.*** Entry of the Confirmation Order shall mean that all modifications or amendments to this Plan occurring after the solicitation thereof are approved pursuant to Bankruptcy Code section 1127(a) and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

10.3 ***Revocation or Withdrawal of this Plan.*** The Initial Plan Sponsors reserve the right to revoke or withdraw this Plan before the Effective Date. If the Initial Plan Sponsors revoke or withdraw this Plan, or if confirmation does not occur, then: (i) this Plan shall be null and void in all respects, (ii) any settlement or compromise embodied in this Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of any Executory Contract or Unexpired Lease effected by this Plan, and any document or agreement executed pursuant to this Plan, shall be deemed null and void, and (iii) nothing contained in this Plan shall: (a) constitute a waiver or release of any Claims or Interests; (b) prejudice in any manner the rights of the Plan Sponsors or any other Person; or (c) constitute

an admission, acknowledgement, offer or undertaking of any sort by the Plan Sponsors or any other Person.

SECTION 11. RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain jurisdiction over the Chapter 11 Cases and all matters arising out of or related to the Chapter 11 Cases and this Plan, including, without limitation, jurisdiction to:

- (a) allow, disallow, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the secured or unsecured status, priority, amount, or allowance of Claims;
- (b) decide and resolve all matters related to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or this Plan;
- (c) resolve any matters related to: (i) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which any Debtor is party or with respect to which the Debtors may be liable in any manner and to hear, determine, and, if necessary, liquidate any Claims arising therefrom, including Rejection Claims, cure Claims pursuant to Bankruptcy Code section 365, or any other matter related to such Executory Contract or Unexpired Lease, (ii) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed, (iii) the Litigation Trust or Purchaser amending, modifying, or supplementing, after the Effective Date, any Executory Contracts or Unexpired Leases on the list of Executory Contracts and Unexpired Leases to be assumed or rejected, and (iv) any dispute regarding whether a contract or lease is or was executory or unexpired;
- (d) ensure that Distributions to holders of Allowed Claims are accomplished pursuant to the provisions of this Plan;
- (e) adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving the Debtors that may be pending on the Effective Date;
- (f) adjudicate, decide, or resolve any and all matters related to any Cause of Action;
- (g) adjudicate, decide, or resolve any and all matters related to the Asset Purchase Agreement;
- (h) adjudicate, decide, or resolve any and all matters related to Bankruptcy Code section 1141;

- (i) resolve any avoidance or recovery actions under Bankruptcy Code sections 105, 502(d), 542 through 551, and 553;
- (j) resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the consummation of this Plan or any Person's obligations incurred in connection with this Plan;
- (k) issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Person with consummation or enforcement of this Plan;
- (l) resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the discharge, releases, injunctions, exculpations, indemnifications, and other provisions contained in this Plan and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;
- (m) enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;
- (n) adjudicate any and all disputes arising from or relating to Distributions under this Plan;
- (o) adjudicate any and all disputes arising from or relating to the Lifespace Settlement and Contribution Agreement;
- (p) consider any modifications of this Plan, cure any defect or omission, or reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;
- (q) determine requests for the payment of Claims entitled to priority pursuant to Bankruptcy Code section 507;
- (r) hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of this Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with this Plan;
- (s) hear and determine matters concerning state, local, and federal taxes in accordance with Bankruptcy Code sections 346, 505, and 1146;
- (t) hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred before or after the Effective Date;
- (u) enforce all orders previously entered by the Bankruptcy Court;

- (v) hear any other matter not inconsistent with the Bankruptcy Code; and
- (w) enter an order concluding or closing the Chapter 11 Cases.

SECTION 12. MISCELLANEOUS PROVISIONS

12.1 ***Immediate Binding Effect.*** Notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or any other Bankruptcy Rule, upon the occurrence of the Effective Date, the terms of this Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors and any and all holders of Claims or Interests (irrespective of whether such holders of Claims or Interests are deemed to have accepted this Plan), all Persons that are parties to or are subject to the settlements, compromises, releases, exculpation, discharges, and injunctions described in this Plan, each Person acquiring property under this Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

12.2 ***Additional Documents.*** On or before the Effective Date, the Plan Sponsors may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan, subject to the consent of the Trustee. The Debtors and all holders of Claims receiving Distributions pursuant to this Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of this Plan.

12.3 ***Dissolution of the Committee.*** On the Effective Date, the Committee shall dissolve, and members thereof shall be released and discharged from all rights and duties from or related to the Chapter 11 Cases.

12.4 ***Reservation of Rights.*** Except as expressly set forth in this Plan, this Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. None of this Plan, any statement or provision contained in this Plan, or any action taken or not taken by the Plan Sponsors or other Person with respect to this Plan, the Disclosure Statement, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of the Plan Sponsors or other Person with respect to the holders of Claims or Interests before the Effective Date.

12.5 ***Successors and Assigns.*** The rights, benefits, and obligations of any Person named or referred to in this Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign, affiliate, officer, director, manager, agent, representative, attorney, beneficiary, or guardian, if any, of such Person.

12.6 ***Votes Solicited in Good Faith.*** Upon entry of the Confirmation Order, the Plan Sponsors will be deemed to have solicited votes on this Plan in good faith and in compliance with the Bankruptcy Code and any applicable non-bankruptcy law, and pursuant to Bankruptcy Code section 1125(e), the Plan Sponsors and their respective affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of securities offered and sold under this Plan, and, therefore,

will have no liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on this Plan.

12.7 **Closing of Chapter 11 Cases.** The Litigation Trustee shall, promptly after the full administration of the Chapter 11 Cases, file with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Chapter 11 Cases.

12.8 **Notices.** All notices or requests in connection with this Plan shall be in writing and given by mail and email addressed to:

**MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY AND POPEO, PC**

Daniel S. Bleck
Eric Blythe
Kaitlin R. Walsh
One Financial Center
Boston, MA 02111
Telephone: (617) 546-6000
dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

-and-

HAYNES AND BOONE, LLP

J. Frasher Murphy
Thomas J. Zavala
2323 Victory Avenue, Suite 700
Dallas, TX 75219
Telephone: (214) 651-5000
frasher.murphy@haynesboone.com
tom.zavala@haynesboone.com

-and-

POLSINELLI PC

Jeremy Johnson
600 3rd Avenue, 42nd Floor
New York, New York 10016
Telephone: (212) 684-0199
jeremy.johnson@polsinelli.com

and

Trinitee G. Green
2950 N. Harwood Street, Suite 2100
Dallas, Texas 75201
Telephone: (214) 397-0030
tggreen@polsinelli.com

-and-

Northwest Senior Housing Corporation
d/b/a Edgemere
Attn: Nick Harshfield
4201 Corporate Drive
West Des Moines, IA 50266

All notices and requests to Persons holding any Claim in any Class shall be sent to them at their last known address or to the last known address of their attorney of record in these Chapter 11 Cases. Any such holder of a Claim may designate in writing any other address for purposes of this Section 12.8, which designation will be effective upon receipt by the Plan Sponsors.

12.9 **Headings.** The headings used in this Plan are inserted for convenience only and neither constitute a portion of this Plan nor in any manner affect the construction of the provisions of this Plan.

12.10 **Severability.** If, prior to confirmation, any term or provision of this Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of this Plan will remain in full force and effect and will in no way be affected, Impaired, or invalidated by such holding, alteration, or interpretation.

12.11 **Validity and Enforceability.** The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms. Should any provision in this Plan be determined by the Bankruptcy Court or any appellate court to be unenforceable following the Effective Date, such determination shall in no way limit the enforceability and operative effect of any and all other provisions of this Plan.

12.12 **Plan Supplement.** Any exhibits or schedules not filed with this Plan may be contained in the Plan Supplement and the Plan Sponsors reserve the right to alter, modify, or amend the Plan Supplement through and to the Confirmation Hearing.

12.13 **Governing Law.** Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of Texas, without giving effect to the principles of conflicts of laws, shall govern the rights, obligations, construction, and implementation of this Plan and the restructuring transactions consummated or to be consummated in connection therewith.

12.14 **Request for Confirmation.** The Plan Sponsors request entry of a Confirmation Order under Bankruptcy Code section 1129(a) and, to the extent necessary, Bankruptcy Code section 1129(b).

12.15 *Reservation of Rights in Favor of Governmental Units.*

Governmental Units, Texas Health and Human Services Commission and Texas Department of Insurance, have indicated that they will object to any Order confirming this Plan that does not include the following language:

“Nothing in this Order or the Plan discharges, releases, precludes, or enjoins: (i) any liability to any governmental unit as defined in 11 U.S.C. § 101(27) (“**Governmental Unit**”) that is not a “claim” as defined in 11 U.S.C. § 101(5) (“**Claim**”); (ii) any Claim of a Governmental Unit arising on or after the Confirmation Date; (iii) any police or regulatory liability to a Governmental Unit that any entity would be subject to as the owner or operator of property after the Confirmation Date; or (iv) any liability to a Governmental Unit on the part of any non-debtor. Nor shall anything in this Order or the Plan enjoin or otherwise bar a Governmental Unit from asserting or enforcing, outside this Court, any liability described in the preceding sentence. Notwithstanding any provision of the Plan, this Order, or any implementing or supplementing plan documents, Governmental Units' setoff rights under federal law as recognized in section 553 of the Bankruptcy Code, and recoupment rights, shall be preserved and are unaffected. Nothing in this Order or the Plan divests any tribunal of any jurisdiction it may have under police or regulatory law to interpret this Order or the Plan to adjudicate any defense asserted under this Order or the Plan.”

Dallas County has also requested the following language be included in this Plan:

“Notwithstanding any other provisions of this Plan, any agreements approved hereby, or any other orders in these Chapter 11 Cases, any statutory liens (collectively, the “**Tax Liens**”) held by Dallas County or any other ad valorem tax authority (the “**Taxing Authorities**”) for prepetition and postpetition taxes shall not be primed nor made subordinate to any liens granted to any party hereby to the extent such Tax Liens are valid, senior, perfected, and unavoidable, and all parties’ rights to object to the priority, validity, amount, and extent of the claims and liens asserted by the Taxing Authorities are fully preserved. With respect to the Tax Authorities’ prepetition Secured Claims for ad valorem property Taxes for the 2022 tax year, to the extent such Claims are Allowed, the Taxing Authorities’ prepetition Claims shall be paid in full with all applicable and accrued interest no later than the earlier of the Closing of the Sale Transaction or the Effective Date or otherwise in the ordinary course of business unless an objection to the Claim has been filed. The Taxing Authorities’ Claims shall be paid with interest from the Petition Date through the Effective Date and from the Effective Date through the date of payment in full at the applicable state statutory rate of 1% per month pursuant to 11 U.S.C. §§ 506(b), 511, and 1129. In the event of a claim objection, the Taxing Authorities’ Claims shall be entitled to interest that accrues while the Claim objection is pending. The Taxing Authorities shall retain their Liens until all Taxes and related interest, penalties, and fees (if any) have been paid in full. In the event of a default under this Plan, the Taxing Authorities shall send notice of default to counsel for the Debtors/Reorganized Debtor and the Purchaser, as applicable, via facsimile or electronic mail, and the Debtors and/or Purchaser shall have 15 days from the date of such notice to cure said default. After the Effective Date, in the event of failure to cure the default timely, the Taxing Authorities shall be entitled to pursue collection of all amounts owed pursuant to

applicable nonbankruptcy law from the Debtors/Reorganized Debtor or the Purchaser, as applicable, without further recourse to the Bankruptcy Court.”

Dated: December 19, 2022

HAYNES AND BOONE, LLP

/s/ J. Frasher Murphy

J. Frasher Murphy
State Bar No. 24013214
Thomas J. Zavala
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– and –

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EXHIBIT 2

LIQUIDATION ANALYSIS

The Liquidation Analysis presents the hypothetical liquidation of the Estate under Chapter 7. Actual values shown below are estimates as of November 2, 2022, unless otherwise noted, and actual values are presented before any potential adjustments under Generally Accepted Accounting Principals ("GAAP"). The Actual Chapter 7 and Chapter 11 Administrative Claims, Secured Claims, and General Unsecured Claims, including Claims from the rejection of Executory Contracts or Unexpired Leases arising from a Chapter 7 liquidation, may be materially different from the estimates presented herein. The Liquidation Analysis should be reviewed in conjunction with the associated notes.

Edgemere
 Liquidation Analysis
 000s

	Notes	Actual		Total	Liquidation Recovery Percentage		Chapter 7 Liquidation	
		09/30/2022	Adjustment		Low	High	Low	High
Asset Liquidation								
Cash and Cash Equivalents	A	\$2,030		\$2,030	100%	100%	\$2,030	\$2,030
Escrow Entrance Fees and Reservation Deposits	B	212		212	0%	0%	0	0
Net A/R & Resident Receivables	C	511		511	30%	70%	153	358
Other Receivables	D	0		0	100%	100%	0	0
Inventory	E	85		85	0%	5%	0	4
Prepaid Expenses and Deposits	F	755		755	0%	0%	0	0
CIP	G	0		0	15%	40%	0	0
Fixed Assets, net	H	220,938	(91,895)	129,043	15%	20%	19,356	25,809
Intangible Assets	I	9,958		9,958	0%	0%	0	0
Restricted Assets	J	2,255		2,255	0%	100%	0	2,255
Total Proceeds Available		\$236,744	(\$91,895)	\$144,849	15%	21%	\$21,540	\$30,456
Professional Fee Carve Out								
Professional Fees	K						(\$3,000)	(\$3,000)
US Trustee Fees	L						(100)	(100)
Chapter 7 Trustee Fees	M						(150)	(150)
Total Professional Fee Carve-Out							(\$3,250)	(\$3,250)
Net Proceeds for Available Wind Down / Closure Cost and Secured Claims							\$18,290	\$27,206
Wind Down/Closure Cost								
Wind Down/Closure	N						(\$500)	(\$1,000)
Ground Lease Payment (Cure)	O						(\$2,255)	(\$2,255)
Accrued Property Taxes	P						(\$1,763)	\$1,763
Chapter 7 Trustee Commission	Q						(650)	(1,100)
Total Wind Down/ Closure Cost							(\$5,168)	(\$2,592)
Net Proceeds for Available Secured Claims							\$13,122	\$24,614
Estimated Senior Secured Claims								
Long Term Debt - Series 2015 & Series 2017	R	\$111,000		\$111,000			(\$111,000)	(\$111,000)
Subtotal Senior Secured Claims		\$111,000		\$111,000			(\$111,000)	(\$111,000)
Average Recovery on Senior Secured Claims							11.8%	22.2%
Net Proceeds Available for Administrative Claims							\$0	\$0
Administrative Claims								
Payroll Liabilities	S						(\$1,186)	(\$950)
Accrued Expenses / Post-Petition Trade / AP	T						(2,673)	(2,272)
Total Administrative Claims							(\$3,859)	(\$3,222)
Average Recovery on Administrative Claims							0.0%	0.0%
Net Proceeds for Unsecured Claims							\$0	\$0
Unsecured Claims								
Trade Creditors	U						(\$500)	(\$500)
Refundable Entrance Fees	V						(145,935)	(145,935)
Litigation Claims	W						unknown	unknown
Rejection Damages / Other (Contingency)	X						unknown	unknown
Due To Affiliate	Y	\$6,656		\$6,656			(6,656)	(6,656)
Total Unsecured Claims							(\$153,091)	(\$153,091)
Average Recovery on Total Unsecured Claims							0.0%	0.0%
Shortfall							(\$254,828)	(\$242,699)

SPECIFIC NOTES TO THE LIQUIDATION ANALYSIS

Current Assets

- A. Cash and cash equivalents as of September 30, 2022.
- B. Escrow Entrance Fees and Reservation Deposits represents escrowed entrance fees, wait list depositors or 10% deposits made by potential residents. Escrowed entrance fees are fully refundable during the bankruptcy period resulting in 0% recovery. Waitlist deposits and 10% deposits are fully refundable, with interest accruing to the depositors prior to occupancy and would be returned to residents resulting in 0% recovery.
- C. Net A/R Residents consists of A/R due from Medicare, Medicaid, Co-insurance, Private Pay, and other.
- D. Other Receivables represent interest receivable on Trustee-Held Funds, however, the funds have been set-off and are not available per the Indenture of Trust of the Series 2015 and Series 2017 Bond Issues.
- E. Inventory consists of food. A recovery of 0% to 5% is assumed due to the perishable nature of food inventory.
- F. Prepaid expenses include prepaid insurance, prepaid payroll, and prepaid taxes. Deposits include utility deposits of \$53,000.
- G. Construction in progress (CIP) has been adjusted to exclude deferred financing costs which has a 0% recovery.
- H. Fixed assets includes land, buildings, equipment, furniture and fixtures, and vehicles. Recoveries are estimated at a blended rate. Recoveries on all other fixed assets are estimated at 15% - 20% due to limited life and high cost of Lease. Recovery on Land Lease is made in the Adjustment for assumption of the Obligation under the Operating Lease
- I. Intangible assets represent capitalized marketing and other costs.
- J. Restricted Assets include the Ground Lease Escrow

Professional Fee Carve-Out

- K. Professional Fees estimated through January, 2023.
- L. US Trustee Fees reflect estimated fees for the US Trustee through January, 2023.
- M. Chapter 7 Trustee Fees (including counsel) projected to be \$150,000 for fees and expenses.

Wind Down / Closure Cost

- N. Wind Down / Closure is an estimate of the operating costs and wind down costs incurred during the wind down period.
- O. Ground Lease Cure Payment is estimated as to make the Operating lease Payment Current as of Closing.
- P. Accrued Unpaid Taxes as indicated on the MOR as of September 30, 2022.
- Q. Chapter 7 Trustee estimated to receive 3% of proceeds available per statutory default.

Estimated Senior Secured Claims

- R. Long Term Debt includes outstanding principal amounts and accrued interest due on the Series 2015 and Series 2017 Bonds at \$111,728,919 as specified in the Final DIP Order June 23, 2022 for amounts being calculated on April 14, 2022. (Does not take into account any set-off of Trustee-Held Funds)

Administrative Claims

- S. Payroll Liabilities represents two weeks of accrued payroll liabilities accrued post-petition and due as of the liquidation date.
- T. Accrued Expenses / Post-Petition Trade / AP / Accrued Property Taxes estimated to be post-petition trade vendors that are unpaid as of the liquidation date per the financial pr

Trade Creditors

- U. Trade creditors represents pre-petition amounts owed to vendors or other third parties.

Refundable Entrance Fees

- V. Refundable Entrance Fees represents pre-petition amounts owed to residents and former residents, and the refundable portion of entrance fees only (balance as of 9/30/22) less Escrowed entrance fees noted in B above.

Litigation Claims

- W. Litigation Claims represents the estimated cost of medical malpractice and other litigation to settle claims.

Rejection Damages / Other (Contingency)

- X. All contracts are assumed to be rejected under a liquidation scenario.

Due to Affiliate

- Y. There is a \$6.430 million Due to Affiliate obligation between the Edgemere and Lifespace as of 9/30/22.

CONCLUSION

The estimated recoveries under the Plan are based on a number of estimates and assumptions that are inherently subject to significant uncertainties and contingencies and that are beyond the control of the Plan Sponsor. There can be no assurances that the recoveries assumed would be realized if the Plan was, in fact, confirmed. Accordingly, actual recovery values and recovery percentages could vary from the amounts set forth in the Plan and such variances could be material.

EXHIBIT 3

SETTLEMENT AND CONTRIBUTION AGREEMENT

This SETTLEMENT AND CONTRIBUTION AGREEMENT (“Agreement”) is executed by and entered into between and among Northwest Senior Housing Corporation d/b/a Edgemere (“Edgemere”), Senior Quality Lifestyle Corporation (“SQLC” and together with Edgemere, the “Debtors”) and Lifespace Communities, Inc. (“Lifespace”) (each individually a “Party”, and collectively the “Parties”) effective as of December 9, 2022.

RECITALS¹

A. Overview of Edgemere’s Business.

1. Edgemere is an upscale and well-established continuing care retirement community (“CCRC”) that offers senior residents a continuum of care in a luxury campus-style setting, providing living accommodations and related health care and support services to a target market of seniors aged sixty-two (62) and older. Edgemere consists of approximately 304 independent living (“IL”) apartment-style residences in one, two and three-bedroom configurations. Edgemere also houses 68 residential-style assisted living (“AL”) suites, 45 memory support (“MS”) assisted living suites and a skilled nursing Community (“SNF”) with 87 skilled nursing beds, all located on a 16.25 acre campus.

2. As of October 19, 2022, 219 IL units were occupied (72.04% occupancy), 39 AL units were occupied (57.35% occupancy), 21 MS units occupied (46.67% occupancy), and 54 SNF units were occupied (62.07% occupancy). The Community is currently the home of approximately 376 residents.

¹ Capitalized terms not defined herein shall have the meaning ascribed to them in the Plan.

3. As is common practice in the CCRC industry, Edgemere primarily receives revenue from entrance fees and monthly service fees. Historically, the residents have been required to enter into one of the following types of Residency Agreements to move into the Community: Life Care Agreements, Assisted Living Residency Agreements, and SNF Residency Agreements.

B. Current, Former and Escrow Residents

1. There are three (3) categories of Edgemere residents:
 - a. Former residents of Edgemere (“Former Residents”);
 - b. Current residents of Edgemere, excluding the Escrow Residents (“Current Residents”); and
 - c. Residents that currently reside at Edgemere under the terms and conditions of an Escrow Agreement dated September 27, 2021, by and among Edgemere, the Trustee, and Regions Bank as escrow agent (the “Escrow Residents” and, together with the Current and Former Residents, the “Residents”).

C. Lifespace Affiliation Agreement

1. In June 2019, Lifespace entered into an Affiliation Agreement with SQLC pursuant to which Lifespace became the new sole member of SQLC and Edgemere.
2. Edgemere relies on revenue generated by existing and new residents to, among other things, maintain day-to-day operations, service debt obligations and honor Resident obligations. However, for some time Edgemere has faced challenges that have threatened its ability to honor its obligations and maintain operational stability, including optimal occupancy levels.

D. The Chapter 11 Cases

1. On April 14, 2022 (the “Petition Date”), Edgemere and SQLC each filed a voluntary petition in this Court commencing a case for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the “Bankruptcy Court”) [Lead Case No. 22-30659] (the “Chapter 11 Cases”). The factual background regarding the Debtors, including their business operations, their capital and debt structures, and the events leading to the filing of the Chapter 11 Cases, is set forth in detail in the *Declaration of Nick Harshfield in Support of Chapter 11 Petition and First Day Pleadings* [Docket No. 7] (“First Day Declaration”) and fully incorporated herein by reference.

2. The Chapter 11 Cases are being jointly administered pursuant to Bankruptcy Rule 1015(b). The Debtors continue to operate and manage their businesses as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

3. On April 28, 2022, the Office of the United States Trustee for the Northern District of Texas (the “U.S. Trustee”) appointed an official committee of unsecured creditors (the “Committee”) pursuant to Bankruptcy Code section 1102(a)(1).

E. Joint Chapter 11 Plan

1. On December 6, 2022, Edgemere, the Trustee and the DIP Lender filed their *First Amended Joint Plan of Reorganization* [Docket No. 870] (the “Plan”), which is supported by Lifespace and the Committee. The Plan incorporates the terms of this Agreement.

F. Resident Refund Obligations

1. The Plan proposes to reject all Residency Agreements with Current, Former, and Escrow Residents, and provides for the purchaser of Edgemere’s assets pursuant to the Sale Procedures Motion to offer the Current Residents new residency agreements. Accordingly, the Residents will have rejection damages claims against Edgemere, including claims for the refund

of their entrance fees due and owing under the rejected Residency Agreements, in the following approximate amounts:

- a. Escrow Residents: \$16,494,326 is currently held in escrow for the benefit of Escrow Residents (the “Entrance Fee Escrow Deposits”). The Plan provides for Entrance Fee Escrow Deposits to be returned to the Escrow Residents in full and final satisfaction of their claims within ten (10) days of the Effective Date of the Plan.
- b. Former Residents: Former Residents shall have allowed entrance fee refund obligation claims against Edgemere of approximately \$40,705,569.67 (individually, an “Allowed Former Resident Claim” and in the aggregate, “Allowed Former Resident Claims”).
- c. Current Residents: Current Residents shall have allowed entrance fee refund obligation claims against Edgemere of approximately \$101,130,040.00 (individually, an “Allowed Current Resident Claim” and in the aggregate, “Allowed Current Resident Claims” and together with the Allowed Former Resident Claims, the “Allowed Resident Claims”).

G. Settlement

1. Pursuant to the terms of the Plan and this Agreement, Lifespace has agreed to fund contributions to the Plan as a settlement of any potential claims the Debtors, the Trustee and/or Residents (who do not OPT OUT under the terms of the Plan) may have against Lifespace pursuant to the Residency Agreements, the Affiliation Agreement, under the Bankruptcy Code, at law or in equity and in exchange for full releases and exculpations provided under the Plan (the “Plan Releases”).

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the promises and mutual covenants herein contained herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree and stipulate, contingent upon Bankruptcy Court confirmation of the Plan, to the terms set forth below:

1. The Residents Trust. On the Effective Date of the Plan, a trust (the “Residents Trust”) shall be formed for the benefit of Former Residents and Current Residents who do not OPT OUT of the settlement and the releases in the Plan (the “Participating Former Residents” and “Participating Current Residents,” respectively) pursuant to the terms of the Plan and a Residents Trust Agreement in form and substance satisfactory to Lifespace and the Committee.

2. Lifespace Contributions to the Residents Trust. Lifespace hereby agrees to contribute to the Residents Trust an amount equal to the sum of (i) the total Allowed Former Resident Claims of Participating Former Residents, (ii) the total Allowed Current Resident Claims of Participating Current Residents, and (iii) the total projected Residents Trust expenses (the “Lifespace Trust Contribution”), in annual payments in the amounts listed on the Contribution Schedule attached hereto as **Exhibit 1**. Beginning in year 2025:

(a) If any portion of any required annual payment of the Lifespace Trust Contribution would result in Lifespace failing to maintain at least 250 days cash on hand (the “Lifespace Minimum DCOH”) then such portion of the annual payment may be deferred to the following year (the “Lifespace Deferral”);

(b) Any Lifespace Deferral that has accrued for two years is due to be paid in full the following year unless it may be deferred under the following paragraph.

(c) If any portion of any Lifespace Trust Contribution would trigger an event of default (an “MTI Default”) under the Lifespace Master Trust Indenture dated November 1, 2010, (as amended, and as may be further amended, the “Master Trust Indenture”), then any such portion may be deferred until payment in full would not trigger an MTI Default.

(d) The annual Lifespace Trust Contributions listed on Exhibit 1 shall be made on December 31 of each year for the subsequent calendar year (the “Payment Date”). By way of example, the Lifespace Trust Contribution for 2024 shall be made on December 31, 2023.

(e) On December 15 of each year, Lifespace shall prepare and deliver to the Trustee a statement setting forth its good faith estimate of the Lifespace Minimum DCOH projection as of the Payment Date for the following year to determine if any portion of the required Lifespace Trust Contribution for that year will cause the Lifespace days cash on hand (“DCOH”) to go below the Lifespace Minimum DCOH or cause an MTI Default as of the Payment Date (the “Financial Threshold Estimate”). The Financial Threshold Estimate shall contain a certificate of the Chief Financial Officer of Lifespace certifying that the Financial Threshold Estimate was prepared in accordance with GAAP applied using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Audited Financial Statements for the most recent fiscal year end as if such Financial Threshold Estimate was being prepared and audited as of a fiscal year end.

3. Post-Payment Date Adjustment.

(a) Within 150 days after the Payment Date, Lifespace shall deliver to the Trustee a statement certified by the Lifespace auditor setting forth the final calculation of the Lifespace DCOH as of the Payment Date (the “Final DCOH Calculations”) and final determination of whether an MTI Default would have in fact occurred from the payment due on the Payment Date (the “MTI Default Calculation” and together with the Final DCOH Calculation the “Final Audited Certification”).

(b) Lifespace shall pay any underpayment, and the Trustee shall return any overpayment, within 30 days of delivery of the Final Audited Certification.

4. Examination and Review.

(a) After receipt of the Final Audited Certification, the Trustee shall have 30 days (the “Review Period”) to review the Final Audited Certification. During the Review Period, the Trustee shall have reasonable access to Lifespace information relating to the Final Audited Certification. The Trustee may object to the Final Audited Certification by delivering to Lifespace before the expiration of the Review Period a written objection setting forth in reasonable detail the basis for the Trustee’s objection (the “Objection”). If the Trustee does not deliver an Objection before the expiration of the Review Period, the Trustee shall be deemed to have accepted and agreed to the Final Audited Certification.

(b) If the Trustee delivers an Objection before the expiration of the Review Period, Lifespace and the Trustee shall negotiate in good faith to resolve such objections within 30 days after the delivery of the Objection, which Resolution Period may be extended upon the written mutual agreement of Lifespace and the Trustee (the “Resolution Period”). If any part of the Objection is not resolved by the expiration of the Resolution

Period, the unresolved portion of the Objection shall be submitted to KPMG (the “Independent Accountant”) for resolution. The decision of the Independent Accountant (the “Independent Accountant Decision”) shall be final and binding on the Parties. Any payments required to be made under this Agreement shall be consistent with the Independent Accountant Decision and shall be made within 30 days after the Independent Accountant Decision. The costs of the Independent Accountant shall be paid by the losing Party.

5. Distributions of Trust Assets. The Residents Trust shall receive the Lifespace Trust Contributions and distribute the trust funds as set forth below:

(a) Participating Former Residents shall receive a distribution in the amount of their Allowed Former Resident Claims sixty (60) days after (a) the Residents Trust has been informed that the Participating Former Resident’s independent living unit has been re-leased to a new resident, and (b) the Residents Trust has sufficient funds, after reasonable reserves, to make such distribution (the Trustee shall reserve sufficient funds in the Residents Trust for reasonable Trust expenses and the future payments of the projected Life Care Subsidy (defined below) to Participating Current Residents).

(b) Participating Current Residents shall receive a distribution in the amount of their Allowed Current Resident Claims within sixty (60) days after (a) vacating the Edgemere facility, either through death or by moving out of the facility, (b) the Residents Trust has been informed that the Participating Current Resident’s independent living unit has been re-leased to a new resident, and (c) the Trust has sufficient funds, after reasonable reserves, to make such distribution (the Trustee shall reserve sufficient funds in the

Residents Trust for reasonable Trust expenses and the future payments of the projected Life Care Subsidy to Participating Current Residents).

(c) If there are insufficient funds in the Residents Trust to fully pay an Allowed Resident Claim, such Resident shall receive whatever portion of the Allowed Resident Claim is available at that time, with the remaining portion of the Allowed Resident Claim payable in subsequent years as funds become available. If there is more than one Resident who is not fully paid their Allowed Resident Claim when due under this Agreement, the Residents Trust shall pay those Participating Residents in the chronological order as funds are available to the Residents Trust.

(d) Participating Current Residents who advance to higher levels of care within the community may request, and the Residents Trust shall pay (subject to the availability of funds in the Residents Trust), the portion of such Resident's monthly fee for the elevated level of care that exceeds the then-current monthly fee charged for independent living services. All payments made hereunder shall be deducted from such Participating Current Resident's Allowed Current Resident Claim.

(e) In addition, Participating Current Residents that are able to establish to the satisfaction of the Residents Trust Trustee that he or she is indigent and unable to pay their monthly fee may request, and the Residents Trust shall pay (subject to the availability of funds in the Residents Trust) to Edgemere such Participating Current Resident's monthly fee (in any level of care) until such Participating Current Resident's Allowed Current Resident Claim has been exhausted. Requests for distribution of Residents Trust assets in accordance with this paragraph and the preceding paragraph (referred to herein as the "Life

Care Subsidy”) shall be given priority in timing of payment to distributions to residents who vacate the community.²

(f) Residents who OPT OUT of the Plan Releases pursuant to the terms of the Plan shall receive no distributions from the Residents Trust and shall not be entitled to payment of Life Care Benefits from the Residents Trust.

6. Condition Precedent to Effectiveness. The effectiveness of this Agreement is subject to and conditioned upon (i) entry of a Final Order confirming the Plan by the Bankruptcy Court in a form satisfactory to Lifespace on or before February 15, 2023, and (ii) the Effective Date of the Plan occurring on or before May 15, 2023. If either of these conditions does not occur (unless waived by all of the Parties), then this Agreement shall become null and void *ab initio*, and no settlement, contribution or distributions will be made to any party pursuant to this Agreement.

7. Non-Admission. All Parties agree that by entering into this Agreement, no Party acknowledges, admits, concedes, confesses, or recognizes any wrongdoing, liability, or fault whatsoever. Nothing contained herein shall be construed as an admission of liability and neither the Agreement, nor any of its terms or provisions, nor any of the negotiations or proceedings connected with the Agreement, shall be deemed or construed in any judicial, non-judicial, arbitration or other proceeding, to be evidence of, or a presumption, concession, or admission by any Party of the truth of any fact alleged or the validity of any claim that has been, could have been or in the future might be asserted against any of the Parties, or of any liability, fault, wrongdoing or otherwise.

8. Successors and Assigns. The Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, executors, administrators, successors and assigns.

² For the avoidance of doubt, these requests shall not have priority over payment of costs to administer the Residents Trust.

The Trustee of the Residents Trust shall be a third part beneficiary of this Agreement. **Edgemere and SQLC are expressly allowed, and shall assign all of their rights under this Agreement, to the Residents Trust, including the right to enforce Lifespace’s contribution obligations under this Agreement.**

9. Arms Length Transaction. The Parties acknowledge and agree that this Agreement is the product of arms-length negotiations, and that it is entered into in good faith, and in the best interests of each of the Parties. Each Party has carefully read the Agreement and the contents thereof are known and understood by each of the Parties. Each Party has had the opportunity to receive and has received independent legal advice from attorneys of its choice with respect to the advisability of making this settlement and the releases provided herein and with respect to the advisability of executing the Agreement.

10. Entire Agreement. The Parties acknowledge and agree that this Agreement together with the Plan constitute the entire agreement between and among the Parties and supersedes all prior agreements and understandings, both written and oral, among the Parties or between any of them with respect to the subject matter hereof; provided that the Agreement shall not be interpreted inconsistently with the terms of the Plan and that the Plan Releases shall not be impaired, diminished or otherwise affected by the terms of the Agreement.

11. Specific Performance/Covenant Not to Sue/Injunction. The Parties acknowledge that money damages are an inadequate remedy for breach of this Agreement. Therefore, the Parties agree that each of them has the right, in addition to any other right that they may have under the Agreement or otherwise (including the right to seek money damages), to specific performance of the Agreement in the event of any breach hereof by any Party.

12. Waiver. The failure of any Party to insist on strict adherence to any term of the Agreement shall not be considered a waiver of, or deprive that Party of the right thereafter to insist upon strict adherence to that term or any other term of the Agreement. Any waiver (express or implied) of any default or breach of the Agreement shall not constitute a waiver of any other or subsequent default or breach.

13. Further Assurances, Best Efforts, Exclusive Jurisdiction. Each Party agrees to use its reasonable best efforts to take or cause to be taken all actions and to do or cause to be done all things necessary, proper or advisable under applicable laws and regulations to implement and make effective the settlement transactions contemplated by this Agreement. Each Party further agrees that the Bankruptcy Court shall retain exclusive jurisdiction to enforce this Agreement in connection with the Plan.

14. Amendment or Modification. The Agreement may be amended, modified, altered or supplemented only upon written agreement of all of the Parties.

15. Binding Effect. The Agreement is intended to and shall confer upon the Resident Trust and its Trustee all rights to enforce this Agreement and the remedies hereunder. The Agreement is binding upon and is for the benefit of the Parties, the Residents, the Residents Trust, and the Trustee of the Residents Trust and their respective successors, assigns and legal representatives.

16. Warranty of Authority. Each Party whose signature is affixed hereto in its representative capacity represents and warrants that it is authorized to execute this Agreement on behalf of and to bind the entity on whose behalf its signature is affixed.

(a) Edgemere and SQLC represent that they are duly organized, validly existing and in good standing under the laws of the State of Texas and have the requisite power to

enter into and perform the Agreement, subject to confirmation of the Plan. The Agreement has been duly authorized by all necessary actions on the part of Edgemere and SQLC, have been duly executed, and, constitute a binding agreement, enforceable in accordance with its terms.

(b) Lifespace represents that it is duly organized, validly existing and in good standing under the laws of Iowa and has the requisite power to enter into and perform the Agreement. The Agreement has been duly authorized by all necessary action on the part of Lifespace, has been duly executed by Lifespace and constitutes a binding agreement of Lifespace, enforceable against Lifespace in accordance with its terms.

(c) The Parties represent that there are no other persons or entities whose consent is required in order to give full force and effect to the terms of this Agreement.

17. No Representations or Warranties. The Parties acknowledge that they are entering into this Agreement without any representations, warranties, express or implied (other than those expressly set forth herein).

18. Headings. The headings contained in the Agreement are for convenience of reference purposes only and do not form a part of the Agreement and in no way modify, interpret or construe the agreements and understandings of the Parties contained in the Agreement.

19. Notices. All notices, requests, claims, or demands hereunder shall be in writing and shall be delivered by electronic mail or by Federal Express mail, and addressed as follows:

IF TO THE LIFESPACE:

Cooley LLP
110 North Wacker Drive
42nd Floor
Chicago, IL 60606
Attention: Eric Walker
ewalker@cooley.com

-and-

Lifespace Communities, Inc.
3501 Olympus Blvd, Suite 300
Dallas, TX 75019
Attention: Tim Gorman, General Counsel
Tim.Gorman@lifespacecommunities.com

IF TO EDGEMERE RELATED PARTIES:

Polsinelli PC
2950 N. Harwood, Suite 2100
Dallas, TX 75201
Attention: Jeremy Johnson and Trinitee Green
Jeremy.johnson@polsinelli.com
Tggreen@polsinelli.com

IF TO RESIDENTS TRUST:

Foley & Lardner LLP
2021 McKinney Avenue, Suite 1600
Dallas, TX 75201
Attention: Stephen McCartin, Mark Moore and Tom Scannell
smccartin@foley.com
mmoore@foley.com
tscannell@foley.com

20. Counterparts. The Agreement may be signed in counterparts and delivered by electronic mail, and so executed, shall constitute one agreement. The Agreement shall be considered executed and binding on all Parties when all signatories designated herein have executed the Agreement.

21. Severability. If one or more of the provisions contained in the Agreement is determined by a court of jurisdiction to be invalid or unenforceable in any respect, the validity and enforceability of the remaining provisions of the Agreement shall not be affected or impaired, and the Parties will in good faith agree upon a valid and enforceable provision that shall be a reasonable substitute for such invalid or unenforceable provision.

22. Governing Law. The Agreement, and the rights and obligations of the Parties under this agreement shall be governed by, and construed in accordance with, the laws of the State of Texas, without regard to conflict of laws principles, and the Parties consent to jurisdiction in the State of Texas.

23. Jurisdiction. Any dispute, difference or controversy arising under the Agreement may be settled and finally determined by the Bankruptcy Court. The Bankruptcy Court shall retain jurisdiction for purposes of enforcing this Agreement and the Parties consent to the jurisdiction of the Bankruptcy Court for such purpose. Each Party waives any right to request or obtain a trial by jury in any judicial proceeding pertaining to the matters governed by the Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

NORTHWEST SENIOR HOUSING CORPORATION:

By: _____

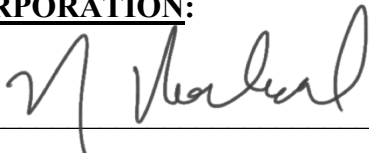
Its: _____

LIFESPACE COMMUNITIES, INC.:

By:  _____

Its: President + CEO _____

SENIOR QUALITY LIFESTYLES CORPORATION:

By:  _____

Its: Vice Chair _____

EXHIBIT 4

Lifespace Trust Contribution Schedule

Date	Lifespace Contribution Payment	Administrative Expense Payment	Annual Payment
Effective Date Payment	\$52,385,094.00	\$75,000.00	\$52,460,094.00
2024	\$11,395,234.00	\$75,000.00	\$11,470,234.00
2025	\$10,839,105.00	\$75,000.00	\$10,914,105.00
2026	\$9,968,057.00	\$75,000.00	\$10,043,057.00
2027	\$9,005,741.00	\$75,000.00	\$9,080,741.00
2028	\$7,901,979.00	\$75,000.00	\$7,976,979.00
2029	\$6,889,084.00	\$75,000.00	\$6,964,084.00
2030	\$5,966,775.00	\$75,000.00	\$6,041,775.00
2031	\$5,134,098.00	\$75,000.00	\$5,209,098.00
2032	\$4,359,664.00	\$75,000.00	\$4,434,664.00
2033	\$3,674,660.00	\$75,000.00	\$3,749,660.00
2034	\$3,078,130.00	\$75,000.00	\$3,153,130.00
2035	\$2,562,942.00	\$75,000.00	\$2,637,942.00
2036	\$2,129,252.00	\$75,000.00	\$2,204,252.00
2037	\$1,761,542.00	\$75,000.00	\$1,836,542.00
2038	\$1,446,837.00	\$75,000.00	\$1,521,837.00
2039	\$1,173,589.00	\$75,000.00	\$1,248,589.00
2040	\$931,568.00	\$75,000.00	\$1,006,568.00
2041	\$734,281.00	\$75,000.00	\$809,281.00
2042	\$572,976.00	\$75,000.00	\$647,976.00
	\$141,910,608.00	\$1,500,000.00	\$143,410,608.00

Exhibit 3



CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed December 19, 2022

United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

Re: Docket No. 754

**ORDER APPROVING DISCLOSURE STATEMENT
AND GRANTING RELATED RELIEF**

Having considered the *Motion of the Trustee and DIP Lender for Entry of an Order Approving Disclosure Statement and Granting Related Relief* [Docket No. 754] (the “**Disclosure Statement Motion**”)² and the *Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 934] (the “**Disclosure Statement**”), which includes modifications and disclosures based on the record, the testimony, evidence, and

¹ The Debtors in the Chapter 11 Cases (the “**Chapter 11 Cases**”), along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

² All capitalized terms not defined herein shall have the meaning ascribed to them in the Disclosure Statement.



representations regarding the Disclosure Statement and the Disclosure Statement Motion, the Court finds that: (a) jurisdiction over the matters in the Disclosure Statement Motion is proper pursuant to 28 U.S.C. § 1334, (b) venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409, (c) proper and adequate notice of the Disclosure Statement, the hearing on the Disclosure Statement, and the Disclosure Statement Motion has been provided and no further notice is needed, and (d) good and sufficient cause exists for granting the relief requested in the Disclosure Statement Motion.

IT IS HEREBY FOUND AND DETERMINED THAT

A. The Disclosure Statement contains adequate information within the meaning of Bankruptcy Code section 1125.

B. Notice of the Disclosure Statement Hearing provided good and sufficient notice to all interested parties.

IT IS ORDERED, AND NOTICE IS HEREBY GIVEN, THAT:

1. The Disclosure Statement Motion is **GRANTED**.
2. The Disclosure Statement complies with all aspects of Bankruptcy Code section 1125 and Bankruptcy Rule 3017(b) and is hereby **APPROVED** as containing “adequate information” as defined by Bankruptcy Code section 1125.
3. The terms of this Disclosure Statement Order shall be binding upon the Debtors, the Initial Plan Sponsors, all Holders of Claims and Interests, any trustees appointed under chapter 7 or chapter 11 of the Bankruptcy Code relating to the Debtors, and all other parties in interest.
4. The terms and conditions of this Disclosure Statement Order shall be immediately effective and enforceable upon its entry.

5. This Court retains jurisdiction to hear and consider all disputes arising from the interpretation or implementation of this Disclosure Statement Order.

End of Order

Prepared by:

POLSINELLI PC

/s/ Trinitee G. Green

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Facsimile: (214) 397-0033
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– and –

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Counsel to Debtors and Debtors in Possession

– and –

HAYNES AND BOONE, LLP

/s/ J. Frasher Murphy

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Dallas, TX 75219
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tom.zavala@haynesboone.com

– and –

**MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY AND POPEO, PC**

Daniel S. Bleck (Admitted *Pro Hac Vice*)

Eric Blythe (Admitted *Pro Hac Vice*)

Kaitlin R. Walsh (Admitted *Pro Hac Vice*)

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dsbleck@mintz.com

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Counsel to UMB Bank, N.A. as Trustee and DIP Lender

Exhibit 4



CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed December 20, 2022

United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

**ORDER (I) ESTABLISHING VOTING RECORD DATE AND OTHER DEADLINES;
(II) AUTHORIZING KURTZMAN CARSON CONSULTANTS LLC TO ACT AS
THE VOTING AGENT WITH RESPECT TO THE PLAN; (III) APPROVING
SOLICITATION AND NOTICE PROCEDURES; (IV) APPROVING MANNER
AND FORMS OF BALLOTS, NOTICES AND RELATED DOCUMENTS;
AND (V) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)² of the debtors and debtors-in-possession (collectively,

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

² Capitalized terms used in this Order but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion or the *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* (as may be further amended, supplemented, or otherwise modified from time to time, the “**Plan**”), as applicable.



the “**Debtors**”) in the above-captioned Chapter 11 Cases and UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”) and in its capacity as a lender under the DIP Credit Agreement (the “**DIP Lender**,” and together with the Trustee and the Debtors, the “**Plan Sponsors**”), for entry of an order, pursuant to Bankruptcy Code sections 105(a), 1124, 1125, 1126, and 1128, Bankruptcy Rules 2002, 3016, 3017, 3018, and 3020, and of the Local Bankruptcy Rules 2002-1, 3017-1, 3018-1, and 3020-1: (i) authorizing Kurtzman Carson Consultants LLC to act as the voting agent with respect to the Plan; (ii) establishing the Voting Record Date and other deadlines; (iii) approving solicitation and notice procedures with respect to confirmation of the Plan and for filing objections to the Plan; (iv) approving the manner and forms of ballots, notices and other related documents; and (v) granting related relief; and upon the record of the hearing on the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been given; and it appearing that no other or further notice of the Motion is required; and this Court having found that the relief requested by the Motion is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and sufficient cause appearing therefor, it is hereby:

FOUND AND DETERMINED THAT:

- A. Notice of the Motion was good and sufficient notice to all interested parties.
- B. The following forms attached hereto as Exhibits 3, 4-B, 4-C, 5-B, 6-B, 7, 8-B, and 9 contain sufficient information and are appropriate under the circumstances:
 - a. Disclosure Statement Hearing Notice, Exhibit 3;

- b. Non-Voting Status Notice, Exhibits 4-B and Exhibit 4-C;
- c. Disputed Claim Non-Voting Status Notice, Exhibit 5-B;
- d. Opt Out Form, Exhibit 6-B;
- e. Confirmation and Sale Hearing Notice, Exhibit 7;
- f. Plan Supplement Notice, Exhibit 8-B;
- g. Resident Claim Cover Letter, Exhibit 9; and
- h. Committee Solicitation Letter, Exhibit 10.

C. The forms of the Ballots attached hereto as Exhibit Group 2-B (i) are sufficiently consistent with Official Form No. B314, (ii) adequately address the particular needs of the Chapter 11 Cases, and (iii) are appropriate for each Class of Claims entitled to vote to accept or reject the Plan.

D. The time period set forth below during which the Plan Sponsors may solicit votes on the Plan is a reasonable period of time for holders of Claims to make an informed decision as to whether to accept or reject the Plan.

E. The procedures set forth below for the solicitation and tabulation of votes to accept or reject the Plan provides for a fair and equitable voting process and are consistent with Bankruptcy Code section 1126.

F. The procedures set forth below regarding the Confirmation and Sale Hearing Notice and the contents of the Solicitation Package comply with Bankruptcy Rules 2002 and 3017 and constitute sufficient notice to all interested parties.

THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is GRANTED, as set forth herein.

I. Kurtzman Carson Consultants, LLC's duties as Voting Agent for the Plan

2. KCC is authorized to serve as the agent in these Chapter 11 Cases with respect to the Plan.

3. KCC shall assist with respect to the Plan by, among other things, (a) balloting; (b) distributing solicitation materials; (c) tabulating and calculating of votes; (d) determining with respect to each ballot cast, its timeliness and its compliance with the Bankruptcy Code, Bankruptcy Rules, and procedures ordered by this Court; (e) preparing an official ballot certification and testifying, if necessary, in support of the ballot tabulation results; (f) in connection with the foregoing services, processing requests for documents from parties in interest, including, if applicable, brokerage firms, bank back-offices, and institutional holders; (g) responding to inquiries relating to the solicitation and voting process, including all matters related thereto; and (h) providing copies of documents and pleadings upon the request of creditors and parties in interest.

II. Approval of Key Dates and Deadlines

4. The following dates, to the extent they have not already been established by the Court, are hereby established (subject to modification by further order of the Court) with respect to the solicitation of votes to accept or reject the Plan, voting on the Plan, objecting to the Plan, and pursuing confirmation of the Plan.

Event	Date
Voting Record Date	December 15, 2022
Solicitation Deadline	December 22, 2022
Date of Publication of Confirmation and Sale Hearing Notice	December 27, 2022 or as soon as reasonably practicable thereafter
Deadline to File Plan Supplements	January 13, 2023
Deadline to File Rule 3018(a) Motions	January 13, 2023

Event	Date
Deadline to Object to Rule 3018(a) Motions	January 20, 2023 at 4:00 p.m. CT
Plan Objection Deadline	January 20, 2023 at 4:00 p.m. CT
Voting Deadline	January 20, 2023 at 4:00 p.m. CT
Opt Out Deadline	January 20, 2023 at 4:00 p.m. CT
Deadline to File Voting Report	January 24, 2023 at 9:30 a.m. CT
Deadline to File Confirmation Brief and Reply to Plan Objection(s)	January 24, 2023
Confirmation and Sale Hearing Date	January 26, 2023 at 9:30 a.m. CT

III. Confirmation and Sale Hearing Notice, Confirmation and Sale Hearing, and Objections

5. Confirmation Objections, if any, shall (a) be in writing, (b) comply with the Bankruptcy Rules and the Local Rules, (c) set forth the name of the objector and the nature and amount of any Claim or Interest asserted by the objector against or in the Debtors, (d) state with particularity the legal and factual bases for the objection and, if practicable, a proposed modification to the Plan that would resolve such objection, and (e) be filed, contemporaneously with proof of service, with the Court and served so that they are **actually received** by the undersigned counsel and the following Notice Parties no later than the Plan Objection Deadline: (i) counsel for the Debtors, Polsinelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201, Attn: Trinitee G. Green and 600 3rd Avenue, 42nd Floor, New York, NY 10016, Attn: Jeremy R. Johnson; (ii) counsel for Lifespace Communities, Inc., Cooley LLP, 110 North Upper Wacker Drive, Suite 4200, Chicago, Illinois 60606, Attn: Eric. E. Walker; (iii) counsel for UMB Bank, N.A., Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, Attn: Daniel Bleck, Eric Blythe and Kaitlin Walsh; (iv) counsel for the

Committee, Foley & Lardner, 2021 McKinney Avenue, Ste. 1600, Dallas, Texas 75201, Attn: Stephen A. McCartin, Thomas C. Scannell, and Mark C. Moore; (v) the Office of the United States Trustee, 1100 Commerce St, Room 976, Dallas, Texas 75242-1699, Attn: Lisa Lambert; and (vi) such other parties as the Court may order.

6. The deadline for the Plan Sponsors and/or other parties supporting confirmation of the Plan to file and serve a confirmation brief and a Reply or Replies, as appropriate, to Confirmation Objections is **January 24, 2023** and, if the Confirmation and Sale Hearing is adjourned, the deadline shall be the date that is three (3) business days prior to any such adjourned hearing date.

7. Service of the Confirmation and Sale Hearing Notice, substantially in the form attached hereto as Exhibit 7, upon all known holders of Claims against and Interests in the Debtors and the parties on the Rule 2002 list (as of the Voting Record Date) constitutes adequate and sufficient notice, in satisfaction of the requirements of applicable provisions under the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, of: (a) the Confirmation and Sale Hearing to consider approval of the Plan; (b) the manner in which a copy of the Plan may be obtained; and (c) the Plan Objection Deadline.

8. The Debtors shall publish the Confirmation and Sale Hearing Notice on or prior to **December 27, 2022**, or as soon as practically possible thereafter, (i) in the national edition of the *New York Times* or *USA Today*; and (ii) in any other regional or local publication within Dallas, Texas, as the Debtors deem necessary.

9. Publication of the Confirmation and Sale Hearing Notice as described herein shall constitute sufficient notice of the Confirmation and Sale Hearing to persons who do not otherwise receive notice by mail as provided for in this Order.

IV. Establishment of Voting Record Date, Disallowance of Claims for Voting Purposes, and Procedures for Temporary Allowance of Claims

10. Pursuant to Bankruptcy Rule 3017(d), **December 15, 2022** shall be the Voting Record Date. The Plan Sponsors shall use the Voting Record Date for determining which holders of Claims are: (a) entitled to vote on the Plan and, thus, entitled to receive the Solicitation Package; or (b) not entitled to vote on the Plan and, thus, entitled to receive only the Confirmation and Sale Hearing Notice and a Non-Voting Status Notice and/or a Disputed Claim Non-Voting Status Notice (each of which will include an Opt Out Form).

11. With respect to any transferred claim, the transferee shall be entitled to receive a Solicitation Package and cast a Ballot on account of the transferred claim only if: (a) all actions necessary to effect the transfer of the claim or equity interest pursuant to Bankruptcy Rule 3001(e) have been completed by the Voting Record Date; or (b) the transferee files, no later than the Voting Record Date, (i) the documentation required by Bankruptcy Rule 3001(e) to evidence the transfer and (ii) a sworn statement of the transferor supporting the validity of the transfer. Regardless of the number of Claims obtained, each transferee shall be treated as a single creditor for purposes of the numerosity requirements of Bankruptcy Code section 1126(c) and the other procedures set forth in this Order.

12. In the event the Plan Sponsors object to a Claim or seek to estimate a Claim, the holder of such Claim shall not be entitled to vote on the Plan and such Claim shall not be counted in determining whether the requirements of Bankruptcy Code section 1126(c) have been met with respect to the Plan (except to the extent and in the manner as may be set forth in the objection or motion to estimate) unless (a) the Claim has been temporarily allowed for voting purposes pursuant to Bankruptcy Rule 3018(a) and in accordance with this Order or (b) on or before the Voting Deadline, the objection to such Claim has been withdrawn or resolved in favor of the

creditor asserting the Claim. Recipients of an objection to expunge and/or disallow their Claim shall receive a Disputed Claim Non-Voting Status Notice, substantially in the form attached hereto as Exhibit 5-B, which will include the Opt Out Form, substantially in the form attached hereto as Exhibit 6-B.

13. To be considered, any Rule 3018(a) Motion must be filed with this Court and served on counsel to the Plan Sponsors and the other Notice Parties so as to be **actually received** no later than **January 13, 2023**.

14. Any party having a Claim subject to a timely filed and served Rule 3018(a) Motion shall be permitted to cast a provisional Ballot to accept or reject the Plan. If, and to the extent that Plan Sponsors and such party are unable to resolve the issues raised by a Rule 3018(a) Motion prior to the Voting Deadline, then, at the Confirmation and Sale Hearing, the Court shall determine whether the provisional Ballot should be counted as a vote on the Plan.

15. The Plan Sponsors and a holder of a Claim may agree and stipulate to treatment of a specific Claim for voting purposes pursuant to a notice filed with the Court.

16. Nothing in this Order shall impact or limit the Plan Sponsors (or any other party in interest's) rights to object to any Proof of Claim or Rule 3018(a) Motion.

17. For the sake of clarity and to avoid any confusion, notwithstanding anything in this Order or any other Order of the Court to the contrary, with respect to the Plan and the Solicitation Packages, the Ballots delivered to holders of claims in Classes 5 and 6 under the Plan arising from Residency Agreements (as defined in the Plan) (herein, the "**Resident Claimants**"), shall be accompanied by a cover letter addressed specifically to each Resident Claimant that conforms to the template attached hereto as Exhibit 9 (the "**Resident Claim Cover Letter**"), which is hereby approved. Notwithstanding the rejection of any Residency Agreements pursuant to Bankruptcy

Code section 365, the Resident Claimants are not required to file a “Rejection Claim(s)” (as defined in the Plan) if such Resident Claimant(s) agree(s) with the proposed amount of the Resident Claimant’s Rejection Claim as set forth in the applicable Resident Claim Cover Letter. If a Resident Claimant disagrees with the proposed amount set forth in the Resident Claim Cover Letter, such Resident Claimant is required to file a Rejection Claim on or before the Rejection Damages Bar Date (as defined in the Plan). Further, Resident Claimants shall be permitted to vote the face amount of their scheduled claims, as set forth in the Ballots, with respect to the Plan, notwithstanding any designation of such claim as unliquidated, disputed or contingent in the Debtors’ schedules. For the avoidance of doubt, Resident Claimants do not need to file a motion under Bankruptcy Rule 3018 for the estimation of the value of such Class 5 and/or Class 6 claims, notwithstanding any designation of such claims as unliquidated, disputed or contingent in the Debtors’ schedules. Exclusively limited to voting and claims estimation purposes, if the amount of any Resident Claims within Class 5 under the Plan is to be challenged or valued at an amount other than the face value set forth on the Resident Claimant’s Ballot, then any such claim objection or claim estimation challenge to a Resident Claimant’s claim must be filed prior to the Voting Record Date.

V. Approval of Solicitation Procedures

18. The Plan Sponsors are authorized to solicit, receive, and tabulate votes to accept the Plan in accordance with the Solicitation Procedures attached hereto as Exhibit 1, which are hereby approved in their entirety; *provided, however*, that the Plan Sponsors may amend or supplement the Solicitation Procedures (in consultation with Lifespace and the Committee or further order of the Court) where, in the Plan Sponsors’ best judgment, doing so would facilitate solicitation.

A. Ballots and Non-Voting Status Notices with Opt Out Forms

19. The Ballots (including voting instructions) to be distributed and used in connection with the solicitation of votes on, and confirmation of, the Plan, substantially in the forms attached hereto as Exhibit Group 2-B, are hereby approved.

20. Ballots shall be distributed to holders of Claims entitled to vote on the Plan, accompanied by a pre-addressed, postage prepaid return envelope. Holders of Claims entitled to vote on the Plan, will receive Ballots in the forms included in Exhibit Group 2-B.

21. With respect to Bondholders, the Voting Agent shall transmit Solicitation Packages for the beneficial holders of the Series 2015 Bonds and the Series 2017 Bonds (the “**Beneficial Owners**”) to all Nominees identified by the Voting Agent as an entity through which the Bondholders held the Series 2015 and/or Series 2017 Bonds as of the Voting Record Date. Each Nominee will be instructed to distribute the Solicitation Packages to the Bondholders for whom the Nominee held bonds.³ As part of the Solicitation Package, the Voting Agent shall transmit to Nominees both: (a) beneficial holder ballots, as appropriate, substantially in the form(s) attached to the Motion (the “**Beneficial Holder Ballots**”), and (b) a master ballot, as appropriate, substantially in the form(s) attached to the Motion (the “**Master Ballots**” and the Master Ballots collectively with the Beneficial Holder Ballots, the “**Bondholder Ballots**”). Such forms of Bondholder Ballots are included in Exhibit Group 2-B.

22. Each Nominee through which one or more Beneficial Owners holds the securities as of the Voting Record Date is hereby ordered to distribute the Solicitation Package to the Beneficial Owners for which they hold the securities within three (3) business days after receipt

³ Solicitation Packages may be sent in paper format or via electronic transmission in accordance with the customary requirements of each Nominee. Each Nominee will then distribute the Solicitation Packages, as appropriate, in accordance with their customary practices and obtain votes to accept or to reject the Plan also in accordance with their customary practices. If it is the Nominee’s customary and accepted practice to submit a “voting instruction form” to the beneficial holders for the purpose of recording the beneficial holder’s vote, the Nominee will be authorized to send the voting instruction form in lieu of, or in addition to, a Beneficial Holder Ballot.

of such Solicitation Package from the Voting Agent and obtain the vote of such Beneficial Owners consistent with customary practices for obtaining the votes of securities held in “street name,” in one of the following two ways:

- (a) **Master Ballots:** A Nominee may obtain the votes of Beneficial Owners by forwarding to the Beneficial Owners the applicable unsigned Beneficial Owner Ballot, together with the Solicitation Package, a return envelope provided by, and addressed to, the Nominee, and other materials requested to be forwarded. Each such Beneficial Owner may then indicate his/her or its vote on the Beneficial Owner Ballot, complete the information requested in the Beneficial Owner Ballot, review the certifications contained in the Beneficial Owner Ballot, execute the Beneficial Owner Ballot, and return the Beneficial Owner Ballot to the Nominee. After collecting the Ballots, the Nominee shall, in turn, complete the applicable Master Ballot provided to such Nominee by the Voting Agent, and compile the votes and other information from the Beneficial Owner Ballot, execute the Master Ballot, and deliver the Master Ballot to the Voting Agent so that it is received by the Voting Agent before the Voting Deadline. All Beneficial Owner Ballots returned by Beneficial Owners must be retained by Nominees for inspection for at least one year from the Voting Deadline.
- (b) **Pre-Validated Ballots:** A Nominee may pre-validate a Beneficial Owner Ballot, by: (i) signing the applicable Beneficial Owner Ballot, indicating their participant name and DTC participant number and; (ii) indicating on the Beneficial Owner Ballot the account number of the Beneficial Owner, the amount of the securities held by the Nominee for such Beneficial Owner, and the applicable CUSIP number; and (iii) forwarding such Beneficial Owner Ballot together with the Solicitation Package and other materials requested to be forwarded to the Beneficial Owner for voting. The Beneficial Owner may then complete the information requested in the Ballot, review the certifications contained in the Ballot, and return the Ballot directly to the Voting Agent via E-Ballot or in the pre-addressed, postage paid envelope included with the Solicitation Package so that it is received by the Voting Agent before the Voting Deadline. A list of the Beneficial Owners to whom “pre-validated” Ballots were delivered should be maintained by the Nominee for inspection for at least one year from the Voting Deadline.

23. Notwithstanding the foregoing, Nominees are authorized to transmit Solicitation Packages and collect votes to accept or to reject the Plan from Beneficial Owners in accordance with their customary practices, including the use of a “voting instruction form” in lieu of (or in

addition to) a Beneficial Owner Ballot, and collecting votes from Beneficial Owners through online voting, by phone, facsimile, or other electronic means.

24. The Plan Sponsors are not required to provide Solicitation Packages to holders of Claims, including holders or potential holders of unclassified claims, who are not entitled to vote on the Plan. Instead, on or before the Solicitation Deadline, the Voting Agent shall distribute, as appropriate, a Non-Voting Status Notice, substantially in the forms attached hereto as Exhibit 4-B and Exhibit 4-C, or a Disputed Claim Non-Voting Status Notice, substantially in the form attached hereto as Exhibit 5-B, which notices are hereby approved, as the case may be, in lieu of a Solicitation Package. Holders of Claims receiving a Non-Voting Status Notice or a Disputed Claim Non-Voting Status Notice will also receive an Opt Out Form, substantially in the form attached hereto as Exhibit 6-B which such holders may complete and return to elect to opt-out of the consensual third-party releases set forth in the Plan. The Opt Out Forms clearly and conspicuously instruct the recipient of such for that the form must be completed and submitted to avoid becoming a Releasing Party, as defined in the Plan.

25. The Non-Voting Status Notices, inclusive of the Opt Out Form, provide sufficient notice of the injunction, exculpation, and release provisions in the Plan and provide holders of Claims and Interests with sufficient opportunity to elect to not (a) grant such third-party releases or (b) be treated as a Releasing Party. The Opt Out Form sufficiently alerts holders of Claims and Interests not entitled to vote of their right to make the election and the manner in which such election must be made, by submitting a duly completed Opt Out Form to the Voting Agent in accordance with the instructions provided on the Opt Out Form.

26. Further, the Plan Sponsors are not required to distribute Solicitation Packages to: (i) holders of Claims that (a) have already been paid in full during the Chapter 11 Cases or (b) are

authorized to be paid in full in the ordinary course of business pursuant to an order previously entered by this Court; or (ii) any party to whom the Disclosure Statement Hearing Notice was sent and was subsequently returned as undeliverable.

B. Approval of the Form and Distribution of Solicitation Packages

27. The Plan Sponsors are authorized to transmit, or cause to be transmitted, Solicitation Packages to holders of Claims entitled to vote on the Plan on or before **December 22, 2022**, or as soon as practically possible thereafter (the “**Solicitation Deadline**”). Solicitation Packages shall include the following materials:

- (a) The Disclosure Statement as approved by the Court, including exhibits attached thereto, which shall include the Plan, order approving the Disclosure Statement, and the Solicitation Procedures Order, excluding exhibits attached thereto;
- (b) the Confirmation and Sale Hearing Notice, which the Plan Sponsors request that the Court approve in form and substance;
- (c) an appropriate number of Ballots⁴ conforming to Official Bankruptcy Form No. B314, together with postage-prepaid return envelopes (with the exception that Solicitation Packages provided to Nominees will not include postage-prepaid return envelopes); and
- (d) any supplemental documents filed with the Court and any documents that the Court orders to be included in the Solicitation Packages, including the Committee Solicitation Letter attached hereto as Exhibit 10 and any additional letters which are otherwise approved by the Court after notice in support of the Plan.

28. The Plan Sponsors shall serve, or cause to be served, copies of all of the materials in the Solicitation Package (except for the Ballots) on the U.S. Trustee, and the Confirmation and Sale Hearing Notice on all creditors and equity holders, pursuant to Bankruptcy Rule 2002 as of

⁴ For the avoidance of doubt, Solicitation Packages will not be distributed directly to the Bondholders entitled to vote on the Plan, which includes Class 2 and Class 4 Claims. Instead, as noted above, the Solicitation Packages will be distributed to the Nominees (or their agents), who will in turn distribute the Solicitation Packages to the Bondholders (including, but not limited to, electronic methods and the use of a “voting instruction form” in lieu of a Ballot). Master Ballots will be distributed to the Nominee(s).

the Voting Record Date (the “**2002 List**”). The Solicitation Packages provide holders of Claims that are entitled to vote to accept or reject the Plan with adequate information necessary to make an informed decision with respect to voting to accept or reject the Plan in accordance with Bankruptcy Rules 2002(b) and 3017(d), and all other applicable provisions under the Bankruptcy Code, the Bankruptcy Rules and the Local Rules. Accordingly, service of the Solicitation Packages prior to the Solicitation Deadline to those holders of Claims that are entitled to vote to accept or reject the Plan, as set forth above, shall satisfy the requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

29. The Plan Sponsors are authorized, but not directed, to distribute the materials included in the Solicitation Packages, excluding Ballots and the Confirmation and Sale Hearing Notice in electronic format, which may include providing the materials (i) via compact-disc or flash drive or (ii) via online download. Any recipient of a Solicitation Package in electronic format who wishes to receive hard copies may request such hard copies from KCC in the manner provided in the Solicitation Packages.

30. Holders of Claims that have filed duplicate Claims in any given Class shall be entitled to receive only one Solicitation Package for the Plan and allowed one Ballot for voting their Claims with respect to that Class.

C. No Notice or Transmittal Necessary

31. The Plan Sponsors are not required to send Solicitation Packages, individual solicitation materials, or other notices to (a) any creditor that filed a Proof of Claim if the amount asserted in such Proof of Claim is less than or equal to the amount that has already been paid to such creditor on account of such Proof of Claim or (b) the holder of a Claim that has been disallowed in full by order of the Court.

32. The Plan Sponsors are not required to give notice of any kind to any Person or Entity to whom the Plan Sponsors mailed the Disclosure Statement Hearing Notice and received the Disclosure Statement Hearing Notice returned by the United States Postal Service marked “undeliverable as addressed,” “moved - left no forwarding address,” “forwarding order expired,” or any similar reason, unless the Plan Sponsors have been informed in writing by such Person or Entity of that Person’s or Entity’s new address.

33. The Plan Sponsors are not required to attempt to re-deliver Solicitation Packages, Confirmation and Sale Hearing Notices, and Non-Voting Status Notices (including Opt Out Forms) that are returned as undeliverable if the Plan Sponsors have not been timely provided with corrected address information by such parties.

VI. Procedures for Vote Tabulation

34. Any timely received Ballot that contains sufficient information to permit the identification of the holder of a Claim and is cast as an acceptance or rejection of the Plan shall be counted and shall be deemed to be cast as an acceptance or rejection, as the case may be, of the Plan, subject to the following exceptions:

- (a) If a Claim is deemed allowed in accordance with the Plan, such Claim shall be allowed for voting purposes in the deemed allowed amount set forth in the Plan;
- (b) If a Claim for which a Proof of Claim has been timely filed (i) is wholly contingent or unliquidated (*i.e.*, a claim based on litigation) (as determined on

the face of the Proof of Claim or after a review of the supporting documentation by the Plan Sponsors or the Voting Agent) or (ii) does not otherwise specify a fixed or liquidated amount, the claimant shall be allowed to cast one vote valued at one dollar (\$1.00) for voting purposes only;

- (c) If a Claim has been estimated or otherwise allowed for voting purposes by order of the Court, such Claim shall be temporarily allowed in the amount so estimated or allowed by the Court for voting purposes only, and not for purposes of allowance or distribution, unless the Court, prior to the Voting Deadline, enters an order disallowing such Claim;
- (d) If a Claim is represented by a timely filed Proof of Claim, and based on reasonable review by the Plan Sponsors or the Voting Agent of the supporting documentation attached to the Proof of Claim, to be contingent or unliquidated in part, such Claim shall be temporarily allowed in the amount that it is liquidated and non-contingent for voting purposes only, unless such Claim is disputed as set forth in subparagraph (g) below;
- (e) If a Claim was listed in the Debtors' filed Schedules in an amount that is liquidated, non-contingent, and undisputed, and a proof of Claim was not filed by the Voting Record Date, such Claim is allowed for voting in the liquidated, non-contingent, undisputed, amount set forth in the Debtors' filed Schedules;
- (f) If a Claim is scheduled at \$0.00, in an unknown amount, or as unliquidated, contingent, or disputed, and a Proof of Claim was not (a) timely filed by the date established in the Bar Date Order or (b) deemed timely filed by an order of the Court prior to the Voting Deadline, such Claim shall be disallowed for voting purposes, provided however, to the extent the applicable Claims Bar Date has not yet expired prior to the Voting Record Date, Claims that are scheduled as contingent, unliquidated, or disputed (excluding such scheduled disputed, contingent, or unliquidated Claims that have been paid or superseded by a timely Filed Proof of Claim) shall be allowed to vote only in the amount of \$1.00;
- (g) If the Plan Sponsors file and serve an objection to a Claim or a request for estimation of a Claim, such Claim shall be temporarily disallowed for voting purposes only and not for the purposes of allowance or distribution, except to the extent and in the manner as may be set forth in the request for estimation or objection, and subject to the outcome of any Rule 3018(a) Motion. If the Plan Sponsors file a request for estimation or an objection to a portion of a Claim, the undisputed portion of such Claim shall be temporarily allowed for voting purposes only and not for the purposes of allowance or distribution, except to the extent and in the manner as may be set forth in the request for estimation or objection, and subject to the outcome of any Rule 3018(a) Motion;
- (h) Proofs of Claim filed in the amount of \$0.00 shall not be entitled to vote;

- (i) A Ballot cast in an amount in excess of the allowed amount of the applicable Claim shall only be counted to the extent of the allowed amount of such Claim;
- (j) Notwithstanding anything to the contrary contained herein, any creditor who has filed or purchased duplicate Claims within the same Class that is entitled to vote on the Plan shall be provided with only one Solicitation Package and one ballot for voting a single Claim in such Class, regardless of whether the Plan Sponsors have objected to such duplicate Claims;
- (k) If a Proof of Claim has been amended by a later filed Proof of Claim that is filed on or prior to the Voting Record Date, the later filed amending Claim shall be entitled to vote in a manner consistent with these tabulation rules, and the earlier filed Claim shall be disallowed for voting purposes, regardless of whether the Plan Sponsors have objected to such amended claim. Except as otherwise ordered by the Court, any amendments to proofs of Claim after the Voting Record Date shall not be considered for purposes of these tabulation rules;
- (l) Registered holders are entitled to vote the principal amount of their Claim as of the Voting Record Date as evidenced on the record and depository listings and shall not be counted in excess of the amount of debt securities held by such Nominee or Beneficial Owner as of the Voting Record Date, provided, however, that any principal amounts may be adjusted by the Voting Agent to reflect the amount of the Claim actually voted, including any prepetition interest; and
- (m) Notwithstanding this paragraph, holders of claims Class 5 that are parties to Residency Agreements under the Plan shall be permitted to vote the face amount of their scheduled claims notwithstanding any designation of such claim as unliquidated, disputed or contingent.

35. The following additional procedures shall apply with respect to the tabulation of Master Ballots and Beneficial Owner Ballots cast by Nominees and Beneficial Owners.

- (a) The amount that will be used to tabulate acceptance or rejection of the Plan will be the principal amount held by such Nominees and Beneficial Owners as of the Voting Record Date as evidenced on the record and depository listings and shall not be counted in excess of the amount of debt securities held by such Nominee or Beneficial Owner as of the Voting Record Date; provided, however, that any principal amounts may be adjusted by the Voting Agent to reflect the amount of the Claim actually voted, including any prepetition interest;
- (b) If conflicting votes or “over-votes” are submitted by a Nominee, the Voting Agent shall use reasonable efforts to reconcile discrepancies; if over-votes are submitted by a Voting Nominee which are not reconciled prior to the

preparation of the Voting Report, the votes to accept and to reject the Plan shall be applied in the same proportion as the votes to accept and to reject the Plan submitted by the Nominee, but only to the extent of the Voting Nominee's Voting Record Date position in the debt securities; and

- (c) A single Nominee may complete and deliver to the Voting Agent multiple Master Ballots. Votes reflected on multiple Master Ballots shall be counted except to the extent that they are duplicative of other Master Ballots. If two or more Master Ballots are inconsistent, the last properly completed Master Ballot received prior to the Voting Deadline shall, to the extent of such inconsistency, supersede any prior Master Ballot.

36. If a holder of a Claim that is entitled to vote and has more than one Claim against the Debtors based upon different transactions, such holder is entitled to one vote for numerosity purposes in the aggregate dollar amount of all of such Claims.

37. The Plan Sponsors have no duty to notify any holder of a Claim of any defects or irregularities with respect to Ballots received by KCC. Likewise, no Plan Sponsor will incur any liability for failure to provide such notification. Further, unless waived by the Plan Sponsors, any defects or irregularities with respect to Ballots must be cured before the Voting Deadline or such Ballots will not be counted.

38. Subject to any contrary order of the Court and except as otherwise set forth herein, the Plan Sponsors may waive any defects or irregularities as to any particular Ballot at any time, either before or after the Voting Deadline, and any such waiver(s) shall be documented in the Voting Agent's Voting Report.

39. The Plan Sponsors request authorization to accept: (a) Ballots from voters via first class mail, overnight courier, and hand delivery, or, except for Bondholder Ballots, via electronic transmissions, solely through an online balloting portal to be maintained by the Voting Agent ("**E-Ballot**"); and (b) Bondholder Ballots, including Master Ballots submitted by Nominees, on behalf of beneficial holders, via e-mail to EdgemereBallots@kccllc.com. Parties, other than parties submitting Bondholder Ballots, may cast an E-Ballot solely through an online balloting portal on

the Case Website located at <http://www.kccllc.net/edgemere>, and electronically sign and submit the Ballot. Instructions for electronic, online transmission of Ballots are set forth on the Ballot. The encrypted ballot data and audit trail created by such electronic submission shall become part of the record of any Ballot submitted in this manner and the creditor's electronic signature will be deemed to be immediately legally valid and effective.

40. Under the following circumstances, Ballots shall not be counted or considered for any purpose in determining whether the Plan has been accepted or rejected:

- (a) any Ballot received after the Voting Deadline;
- (b) any Ballot that is illegible or contains insufficient information;
- (c) any Ballot cast by a Person or Entity that does not hold a Claim in a Class entitled to vote;
- (d) any Ballot timely received that is cast in a manner that indicates neither acceptance nor rejection of the Plan or that indicates both acceptance and rejection of the Plan;
- (e) simultaneous duplicative Ballots voted inconsistently;
- (f) a creditor may not split their vote(s), and thus a Ballot that partially rejects and partially accepts any Plan shall not be counted;
- (g) any attempt to cast a vote on a form other than the official form sent by the Voting Agent;
- (h) any unsigned Ballot; or
- (i) any Ballot not cast in accordance with the procedures approved in this Order.

41. Any duplicate Ballot shall be counted only once.

42. If two (2) or more valid Ballots are cast that attempt to vote the same Claim prior to the Voting Deadline, the last valid Ballot received prior to the Voting Deadline shall be deemed to reflect the voter's intent and thus to supersede any prior Ballots; *provided, however*, that where an ambiguity exists as to which Ballot was the latest mailed, the Voting Agent reserves the right

to contact the holder of the Claim and count the vote according to such voter's stated intent, which shall be noted in the Voting Agent's voting report.

43. Claim splitting is not permitted.

44. The deadline for the Voting Agent to file its voting report shall be **January 24, 2023 at 9:30 a.m. (prevailing Central Time)**.

VII. Approval of the Notice of Filing of the Plan Supplements of the Plan Sponsors

45. The Plan Sponsors are authorized to send the notice of the filing of the Plan Supplement, substantially in the form attached hereto as Exhibit 8-B. Notwithstanding the foregoing, the Plan Sponsors may amend the documents contained in, and exhibits to, the Plan Supplement in accordance with the Plan.

VIII. Miscellaneous

46. The service of Solicitation Packages and other notices and documents described herein in the time and manner set forth herein constitutes adequate and sufficient notice of the Confirmation and Sale Hearing, and no further notice is necessary.

47. The Plan Sponsors, and KCC, are authorized to take all actions necessary to implement the relief granted in this Order.

48. To the extent there is any conflict or inconsistency between the terms of this Order and the terms set forth in the Ballots, the Non-Voting Status Notices, the Confirmation and Sale Hearing Notice, and/or any other document approved by this Order, the terms of this Order shall control.

49. The Plan Sponsors shall have authority to make nonsubstantive and nonmaterial changes to the Plan and/or Disclosure Statement. Furthermore, the Plan Sponsors shall have authority to make nonsubstantive and nonmaterial changes to the Ballots, the Non-Voting Status

Notices, the Confirmation and Sale Hearing Notice, and related documents without further order of the Court, including, without limitation, changes to correct typographical and grammatical errors, insert dates, and to make conforming changes among the Disclosure Statement, the Plan, the Ballots, the Non-Voting Status Notices, the Confirmation and Sale Hearing Notice, and any other materials in the Solicitation Packages prior to mailing. If such changes are made, the Plan Sponsors will promptly file a notice on the Court's docket reflecting all such changes in a manner that highlights each such change.

50. Notwithstanding any applicable Bankruptcy Rule, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

51. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

52. Copies of the Plan, the Disclosure Statement, and all pleadings and orders of the Court may be obtained by: (a) calling (866) 967-0269 (toll free) or +1 (310) 751-2669 (international); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; (c) emailing at EdgemereInfo@kccllc.com with a reference to "Edgemere" in the subject line; or (d) visiting the case website at <http://www.kccllc.net/edgemere>. You may also obtain such information for a fee via PACER at <http://www.txnb.uscourts.gov>.

END OF ORDER

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Exhibit 1
(Solicitation Procedures)

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re:	Chapter 11
Northwest Senior Housing Corporation, <i>et al.</i> , ¹	Case No. 22-30659 (MVL)
Debtors.	(Jointly Administered)

SOLICITATION PROCEDURES

PLEASE TAKE NOTICE THAT on December 19, 2022, Northwest Senior Housing Corporation and its affiliated debtor (collectively, the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”) and UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”) and in its capacity as lender under the DIP Credit Agreement (the “**DIP Lender**” and, together with the Trustee, the “**Initial Plan Sponsors**”) and collectively with the Debtors, the “**Plan Sponsors**”) filed the (i) *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Plan**”) and (ii) *Third Amended Disclosure Statement for the First Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 934] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Disclosure Statement**”). The Plan is supported by the Plan Sponsors, Lifespace Communities, Inc. (“**Lifespace**”), and the official committee of unsecured creditors (the “**Committee**”).

PLEASE TAKE FURTHER NOTICE THAT on **December 19, 2022**, the United States Bankruptcy Court for the Northern District of Texas (the “**Court**”) entered an order approving the Disclosure Statement. *See* Docket No. 936.

PLEASE TAKE FURTHER NOTICE THAT on [DATE], 2022, the Court entered an order (the “**Solicitation Procedures Order**”), among other things, (i) authorizing Kurtzman Carson Consultants LLC (“**KCC**” or the “**Voting Agent**”) to serve and act as the Voting Agent with respect to the Plan;² (ii) establishing the voting record date and other related dates in connection with confirmation of the Plan; (iii) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan; (iv) approving the manner and forms of notice and related documents; and (v) granting related relief. *See* Docket No. [•].

A. The Voting Record Date

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

² Capitalized terms used but not defined herein have the meaning given to such terms in the Plan.

The Court has approved **December 15, 2022**, as the record date for purposes of determining which holders of Claims are entitled to vote on the Plan (the “**Voting Record Date**”).

B. The Voting Deadline

The Court has established **January 20, 2023, at 4:00 p.m. prevailing Central Time** as the voting deadline (the “**Voting Deadline**”) with respect to the Plan.

To be counted as votes to accept or reject the Plan, all ballots and master ballots (each a “**Ballot**” and collectively, the “**Ballots**”) must be properly executed, completed, and *actually received* by no later than the Voting Deadline by the Voting Agent.

C. Ballots and Notices of Non-Voting Status

1. Ballots

The Ballots to be used for the solicitation of votes on, and confirmation of, the Plan, shall be substantially in the form(s) attached to the Solicitation Procedures Order as Exhibit Group 2-B, with respect to the Plan. Ballots, along with other materials in the Solicitation Packages (as defined below), shall be distributed to all parties entitled to vote no later than **December 22, 2022**. Ballots will be accompanied by a pre-addressed, postage prepaid return envelope and instructions for submission of votes (with the exception that Solicitation Packages provided to Nominees will not include postage-prepaid return envelopes).

2. Notices of Non-Voting Status and Disputed Claim Non-Voting Status

Notices of non-voting status, including the Non-Voting Status Notices attached to the Solicitation Procedures Order as Exhibit 4-B and Exhibit 4-C and the Disputed Claims Non-Voting Status Notices attached to the Solicitation Procedures Order as Exhibit 5-B, shall be distributed to parties that are not entitled to vote to accept or reject the Plan. Such notices will instruct these holders as to how they may obtain copies of the documents contained in the Solicitation Package (with the exception of the Ballot). Additionally, parties not entitled to vote shall receive Opt-Out Forms that such holders **MUST** complete and return if they desire to (i) elect to opt-out of the consensual third-party releases and other provisions set forth in Section 8 of the Plan; and (ii) avoid being treated as a Releasing Party, as that term is defined in the Plan.

D. Content, General Transmittal of Solicitation Packages, and Notice of Confirmation and Sale Hearing

1. The Solicitation Package

The solicitation package (the “**Solicitation Package**”) will include the following:

- a. The Disclosure Statement as approved by the Court, including exhibits attached thereto, which shall include the Plan, order approving the Disclosure Statement; and the Solicitation Procedures Order, excluding exhibits attached thereto;

- b. the Confirmation and Sale Hearing Notice, which the Plan Sponsors request that the Court approve in form and substance;
- c. an appropriate number of Ballots conforming to Official Bankruptcy Form No. B314, together with postage-prepaid return envelopes (with the exception that Solicitation Packages provided to Nominees will not include postage-prepaid return envelopes); and
- d. any supplemental documents filed with the Court and any documents that the Court orders to be included in the Solicitation Package, including the Committee Solicitation Letter, attached to the Solicitation Procedures Order as Exhibit 10, and any additional letters which are otherwise approved by the Court after notice in support of the Plan.

2. Distribution of the Solicitation Packages

As stated above, the Solicitation Packages shall provide the Disclosure Statement (and exhibits attached thereto, including the Plan and the order approving the Disclosure Statement) and the Plan Sponsors may transmit such materials via electronic means by: (i) providing a compact-disc or flash drive; or (ii) making such materials available online for download. Only the Ballot and the Confirmation and Sale Hearing Notice shall be provided in paper format.³ Any party that receives the materials in electronic format but would prefer hard copies may contact the Voting Agent retained by the Debtors in the Chapter 11 Cases by: (a) calling (866) 967-0269 (toll free) or +1 (310) 751-2669 (international); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; (c) emailing at EdgemereInfo@kccllc.com with a reference to “Edgemere” in the subject line; or (d) visiting the case website at <http://www.kccllc.net/edgemere>. Copies may also be obtained for a fee via PACER at <http://www.txnb.uscourts.gov>.

The Plan Sponsors shall serve, or cause to be served, copies of all of the materials in the Solicitation Package (except for the Ballots) on the U.S. Trustee, and the Confirmation and Sale Hearing Notice on all creditors and equity holders, pursuant to Bankruptcy Rule 2002 as of the Voting Record Date.

The Plan Sponsors shall endeavor, to the extent possible, to ensure that holders of more than one Claim or Interest in a single Voting Class receive no more than one Solicitation Package on account of such Claim(s) or Interest(s).

³ Regarding distribution of Solicitation Packages to Beneficial Holders, Solicitation Packages may be sent in paper format or via electronic transmission in accordance with the customary requirements of each Nominee. Each Nominee will distribute the Solicitation Packages, as appropriate, in accordance with their customary practices and obtain votes to accept or to reject the Plan also in accordance with their customary practices. If it is the Nominee’s customary and accepted practice to submit a “voting instruction form” to the Beneficial Holders for the purpose of recording the Beneficial Holder’s vote, the Nominee will be authorized to send the voting instruction form in lieu of, or in addition to, a Beneficial Holder Ballot.

E. Voting and Tabulation Procedures

1. Holders of Claims Entitled to Vote

Only holders of Claims in Classes 2, 4, 5, and 6 are entitled to vote to accept or reject the Plan pursuant to Bankruptcy Code section 1126.

2. Voting Options

The Plan Sponsors may accept (a) Ballots from voters via first class mail, overnight courier, and hand delivery, or, except for Bondholder Ballots, via electronic transmissions, solely through an online balloting portal to be maintained by the Voting Agent (“**E-Ballot**”); and (b) Bondholder Ballots, including Master Ballots submitted by Nominees, on behalf of beneficial holders, via e-mail to EdgemereBallots@kccllc.com. Parties, other than parties submitting Bondholder Ballots, may cast an E-Ballot solely through an online balloting portal on the Case Website located at <http://www.kccllc.net/edgemere>, and electronically sign and submit the Ballot. Instructions for electronic, online transmission of Ballots are set forth on the Ballot. The encrypted ballot data and audit trail created by such electronic submission shall become part of the record of any Ballot submitted in this manner and the creditor’s electronic signature will be deemed to be immediately legally valid and effective.

Beneficial Holders will receive instructions for voting from the applicable Nominee and each Beneficial Holder voting on the Plan through a Nominee can (i) return their Beneficial Holder Ballot, or otherwise as instructed by their Nominee, with a vote to the appropriate Nominee in sufficient time for such Nominee to timely cast a Master Ballot including the votes to accept or reject the Plan on behalf of the Beneficial Holder(s), or (ii) if the Nominee has elected to “prevalidate” Beneficial Holder Ballots, to return the prevalidated Beneficial Holder Ballots to the Voting Agent by the Voting Deadline. The Voting Agent will then tabulate each such Master Ballot received.

Instructions for Ballot submissions accompany the Ballots.

3. Tabulation of Votes

Solely for purposes of voting to accept or reject the Plan and not for the purpose of the allowance of, or distribution on account of, any Claim, and without prejudice to the Plan Sponsors’ rights in any other context, each Claim entitled to vote to accept or reject the Plan shall be in an amount determined by the following procedures:

- (a) If a Claim is deemed allowed in accordance with the Plan, such Claim shall be allowed for voting purposes in the deemed allowed amount set forth in the Plan;
- (b) If a Claim for which a Proof of Claim has been timely filed (i) is wholly contingent or unliquidated (*i.e.*, a claim based on litigation) (as determined on the face of the Proof of Claim or after a review of the supporting documentation by the Plan Sponsors or the Voting Agent) or (ii) does not otherwise specify a fixed or liquidated amount, the claimant shall be allowed to cast one vote valued at one dollar (\$1.00) for voting purposes only;

- (c) If a Claim has been estimated or otherwise allowed for voting purposes by order of the Court, such Claim shall be temporarily allowed in the amount so estimated or allowed by the Court for voting purposes only, and not for purposes of allowance or distribution, unless the Court, prior to the Voting Deadline, enters an order disallowing such Claim;
- (d) If a Claim is represented by a timely filed Proof of Claim, and based on reasonable review by the Plan Sponsors or the Voting Agent of the supporting documentation attached to the Proof of Claim, to be contingent or unliquidated in part, such Claim shall be temporarily allowed in the amount that it is liquidated and non-contingent for voting purposes only, unless such Claim is disputed as set forth in subparagraph (g) below;
- (e) If a Claim was listed in the Debtors' filed Schedules in an amount that is liquidated, non-contingent, and undisputed, and a proof of Claim was not filed by the Voting Record Date, such Claim is allowed for voting in the liquidated, non-contingent, undisputed, amount set forth in the Debtors' filed Schedules;
- (f) If a Claim is scheduled at \$0.00, in an unknown amount, or as unliquidated, contingent, or disputed, and a Proof of Claim was not (a) timely filed by the date established in the Bar Date Order or (b) deemed timely filed by an order of the Court prior to the Voting Deadline, such Claim shall be disallowed for voting purposes, *provided however*, to the extent the applicable Claims Bar Date has not yet expired prior to the Voting Record Date, Claims that are scheduled as contingent, unliquidated, or disputed (excluding such scheduled disputed, contingent, or unliquidated Claims that have been paid or superseded by a timely Filed Proof of Claim) shall be allowed to vote only in the amount of \$1.00;
- (g) If the Plan Sponsors file and serve an objection to a Claim or a request for estimation of a Claim, such Claim shall be temporarily disallowed for voting purposes only and not for the purposes of allowance or distribution, except to the extent and in the manner as may be set forth in the request for estimation or objection, and subject to the outcome of any Rule 3018(a) Motion. If the Plan Sponsors file a request for estimation or an objection to a portion of a Claim, the undisputed portion of such Claim shall be temporarily allowed for voting purposes only and not for the purposes of allowance or distribution, except to the extent and in the manner as may be set forth in the request for estimation or objection, and subject to the outcome of any Rule 3018(a) Motion;
- (h) Proofs of Claim filed in the amount of \$0.00 shall not be entitled to vote;
- (i) A Ballot cast in an amount in excess of the allowed amount of the applicable Claim shall only be counted to the extent of the allowed amount of such Claim;
- (j) Notwithstanding anything to the contrary contained herein, any creditor who has filed or purchased duplicate Claims within the same Class that is entitled to vote on the Plan shall be provided with only one Solicitation Package and one ballot for

voting a single Claim in such Class, regardless of whether the Plan Sponsors have objected to such duplicate Claims;

- (k) If a Proof of Claim has been amended by a later filed Proof of Claim that is filed on or prior to the Voting Record Date, the later filed amending Claim shall be entitled to vote in a manner consistent with these tabulation rules, and the earlier filed Claim shall be disallowed for voting purposes, regardless of whether the Plan Sponsors have objected to such amended claim. Except as otherwise ordered by the Court, any amendments to proofs of Claim after the Voting Record Date shall not be considered for purposes of these tabulation rules;
- (l) Registered holders are entitled to vote the principal amount of their Claim as of the Voting Record Date as evidenced on the record and depository listings and shall not be counted in excess of the amount of debt securities held by such Nominee or Beneficial Owner as of the Voting Record Date, provided, however, that any principal amounts may be adjusted by the Voting Agent to reflect the amount of the Claim actually voted, including any prepetition interest; and
- (m) Notwithstanding this paragraph 3, holders of claims in Classes 5 and 6 that are parties to Residency Agreements under the Plan shall be permitted to vote the face amount of their scheduled claims notwithstanding any designation of such claim as unliquidated, disputed or contingent.

If a holder of a Claim is entitled to vote and has more than one Claim against the Debtors based upon different transactions, such holder is entitled to one vote for numerosity purposes in the aggregate dollar amount of all of such Claims.

4. Tabulation of Master Ballots

The following additional procedures shall apply with respect to the tabulation of Master Ballots and Beneficial Owner Ballots cast by Nominees and Beneficial Owners.

- (a) The amount that will be used to tabulate acceptance or rejection of the Plan will be the principal amount held by such Nominees and Beneficial Owners as of the Voting Record Date as evidenced on the record and depository listings and shall not be counted in excess of the amount of debt securities held by such Nominee or Beneficial Owner as of the Voting Record Date; provided, however, that any principal amounts may be adjusted by the Voting Agent to reflect the amount of the Claim actually voted, including any prepetition interest;
- (b) If conflicting votes or “over-votes” are submitted by a Nominee, the Voting Agent shall use reasonable efforts to reconcile discrepancies; if over-votes are submitted by a Voting Nominee which are not reconciled prior to the preparation of the Voting Report, the votes to accept and to reject the Plan shall be applied in the same proportion as the votes to accept and to reject the Plan submitted by the Nominee, but only to the extent of the Voting Nominee’s Voting Record Date position in the debt securities; and

- (c) A single Nominee may complete and deliver to the Voting Agent multiple Master Ballots. Votes reflected on multiple Master Ballots shall be counted except to the extent that they are duplicative of other Master Ballots. If two or more Master Ballots are inconsistent, the last properly completed Master Ballot received prior to the Voting Deadline shall, to the extent of such inconsistency, supersede any prior Master Ballot.

5. Ballots not Counted

In addition, under the following circumstances, Ballots shall not be counted or considered for any purpose in determining whether the Plan has been accepted or rejected:

- (a) any Ballot received after the Voting Deadline;
- (b) any Ballot that is illegible or contains insufficient information;
- (c) any Ballot cast by a Person or Entity that does not hold a Claim in a Class entitled to vote;
- (d) any Ballot timely received that is cast in a manner that indicates neither acceptance nor rejection of the Plan or that indicates both acceptance and rejection of the Plan;
- (e) simultaneous duplicative Ballots voted inconsistently;
- (f) a creditor may not split their vote(s), and thus a Ballot that partially rejects and partially accepts any Plan shall not be counted;
- (g) any attempt to cast a vote on a form other than the official form sent by the Voting Agent;
- (h) any unsigned Ballot; or
- (i) any Ballot not cast in accordance with the procedures approved in the Solicitation Procedures Order.

If two (2) or more valid Ballots are cast that attempt to vote the same Claim prior to the Voting Deadline, the last valid Ballot received prior to the Voting Deadline shall be deemed to reflect the Claim holder's intent and, thus, will supersede any prior Ballot(s); *provided, however*, that where an ambiguity exists as to which Ballot was the latest mailed, the Voting Agent reserves the right to contact the holder of the Claim and count the vote according to such voter's stated intent, which shall be noted in the Voting Agent's voting report.

If no votes are returned for a Class of Claims entitled to vote on the Plan, such Class shall be deemed to have accepted the Plan.

The Plan Sponsors have no duty to notify any holder of a Claim of any defects or irregularities with respect to Ballots received by KCC. Likewise, no Plan Sponsor will incur any liability for failure to provide such notification. Further, unless waived by the Plan Sponsor(s) any

defects or irregularities with respect to Ballots must be cured before the Voting Deadline or such Ballots will not be counted.

Subject to any contrary order of the Court and except as otherwise set forth herein, the Plan Sponsors may waive any defects or irregularities as to any particular Ballot at any time, either before or after the Voting Deadline, and any such waiver(s) shall be documented in the Voting Agent's Voting Report.

6. The Voting Report

The Voting Agent shall file its Voting Report no later than **January 24, 2023, at 9:30 a.m. prevailing Central Time.**

F. **Amendments to the Plan and Solicitation Procedures**

The Plan Sponsors reserve the right to make nonsubstantive and nonmaterial changes to the Plan and/or Disclosure Statement. Furthermore, the Plan Sponsors, as applicable, reserve the right to make nonsubstantive and nonmaterial changes to the Ballots, the Non-Voting Status Notices, the Confirmation and Sale Hearing Notice, and related documents without further order of the Court, including, without limitation, changes to correct typographical and grammatical errors, insert dates, and to make conforming changes among the Disclosure Statement, the Plan, the Ballots, the Non-Voting Status Notices, the Confirmation and Sale Hearing Notice, the Plan Supplement Notice, and any other materials in the Solicitation Package prior to mailing. If such changes are made, the Plan Sponsors will promptly file a notice on the Court's docket reflecting all such changes in a manner that highlights each such change.

Dated: December [___], 2022
Dallas, Texas

POLSINELLI PC

/s/ DRAFT

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TRUSTEE AND DIP LENDER

Exhibit Group 2-B

(Ballots for Holders of Claims in Classes 2, 4, 5, and 6)

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*Counsel to Debtors and
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*Counsel to UMB Bank, N.A. as Trustee and
DIP Lender*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

Re: Docket No. 752

**BALLOT AND RELEASE OPT OUT FORM
FOR ACCEPTING OR REJECTING CHAPTER 11 PLAN**

General Unsecured Claims (Class 4)

¹ The Debtors in the Chapter 11 Cases (the “**Chapter 11 Cases**”), along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

**PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS
CAREFULLY BEFORE COMPLETING THIS BALLOT**

VOTING DEADLINE

THE VOTING DEADLINE IS JANUARY 20, 2023 AT 4:00 P.M. (PREVAILING CENTRAL TIME). IF THE VOTING AGENT DOES NOT TIMELY RECEIVE YOUR BALLOT, IT WILL NOT BE COUNTED. DO NOT FAX OR EMAIL THIS BALLOT; BALLOTS SENT BY FAX OR EMAIL WILL NOT BE COUNTED.

UMB Bank, N.A., in its capacity as (i) successor bond trustee and master trustee for the Original Bonds (collectively, the “**Trustee**”) and (ii) lender under the DIP Credit Agreement (the “**DIP Lender**”), and Debtor Northwest Senior Housing Corporation d/b/a/ Edgemere (“**Edgemere**” and collectively with the Trustee and DIP Lender, the “**Plan Sponsors**”) are soliciting votes on the *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Plan**”).² This ballot is for holders of Class 4 General Unsecured Claims. The accompanying *Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 934] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Disclosure Statement**”) describes the Plan and contains information to assist you in deciding how to vote. The Disclosure Statement also contains a copy of the Plan as Exhibit 1. The Bankruptcy Court approved the solicitation of votes on the Plan pursuant to the *Order (I) Establishing Voting Record Date and Other Deadlines; (II) Authorizing Kurtzman Carson Consultants LLC to Act as the Singular Voting Agent with Respect to the Competing Plans; (III) Approving Solicitation and Notice Procedures with Respect to Competing Plans; (IV) Approving Manner and Form of Ballots, Notices and Related Documents; and (V) Granting Related Relief* [Docket No. •] (the “**Solicitation Procedures Order**”). The Plan Sponsors are soliciting votes in accordance with the Solicitation, Voting, and Balloting Procedures (Exhibit 1 to the Solicitation Procedures Order.)

Please review the Disclosure Statement, the Plan, the Solicitation Procedures Order, the Solicitation, Voting, and Balloting Procedures, and this Ballot carefully before you vote. You may wish to seek legal advice concerning the Plan and your Claim’s classification and treatment in it.

Questions. If you have any questions regarding this ballot or the voting procedures, or if you do not have a copy of the Disclosure Statement or the Plan, please contact Kurtzman Carson Consultants LLC (“**KCC**” or the “**Voting Agent**”) (a) by calling (866) 967-0269 (toll-free) or +1 (310) 751-2669 (international); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; or (c) emailing EdgemereInfo@kccllc.com with a reference to “Edgemere” in the

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

subject line. The materials may also be obtained free-of-charge from <https://www.kccllc.net/edgemere>.

THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

This General Unsecured Claims Ballot is to be used for voting of Claims held by holders of Class 4 General Unsecured Claims.

If your Ballot is not received by the Voting Agent on or before January 20, 2023 at 4:00 p.m. (prevailing Central Time) (the “Voting Deadline”), your vote will *not* count as either an acceptance or rejection of the Plan.

PLEASE SUBMIT YOUR BALLOT BY ONE OF THE FOLLOWING TWO METHODS:

1. Paper Ballot; or
2. E-Ballot Portal.

To Submit Your Vote Via Paper Ballot. Complete, sign, and date this Ballot and return it (with an original signature) promptly via first class mail (or in the enclosed reply envelope provided), overnight courier, or hand delivery to:

Northwest Senior Housing Corporation Solicitation,
c/o Kurtzman Carson Consultants LLC,
222 N. Pacific Coast Highway, Suite 300,
El Segundo, CA 90245

To Submit Your Vote Via E-Ballot Portal. You may return your Ballot by electronic, online transmission *solely* by clicking on the “Submit E-Ballot” section on the Debtors’ bankruptcy case website, located at <http://www.kccllc.net/edgemere> (the “**E-Ballot Portal**”), and following the directions set forth on the website regarding submitting your E-Ballot as described more fully below.

- a. Visit the Debtors’ E-Ballot Portal.
- b. Use the following information to retrieve and submit your customized electronic ballot: Unique E-Ballot ID#: _____; PIN# _____
- c. Follow the directions provided on the case website for submitting your Ballot electronically.
- d. If you submit your Ballot through the E-Ballot Portal, do not return a hard copy of your Ballot.

Please choose only *one* method of returning your Ballot. If multiple Ballots are received from the same holder, with respect to the same Claim, prior to the Voting Deadline, the latest, timely received, and properly completed Ballot will supersede and revoke any earlier received Ballots. If you wish to change your vote on the Plan prior to the Voting Deadline, please contact the Voting Agent. If you elect to submit an E-Ballot, the E-Ballot Portal is the sole manner in which such E-

Ballot will be accepted. Ballots submitted by facsimile, email, or any other means of electronic transmission will *not* be counted.

The General Unsecured Claims Ballot should not be sent to the Plan Sponsors, their financial or legal advisors, or the Bankruptcy Court.

This General Unsecured Claims Ballot is solely for purposes of voting to accept or reject the Plan and not for the purpose of allowance or disallowance of or distribution on account of Class 4 General Unsecured Claims.

IMPORTANT NOTICE REGARDING TREATMENT FOR CLASS 4

As described in more detail in the Disclosure Statement, if the Plan is confirmed and the Effective Date occurs:

Upon the terms and subject to the conditions set forth in the Plan, on the Effective Date, in full and final satisfaction and discharge of and in exchange for each Allowed General Unsecured Claim, Allowed General Unsecured Claims shall be payable from a Pro Rata share of the Litigation Trust Proceeds.

PLEASE READ THE DISCLOSURE STATEMENT AND PLAN FOR MORE DETAILS.

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**NOTICE REGARDING CERTAIN RELEASE, EXCULPATION, AND
INJUNCTION PROVISIONS IN PLAN**

EACH PERSON THAT DOES NOT (I) OBJECT SPECIFICALLY TO THE THIRD PARTY RELEASE OR (II) AFFIRMATIVELY OPT OUT OF THE THIRD PARTY RELEASE ON A TIMELY SUBMITTED BALLOT OR OPT OUT FORM SHALL, AND SHALL BE DEEMED, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, TO HAVE SPECIFICALLY CONSENTED TO THE RELEASES SET FORTH IN SECTION 8 OF THE PLAN, AND REPRODUCED BELOW:

Section 1.135 of the Plan Defines “Releasing Party”

“*Releasing Party*” means (i) each holder of a Claim who has not chosen, by marking the appropriate box on the Ballot and/or Opt Out Form, as appropriate, to opt out of the “Releases by Holders of Claims” provided for in Section 8.3 of this Plan, (ii) the DIP Lender, the Trustee and the Holders of Bond Claims solely to the extent set forth in Section 8.3 of the Plan, (iii) Lifespace, and (vi) the Committee.

Section 8.2 of the Plan – Releases by the Debtors.

PURSUANT TO BANKRUPTCY CODE SECTION 1123(B), AS OF THE EFFECTIVE DATE, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, INCLUDING THE INVESTMENT AND SERVICE OF THE RELEASED PARTIES TO FACILITATE THE EXPEDITIOUS REORGANIZATION OF THE DEBTORS AND THE IMPLEMENTATION OF THE RESTRUCTURING CONTEMPLATED BY THE PLAN, THE RELEASED PARTIES ARE DEEMED RELEASED AND DISCHARGED BY THE DEBTORS, THE REORGANIZED DEBTOR, AND THE ESTATES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, SETOFFS, RECOUPMENTS, REMEDIES, ENFORCEMENT RIGHTS AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, OR THE RELEASED PARTIES WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR INTEREST, OR OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THIS DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT OR RELATED

AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, THE “DEBTOR RELEASED CLAIMS”), OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASE SET FORTH ABOVE DOES NOT RELEASE ANY PARTY WITH POST-EFFECTIVE DATE OBLIGATIONS UNDER THE PLAN OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN FROM THOSE POST-EFFECTIVE DATE OBLIGATIONS. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY DEBTOR RELEASED CLAIM(S) FOR THE BENEFIT OF ANY PARTY AS SUCH CLAIMS ARE RELEASED PURSUANT TO THE PLAN AND, AS SUCH, DO NOT AND WILL NOT CONSTITUTE LITIGATION TRUST OR RESIDENTS TRUST ASSETS.

Section 8.3 of the Plan – Releases by Holders of Claims.

AS OF THE EFFECTIVE DATE AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, EACH RELEASING PARTY SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, LIFESPACES, THE INITIAL PLAN SPONSORS, AND ALL OTHER RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, ENFORCEMENT RIGHTS, SETOFFS, RECOUPMENTS, REMEDIES, AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT SUCH PERSON WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF ANY OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THE DISCLOSURE STATEMENT, ANY PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, “CREDITOR RELEASED CLAIMS”) OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY

ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE CREDITOR RELEASED CLAIMS.

NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY IN THE PLAN, THE DIP LENDER, THE TRUSTEE AND HOLDERS OF THE ORIGINAL BONDS SHALL ALL BE RELEASING PARTIES SOLELY WITH RESPECT TO ANY AND ALL CLAIMS RELATING TO THE DEBTORS (OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE), BUT NOT WITH RESPECT TO ANY OTHER CLAIMS SUCH HOLDERS MAY HAVE UNRELATED TO THE DEBTORS, INCLUDING BUT NOT LIMITED TO ANY OBLIGATIONS OWED TO BONDHOLDERS IN CONNECTION WITH BONDS ISSUED BY LIFESPACE.

Section 8.4 of the Plan - Exculpation.

UPON THE EFFECTIVE DATE, THE PLAN SPONSORS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS AND AGENTS WILL BE DEEMED TO HAVE SOLICITED ACCEPTANCES OF THIS PLAN IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING BANKRUPTCY CODE SECTION 1125(E).

EXCEPT WITH RESPECT TO ANY ACTS OR OMISSIONS EXPRESSLY SET FORTH IN AND PRESERVED BY THE PLAN, THE PLAN SUPPLEMENT, OR ANY RELATED DOCUMENTS, THE EXCULPATED PARTIES SHALL NEITHER HAVE, NOR INCUR ANY LIABILITY TO ANY ENTITY FOR ANY PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR RELATED TO FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING, ADMINISTERING, CONFIRMING, OR EFFECTING THE PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION OF THE PLAN, THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN, THE DISTRIBUTION OF PROPERTY UNDER THE PLAN, OR ANY OTHER RELATED AGREEMENT OR ANY OTHER PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OF THE DEBTORS; *PROVIDED, THAT* THE FOREGOING “EXCULPATION” SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY ENTITY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT (INCLUDING FRAUD); *PROVIDED FURTHER, THAT* EACH EXCULPATED PARTY SHALL BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER,

OR ITS DUTIES PURSUANT TO, OR IN CONNECTION WITH, THE PLAN OR ANY OTHER RELATED DOCUMENT, INSTRUMENT, OR AGREEMENT. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY CLAIMS DESCRIBED IN SECTION 8 OF THE PLAN AGAINST ANY EXCULPATED PARTY.

Section 8.5 of the Plan - Discharge of Claims.

PURSUANT TO BANKRUPTCY CODE SECTION 1141(D), AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE BAR DATE ORDER, IN THE PLAN, OR IN ANY CONTRACT, INSTRUMENT, OR OTHER AGREEMENT OR DOCUMENT CREATED PURSUANT TO THE PLAN, THE DISTRIBUTIONS, RIGHTS, AND TREATMENT THAT ARE PROVIDED IN THE PLAN SHALL BE IN FULL AND FINAL SATISFACTION, SETTLEMENT, RELEASE, AND DISCHARGE, EFFECTIVE AS OF THE EFFECTIVE DATE, OF ALL CLAIMS AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, WHETHER KNOWN OR UNKNOWN, AGAINST, LIABILITIES OF, LIENS ON, OBLIGATIONS OF, AND RIGHTS AGAINST THE DEBTORS OR ANY OF THEIR ASSETS OR PROPERTIES, REGARDLESS OF WHETHER ANY PROPERTY SHALL HAVE BEEN DISTRIBUTED OR RETAINED PURSUANT TO THE PLAN ON ACCOUNT OF SUCH CLAIMS, INCLUDING DEMANDS, LIABILITIES, AND CAUSES OF ACTION THAT AROSE BEFORE THE EFFECTIVE DATE, ANY CONTINGENT OR NON-CONTINGENT LIABILITY ON ACCOUNT OF REPRESENTATIONS OR WARRANTIES ISSUED ON OR BEFORE THE EFFECTIVE DATE, AND ALL DEBTS OF THE KIND SPECIFIED IN BANKRUPTCY CODE SECTIONS 502(G), 502(H), OR 502(I), IN EACH CASE WHETHER OR NOT: (I) A PROOF OF CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS FILED OR DEEMED FILED PURSUANT TO BANKRUPTCY CODE SECTION 501; (II) A CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS ALLOWED PURSUANT TO BANKRUPTCY CODE SECTION 502; OR (III) THE HOLDER OF SUCH A CLAIM HAS ACCEPTED THE PLAN. EXCEPT AS OTHERWISE PROVIDED HEREIN, ANY DEFAULT BY THE DEBTORS WITH RESPECT TO ANY CLAIM THAT EXISTED BEFORE OR ON ACCOUNT OF THE FILING OF THE CHAPTER 11 CASES SHALL BE DEEMED CURED ON THE EFFECTIVE DATE. THE CONFIRMATION ORDER SHALL BE A JUDICIAL DETERMINATION OF THE DISCHARGE OF ALL CLAIMS SUBJECT TO THE EFFECTIVE DATE OCCURRING, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN.

Section 8.6 of the Plan - Injunction.

FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION, OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED

OR TO BE RELEASED AGAINST ANY RELEASED PARTY PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN THE PLAN, ALL RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION, OR OTHER PROCEEDING ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO THE PLAN.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THE PLAN, ALL PERSONS WHO HAVE HELD, HOLD, OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED, DISCHARGED, OR ARE SUBJECT TO EXCULPATION, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS: (I) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH RIGHTS, CLAIMS OR INTERESTS; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE, RELIEF OR ORDER AGAINST SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (III) CREATING, PERFECTING, OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH PERSONS OR THE PROPERTY OR ESTATE OF SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; AND (IV) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED, OR DISCHARGED PURSUANT TO THE PLAN.

THE RIGHTS AFFORDED IN THE PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THE DEBTORS' ASSETS, PROPERTY, OR ESTATES. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE INTERESTS SHALL BE CANCELLED (EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN).

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR IN THE PLAN OR IN OBLIGATIONS ISSUED PURSUANT TO THE PLAN FROM AND AFTER THE

EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER BANKRUPTCY CODE SECTION 502(g).

ALL PERSONS SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE LITIGATION TRUST, ALL OTHER RELEASED PARTIES AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS, AGENTS AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS, OR ANY ACT OR OMISSION, TRANSACTION, OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, HOLDERS OF CLAIMS THAT OPT OUT OF THE RELEASES UNDER SECTION 8.3 OF THE PLAN WILL NOT BE SUBJECT TO THE INJUNCTION WITH RESPECT TO PREPETITION CLAIMS AGAINST NON-DEBTOR ENTITIES.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO RELEASES OR EXCULPATIONS CONTAINED HEREIN SHALL RELEASE LIFESPACE FROM ITS OBLIGATIONS TO THE RESIDENTS TRUST CONTAINED IN THE LIFESPACE SETTLEMENT AND CONTRIBUTION AGREEMENT, WHICH SHALL BE PRESERVED AND ASSIGNED TO THE RESIDENTS TRUST AND THE RESIDENTS TRUST TRUSTEE PURSUANT TO THE TERMS OF THE PLAN.

HOW TO VOTE

1. Complete Item 1, Item 2, Item 3, and Item 4.
2. Review the certifications contained in Item 4.
3. **Sign and date the Ballot.**
4. Return the original Ballot in the enclosed pre-addressed envelope so it is received by the Voting Deadline.

Item 1. Amount of Class 4 General Unsecured Claim Voted. The creditor who executes this Ballot or on whose behalf this Ballot is executed holds a Class 4 General Unsecured Claim against the Debtors in the following aggregate amount:³

\$

³ For voting purposes only, subject to tabulation rules.

Item 2. Vote on Plan (check only one box).

- ACCEPT (vote FOR) the Plan.
- REJECT (vote AGAINST) the Plan.

Any Ballot that is executed by the holder of a Claim but is not marked to accept or reject the Plan or is marked both to accept and reject the Plan will not be counted.

Item 3. Optional Opt Out Release Election. Check the box below if you elect not to grant the releases contained in Section 8.3 of the Plan. Election to withhold consent is at your option. If you abstain from submitting a Ballot and you do not check the box below, you will be deemed to consent to the releases contained in Section 8.3 of the Plan to the fullest extent permitted by applicable law. The undersigned elects to:

- OPT OUT** of the releases contained in Section 8.3 of the Plan.

Item 4. By signing this Ballot, the undersigned certifies to the Bankruptcy Court and the Debtors:

- a. that either: (i) the undersigned is the holder of the Claims being voted, or (ii) the undersigned is an authorized signatory for a holder of the Claims being voted;
- b. that the undersigned has received a copy of the Disclosure Statement and the Plan; and
- c. that no other Ballots with respect to the amount of the Claim identified in Item 1 have been cast or with respect to the Plan, if any other Ballots have been cast with respect to such Claim, then any such earlier received Ballots are hereby revoked.

Name of Creditor: _____

Signature: _____

Name of Signatory (If other than Creditor): _____

Title (if corporation, partnership, or LLC): _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number: _____

Date Completed: _____

PLEASE COMPLETE, SIGN, AND DATE THE BALLOT AND RETURN IT PROMPTLY IN THE RETURN ENVELOPE PROVIDED OR AS FOLLOWS SO THAT

IT IS RECEIVED NO LATER THAN JANUARY 20 2023 AT 4:00 P.M. (PREVAILING CENTRAL TIME), THE VOTING DEADLINE

If by First Class Mail, Hand Delivery, or Overnight Mail:

Northwest Senior Housing Corporation Solicitation
c/o Kurtzman Carson Consultants LLC
222 N. Pacific Coast Highway, Suite 300
El Segundo, CA 90245

If by E-Ballot Portal:

Please follow the instructions on the Debtors' bankruptcy case website at <http://www.kccllc.net/edgemere>. The E-Ballot Portal is the sole manner in which Ballots will be accepted via electronic, online transmission. Ballots will not be accepted by facsimile, email, or electronic means other than the E-Ballot Portal.

IMPORTANT NOTE: You will need the following information to retrieve and submit your customized electronic ballot:

Unique E-Ballot ID#: _____

PIN#: _____

Trinitee G. Green (SBN 24081320)
Polsinelli PC
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
Telephone: (214) 397-0030
Facsimile: (214) 397-0033
tggreen@polsinelli.com

J. Frasher Murphy (SBN 24013214)
Thomas J. Zavala (SBN 24116265)
Haynes and Boone, LLP
2323 Victory Avenue, Suite 700
Dallas, TX 75219
Telephone: (214) 651-5000
frasher.murphy@haynesboone.com
tom.zavala@haynesboone.com

Jeremy R. Johnson (Admitted *Pro Hac Vice*)
Polsinelli PC
600 3rd Avenue, 42nd Floor
New York, New York 10016
Telephone: (212) 684-0199
Facsimile: (212) 684-0197
jeremy.johnson@polsinelli.com

Daniel S. Bleck (Admitted *Pro Hac Vice*)
Eric Blythe (Admitted *Pro Hac Vice*)
Kaitlin R. Walsh (Admitted *Pro Hac Vice*)
Mintz, Levin, Cohn, Ferris, Glovsky, and
Popeo, PC
One Financial Center
Boston, MA 02111
Telephone: (617) 546-6000
dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

Counsel to Debtors and Debtors in Possession

*Counsel to UMB Bank, N.A. as Trustee and
DIP Lender*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

BENEFICIAL OWNER BALLOT
FOR ACCEPTING OR REJECTING CHAPTER 11 PLAN
Bond Claims (Class 2); General Unsecured Claims (Class 4)

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors' mailing address is 8523 Thackery Street, Dallas, Texas 75225.

[CUSIP AS INDICATED ON ATTACHED ANNEX A]

**PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS
CAREFULLY BEFORE COMPLETING THIS BALLOT**

UMB Bank, N.A., in its capacity as (i) successor bond trustee and master trustee for the Original Bonds (collectively, the “**Trustee**”) and (ii) lender under the DIP Credit Agreement (the “**DIP Lender**”), and Debtor Northwest Senior Housing Corporation d/b/a/ Edgemere (“**Edgemere**” and collectively with the Trustee and DIP Lender, the “**Plan Sponsors**”) are soliciting votes on the *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Plan**”).² This ballot is for holders of Class 2 Bond Claims and Class 4 General Unsecured Claims. The accompanying *Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 934] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Disclosure Statement**”) describes the Plan and contains information to assist you in deciding how to vote. The Disclosure Statement also contains a copy of the Plan as Exhibit 1. The Bankruptcy Court approved the solicitation of votes on the Plan pursuant to the *Order (I) Establishing Voting Record Date and Other Deadlines; (II) Approving Solicitation and Notice Procedures with Respect to the Plan; (III) Approving Manner and Form of Ballots, Notices and Related Documents; and (IV) Granting Related Relief* [Docket No. •] (the “**Solicitation Procedures Order**”). The Plan Sponsors are soliciting votes in accordance with the Solicitation Procedures attached to the Solicitation Procedures Order as Exhibit 1.

Please review the Disclosure Statement, the Plan, the Solicitation Procedures Order, Solicitation Procedures, and this Beneficial Owner Ballot carefully before you vote. You may wish to seek legal advice concerning the Plan and your Claim’s classification and treatment in it.

Questions. If you have any questions regarding this Beneficial Owner Ballot or the voting procedures, or if you do not have a copy of the Disclosure Statement or the Plan, please contact Kurtzman Carson Consultants LLC (“**KCC**” or the “**Voting Agent**”) (a) by calling (866) 967-0269 (toll-free) or +1 (310) 751-2669 (international); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; or (c) emailing EdgemereInfo@kccllc.com with a reference to “Edgemere” in the subject line. The materials may also be obtained free-of-charge from <https://www.kccllc.net/edgemere>.

THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

This Beneficial Owner Ballot is to be used for voting of Claims held by the record or beneficial owners (the “**Beneficial Owners**”) of Class 2 Bond Claims and Class 4 General Unsecured Claims as of December 15, 2022 (the “**Voting Record Date**”) with the CUSIP

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

[CUSIP AS INDICATED ON ATTACHED ANNEX A]

indicated by your broker, bank, dealer, or other agent (each, a “**Nominee**”) on Annex A attached hereto.

In order for your vote to be counted, this Beneficial Owner Ballot must be properly completed, signed, and returned in the envelope provided (or otherwise in accordance with the instructions of your Nominee). **The deadline for the receipt by the Voting Agent of pre-validated Beneficial Owner Ballots and Master Ballots cast on behalf of Beneficial Owners is no later than 4:00 p.m. (prevailing Central Time) on January 20, 2023 (the “Voting Deadline”), unless such time is extended by the Plan Sponsors.**

The Beneficial Owner Ballot should not be sent to the Plan Sponsors, their financial or legal advisors, or the Bankruptcy Court.

This Beneficial Owner Ballot is solely for purposes of voting to accept or reject the Plan and not for the purpose of allowance or disallowance of or distribution on account of Class 2 Bond Claims and Class 4 General Unsecured Claims.

**IMPORTANT NOTICE REGARDING TREATMENT
FOR CLASS 2 AND CLASS 4**

As described in more detail in the Disclosure Statement, if the Plan is confirmed and the Effective Date occurs:

On the Effective Date, the Net Sale Proceeds after payment of Allowed Administrative Claims, Priority Tax Claims, Professional Claims, DIP Facility Claims, the Dallas County Claim, the Diminution Claim and U.S. Trustee Fees, shall be paid to the Trustee, which funds shall be disbursed to holders of the Bond Claims in accordance with the Original Bond Documents. Further, the Lifespace Bond Contribution will be paid to the Trustee on the Effective Date, which funds shall be disbursed to holders of the Bond Claims in accordance with the Original Bond Documents.

The Bond Deficiency Claim, which is a Class 4 General Unsecured Claim, shall be treated on a Pro Rata basis with holders of Allowed General Unsecured Claims, including the Lifespace Resident Claim and vendor claims. All Allowed General Unsecured Claims shall be payable from a Pro Rata share of the Litigation Trust Proceeds.

PLEASE READ THE DISCLOSURE STATEMENT AND PLAN FOR MORE DETAILS.

[Remainder of the page intentionally left blank.]

[CUSIP AS INDICATED ON ATTACHED ANNEX A]

**NOTICE REGARDING CERTAIN RELEASE, EXCULPATION, AND
INJUNCTION PROVISIONS IN THE PLAN**

Section 1.135 of the Plan Defines “Releasing Party”

“*Releasing Party*” means (i) each holder of a Claim who has not chosen, by marking the appropriate box on the Ballot and/or Opt Out Form, as appropriate, to opt out of the “Releases by Holders of Claims” provided for in Section 8.3 of this Plan, (ii) the DIP Lender, the Trustee and the Holders of Bond Claims solely to the extent set forth in Section 8.3 of the Plan, (iii) Lifespace, and (vi) the Committee.

Section 8.2 of the Plan – Releases by the Debtors.

PURSUANT TO BANKRUPTCY CODE SECTION 1123(B), AS OF THE EFFECTIVE DATE, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, INCLUDING THE INVESTMENT AND SERVICE OF THE RELEASED PARTIES TO FACILITATE THE EXPEDITIOUS REORGANIZATION OF THE DEBTORS AND THE IMPLEMENTATION OF THE RESTRUCTURING CONTEMPLATED BY THE PLAN, THE RELEASED PARTIES ARE DEEMED RELEASED AND DISCHARGED BY THE DEBTORS, THE REORGANIZED DEBTOR, AND THE ESTATES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, SETOFFS, RECOUPMENTS, REMEDIES, ENFORCEMENT RIGHTS AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, OR THE RELEASED PARTIES WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR INTEREST, OR OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THIS DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, THE “DEBTOR RELEASED CLAIMS”), OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL

[CUSIP AS INDICATED ON ATTACHED ANNEX A]

MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASE SET FORTH ABOVE DOES NOT RELEASE ANY PARTY WITH POST-EFFECTIVE DATE OBLIGATIONS UNDER THE PLAN OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN FROM THOSE POST-EFFECTIVE DATE OBLIGATIONS. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY DEBTOR RELEASED CLAIM(S) FOR THE BENEFIT OF ANY PARTY AS SUCH CLAIMS ARE RELEASED PURSUANT TO THE PLAN AND, AS SUCH, DO NOT AND WILL NOT CONSTITUTE LITIGATION TRUST OR RESIDENTS TRUST ASSETS.

Section 8.3 of the Plan – Releases by Holders of Claims.

AS OF THE EFFECTIVE DATE AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, EACH RELEASING PARTY SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, LIFESPACE, THE INITIAL PLAN SPONSORS, AND ALL OTHER RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, ENFORCEMENT RIGHTS, SETOFFS, RECOUPMENTS, REMEDIES, AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT SUCH PERSON WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF ANY OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THE DISCLOSURE STATEMENT, ANY PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, “CREDITOR RELEASED CLAIMS”) OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. FOR THE AVOIDANCE OF

[CUSIP AS INDICATED ON ATTACHED ANNEX A]

DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE CREDITOR RELEASED CLAIMS.

NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY IN THE PLAN, THE DIP LENDER, THE TRUSTEE AND HOLDERS OF THE ORIGINAL BONDS SHALL ALL BE RELEASING PARTIES SOLELY WITH RESPECT TO ANY AND ALL CLAIMS RELATING TO THE DEBTORS (OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE), BUT NOT WITH RESPECT TO ANY OTHER CLAIMS SUCH HOLDERS MAY HAVE UNRELATED TO THE DEBTORS, INCLUDING BUT NOT LIMITED TO ANY OBLIGATIONS OWED TO BONDHOLDERS IN CONNECTION WITH BONDS ISSUED BY LIFESPACE.

Section 8.4 of the Plan - Exculpation.

UPON THE EFFECTIVE DATE, THE PLAN SPONSORS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS AND AGENTS WILL BE DEEMED TO HAVE SOLICITED ACCEPTANCES OF THE PLAN IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING BANKRUPTCY CODE SECTION 1125(E).

EXCEPT WITH RESPECT TO ANY ACTS OR OMISSIONS EXPRESSLY SET FORTH IN AND PRESERVED BY THE PLAN, THE PLAN SUPPLEMENT, OR ANY RELATED DOCUMENTS, THE EXCULPATED PARTIES SHALL NEITHER HAVE, NOR INCUR ANY LIABILITY TO ANY ENTITY FOR ANY PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR RELATED TO FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING, ADMINISTERING, CONFIRMING, OR EFFECTING THE PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION OF THE PLAN, THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN, THE DISTRIBUTION OF PROPERTY UNDER THE PLAN, OR ANY OTHER RELATED AGREEMENT OR ANY OTHER PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OF THE DEBTORS; *PROVIDED, THAT* THE FOREGOING “EXCULPATION” SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY ENTITY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT (INCLUDING FRAUD); *PROVIDED FURTHER, THAT* EACH EXCULPATED PARTY SHALL BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER, OR ITS DUTIES PURSUANT TO, OR IN CONNECTION WITH, THE PLAN OR ANY

[CUSIP AS INDICATED ON ATTACHED ANNEX A]

OTHER RELATED DOCUMENT, INSTRUMENT, OR AGREEMENT. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY CLAIMS DESCRIBED IN SECTION 8 OF THE PLAN AGAINST ANY EXCULPATED PARTY.

Section 8.5 of the Plan - Discharge of Claims.

PURSUANT TO BANKRUPTCY CODE SECTION 1141(D), AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE BAR DATE ORDER, IN THE PLAN, OR IN ANY CONTRACT, INSTRUMENT, OR OTHER AGREEMENT OR DOCUMENT CREATED PURSUANT TO THE PLAN, THE DISTRIBUTIONS, RIGHTS, AND TREATMENT THAT ARE PROVIDED IN THE PLAN SHALL BE IN FULL AND FINAL SATISFACTION, SETTLEMENT, RELEASE, AND DISCHARGE, EFFECTIVE AS OF THE EFFECTIVE DATE, OF ALL CLAIMS AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, WHETHER KNOWN OR UNKNOWN, AGAINST, LIABILITIES OF, LIENS ON, OBLIGATIONS OF, AND RIGHTS AGAINST THE DEBTORS OR ANY OF THEIR ASSETS OR PROPERTIES, REGARDLESS OF WHETHER ANY PROPERTY SHALL HAVE BEEN DISTRIBUTED OR RETAINED PURSUANT TO THE PLAN ON ACCOUNT OF SUCH CLAIMS, INCLUDING DEMANDS, LIABILITIES, AND CAUSES OF ACTION THAT AROSE BEFORE THE EFFECTIVE DATE, ANY CONTINGENT OR NON-CONTINGENT LIABILITY ON ACCOUNT OF REPRESENTATIONS OR WARRANTIES ISSUED ON OR BEFORE THE EFFECTIVE DATE, AND ALL DEBTS OF THE KIND SPECIFIED IN BANKRUPTCY CODE SECTIONS 502(G), 502(H), OR 502(I), IN EACH CASE WHETHER OR NOT: (I) A PROOF OF CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS FILED OR DEEMED FILED PURSUANT TO BANKRUPTCY CODE SECTION 501; (II) A CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS ALLOWED PURSUANT TO BANKRUPTCY CODE SECTION 502; OR (III) THE HOLDER OF SUCH A CLAIM HAS ACCEPTED THE PLAN. EXCEPT AS OTHERWISE PROVIDED HEREIN, ANY DEFAULT BY THE DEBTORS WITH RESPECT TO ANY CLAIM THAT EXISTED BEFORE OR ON ACCOUNT OF THE FILING OF THE CHAPTER 11 CASES SHALL BE DEEMED CURED ON THE EFFECTIVE DATE. THE CONFIRMATION ORDER SHALL BE A JUDICIAL DETERMINATION OF THE DISCHARGE OF ALL CLAIMS SUBJECT TO THE EFFECTIVE DATE OCCURRING, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN.

Section 8.6 of the Plan - Injunction.

FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION, OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED

[CUSIP AS INDICATED ON ATTACHED ANNEX A]

OR TO BE RELEASED AGAINST ANY RELEASED PARTY PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN THE PLAN, ALL RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION, OR OTHER PROCEEDING ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO THE PLAN.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THE PLAN, ALL PERSONS WHO HAVE HELD, HOLD, OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED, DISCHARGED, OR ARE SUBJECT TO EXCULPATION, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS: (I) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH RIGHTS, CLAIMS OR INTERESTS; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE, RELIEF OR ORDER AGAINST SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (III) CREATING, PERFECTING, OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH PERSONS OR THE PROPERTY OR ESTATE OF SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; AND (IV) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED, OR DISCHARGED PURSUANT TO THE PLAN.

THE RIGHTS AFFORDED IN THE PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THE DEBTORS' ASSETS, PROPERTY, OR ESTATES. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE INTERESTS SHALL BE CANCELLED (EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN).

[CUSIP AS INDICATED ON ATTACHED ANNEX A]

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR IN THE PLAN OR IN OBLIGATIONS ISSUED PURSUANT TO THE PLAN FROM AND AFTER THE EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER BANKRUPTCY CODE SECTION 502(g).

ALL PERSONS SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE LITIGATION TRUST, ALL OTHER RELEASED PARTIES AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS, AGENTS AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS, OR ANY ACT OR OMISSION, TRANSACTION, OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, HOLDERS OF CLAIMS THAT OPT OUT OF THE RELEASES UNDER SECTION 8.3 OF THE PLAN WILL NOT BE SUBJECT TO THE INJUNCTION WITH RESPECT TO PREPETITION CLAIMS AGAINST NON-DEBTOR ENTITIES.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO RELEASES OR EXCULPATIONS CONTAINED HEREIN SHALL RELEASE LIFESPACE FROM ITS OBLIGATIONS TO THE RESIDENTS TRUST CONTAINED IN THE LIFESPACE SETTLEMENT AND CONTRIBUTION AGREEMENT, WHICH SHALL BE PRESERVED AND ASSIGNED TO THE RESIDENTS TRUST AND THE RESIDENTS TRUST TRUSTEE PURSUANT TO THE TERMS OF THE PLAN.

[Remainder of the page intentionally left blank.]

[CUSIP AS INDICATED ON ATTACHED ANNEX A]

INSTRUCTIONS FOR COMPLETING THE BALLOT

This Beneficial Owner Ballot is submitted to you to solicit your vote to accept or reject the Plan. The terms of the Plan are described in the Disclosure Statement, including all exhibits thereto. **PLEASE READ THE PLAN AND THE DISCLOSURE STATEMENT CAREFULLY BEFORE COMPLETING THIS BENEFICIAL OWNER BALLOT.**

In order for your Class 2 Bond Claim and Class 4 General Unsecured Claim vote to be counted, the Beneficial Owner Ballot must be properly completed, signed, and returned in the envelope provided (or otherwise in accordance with the instructions of your Nominee) in sufficient time for such Nominee to timely cast votes to accept or reject the Plan on behalf of the beneficial holders on the Master Ballot by the Voting Deadline.

Beneficial Owner Ballots will not be accepted by telecopy, facsimile, or other electronic means of transmission (except as instructed by your Nominee).

To properly complete the Beneficial Owner Ballot, you must follow the procedures described below:

- a. Make sure that the information contained in Item 1 is correct;
- b. If you have a Claim in Class 2 Bond Claim and Class 4 General Unsecured Claim, cast one vote to accept or reject the Plan by checking the appropriate box in Item 2;
- c. Provide the information required by Item 3, if applicable to you;
- d. If you are completing this Beneficial Owner Ballot on behalf of another entity, indicate your relationship with such entity and the capacity in which you are signing on the appropriate line in Item 4. By submitting the Beneficial Owner Ballot you are certifying that you have authority to so act and agree to provide documents evidencing such authority upon request (*e.g.*, a power of attorney or a certified copy of board resolutions authorizing you to so act);
- e. If you hold other Class 2 Bond Claims and Class 4 General Unsecured Claims or Claims in other Classes you may receive more than one Ballot. Your vote will be counted in determining acceptance or rejection of the Plan by a particular Class of Claims only if you complete, sign, and return the Ballot labeled for such Class of Claims in accordance with the instructions on that Ballot. Each Ballot votes only your Claims indicated on that Ballot. Please complete and return each Ballot you receive;
- f. You must vote all your Claims under the Plan either to accept or reject the Plan;

[CUSIP AS INDICATED ON ATTACHED ANNEX A]

- g. If more than one timely, properly completed Beneficial Owner Ballot is received, only the last, properly completed Beneficial Owner Ballot received will be counted, unless the holder of the Claim receives Bankruptcy Court approval otherwise;
- h. If you believe that you have received the wrong Ballot, please contact the Voting Agent immediately;
- i. Provide your name, mailing address, and any remaining information requested;
- j. Sign and date your Beneficial Owner Ballot; and
- k. Return your Beneficial Owner Ballot with an original signature using the enclosed pre-addressed return envelope (or otherwise in accordance with the instructions of your Nominee).
- l. No Beneficial Owner Ballot shall constitute or be deemed a proof of Claim or an assertion of a Claim.

IF YOU (I) HAVE ANY QUESTIONS REGARDING THIS BALLOT, (II) DID NOT RECEIVE A RETURN ENVELOPE WITH YOUR BALLOT, (III) DID NOT RECEIVE A COPY OF THE DISCLOSURE STATEMENT OR PLAN, OR (IV) NEED ADDITIONAL COPIES OF THE BALLOT OR OTHER ENCLOSED MATERIALS, PLEASE CONTACT THE VOTING AGENT AT (866) 967-0269 (TOLL-FREE) OR +1 (310) 751-2669 (INTERNATIONAL), AND REQUEST TO SPEAK WITH A MEMBER OF THE SOLICITATION TEAM OR BY E-MAILING EDGEMEREINFO@KCCLLC.COM WITH A REFERENCE TO “EDGEMERE” IN THE SUBJECT LINE. PLEASE DO NOT DIRECT ANY INQUIRIES TO THE BANKRUPTCY COURT. THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

[CUSIP AS INDICATED ON ATTACHED ANNEX A]

PLEASE COMPLETE THE FOLLOWING:

Item 1. Amount of Class 2 Bond Claim and Class 4 General Unsecured Claim. The undersigned hereby certifies that as of the December 15, 2022 Voting Record Date, the undersigned was the beneficial owner (or authorized signatory for a beneficial owner) of a Class 2 Bond Claim and Class 4 General Unsecured Claim in the following principal amount (insert amount in box below). If you do not know the principal amount of Claim held, please contact your Nominee immediately.

Amount:	\$ _____
---------	----------

Item 2. Vote on the Plan. The beneficial owner of the Class 2 Bond Claim and Class 4 General Unsecured Claim identified in Item 1 hereby votes to:

- Check one box: Accept the Plan
- Reject the Plan

Item 3. Certification as to Class 2 Bond Claims held in Additional Accounts. By completing and returning this Beneficial Owner Ballot, the beneficial owner certifies that either (i) it has not submitted any other Beneficial Owner Ballots for other Class 2 Bond Claims held in other accounts or other record names with respect to the Plan or (ii) it has provided the information specified in the following table for all other Class 2 Bond Claims for which it has submitted additional Beneficial Owner Ballots, each of which indicates the same vote to accept or reject the Plan (please use additional sheets of paper if necessary):

ONLY COMPLETE THIS SECTION IF YOU HAVE VOTED OTHER CLASS 2 BOND CLAIMS AND CLASS 4 GENERAL UNSECURED CLAIMS BENEFICIAL OWNER BALLOTS OTHER THAN THIS BENEFICIAL OWNER BALLOT WITH RESPECT TO THE PLAN.

Name of Record Holder or Nominee (if applicable)	Account Number with Other Nominee (if applicable)	Principal Amount of Other Class 2 Bond Claims / Class 4 General Unsecured Claims Voted	CUSIP of Other Other Class 2 Bond Claims / Class 4 General Unsecured Claims Voted

Item 4. Acknowledgements and Certification. By returning this Beneficial Owner Ballot, the Beneficial Owner of the Class 2 Bond Claim and Class 4 General Unsecured Claim identified in

[CUSIP AS INDICATED ON ATTACHED ANNEX A]

Item 1 certifies that a copy of the Disclosure Statement and the Plan has been received and reviewed by the undersigned.

Print or Type Name of Claimant: _____

Signature: _____

Name of Signatory (if different than claimant): _____

If by Authorized Agent, Title of Agent: _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number: _____

E-mail Address: _____

Date Completed: _____

PLEASE RETURN YOUR BALLOT IN ACCORDANCE WITH THE INSTRUCTIONS YOU RECEIVED WITH YOUR SOLICITATION PACKAGE.

IN ORDER TO COUNT, YOUR BALLOT OR A MASTER BALLOT CONTAINING YOUR VOTE MUST BE RECEIVED NO LATER THAN JANUARY 20, 2023 BY THE 4:00 P.M. (PREVAILING CENTRAL TIME) VOTING DEADLINE

[CUSIP AS INDICATED ON ATTACHED ANNEX A]

ANNEX A

Please check ONE box below to indicate the CUSIP to which this Beneficial Owner Ballot pertains. Your Nominee may have checked a box below to indicate the CUSIP to which this Beneficial Owner Ballot pertains, or otherwise provided that information to you on a label or schedule attached to this Beneficial Owner Ballot.

Class 2 Bond Claims; Class 4 General Unsecured Claims (Bond Deficiency Claim)	
<input type="checkbox"/>	87638REJ2
<input type="checkbox"/>	87638REK9
<input type="checkbox"/>	87638REL7
<input type="checkbox"/>	87638REM5
<input type="checkbox"/>	87638REN3
<input type="checkbox"/>	87638RET0
<input type="checkbox"/>	87638REU7
<input type="checkbox"/>	87638REV5
<input type="checkbox"/>	87638REW3
<input type="checkbox"/>	87638RHV2

Trinitee G. Green (SBN 24081320)
Polsinelli PC
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
Telephone: (214) 397-0030
Facsimile: (214) 397-0033
tggreen@polsinelli.com

J. Frasher Murphy (SBN 24013214)
Thomas J. Zavala (SBN 24116265)
Haynes and Boone, LLP
2323 Victory Avenue, Suite 700
Dallas, TX 75219
Telephone: (214) 651-5000
frasher.murphy@haynesboone.com
tom.zavala@haynesboone.com

Jeremy R. Johnson (Admitted *Pro Hac Vice*)
Polsinelli PC
600 3rd Avenue, 42nd Floor
New York, New York 10016
Telephone: (212) 684-0199
Facsimile: (212) 684-0197
jeremy.johnson@polsinelli.com

Daniel S. Bleck (Admitted *Pro Hac Vice*)
Eric Blythe (Admitted *Pro Hac Vice*)
Kaitlin R. Walsh (Admitted *Pro Hac Vice*)
Mintz, Levin, Cohn, Ferris, Glovsky, and
Popeo, PC
One Financial Center
Boston, MA 02111
Telephone: (617) 546-6000
dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

*Counsel to Debtors
and Debtors in Possession*

*Counsel to UMB Bank, N.A. as Trustee and
DIP Lender*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

**MASTER BALLOT
FOR ACCEPTING OR REJECTING CHAPTER 11 PLAN**

Bond Claims (Class 2); General Unsecured Claims (Class 4)

**PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS
CAREFULLY BEFORE COMPLETING THIS BALLOT**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors' mailing address is 8523 Thackery Street, Dallas, Texas 75225.

VOTING DEADLINE

**IN ORDER TO COUNT, THIS MASTER BALLOT MUST BE RECEIVED
BY THE VOTING AGENT BY 4:00 P.M. (PREVAILING CENTRAL TIME) ON
JANUARY 20, 2023**

UMB Bank, N.A., in its capacity as (i) successor bond trustee and master trustee for the Original Bonds (collectively, the “**Trustee**”) and (ii) lender under the DIP Credit Agreement (the “**DIP Lender**”), and Debtor Northwest Senior Housing Corporation d/b/a/ Edgemere (“**Edgemere**” and collectively with the Trustee and DIP Lender, the “**Plan Sponsors**”) are soliciting votes on the *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Plan**”).² The accompanying *Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 934] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Disclosure Statement**”) describes the Plan and contains information to assist you in deciding how to vote. The Disclosure Statement also contains a copy of the Plan as Exhibit 1. The Bankruptcy Court approved the solicitation of votes on the Plan pursuant to the *Order (I) Establishing Voting Record Date and Other Deadlines; (II) Approving Solicitation and Notice Procedures with Respect to the Plan; (III) Approving Manner and Form of Ballots, Notices and Related Documents; and (IV) Granting Related Relief* [Docket No. •] (the “**Solicitation Procedures Order**”). The Plan Sponsors are soliciting votes in accordance with the Solicitation Procedures attached to the Solicitation Procedures Order as Exhibit 1.

Please review the Disclosure Statement, the Plan, the Solicitation Procedures Order, the Solicitation, Voting, and Balloting Procedures, and this Master Ballot carefully before you submit this Master Ballot.

Questions. If you have any questions regarding this ballot or the voting procedures, or if you do not have a copy of the Disclosure Statement or the Plan, please contact Kurtzman Carson Consultants LLC (“**KCC**” or the “**Voting Agent**”) (a) by calling (877) 499-4509 (toll-free) or +1 (917) 281-4800 (international); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; or (c) emailing EdgemereInfo@kccllc.com with a reference to “Edgemere” in the subject line. The materials may also be obtained free-of-charge from <https://www.kccllc.net/edgemere>.

THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

This Master Ballot is to be used by you as Nominee, or as the proxy holder of a Nominee for the beneficial owners (the “**Beneficial Owners**”) of Class 2 Bond Claims and Class 4 General

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

Unsecured Claims, to transmit to the Voting Agent the votes of such Beneficial Owners in respect of their Class 2 Bond Claims and Class 4 General Unsecured Claims to accept or reject the Plan.

In order for the votes of such Beneficial Owners to be counted, this Master Ballot must be properly completed, signed, and returned. **The deadline for the receipt by the Voting Agent of Master Ballots is no later than 4:00 p.m. (prevailing Central Time) on January 20, 2023 (the “Voting Deadline”), unless such time is extended.**

The Master Ballot should not be sent to the Plan Sponsors, their financial or legal advisors, or the Bankruptcy Court.

This Master Ballot is solely for purposes of voting to accept or reject the Plan and not for the purpose of allowance or disallowance of or distribution on account of Class 2 Bond Claims and Class 4 General Unsecured Claims.

**IMPORTANT NOTICE REGARDING TREATMENT FOR
CLASS 2 AND CLASS 4**

As described in more detail in the Disclosure Statement, if the Plan is confirmed and the Effective Date occurs:

On the Effective Date, the Net Sale Proceeds after payment of Allowed Administrative Claims, Priority Tax Claims, Professional Claims, DIP Facility Claims, the Dallas County Claim, the Diminution Claim and U.S. Trustee Fees, shall be paid to the Trustee, which funds shall be disbursed to holders of the Bond Claims in accordance with the Original Bond Documents. Further, the Lifespace Bond Contribution will be paid to the Trustee on the Effective Date, which funds shall be disbursed to holders of the Bond Claims in accordance with the Original Bond Documents.

The Bond Deficiency Claim shall be treated on a Pro Rata basis with holders of Allowed General Unsecured Claims, including the Lifespace Resident Claim and vendor claims. All Allowed General Unsecured Claims shall be payable from a Pro Rata share of the Litigation Trust Proceeds.

PLEASE READ THE DISCLOSURE STATEMENT AND PLAN FOR MORE DETAILS.

[Remainder of the page intentionally left blank.]

**NOTICE REGARDING CERTAIN RELEASE, EXCULPATION, AND
INJUNCTION PROVISIONS IN PLAN**

Section 1.135 of the Plan Defines “Releasing Party”

“*Releasing Party*” means (i) each holder of a Claim who has not chosen, by marking the appropriate box on the Ballot and/or Opt Out Form, as appropriate, to opt out of the “Releases by Holders of Claims” provided for in Section 8.3 of this Plan, (ii) the DIP Lender, the Trustee and the Holders of Bond Claims solely to the extent set forth in Section 8.3 of the Plan, (iii) Lifespace, and (vi) the Committee.

Section 8.2 of the Plan – Releases by the Debtors.

PURSUANT TO BANKRUPTCY CODE SECTION 1123(B), AS OF THE EFFECTIVE DATE, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, INCLUDING THE INVESTMENT AND SERVICE OF THE RELEASED PARTIES TO FACILITATE THE EXPEDITIOUS REORGANIZATION OF THE DEBTORS AND THE IMPLEMENTATION OF THE RESTRUCTURING CONTEMPLATED BY THE PLAN, THE RELEASED PARTIES ARE DEEMED RELEASED AND DISCHARGED BY THE DEBTORS, THE REORGANIZED DEBTOR, AND THE ESTATES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, SETOFFS, RECOUPMENTS, REMEDIES, ENFORCEMENT RIGHTS AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, OR THE RELEASED PARTIES WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR INTEREST, OR OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THIS DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, THE “DEBTOR RELEASED CLAIMS”), OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE

RELEASE SET FORTH ABOVE DOES NOT RELEASE ANY PARTY WITH POST-EFFECTIVE DATE OBLIGATIONS UNDER THE PLAN OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN FROM THOSE POST-EFFECTIVE DATE OBLIGATIONS. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY DEBTOR RELEASED CLAIM(S) FOR THE BENEFIT OF ANY PARTY AS SUCH CLAIMS ARE RELEASED PURSUANT TO THE PLAN AND, AS SUCH, DO NOT AND WILL NOT CONSTITUTE LITIGATION TRUST OR RESIDENTS TRUST ASSETS.

Section 8.3 of the Plan – Releases by Holders of Claims.

AS OF THE EFFECTIVE DATE AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, EACH RELEASING PARTY SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, LIFESPACE, THE INITIAL PLAN SPONSORS, AND ALL OTHER RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, ENFORCEMENT RIGHTS, SETOFFS, RECOUPMENTS, REMEDIES, AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT SUCH PERSON WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF ANY OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THE DISCLOSURE STATEMENT, ANY PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, “CREDITOR RELEASED CLAIMS”) OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE CREDITOR RELEASED CLAIMS.

NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY IN THE PLAN,

THE DIP LENDER, THE TRUSTEE AND HOLDERS OF THE ORIGINAL BONDS SHALL ALL BE RELEASING PARTIES SOLELY WITH RESPECT TO ANY AND ALL CLAIMS RELATING TO THE DEBTORS (OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE), BUT NOT WITH RESPECT TO ANY OTHER CLAIMS SUCH HOLDERS MAY HAVE UNRELATED TO THE DEBTORS, INCLUDING BUT NOT LIMITED TO ANY OBLIGATIONS OWED TO BONDHOLDERS IN CONNECTION WITH BONDS ISSUED BY LIFESPACE.

Section 8.4 of the Plan - Exculpation.

UPON THE EFFECTIVE DATE, THE PLAN SPONSORS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS AND AGENTS WILL BE DEEMED TO HAVE SOLICITED ACCEPTANCES OF THE PLAN IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING BANKRUPTCY CODE SECTION 1125(E).

EXCEPT WITH RESPECT TO ANY ACTS OR OMISSIONS EXPRESSLY SET FORTH IN AND PRESERVED BY THE PLAN, THE PLAN SUPPLEMENT, OR ANY RELATED DOCUMENTS, THE EXCULPATED PARTIES SHALL NEITHER HAVE, NOR INCUR ANY LIABILITY TO ANY ENTITY FOR ANY PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR RELATED TO FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING, ADMINISTERING, CONFIRMING, OR EFFECTING THE PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION OF THE PLAN, THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN, THE DISTRIBUTION OF PROPERTY UNDER THE PLAN, OR ANY OTHER RELATED AGREEMENT OR ANY OTHER PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OF THE DEBTORS; *PROVIDED, THAT* THE FOREGOING “EXCULPATION” SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY ENTITY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT (INCLUDING FRAUD); *PROVIDED FURTHER, THAT* EACH EXCULPATED PARTY SHALL BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER, OR ITS DUTIES PURSUANT TO, OR IN CONNECTION WITH, THE PLAN OR ANY OTHER RELATED DOCUMENT, INSTRUMENT, OR AGREEMENT. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY CLAIMS DESCRIBED IN SECTION 8 OF THE PLAN AGAINST ANY EXCULPATED PARTY.

Section 8.5 of the Plan - Discharge of Claims.

PURSUANT TO BANKRUPTCY CODE SECTION 1141(D), AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE BAR DATE ORDER, IN THE PLAN, OR IN ANY CONTRACT, INSTRUMENT, OR OTHER AGREEMENT OR DOCUMENT CREATED PURSUANT TO THE PLAN, THE DISTRIBUTIONS, RIGHTS, AND TREATMENT THAT ARE PROVIDED IN THE PLAN SHALL BE IN FULL AND FINAL SATISFACTION, SETTLEMENT, RELEASE, AND DISCHARGE, EFFECTIVE AS OF THE EFFECTIVE DATE, OF ALL CLAIMS AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, WHETHER KNOWN OR UNKNOWN, AGAINST, LIABILITIES OF, LIENS ON, OBLIGATIONS OF, AND RIGHTS AGAINST THE DEBTORS OR ANY OF THEIR ASSETS OR PROPERTIES, REGARDLESS OF WHETHER ANY PROPERTY SHALL HAVE BEEN DISTRIBUTED OR RETAINED PURSUANT TO THE PLAN ON ACCOUNT OF SUCH CLAIMS, INCLUDING DEMANDS, LIABILITIES, AND CAUSES OF ACTION THAT AROSE BEFORE THE EFFECTIVE DATE, ANY CONTINGENT OR NON-CONTINGENT LIABILITY ON ACCOUNT OF REPRESENTATIONS OR WARRANTIES ISSUED ON OR BEFORE THE EFFECTIVE DATE, AND ALL DEBTS OF THE KIND SPECIFIED IN BANKRUPTCY CODE SECTIONS 502(G), 502(H), OR 502(I), IN EACH CASE WHETHER OR NOT: (I) A PROOF OF CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS FILED OR DEEMED FILED PURSUANT TO BANKRUPTCY CODE SECTION 501; (II) A CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS ALLOWED PURSUANT TO BANKRUPTCY CODE SECTION 502; OR (III) THE HOLDER OF SUCH A CLAIM HAS ACCEPTED THE PLAN. EXCEPT AS OTHERWISE PROVIDED HEREIN, ANY DEFAULT BY THE DEBTORS WITH RESPECT TO ANY CLAIM THAT EXISTED BEFORE OR ON ACCOUNT OF THE FILING OF THE CHAPTER 11 CASES SHALL BE DEEMED CURED ON THE EFFECTIVE DATE. THE CONFIRMATION ORDER SHALL BE A JUDICIAL DETERMINATION OF THE DISCHARGE OF ALL CLAIMS SUBJECT TO THE EFFECTIVE DATE OCCURRING, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN.

Section 8.6 of the Plan - Injunction.

FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION, OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED AGAINST ANY RELEASED PARTY PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN THE PLAN, ALL RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION, OR OTHER PROCEEDING ON ACCOUNT OF, IN

CONNECTION WITH, OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO THE PLAN.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THE PLAN, ALL PERSONS WHO HAVE HELD, HOLD, OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED, DISCHARGED, OR ARE SUBJECT TO EXCULPATION, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS: (I) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH RIGHTS, CLAIMS OR INTERESTS; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE, RELIEF OR ORDER AGAINST SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (III) CREATING, PERFECTING, OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH PERSONS OR THE PROPERTY OR ESTATE OF SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; AND (IV) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED, OR DISCHARGED PURSUANT TO THE PLAN.

THE RIGHTS AFFORDED IN THE PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THE DEBTORS' ASSETS, PROPERTY, OR ESTATES. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE INTERESTS SHALL BE CANCELLED (EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN).

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR IN THE PLAN OR IN OBLIGATIONS ISSUED PURSUANT TO THE PLAN FROM AND AFTER THE EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER BANKRUPTCY CODE SECTION 502(g).

ALL PERSONS SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE LITIGATION TRUST, ALL OTHER RELEASED PARTIES AND EACH OF THEIR RESPECTIVE SUCCESSORS AND

ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS, AGENTS AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS, OR ANY ACT OR OMISSION, TRANSACTION, OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, HOLDERS OF CLAIMS THAT OPT OUT OF THE RELEASES UNDER SECTION 8.3 OF THE PLAN WILL NOT BE SUBJECT TO THE INJUNCTION WITH RESPECT TO PREPETITION CLAIMS AGAINST NON-DEBTOR ENTITIES.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO RELEASES OR EXCULPATIONS CONTAINED HEREIN SHALL RELEASE LIFESPACE FROM ITS OBLIGATIONS TO THE RESIDENTS TRUST CONTAINED IN THE LIFESPACE SETTLEMENT AND CONTRIBUTION AGREEMENT, WHICH SHALL BE PRESERVED AND ASSIGNED TO THE RESIDENTS TRUST AND THE RESIDENTS TRUST TRUSTEE PURSUANT TO THE TERMS OF THE PLAN.

[Remainder of the page intentionally left blank.]

INSTRUCTIONS FOR COMPLETING THE BALLOT

VOTING DEADLINE AND MASTER BALLOT SUBMISSION

To have the votes reflected on this Master Ballot counted, this Master Ballot must be completed, signed, and returned to the Voting Agent so that it is actually received no later than 4:00 p.m. (prevailing Central Time) on January 20, 2023 (the “Voting Deadline”), unless such time is extended by the Plan Sponsors. Master Ballots must be delivered to the Voting Agent at the appropriate address listed below:

<p>If by standard or overnight mail or hand delivery:</p> <p>Northwest Senior Housing Corporation Solicitation c/o Kurtzman Carson Consultants LLC 222 N. Pacific Coast Highway, Suite 300 El Segundo, CA 90245</p>	<p>If by email:</p> <p>EdgemereBallots@kccllc.com with a reference to “Edgemere Plan Master Ballot” in the subject line</p>
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Master Ballots will not be accepted by telecopy, facsimile, or other electronic means of transmission (other than by e-mail to EdgemereBallots@kccllc.com with a reference to “Edgemere Plan Master Ballot” in the subject line).

The Master Ballot should not be sent to the Plan Sponsors, their financial or legal advisors, or the Bankruptcy Court.

HOW TO VOTE:

If you are both the record owner and the Beneficial Owner of any principal amount of the Class 2 Bond Claims and Class 4 General Unsecured Claims and you wish to vote on account thereof, you may complete, sign, and return to the Voting Agent either an individual Beneficial Owner Ballot or a Master Ballot.

If you are transmitting the votes of any Beneficial Owners of Class 2 Bond Claims other than yourself, you may either:

- a “Pre-validate” the individual Beneficial Owner Ballot contained in the solicitation package and then forward the “Solicitation Package,” including the Disclosure Statement, the Plan, and all other exhibits thereto, a Confirmation Hearing Notice, a copy of the Solicitation Procedures Order, without attachments, other than Exhibit 1, and a Beneficial Owner Ballot to Beneficial Owners holding Class 2 Bond Claims for voting within three (3) business days after your receipt of the solicitation materials, along with clear instructions stating that Beneficial Owners must return their pre-validated Beneficial Owner Ballots directly to the Voting Agent so that they are actually received by the Voting Agent on or before the Voting Deadline. The Beneficial Owner should then return the individual Beneficial Owner Ballot directly to the Voting Agent in the return envelope provided in the solicitation materials.

You “pre-validate” a Beneficial Owner Ballot by indicating thereon the name, address, and DTC participant number of the record holder of the Class 2 Bond Claims, the amount of the Class 2 Bond Claims held by the Beneficial Owner as of the Voting Record Date, the appropriate account numbers through which the Beneficial Owner’s holdings are derived, and the applicable CUSIP number, and executing the Beneficial Owner Ballot. The Beneficial Owner should complete and return the pre-validated Beneficial Owner Ballot directly to the Voting Agent;

OR

- b. Within three (3) business days after the receipt of the solicitation materials, forward the solicitation materials to the Beneficial Owner of the Class 2 Bond Claims for voting along with a return envelope provided by and addressed to you, as the Nominee. The Beneficial Owner should return the individual Beneficial Owner Ballot to you. In such case, you will tabulate the votes of the respective Beneficial Owners on this Master Ballot, in accordance with these instructions, and then return the Master Ballot to the Voting Agent. You should advise the Beneficial Owners to return their individual Beneficial Owner Ballots to you by a date calculated by you to allow you to prepare and return the Master Ballot to the Voting Agent so that the Master Ballot is actually received by the Voting Agent by the Voting Deadline.
- c. In addition, you are authorized to collect votes to accept or to reject the Plan from Beneficial Owners in accordance with their customary practices, including the use of a “voting instruction form” in lieu of (or in addition to) a Beneficial Owner Ballot, and collecting votes from Beneficial Owners through online voting, by phone, facsimile, or other electronic means.

WITH RESPECT TO ALL BENEFICIAL OWNER BALLOTS RETURNED TO YOU, YOU MUST PROPERLY COMPLETE THE MASTER BALLOT, AS FOLLOWS:

- a. Check the appropriate box in Item 1 on the Master Ballot;
- b. Provide the information requested in Item 2 of the Master Ballot, as transmitted to you by the Beneficial Owners of the Class 2 Bond Claims and Class 4 General Unsecured Claims. To identify such Beneficial Owners without disclosing their names, please use the customer account number assigned by you to each such Beneficial Owner, or if no such customer account number exists, please assign a number to each account (making sure to retain a separate list of each Beneficial Owner and the assigned number). **IMPORTANT: EACH BENEFICIAL OWNER MUST VOTE ALL OF ITS CLASS 2 BOND CLAIMS EITHER TO ACCEPT OR REJECT THE PLAN AND MAY NOT SPLIT SUCH VOTE.** Any Beneficial Owner Ballot that is signed, dated, and timely received, but does not indicate acceptance or rejection of the Plan, or indicates both an

acceptance and rejection of the Plan, by order of the Bankruptcy Court, will not be counted;

- c. Please note that Item 3 of the Master Ballot requests that you transcribe the information provided by each Beneficial Owner in Item 3 of each completed Beneficial Owner Ballot relating to other Class 2 Bond Claims voted;
- d. Review the certification in Item 4 of the Master Ballot;
- e. Sign and date the Master Ballot, and provide the remaining information requested;
- f. If additional space is required to respond to any item on the Master Ballot, please use additional sheets of paper clearly marked to indicate the applicable Item of the Master Ballot to which you are responding;
- g. Contact the Voting Agent if you need any additional information; and
- h. Deliver the completed, executed Master Ballot so as to be received by the Voting Agent before the Voting Deadline. For each completed, executed Beneficial Owner Ballot returned to you by a Beneficial Owner, you must retain such Beneficial Owner Ballot in your files for one year from the Voting Deadline and produce the same upon the written request of the Plan Sponsors, the Debtors, the Reorganized Debtors, or their respective counsel. You must also retain a list of the Beneficial Owners to whom pre-validated Ballots were delivered for inspection for at least one year from the Voting Deadline.
- i. The Master Ballot is *not* a letter of transmittal and may not be used for any purpose other than to cast votes to accept or reject the Plan. At this time, Beneficial Owners should not surrender certificates representing their securities. Neither the Plan Sponsors, the Debtors nor the Voting Agent will accept delivery of any such certificates surrendered together with the Master Ballot.
- j. No Beneficial Owner Ballot or Master Ballot shall constitute or be deemed a proof of Claim or an assertion of a Claim.
- k. No fees, commissions, or other remuneration will be payable to any Nominee for soliciting votes on the Plan. Upon written request, however, the Plan Sponsors will reimburse you for reasonable, actual, and necessary out-of-pocket expenses incurred by you in forwarding the Beneficial Owner Ballots and other enclosed materials to the Beneficial Owners of Class 2 Bond Claims held by you as a Nominee or in a fiduciary capacity and in tabulating the Beneficial Owner Ballots.
- l. In the event that (i) the Plan Sponsors revoke or withdraw the Plan or (ii) the Confirmation Order is not entered or consummation of the Plan does not occur, this Master Ballot shall automatically be null and void and deemed withdrawn

without any requirement of affirmative action by or notice to you.

- m. The following Ballots will not be counted in determining the acceptance or rejection of the Plan: (i) any Ballot that is illegible or contains insufficient information to permit the identification of the Beneficial Holder, (ii) any Ballot that does not hold a Claim in a Class entitled to vote on the Plan, (iii) any unsigned Ballot, (iv) any Ballot that does not contain an original signature; and (v) any Ballot transmitted to the Voting Agent by facsimile, or electronic transmission, or other electronic means (other than Master Ballots which are entitled to vote via electronic mail). An otherwise properly completed, executed, and timely returned Ballot failing to indicate either acceptance or rejection of the Plan or indicating both acceptance and rejection of the Plan will not be counted.

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL RENDER YOU OR ANY OTHER PERSON THE AGENT OF THE PLAN SPONSORS OR THE VOTING AGENT, OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENTS ON BEHALF OF THE PLAN SPONSORS, THE DEBTORS, OR THE VOTING AGENT WITH RESPECT TO THE PLAN, EXCEPT FOR THE STATEMENTS CONTAINED IN THE ENCLOSED DOCUMENTS.

[Remainder of the page intentionally left blank.]

PLEASE COMPLETE THE FOLLOWING:

Item 1. Certification of Authority to Vote. The undersigned certifies that as of December 15, 2022 (the “**Voting Record Date**”), the undersigned (please check appropriate box):

- Is a broker, bank, or other agent or nominee for the Beneficial Owners of the aggregate principal amount of the Class 2 Bond Claims listed in Item 2 below, and is the record holder of such securities; or
- Is acting under a power of attorney and/or agency (a copy of which will be provided upon request) granted by a broker, bank, or other agent or nominee, or a Beneficial Owner that is the record holder of the aggregate principal amount of Class 2 Bond Claims listed in Item 2 below; or
- Has been granted a proxy (an original of which is attached hereto) from a broker, bank, or other agent or nominee, or a Beneficial Owner, that is the record holder of the aggregate principal amount of Class 2 Bond Claims listed in Item 2 below;

and accordingly, has full power and authority to vote to accept or reject the Plan on behalf of the Class 2 Bond Claims held by the Beneficial Owners of the Class 2 Bond Claims described in Item 2.

Item 2. Vote. The undersigned transmits the following votes of Beneficial Owners in respect of the Class 2 Bond Claims and certifies that the following Class 2 Bond Claims, as identified by their respective customer account numbers set forth below, are the Beneficial Owners of such securities as of the Voting Record Date, and have delivered to the undersigned, as Nominee, Beneficial Owner Ballots casting such votes. Indicate in the appropriate column the aggregate principal amount voted for each account, or attach such information to this Master Ballot in the form of the following table. Please note each Beneficial Owner must vote all of its Class 2 Bond Claims to accept or to reject the Plan and may not split such vote or vote to both accept and reject the Plan.

ONLY ONE MASTER BALLOT SHOULD BE USED PER CUSIP. PLEASE CHECK THE APPLICABLE BOX BELOW TO INDICATE WHICH CUSIP IS VOTED WITH THIS MASTER BALLOT:

Class 2 Bond Claims			
<input type="checkbox"/>	87638REJ2	<input type="checkbox"/>	87638RET0
<input type="checkbox"/>	87638REK9	<input type="checkbox"/>	87638REU7
<input type="checkbox"/>	87638REL7	<input type="checkbox"/>	87638REV5
<input type="checkbox"/>	87638REM5	<input type="checkbox"/>	87638REW3

<input type="checkbox"/>	87638REN3	<input type="checkbox"/>	87638RHV2
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Your Customer Account Number for Each Beneficial Owner of Class 2 Bond Claims Voted	Principal Amount of Class 2 Bond Claims Held by Beneficial Owner as of Voting Record Date	Item 2		
		Indicate the vote cast on the Beneficial Owner Ballot by checking the appropriate box below.		
		Accept the Plan	or	Reject the Plan
1	\$	<input type="checkbox"/>		<input type="checkbox"/>
2	\$	<input type="checkbox"/>		<input type="checkbox"/>
3	\$	<input type="checkbox"/>		<input type="checkbox"/>
4	\$	<input type="checkbox"/>		<input type="checkbox"/>
5	\$	<input type="checkbox"/>		<input type="checkbox"/>
TOTALS	\$			

To vote on the Plan, the Beneficial Owner must have checked a box in Item 2 to ACCEPT or REJECT the Plan on its individual Beneficial Owner Ballot. If the Beneficial Owner did not check a box in Item 2 on its individual Beneficial Owner Ballot, by order of the Bankruptcy Court its vote will not be counted.

Item 3. Certification as to Transcription of Information from Item 3 as to Class 2 Bond Claims and Class 4 General Unsecured Claims Voted Through Other Beneficial Owner Ballots. The undersigned certifies that the undersigned has transcribed in the following table the information, if any, provided by Beneficial Owners in Item 3 of each Beneficial Owner’s original Beneficial Owner Ballot, identifying any Class 2 Bond Claims and Class 4 General Unsecured Claims for which such Beneficial Owners have submitted other Beneficial Owner Ballots to other than the undersigned (use additional sheets of paper if necessary):

Your Customer Account Number for Each Beneficial Owner of Class 2 Bonds Claims and Class 4 General Unsecured Claims Who Completed Item 3 of the Beneficial Owner Ballots	TRANSCRIBE FROM ITEM 3 OF THE BENEFICIAL OWNER BALLOTS:			
	Name of Record Holder or Other Nominee (if applicable)	Account Number with other Nominee (if applicable)	Principal Amount of Other Class 2 Bond Claims and Class 4 General Unsecured Claims Voted	CUSIP of Other Class 2 Bond Claims Voted
1.				
2.				
3.				

Item 4. Certification. By signing this Master Ballot, the undersigned certifies that:

- a. each Beneficial Owner of Class 2 Bond Claims and Class 4 General Unsecured Claims listed in Item 2 above has been provided with a Solicitation Package with a Beneficial Owner Ballot (or other customary communication used to solicit or collect votes in lieu of a Beneficial Owner Ballot) to Beneficial Owner holding Class 2 Bond Claims through the undersigned with a return envelope;
- b. the undersigned is the record holder of the securities being voted or agent thereof;
- c. the undersigned has been authorized by each such Beneficial Owner to vote on the Plan and to make applicable elections;
- d. the undersigned has properly disclosed: (i) the number of Beneficial Owners voting Class 2 Bond Claims and Class 4 General Unsecured Claims through the undersigned; (ii) the respective amounts of Class 2 Bond Claims and Class 4 General Unsecured Claims owned by each such Beneficial Owner; (iii) each such Beneficial Owner’s respective vote concerning the Plan; and (iv) the customer account or other identification number for each such Beneficial Owners;
- e. the undersigned will maintain Beneficial Owner Ballots and evidence of separate transactions returned by Beneficial Owners (whether properly completed or defective) for at least one (1) year after the Voting Deadline, and disclose all such information to the Bankruptcy Court, the Plan Sponsors or the Debtors, as the case may be, if so ordered; and
- f. The undersigned further acknowledges that the Plan Sponsors’ solicitation of votes is subject to all terms and conditions set forth in the Disclosure Statement, the Solicitation Procedures Order, and the procedures for the solicitation of votes to accept or reject the Plan contained therein.

Print or Type Name of Nominee: _____

DTC Participant Number: _____

Name of Proxy Holder or Agent (if applicable): _____

Signature: _____

Name of Signatory (if different than Nominee): _____

Title: _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number: _____

E-mail Address: _____

Date Completed: _____

Trinitee G. Green (SBN 24081320)
Polsinelli PC
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Dallas, Texas 75201
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Facsimile: (214) 397-0033
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*Counsel to Debtors and
Debtors in Possession*

*Counsel to UMB Bank, N.A. as Trustee and
DIP Lender*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

**BALLOT AND RELEASE OPT OUT FORM
FOR ACCEPTING OR REJECTING CHAPTER 11 PLAN**

Former Resident Claims (Class 5) and Current Resident Claims (Class 6)

¹ The Debtors in the Chapter 11 Cases (the “**Chapter 11 Cases**”), along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

**PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS
CAREFULLY BEFORE COMPLETING THIS BALLOT**

VOTING DEADLINE

THE VOTING DEADLINE IS JANUARY 20, 2023 AT 4:00 P.M. (PREVAILING CENTRAL TIME). IF THE VOTING AGENT DOES NOT TIMELY RECEIVE YOUR BALLOT, IT WILL NOT BE COUNTED. DO NOT FAX OR EMAIL THIS BALLOT; BALLOTS SENT BY FAX OR EMAIL WILL NOT BE COUNTED.

UMB Bank, N.A., in its capacity as (i) successor bond trustee and master trustee for the Original Bonds (collectively, the “**Trustee**”) and (ii) lender under the DIP Credit Agreement (the “**DIP Lender**”), and Debtor Northwest Senior Housing Corporation d/b/a/ Edgemere (“**Edgemere**” and collectively with the Trustee and DIP Lender, the “**Plan Sponsors**”) are soliciting votes on the *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Plan**”).² This ballot (the “**Resident Claims Ballot**”) is for holders of Class 5 Former Resident Claims and Class 6 Current Resident Claims. The accompanying *Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 934] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Disclosure Statement**”) describes the Plan and contains information to assist you in deciding how to vote. The Disclosure Statement also contains a copy of the Plan as Exhibit 1. The Bankruptcy Court approved the solicitation of votes on the Plan pursuant to the *Order (I) Establishing Voting Record Date and Other Deadlines; (II) Approving Solicitation and Notice Procedures with Respect to the Plan; (III) Approving Manner and Form of Ballots, Notices and Related Documents; and (IV) Granting Related Relief* [Docket No. •] (the “**Solicitation Procedures Order**”). The Plan Sponsors are soliciting votes in accordance with the Solicitation Procedures attached to the Solicitation Procedures Order as Exhibit 1.

Please review the Disclosure Statement, the Plan, the Solicitation Procedures Order, the Solicitation Procedures, and this Ballot carefully before you vote. You may wish to seek legal advice concerning the Plan and your Claim’s classification and treatment in it.

Questions. If you have any questions regarding this ballot or the voting procedures, or if you do not have a copy of the Disclosure Statement or the Plan, please contact Kurtzman Carson Consultants LLC (“**KCC**” or the “**Voting Agent**”) (a) by calling (866) 967-0269 (toll-free) or +1 (310) 751-2669 (international); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; or (c) emailing EdgemereInfo@kccllc.com with a reference to “Edgemere” in the subject line. The materials may also be obtained free-of-charge from <https://www.kccllc.net/edgemere>.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

This Resident Claims Ballot is to be used for voting of Claims held by holders of Class 5 Former Resident Claims and Class 6 Current Resident Claims.

If your Ballot is not received by the Voting Agent on or before January 20, 2023 at 4:00 p.m. (prevailing Central Time) (the “Voting Deadline”), your vote will *not* count as either an acceptance or rejection of the Plan.

PLEASE SUBMIT YOUR BALLOT BY ONE OF THE FOLLOWING TWO METHODS:

1. Paper Ballot; or
2. E-Ballot Portal.

To Submit Your Vote Via Paper Ballot. Complete, sign, and date this Ballot and return it (with an original signature) promptly via first class mail (or in the enclosed reply envelope provided), overnight courier, or hand delivery to:

Northwest Senior Housing Corporation Solicitation,
c/o Kurtzman Carson Consultants LLC,
222 N. Pacific Coast Highway, Suite 300,
El Segundo, CA 90245

To Submit Your Vote Via E-Ballot Portal. You may return your Ballot by electronic, online transmission *solely* by clicking on the “Submit E-Ballot” section on the Debtors’ bankruptcy case website, located at <http://www.kccllc.net/edgemere> (the “**E-Ballot Portal**”), and following the directions set forth on the website regarding submitting your E-Ballot as described more fully below.

- a. Visit the Debtors’ E-Ballot Portal.
- b. Use the following information to retrieve and submit your customized electronic ballot: Unique E-Ballot ID#: _____; PIN# _____
- c. Follow the directions provided on the case website for submitting your Ballot electronically.
- d. If you submit your Ballot through the E-Ballot Portal, do not return a hard copy of your Ballot.

Please choose only *one* method of returning your Ballot. If multiple Ballots are received from the same holder, with respect to the same Claim, prior to the Voting Deadline, the latest, timely received, and properly completed Ballot will supersede and revoke any earlier received Ballots. If you wish to change your vote on the Plan prior to the Voting Deadline, please contact the Voting Agent. If you elect to submit an E-Ballot, the E-Ballot Portal is the sole manner in which such E-Ballot will be accepted. Ballots submitted by facsimile, email, or any other means of electronic transmission will *not* be counted.

The Resident Claims Ballot should not be sent to the Plan Sponsors, their financial or legal advisors, or the Bankruptcy Court.

This Resident Claims Ballot is solely for purposes of voting to accept or reject the Plan and not for the purpose of allowance or disallowance of or distribution on account of Class 5 Resident Claims.

**IMPORTANT NOTICE REGARDING TREATMENT
FOR CLASS 5 AND CLASS 6**

As described in more detail in the Disclosure Statement, if the Plan is confirmed and the Effective Date occurs:

Class 5 Former Resident Claims will be treated as follows:

The Residency Agreements of Former Residents shall be rejected, and the holders of Allowed Class 5 Claims who OPT OUT of the Lifespace Settlement and the releases under Section 8 of the Plan shall receive a Class 4 General Unsecured Claim. Former Residents who do not OPT OUT of the Lifespace Settlement and the releases under Section 8 of the Plan (i.e. Participating Former Residents) shall receive Cash from the Residents Trust within sixty (60) days of the Effective Date, or as soon as practicable thereafter, in an amount equal to their Refund Claim.

Class 6 Current Resident Claims will be treated as follows:

The Residency Agreements of Current Residents shall be rejected, and the holders of Allowed Class 6 Claims who OPT OUT of the Lifespace Settlement and the releases under Section 8 of the Plan shall receive a Class 4 General Unsecured Claim. Current Residents who do not OPT OUT of the Lifespace Settlement and the releases under Section 8 of the Plan (i.e. Participating Current Residents) shall receive payment of their Refund Claim from the Residents Trust within sixty (60) days of the Refund Trigger Date.

As described in more detail in the Disclosure Statement, if you choose to opt-out of the Lifespace Release, your claim will be treated as a Class 4 General Unsecured Claim, and, if the Plan is confirmed and the Effective Date occurs,

Class 4 General Unsecured Claims will be treated as follows:

Upon the terms and subject to the conditions set forth in the Plan, on the Effective Date, in full and final satisfaction and discharge of and in exchange for each Allowed General Unsecured Claim, Allowed General Unsecured Claims shall be payable from a Pro Rata share of the Litigation Trust Proceeds.

PLEASE READ THE DISCLOSURE STATEMENT AND PLAN FOR MORE DETAILS.

**NOTICE REGARDING CERTAIN RELEASE, EXCULPATION, AND
INJUNCTION PROVISIONS IN PLAN**

EACH PERSON THAT DOES NOT (I) OBJECT SPECIFICALLY TO THE THIRD PARTY RELEASE OR (II) AFFIRMATIVELY OPT OUT OF THE THIRD PARTY RELEASE ON A TIMELY SUBMITTED BALLOT OR OPT OUT FORM SHALL, AND SHALL BE DEEMED, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, TO HAVE SPECIFICALLY CONSENTED TO THE RELEASES SET FORTH IN SECTION 8 OF THE PLAN, AND REPRODUCED BELOW:

Section 1.135 of the Plan Defines “Releasing Party”

“*Releasing Party*” means (i) each holder of a Claim who has not chosen, by marking the appropriate box on the Ballot and/or Opt Out Form, as appropriate, to opt out of the “Releases by Holders of Claims” provided for in Section 8.3 of this Plan, (ii) the DIP Lender, the Trustee and the Holders of Bond Claims solely to the extent set forth in Section 8.3 of the Plan, (iii) Lifespace, and (vi) the Committee.

Section 8.2 of the Plan – Releases by the Debtors.

PURSUANT TO BANKRUPTCY CODE SECTION 1123(B), AS OF THE EFFECTIVE DATE, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, INCLUDING THE INVESTMENT AND SERVICE OF THE RELEASED PARTIES TO FACILITATE THE EXPEDITIOUS REORGANIZATION OF THE DEBTORS AND THE IMPLEMENTATION OF THE RESTRUCTURING CONTEMPLATED BY THE PLAN, THE RELEASED PARTIES ARE DEEMED RELEASED AND DISCHARGED BY THE DEBTORS, THE REORGANIZED DEBTOR, AND THE ESTATES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, SETOFFS, RECOUPMENTS, REMEDIES, ENFORCEMENT RIGHTS AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, OR THE RELEASED PARTIES WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR INTEREST, OR OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THIS

DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, THE “DEBTOR RELEASED CLAIMS”), OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASE SET FORTH ABOVE DOES NOT RELEASE ANY PARTY WITH POST-EFFECTIVE DATE OBLIGATIONS UNDER THE PLAN OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN FROM THOSE POST-EFFECTIVE DATE OBLIGATIONS. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY DEBTOR RELEASED CLAIM(S) FOR THE BENEFIT OF ANY PARTY AS SUCH CLAIMS ARE RELEASED PURSUANT TO THE PLAN AND, AS SUCH, DO NOT AND WILL NOT CONSTITUTE LITIGATION TRUST OR RESIDENTS TRUST ASSETS.

Section 8.3 of the Plan – Releases by Holders of Claims.

AS OF THE EFFECTIVE DATE AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, EACH RELEASING PARTY SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, LIFESPAC, THE INITIAL PLAN SPONSORS, AND ALL OTHER RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, ENFORCEMENT RIGHTS, SETOFFS, RECOUPMENTS, REMEDIES, AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT SUCH PERSON WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF ANY OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THE DISCLOSURE STATEMENT, ANY PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, “CREDITOR RELEASED CLAIMS”)

OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE CREDITOR RELEASED CLAIMS.

NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY IN THE PLAN, THE DIP LENDER, THE TRUSTEE AND HOLDERS OF THE ORIGINAL BONDS SHALL ALL BE RELEASING PARTIES SOLELY WITH RESPECT TO ANY AND ALL CLAIMS RELATING TO THE DEBTORS (OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE), BUT NOT WITH RESPECT TO ANY OTHER CLAIMS SUCH HOLDERS MAY HAVE UNRELATED TO THE DEBTORS, INCLUDING BUT NOT LIMITED TO ANY OBLIGATIONS OWED TO BONDHOLDERS IN CONNECTION WITH BONDS ISSUED BY LIFESPACE.

Section 8.4 of the Plan - Exculpation.

UPON THE EFFECTIVE DATE, THE PLAN SPONSORS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS AND AGENTS WILL BE DEEMED TO HAVE SOLICITED ACCEPTANCES OF THE PLAN IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING BANKRUPTCY CODE SECTION 1125(E).

EXCEPT WITH RESPECT TO ANY ACTS OR OMISSIONS EXPRESSLY SET FORTH IN AND PRESERVED BY THE PLAN, THE PLAN SUPPLEMENT, OR ANY RELATED DOCUMENTS, THE EXCULPATED PARTIES SHALL NEITHER HAVE, NOR INCUR ANY LIABILITY TO ANY ENTITY FOR ANY PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR RELATED TO FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING, ADMINISTERING, CONFIRMING, OR EFFECTING THE PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION OF THE PLAN, THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN, THE DISTRIBUTION OF PROPERTY UNDER THE PLAN, OR ANY OTHER RELATED AGREEMENT OR ANY OTHER PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OF THE DEBTORS; *PROVIDED, THAT THE FOREGOING "EXCULPATION" SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY ENTITY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT (INCLUDING FRAUD); PROVIDED FURTHER, THAT EACH EXCULPATED PARTY SHALL BE*

ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER, OR ITS DUTIES PURSUANT TO, OR IN CONNECTION WITH, THE PLAN OR ANY OTHER RELATED DOCUMENT, INSTRUMENT, OR AGREEMENT. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY CLAIMS DESCRIBED IN SECTION 8 OF THE PLAN AGAINST ANY EXCULPATED PARTY.

Section 8.5 of the Plan - Discharge of Claims.

PURSUANT TO BANKRUPTCY CODE SECTION 1141(D), AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE BAR DATE ORDER, IN THE PLAN, OR IN ANY CONTRACT, INSTRUMENT, OR OTHER AGREEMENT OR DOCUMENT CREATED PURSUANT TO THE PLAN, THE DISTRIBUTIONS, RIGHTS, AND TREATMENT THAT ARE PROVIDED IN THE PLAN SHALL BE IN FULL AND FINAL SATISFACTION, SETTLEMENT, RELEASE, AND DISCHARGE, EFFECTIVE AS OF THE EFFECTIVE DATE, OF ALL CLAIMS AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, WHETHER KNOWN OR UNKNOWN, AGAINST, LIABILITIES OF, LIENS ON, OBLIGATIONS OF, AND RIGHTS AGAINST THE DEBTORS OR ANY OF THEIR ASSETS OR PROPERTIES, REGARDLESS OF WHETHER ANY PROPERTY SHALL HAVE BEEN DISTRIBUTED OR RETAINED PURSUANT TO THE PLAN ON ACCOUNT OF SUCH CLAIMS, INCLUDING DEMANDS, LIABILITIES, AND CAUSES OF ACTION THAT AROSE BEFORE THE EFFECTIVE DATE, ANY CONTINGENT OR NON-CONTINGENT LIABILITY ON ACCOUNT OF REPRESENTATIONS OR WARRANTIES ISSUED ON OR BEFORE THE EFFECTIVE DATE, AND ALL DEBTS OF THE KIND SPECIFIED IN BANKRUPTCY CODE SECTIONS 502(G), 502(H), OR 502(I), IN EACH CASE WHETHER OR NOT: (I) A PROOF OF CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS FILED OR DEEMED FILED PURSUANT TO BANKRUPTCY CODE SECTION 501; (II) A CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS ALLOWED PURSUANT TO BANKRUPTCY CODE SECTION 502; OR (III) THE HOLDER OF SUCH A CLAIM HAS ACCEPTED THE PLAN. EXCEPT AS OTHERWISE PROVIDED HEREIN, ANY DEFAULT BY THE DEBTORS WITH RESPECT TO ANY CLAIM THAT EXISTED BEFORE OR ON ACCOUNT OF THE FILING OF THE CHAPTER 11 CASES SHALL BE DEEMED CURED ON THE EFFECTIVE DATE. THE CONFIRMATION ORDER SHALL BE A JUDICIAL DETERMINATION OF THE DISCHARGE OF ALL CLAIMS SUBJECT TO THE EFFECTIVE DATE OCCURRING, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN.

Section 8.6 of the Plan - Injunction.

FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION, OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED

OR TO BE RELEASED AGAINST ANY RELEASED PARTY PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN THE PLAN, ALL RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION, OR OTHER PROCEEDING ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO THE PLAN.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THE PLAN, ALL PERSONS WHO HAVE HELD, HOLD, OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED, DISCHARGED, OR ARE SUBJECT TO EXCULPATION, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS: (I) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH RIGHTS, CLAIMS OR INTERESTS; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE, RELIEF OR ORDER AGAINST SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (III) CREATING, PERFECTING, OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH PERSONS OR THE PROPERTY OR ESTATE OF SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; AND (IV) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED, OR DISCHARGED PURSUANT TO THE PLAN.

THE RIGHTS AFFORDED IN THE PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THE DEBTORS' ASSETS, PROPERTY, OR ESTATES. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE INTERESTS SHALL BE CANCELLED (EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN).

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR IN THE PLAN OR IN OBLIGATIONS ISSUED PURSUANT TO THE PLAN FROM AND AFTER THE

EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER BANKRUPTCY CODE SECTION 502(g).

ALL PERSONS SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE LITIGATION TRUST, ALL OTHER RELEASED PARTIES AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS, AGENTS AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS, OR ANY ACT OR OMISSION, TRANSACTION, OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, HOLDERS OF CLAIMS THAT OPT OUT OF THE RELEASES UNDER SECTION 8.3 OF THE PLAN WILL NOT BE SUBJECT TO THE INJUNCTION WITH RESPECT TO PREPETITION CLAIMS AGAINST NON-DEBTOR ENTITIES.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO RELEASES OR EXCULPATIONS CONTAINED HEREIN SHALL RELEASE LIFESPACE FROM ITS OBLIGATIONS TO THE RESIDENTS TRUST CONTAINED IN THE LIFESPACE SETTLEMENT AND CONTRIBUTION AGREEMENT, WHICH SHALL BE PRESERVED AND ASSIGNED TO THE RESIDENTS TRUST AND THE RESIDENTS TRUST TRUSTEE PURSUANT TO THE TERMS OF THE PLAN.

[Remainder of the page intentionally left blank.]

HOW TO VOTE

1. Complete Item 1, Item 2, Item 3, and Item 4.
2. Review the certifications contained in Item 4.
3. **Sign and date the Ballot.**
4. Return the original Ballot in the enclosed pre-addressed envelope so it is received by the Voting Deadline.

Item 1. Amount of Class 5 or Class 6 Resident Claim Voted. The creditor who executes this Ballot or on whose behalf this Ballot is executed holds a Claim in the following class (check only one box) in the following aggregate amount: ³

Class 5 Former Resident Claim

Class 6 Current Resident Claim

\$

Item 2. Vote on Plan (check only one box).

ACCEPT (vote FOR) the Plan.

REJECT (vote AGAINST) the Plan.

Any Ballot that is executed by the holder of a Claim but is not marked to accept or reject the Plan or is marked both to accept and reject the Plan will not be counted.

Item 3. Optional Opt Out Release Election. Check the box below if you elect to opt out of the Lifespace Settlement and elect not to grant the releases contained in Section 8.3 of the Plan. If you opt out, your claim will be treated as a Class 4 Claim. Election to withhold consent is at your option. If you abstain from submitting a Ballot and you do not check the box below, you will be deemed to consent to the releases contained in Section 8.3 of the Plan to the fullest extent permitted by applicable law. The undersigned elects to:

OPT OUT of the Lifespace Settlement and the releases contained in Section 8.3 of the Plan.

Item 4. By signing this Ballot, the undersigned certifies to the Bankruptcy Court and the Debtors:

- a that either: (i) the undersigned is the holder of the Claims being voted, or (ii) the undersigned is an authorized signatory for a holder of the Claims being voted;

³ For voting purposes only, subject to tabulation rules.

- b. that the undersigned has received a copy of the Disclosure Statement and the Plan; and
- c. that no other Ballots with respect to the amount of the Claim identified in Item 1 have been cast or with respect to the Plan, if any other Ballots have been cast with respect to such Claim, then any such earlier received Ballots are hereby revoked.

Name of Creditor: _____

Signature: _____

Name of Signatory (If other than Creditor): _____

Title (if corporation, partnership, or LLC): _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number: _____

Date Completed: _____

PLEASE COMPLETE, SIGN, AND DATE THE BALLOT AND RETURN IT PROMPTLY IN THE RETURN ENVELOPE PROVIDED OR AS FOLLOWS SO THAT IT IS RECEIVED NO LATER THAN JANUARY 20, 2023 AT 4:00 P.M. (PREVAILING CENTRAL TIME), THE VOTING DEADLINE

<p>If by First Class Mail, Hand Delivery, or Overnight Mail:</p> <p>Northwest Senior Housing Corporation Solicitation c/o Kurtzman Carson Consultants LLC 222 N. Pacific Coast Highway, Suite 300 El Segundo, CA 90245</p>
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If by E-Ballot Portal:

Please follow the instructions on the Debtors' bankruptcy case website at <http://www.kccllc.net/edgemere>. The E-Ballot Portal is the sole manner in which Ballots will be accepted via electronic, online transmission. Ballots will not be accepted by facsimile, email, or electronic means other than the E-Ballot Portal.

IMPORTANT NOTE: You will need the following information to retrieve and submit your customized electronic ballot:

Unique E-Ballot ID#: _____

PIN#: _____

Exhibit 4-B

(Nonvoting Status Notice – Unimpaired Claims)

Trinitee G. Green (SBN 24081320)
Polsinelli PC
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
Telephone: (214) 397-0030
Facsimile: (214) 397-0033
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J. Frasher Murphy (SBN 24013214)
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Jeremy R. Johnson (Admitted *Pro Hac Vice*)
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Daniel S. Bleck (Admitted *Pro Hac Vice*)
Eric Blythe (Admitted *Pro Hac Vice*)
Kaitlin R. Walsh (Admitted *Pro Hac Vice*)
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Boston, MA 02111
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Counsel to Debtors and Debtors in Possession

Counsel to UMB Bank, N.A. as Trustee and DIP Lender

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

NOTICE TO HOLDERS OR POTENTIAL HOLDERS OF UNIMPAIRED CLAIMS NOT ENTITLED TO VOTE ON THE PLAN OF (I) NON-VOTING STATUS; (II) CONFIRMATION HEARING; (III) CONFIRMATION OBJECTION DEADLINE; AND (IV) OPPORTUNITY TO OPT OUT OF THIRD-PARTY RELEASES

¹ The Debtors in the Chapter 11 Cases (the “**Chapter 11 Cases**”), along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

On December 19, 2022, the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the “**Bankruptcy Court**”) entered its order² (the “**Disclosure Statement Order**”) that approved the *Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 934] (as modified, amended, and supplemented, the “**Disclosure Statement**”) ³ filed by UMB Bank, N.A., in its capacity as (i) successor bond trustee and master trustee for the Original Bonds (collectively, the “**Trustee**”) and (ii) lender under the DIP Credit Agreement (the “**DIP Lender**”), Northwest Senior Housing Corporation d/b/a/ Edgemere (“**Edgemere**” and collectively with the Trustee and DIP Lender, the “**Plan Sponsors**”). In the Disclosure Statement Order, the Court found that the Disclosure Statement contains adequate information within the meaning of section 1125 of the Bankruptcy Code. You are being provided this notice with respect to the *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Plan**”).⁴

Under the Plan, your Claim has been classified in one of the following Unimpaired Classes:

Class	Impairment	Entitled to Vote
Class 1 – Other Priority Claims	Unimpaired	No (Deemed to accept)
Class 3 – Other Secured Claims	Unimpaired	No (Deemed to accept)

You hold an Unimpaired Claim that will be paid in full to the extent such Claim is Allowed. **Holders of Unimpaired Claims, such as you, are not entitled to vote on the Plan.** Pursuant to the *Order (I) Establishing Voting Record Date and Other Deadlines; (II) Approving Solicitation and Notice Procedures with Respect to the Plan; (III) Approving Manner and Forms of Ballots, Notices and Related Documents; and (IV) Granting Related Relief* (the “**Solicitation Procedures Order**”),⁵ the Disclosure Statement, the Plan, and other materials included in the Solicitation Package will not be served upon you. The materials may be obtained free-of-charge from <https://www.kccllc.net/Edgemere> or by written request to Kurtzman Carson Consultants LLC (the “**Voting Agent**”) requesting that a paper copy of the Disclosure Statement, the Plan, and other materials included in the Solicitation Package be sent to the address specified in the request at the following address:

Northwest Senior Housing Corporation Solicitation
c/o Kurtzman Carson Consultants LLC
222 N. Pacific Coast Highway, Suite 300
El Segundo, CA 90245

² Docket No. 936.

³ Docket No. 934.

⁴ All capitalized terms not herein defined shall have the meaning ascribed to them in the Plan.

⁵ Docket No. [__].

The Court has scheduled **January 26, 2023, at 9:30 a.m.** (prevailing Central Time), which is at least 21 days from the date of service hereof, as the date and time for the hearing on confirmation of the Plan and the sale of substantially all of the Debtors' assets as contemplated therein (the "**Confirmation Hearing**") and to consider any objections to the Plan. The Confirmation Hearing will be held at the United States Bankruptcy Court, before the Honorable Judge Michelle V. Larson, United States Bankruptcy Judge, at United States Courthouse, Earle Cabell Federal Building, 1100 Commerce St., 14th Floor, Courtroom No. 2, Dallas, TX 75242. You may participate in the Confirmation Hearing in-person or via WebEx (by video or telephone via the Court's WebEx platform). For WebEx Video Participation/Attendance: **<https://uscourts.webex.com/meet/larson>**. For WebEx Telephonic Only Participation/Attendance: Dial-In: **1.650.479.3207**, Access code: **160 135 6015**.⁶

The Confirmation Hearing may be adjourned from time to time without further notice other than an announcement of the adjourned date(s) at the hearing, and thereafter, at any adjourned hearing(s). Additionally, the Plan may be modified without further notice before or as a result of the Confirmation Hearing, and thereafter, as otherwise provided in the Bankruptcy Code.

Objections, if any, to the confirmation of the Plan and the sale of substantially all of the Debtors' assets as contemplated therein must be filed with the Bankruptcy Court so as to be received on or before **January 20, 2023, at 4:00 p.m.** (prevailing Central Time) (the "**Objection Deadline**") and served so as to be actually received by the following parties no later than the Objection Deadline: (i) counsel for the Debtors, Polsinelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201, Attn: Trinitee G. Green, tggreen@polsinelli.com, and Polsinelli PC, 600 3rd Avenue, 42nd Floor, New York, NY 10015, Attn: Jeremy R. Johnson, jeremy.johnson@polsinelli.com; (ii) counsel for UMB Bank, N.A., Mintz, Levin, Cohn, Ferris, Glovsky, and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, Attn: Daniel Bleck, dsbleck@mintz.com, Eric Blythe, erblythe@mintz.com, and Kaitlin Walsh, krwalsh@mintz.com; (iii) counsel for the Committee, Foley & Lardner, 2021 McKinney Avenue, Ste. 1600, Dallas, Texas 75201, Attn. Stephen A. McCartin, smccartin@foley.com, Thomas C. Scannell, tscannell@foley.com, and Mark C. Moore, mmoore@foley.com; (iv) the Office of the United States Trustee, 1100 Commerce St, Room 976, Dallas, Texas 75242-1699, Attn: Lisa Lambert, lisa.l.lambert@usdoj.gov; (v) counsel for Lifespace Communities, Inc., Perkins Coie LLP, 110 North Wacker Drive, 34th Floor, Chicago, Illinois 60606, Attn: Eric. E. Walker, EWalker@perkinscoie.com; and (vi) such other parties as the Bankruptcy Court may order.

Any objection to the Plan must be in writing, filed by the Objection Deadline, and (a) must state the name and address of the objecting party and the amount of its Claim or the nature of its interest, and (b) must state with particularity the nature of its objection. **Any objection not timely filed shall be deemed waived and shall not be considered by the Bankruptcy Court.**

Holders of Claims are deemed to grant the third-party releases set forth in Section 8 of the Plan, which are included herein for ease of reference. If the Plan is confirmed these provisions will become effective against such holders of Claims. If you do not agree to such provisions and do

⁶ Judge Larson's WebEx hearing instructions can be found at: https://www.txnb.uscourts.gov/sites/txnb/files/hearings/WebEx%20Hearing%20Instructions%20for%20Judge%20Larson_4.pdf.

not wish to be a Releasing Party as defined by the Plan, you MUST affirmatively elect to opt out by filling out and submitting an opt out election form (the “**Opt Out Form**” on or before **January 20, 2023 at 4:00 p.m. (prevailing Central Time)** (the “**Opt Out Deadline**”).

**NOTICE REGARDING CERTAIN RELEASE, EXCULPATION, AND
INJUNCTION PROVISIONS IN PLAN**

EACH PERSON THAT DOES NOT (I) OBJECT SPECIFICALLY TO THE THIRD PARTY RELEASE OR (II) AFFIRMATIVELY OPT OUT OF THE THIRD PARTY RELEASE ON A TIMELY SUBMITTED BALLOT OR OPT OUT FORM SHALL, AND SHALL BE DEEMED, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, TO HAVE SPECIFICALLY CONSENTED TO THE RELEASES SET FORTH IN SECTION 8 OF THE PLAN, AND REPRODUCED BELOW:

Section 1.135 of the Plan Defines “Releasing Party”

“*Releasing Party*” means (i) each holder of a Claim who has not chosen, by marking the appropriate box on the Ballot and/or Opt Out Form, as appropriate, to opt out of the “Releases by Holders of Claims” provided for in Section 8.3 of this Plan, (ii) the DIP Lender, the Trustee and the Holders of Bond Claims solely to the extent set forth in Section 8.3 of the Plan, (iii) Lifespace, and (vi) the Committee.

Section 8.2 of the Plan – Releases by the Debtors.

PURSUANT TO BANKRUPTCY CODE SECTION 1123(B), AS OF THE EFFECTIVE DATE, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, INCLUDING THE INVESTMENT AND SERVICE OF THE RELEASED PARTIES TO FACILITATE THE EXPEDITIOUS REORGANIZATION OF THE DEBTORS AND THE IMPLEMENTATION OF THE RESTRUCTURING CONTEMPLATED BY THE PLAN, THE RELEASED PARTIES ARE DEEMED RELEASED AND DISCHARGED BY THE DEBTORS, THE REORGANIZED DEBTOR, AND THE ESTATES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, SETOFFS, RECOUPMENTS, REMEDIES, ENFORCEMENT RIGHTS AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, OR THE RELEASED PARTIES WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR INTEREST, OR OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR

OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THIS DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, THE “DEBTOR RELEASED CLAIMS”), OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASE SET FORTH ABOVE DOES NOT RELEASE ANY PARTY WITH POST-EFFECTIVE DATE OBLIGATIONS UNDER THE PLAN OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN FROM THOSE POST-EFFECTIVE DATE OBLIGATIONS. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY DEBTOR RELEASED CLAIM(S) FOR THE BENEFIT OF ANY PARTY AS SUCH CLAIMS ARE RELEASED PURSUANT TO THE PLAN AND, AS SUCH, DO NOT AND WILL NOT CONSTITUTE LITIGATION TRUST OR RESIDENTS TRUST ASSETS.

Section 8.3 of the Plan – Releases by Holders of Claims.

AS OF THE EFFECTIVE DATE AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, EACH RELEASING PARTY SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, LIFESPACE, THE INITIAL PLAN SPONSORS, AND ALL OTHER RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, ENFORCEMENT RIGHTS, SETOFFS, RECOUPMENTS, REMEDIES, AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT SUCH PERSON WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF ANY OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS,

FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THE DISCLOSURE STATEMENT, ANY PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, "CREDITOR RELEASED CLAIMS") OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE CREDITOR RELEASED CLAIMS.

NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY IN THE PLAN, THE DIP LENDER, THE TRUSTEE AND HOLDERS OF THE ORIGINAL BONDS SHALL ALL BE RELEASING PARTIES SOLELY WITH RESPECT TO ANY AND ALL CLAIMS RELATING TO THE DEBTORS (OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE), BUT NOT WITH RESPECT TO ANY OTHER CLAIMS SUCH HOLDERS MAY HAVE UNRELATED TO THE DEBTORS, INCLUDING BUT NOT LIMITED TO ANY OBLIGATIONS OWED TO BONDHOLDERS IN CONNECTION WITH BONDS ISSUED BY LIFESPACE.

Section 8.4 of the Plan - Exculpation.

UPON THE EFFECTIVE DATE, THE PLAN SPONSORS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS AND AGENTS WILL BE DEEMED TO HAVE SOLICITED ACCEPTANCES OF THE PLAN IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING BANKRUPTCY CODE SECTION 1125(E).

EXCEPT WITH RESPECT TO ANY ACTS OR OMISSIONS EXPRESSLY SET FORTH IN AND PRESERVED BY THE PLAN, THE PLAN SUPPLEMENT, OR ANY RELATED DOCUMENTS, THE EXCULPATED PARTIES SHALL NEITHER HAVE, NOR INCUR ANY LIABILITY TO ANY ENTITY FOR ANY PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR RELATED TO FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING, ADMINISTERING, CONFIRMING, OR EFFECTING THE PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION OF THE PLAN, THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN, THE DISTRIBUTION OF PROPERTY UNDER THE PLAN, OR ANY OTHER RELATED AGREEMENT OR ANY OTHER PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OF THE

DEBTORS; PROVIDED, THAT THE FOREGOING “EXCULPATION” SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY ENTITY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT (INCLUDING FRAUD); PROVIDED FURTHER, THAT EACH EXCULPATED PARTY SHALL BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER, OR ITS DUTIES PURSUANT TO, OR IN CONNECTION WITH, THE PLAN OR ANY OTHER RELATED DOCUMENT, INSTRUMENT, OR AGREEMENT. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY CLAIMS DESCRIBED IN SECTION 8 OF THE PLAN AGAINST ANY EXCULPATED PARTY.

Section 8.5 of the Plan - Discharge of Claims.

PURSUANT TO BANKRUPTCY CODE SECTION 1141(D), AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE BAR DATE ORDER, IN THE PLAN, OR IN ANY CONTRACT, INSTRUMENT, OR OTHER AGREEMENT OR DOCUMENT CREATED PURSUANT TO THE PLAN, THE DISTRIBUTIONS, RIGHTS, AND TREATMENT THAT ARE PROVIDED IN THE PLAN SHALL BE IN FULL AND FINAL SATISFACTION, SETTLEMENT, RELEASE, AND DISCHARGE, EFFECTIVE AS OF THE EFFECTIVE DATE, OF ALL CLAIMS AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, WHETHER KNOWN OR UNKNOWN, AGAINST, LIABILITIES OF, LIENS ON, OBLIGATIONS OF, AND RIGHTS AGAINST THE DEBTORS OR ANY OF THEIR ASSETS OR PROPERTIES, REGARDLESS OF WHETHER ANY PROPERTY SHALL HAVE BEEN DISTRIBUTED OR RETAINED PURSUANT TO THE PLAN ON ACCOUNT OF SUCH CLAIMS, INCLUDING DEMANDS, LIABILITIES, AND CAUSES OF ACTION THAT AROSE BEFORE THE EFFECTIVE DATE, ANY CONTINGENT OR NON-CONTINGENT LIABILITY ON ACCOUNT OF REPRESENTATIONS OR WARRANTIES ISSUED ON OR BEFORE THE EFFECTIVE DATE, AND ALL DEBTS OF THE KIND SPECIFIED IN BANKRUPTCY CODE SECTIONS 502(G), 502(H), OR 502(I), IN EACH CASE WHETHER OR NOT: (I) A PROOF OF CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS FILED OR DEEMED FILED PURSUANT TO BANKRUPTCY CODE SECTION 501; (II) A CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS ALLOWED PURSUANT TO BANKRUPTCY CODE SECTION 502; OR (III) THE HOLDER OF SUCH A CLAIM HAS ACCEPTED THE PLAN. EXCEPT AS OTHERWISE PROVIDED HEREIN, ANY DEFAULT BY THE DEBTORS WITH RESPECT TO ANY CLAIM THAT EXISTED BEFORE OR ON ACCOUNT OF THE FILING OF THE CHAPTER 11 CASES SHALL BE DEEMED CURED ON THE EFFECTIVE DATE. THE CONFIRMATION ORDER SHALL BE A JUDICIAL DETERMINATION OF THE DISCHARGE OF ALL CLAIMS SUBJECT TO THE EFFECTIVE DATE OCCURRING, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN.

Section 8.6 of the Plan - Injunction.

FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION, OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED AGAINST ANY RELEASED PARTY PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN THE PLAN, ALL RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION, OR OTHER PROCEEDING ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO THE PLAN.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THE PLAN, ALL PERSONS WHO HAVE HELD, HOLD, OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED, DISCHARGED, OR ARE SUBJECT TO EXCULPATION, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS: (I) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH RIGHTS, CLAIMS OR INTERESTS; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE, RELIEF OR ORDER AGAINST SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (III) CREATING, PERFECTING, OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH PERSONS OR THE PROPERTY OR ESTATE OF SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; AND (IV) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED, OR DISCHARGED PURSUANT TO THE PLAN.

THE RIGHTS AFFORDED IN THE PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THE DEBTORS' ASSETS, PROPERTY, OR ESTATES. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND

DISCHARGED, AND THE INTERESTS SHALL BE CANCELLED (EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN).

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR IN THE PLAN OR IN OBLIGATIONS ISSUED PURSUANT TO THE PLAN FROM AND AFTER THE EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER BANKRUPTCY CODE SECTION 502(g).

ALL PERSONS SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE LITIGATION TRUST, ALL OTHER RELEASED PARTIES AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS, AGENTS AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS, OR ANY ACT OR OMISSION, TRANSACTION, OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, HOLDERS OF CLAIMS THAT OPT OUT OF THE RELEASES UNDER SECTION 8.3 OF THE PLAN WILL NOT BE SUBJECT TO THE INJUNCTION WITH RESPECT TO PREPETITION CLAIMS AGAINST NON-DEBTOR ENTITIES.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO RELEASES OR EXCULPATIONS CONTAINED HEREIN SHALL RELEASE LIFESPACE FROM ITS OBLIGATIONS TO THE RESIDENTS TRUST CONTAINED IN THE LIFESPACE SETTLEMENT AND CONTRIBUTION AGREEMENT, WHICH SHALL BE PRESERVED AND ASSIGNED TO THE RESIDENTS TRUST AND THE RESIDENTS TRUST TRUSTEE PURSUANT TO THE TERMS OF THE PLAN.

Exhibit 4-C
(Unclassified Claims Non-Voting Status Notice)

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Counsel to Debtors and Debtors in Possession

Counsel to UMB Bank, N.A. as Trustee and DIP Lender

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

NOTICE TO HOLDERS OR POTENTIAL HOLDERS OF UNCLASSIFIED CLAIMS NOT ENTITLED TO VOTE ON THE PLAN OF (I) NON-VOTING STATUS; (II) CONFIRMATION HEARING; (III) CONFIRMATION OBJECTION DEADLINE; AND (IV) OPPORTUNITY TO OPT OUT OF THIRD-PARTY RELEASES

¹ The Debtors in the Chapter 11 Cases (the “**Chapter 11 Cases**”), along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

On December 19, 2022, the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the “**Bankruptcy Court**”) entered its order² (the “**Disclosure Statement Order**”) approving the *Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 934] (as modified, amended, and supplemented, the “**Disclosure Statement**”) ³ filed by UMB Bank, N.A., in its capacity as (i) successor bond trustee and master trustee for the Original Bonds (collectively, the “**Trustee**”) and (ii) lender under the DIP Credit Agreement (the “**DIP Lender**”), Northwest Senior Housing Corporation d/b/a/ Edgemere (“**Edgemere**” and collectively with the Trustee and DIP Lender, the “**Plan Sponsors**”). In the Disclosure Statement Order, the Court found that the Disclosure Statement contains adequate information within the meaning of section 1125 of the Bankruptcy Code. You are being provided this notice with respect to the *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Plan**”).⁴

In compliance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, DIP Facility Claims, Professional Claims, Priority Tax Claims, the Diminution Claim and U.S. Trustee Fees are not classified under the Plan. Accordingly, your Claim has been Unclassified and will be paid in full to the extent such Claim is Allowed. **Holders of Unclassified Claims, such as you, are not entitled to vote on the Plan.** Pursuant to the *Order (I) Establishing Voting Record Date and Other Deadlines; (II) Approving Solicitation and Notice Procedures with Respect to the Plan; (III) Approving Manner and Forms of Ballots, Notices and Related Documents; and (IV) Granting Related Relief* (the “**Solicitation Procedures Order**”),⁵ the Disclosure Statement, the Plan, and other materials included in the Solicitation Package will not be served upon you. The materials may be obtained free-of-charge from <https://www.kccllc.net/Edgemere> or by written request to Kurtzman Carson Consultants LLC (the “**Voting Agent**”) requesting that a paper copy of the Disclosure Statement, the Plan, and other materials included in the Solicitation Package be sent to the address specified in the request at the following address:

Northwest Senior Housing Corporation Solicitation
c/o Kurtzman Carson Consultants LLC
222 N. Pacific Coast Highway, Suite 300
El Segundo, CA 90245

The Court has scheduled **January 26, 2023, at 9:30 a.m.** (prevailing Central Time), which is at least 21 days from the date of service hereof, as the date and time for the hearing on confirmation of the Plan and the sale of substantially all of the Debtors’ assets as contemplated therein (the “**Confirmation Hearing**”) and to consider any objections to the Plan. The Confirmation Hearing will be held at the United States Bankruptcy Court, before the Honorable Judge Michelle V. Larson, United States Bankruptcy Judge, at United States Courthouse, Earle Cabell Federal Building, 1100 Commerce St., 14th Floor, Courtroom No. 2, Dallas, TX 75242. You may participate in the Confirmation Hearing in-person or via WebEx (by video or telephone

² Docket No. 936.

³ Docket No. 934.

⁴ All capitalized terms not herein defined shall have the meaning ascribed to them in the Plan.

⁵ Docket No. [__].

via the Court's WebEx platform). For WebEx Video Participation/Attendance: <https://uscourts.webex.com/meet/larson>. For WebEx Telephonic Only Participation/Attendance: Dial-In: **1.650.479.3207**, Access code: **160 135 6015**.⁶

The Confirmation Hearing may be adjourned from time to time without further notice other than an announcement of the adjourned date(s) at the hearing, and thereafter, at any adjourned hearing(s). Additionally, the Plan may be modified without further notice before or as a result of the Confirmation Hearing, and thereafter, as otherwise provided in the Bankruptcy Code.

Objections, if any, to the confirmation of the Plan and the sale of substantially all of the Debtors' assets as contemplated therein must be filed with the Bankruptcy Court so as to be received on or before **January 20, 2023, at 4:00 p.m.** (prevailing Central Time) (the "**Objection Deadline**") and served so as to be actually received by the following parties no later than the Objection Deadline: (i) counsel for the Debtors, Polsinelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201, Attn: Trinitee G. Green, tggreen@polsinelli.com, and Polsinelli PC, 600 3rd Avenue, 42nd Floor, New York, NY 10015, Attn: Jeremy R. Johnson, jeremy.johnson@polsinelli.com; (ii) counsel for UMB Bank, N.A., Mintz, Levin, Cohn, Ferris, Glovsky, and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, Attn: Daniel Bleck, dsbleck@mintz.com, Eric Blythe, erblythe@mintz.com, and Kaitlin Walsh, krwalsh@mintz.com; (iii) counsel for the Committee, Foley & Lardner, 2021 McKinney Avenue, Ste. 1600, Dallas, Texas 75201, Attn. Stephen A. McCartin, smccartin@foley.com, Thomas C. Scannell, tscannell@foley.com, and Mark C. Moore, mmoore@foley.com; (iv) the Office of the United States Trustee, 1100 Commerce St, Room 976, Dallas, Texas 75242-1699, Attn: Lisa Lambert, lisa.l.lambert@usdoj.gov; (v) counsel for Lifespace Communities, Inc., Perkins Coie LLP, 110 North Wacker Drive, 34th Floor, Chicago, Illinois 60606, Attn: Eric E. Walker, EWalker@perkinscoie.com; and (vi) such other parties as the Bankruptcy Court may order.

Any objection to the Plan must be in writing, filed by the Objection Deadline, and (a) must state the name and address of the objecting party and the amount of its Claim or the nature of its interest, and (b) must state with particularity the nature of its objection. **Any objection not timely filed shall be deemed waived and shall not be considered by the Bankruptcy Court.**

Holders of Claims are deemed to grant the third-party releases set forth in Section 8 of the Plan, which are included herein for ease of reference. If the Plan is confirmed these provisions will become effective against such holders of Claims. If you do not agree to such provisions and do not wish to be a Releasing Party as defined by the Plan, you **MUST** affirmatively elect to opt out by filling out and submitting an opt out election form (the "**Opt Out Form**" on or before **January 20, 2023 at 4:00 p.m. (prevailing Central Time)** (the "**Opt Out Deadline**").

⁶ Judge Larson's WebEx hearing instructions can be found at: https://www.txnb.uscourts.gov/sites/txnb/files/hearings/WebEx%20Hearing%20Instructions%20for%20Judge%20Larson_4.pdf.

**NOTICE REGARDING CERTAIN RELEASE, EXCULPATION, AND
INJUNCTION PROVISIONS IN PLAN**

EACH PERSON THAT DOES NOT (I) OBJECT SPECIFICALLY TO THE THIRD PARTY RELEASE OR (II) AFFIRMATIVELY OPT OUT OF THE THIRD PARTY RELEASE ON A TIMELY SUBMITTED BALLOT OR OPT OUT FORM SHALL, AND SHALL BE DEEMED, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, TO HAVE SPECIFICALLY CONSENTED TO THE RELEASES SET FORTH IN SECTION 8 OF THE PLAN, AND REPRODUCED BELOW:

Section 1.135 of the Plan Defines “Releasing Party”

“*Releasing Party*” means (i) each holder of a Claim who has not chosen, by marking the appropriate box on the Ballot and/or Opt Out Form, as appropriate, to opt out of the “Releases by Holders of Claims” provided for in Section 8.3 of this Plan, (ii) the DIP Lender, the Trustee and the Holders of Bond Claims solely to the extent set forth in Section 8.3 of the Plan, (iii) Lifespace, and (vi) the Committee.

Section 8.2 of the Plan – Releases by the Debtors.

PURSUANT TO BANKRUPTCY CODE SECTION 1123(B), AS OF THE EFFECTIVE DATE, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, INCLUDING THE INVESTMENT AND SERVICE OF THE RELEASED PARTIES TO FACILITATE THE EXPEDITIOUS REORGANIZATION OF THE DEBTORS AND THE IMPLEMENTATION OF THE RESTRUCTURING CONTEMPLATED BY THE PLAN, THE RELEASED PARTIES ARE DEEMED RELEASED AND DISCHARGED BY THE DEBTORS, THE REORGANIZED DEBTOR, AND THE ESTATES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, SETOFFS, RECOUPMENTS, REMEDIES, ENFORCEMENT RIGHTS AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, OR THE RELEASED PARTIES WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR INTEREST, OR OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THIS DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT OR RELATED

AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, THE “DEBTOR RELEASED CLAIMS”), OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASE SET FORTH ABOVE DOES NOT RELEASE ANY PARTY WITH POST-EFFECTIVE DATE OBLIGATIONS UNDER THE PLAN OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN FROM THOSE POST-EFFECTIVE DATE OBLIGATIONS. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY DEBTOR RELEASED CLAIM(S) FOR THE BENEFIT OF ANY PARTY AS SUCH CLAIMS ARE RELEASED PURSUANT TO THE PLAN AND, AS SUCH, DO NOT AND WILL NOT CONSTITUTE LITIGATION TRUST OR RESIDENTS TRUST ASSETS.

Section 8.3 of the Plan – Releases by Holders of Claims.

AS OF THE EFFECTIVE DATE AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, EACH RELEASING PARTY SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, LIFESPACER, THE INITIAL PLAN SPONSORS, AND ALL OTHER RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, ENFORCEMENT RIGHTS, SETOFFS, RECOUPMENTS, REMEDIES, AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT SUCH PERSON WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF ANY OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THE DISCLOSURE STATEMENT, ANY PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, “CREDITOR RELEASED CLAIMS”) OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY

ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE CREDITOR RELEASED CLAIMS.

NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY IN THE PLAN, THE DIP LENDER, THE TRUSTEE AND HOLDERS OF THE ORIGINAL BONDS SHALL ALL BE RELEASING PARTIES SOLELY WITH RESPECT TO ANY AND ALL CLAIMS RELATING TO THE DEBTORS (OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE), BUT NOT WITH RESPECT TO ANY OTHER CLAIMS SUCH HOLDERS MAY HAVE UNRELATED TO THE DEBTORS, INCLUDING BUT NOT LIMITED TO ANY OBLIGATIONS OWED TO BONDHOLDERS IN CONNECTION WITH BONDS ISSUED BY LIFESPACE.

Section 8.4 of the Plan - Exculpation.

UPON THE EFFECTIVE DATE, THE PLAN SPONSORS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS AND AGENTS WILL BE DEEMED TO HAVE SOLICITED ACCEPTANCES OF THE PLAN IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING BANKRUPTCY CODE SECTION 1125(E).

EXCEPT WITH RESPECT TO ANY ACTS OR OMISSIONS EXPRESSLY SET FORTH IN AND PRESERVED BY THE PLAN, THE PLAN SUPPLEMENT, OR ANY RELATED DOCUMENTS, THE EXCULPATED PARTIES SHALL NEITHER HAVE, NOR INCUR ANY LIABILITY TO ANY ENTITY FOR ANY PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR RELATED TO FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING, ADMINISTERING, CONFIRMING, OR EFFECTING THE PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION OF THE PLAN, THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN, THE DISTRIBUTION OF PROPERTY UNDER THE PLAN, OR ANY OTHER RELATED AGREEMENT OR ANY OTHER PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OF THE DEBTORS; *PROVIDED, THAT* THE FOREGOING “EXCULPATION” SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY ENTITY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT (INCLUDING FRAUD); *PROVIDED FURTHER, THAT* EACH EXCULPATED PARTY SHALL BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER,

OR ITS DUTIES PURSUANT TO, OR IN CONNECTION WITH, THE PLAN OR ANY OTHER RELATED DOCUMENT, INSTRUMENT, OR AGREEMENT. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY CLAIMS DESCRIBED IN SECTION 8 OF THE PLAN AGAINST ANY EXCULPATED PARTY.

Section 8.5 of the Plan - Discharge of Claims.

PURSUANT TO BANKRUPTCY CODE SECTION 1141(D), AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE BAR DATE ORDER, IN THE PLAN, OR IN ANY CONTRACT, INSTRUMENT, OR OTHER AGREEMENT OR DOCUMENT CREATED PURSUANT TO THE PLAN, THE DISTRIBUTIONS, RIGHTS, AND TREATMENT THAT ARE PROVIDED IN THE PLAN SHALL BE IN FULL AND FINAL SATISFACTION, SETTLEMENT, RELEASE, AND DISCHARGE, EFFECTIVE AS OF THE EFFECTIVE DATE, OF ALL CLAIMS AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, WHETHER KNOWN OR UNKNOWN, AGAINST, LIABILITIES OF, LIENS ON, OBLIGATIONS OF, AND RIGHTS AGAINST THE DEBTORS OR ANY OF THEIR ASSETS OR PROPERTIES, REGARDLESS OF WHETHER ANY PROPERTY SHALL HAVE BEEN DISTRIBUTED OR RETAINED PURSUANT TO THE PLAN ON ACCOUNT OF SUCH CLAIMS, INCLUDING DEMANDS, LIABILITIES, AND CAUSES OF ACTION THAT AROSE BEFORE THE EFFECTIVE DATE, ANY CONTINGENT OR NON-CONTINGENT LIABILITY ON ACCOUNT OF REPRESENTATIONS OR WARRANTIES ISSUED ON OR BEFORE THE EFFECTIVE DATE, AND ALL DEBTS OF THE KIND SPECIFIED IN BANKRUPTCY CODE SECTIONS 502(G), 502(H), OR 502(I), IN EACH CASE WHETHER OR NOT: (I) A PROOF OF CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS FILED OR DEEMED FILED PURSUANT TO BANKRUPTCY CODE SECTION 501; (II) A CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS ALLOWED PURSUANT TO BANKRUPTCY CODE SECTION 502; OR (III) THE HOLDER OF SUCH A CLAIM HAS ACCEPTED THE PLAN. EXCEPT AS OTHERWISE PROVIDED HEREIN, ANY DEFAULT BY THE DEBTORS WITH RESPECT TO ANY CLAIM THAT EXISTED BEFORE OR ON ACCOUNT OF THE FILING OF THE CHAPTER 11 CASES SHALL BE DEEMED CURED ON THE EFFECTIVE DATE. THE CONFIRMATION ORDER SHALL BE A JUDICIAL DETERMINATION OF THE DISCHARGE OF ALL CLAIMS SUBJECT TO THE EFFECTIVE DATE OCCURRING, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN.

Section 8.6 of the Plan - Injunction.

FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION, OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED

OR TO BE RELEASED AGAINST ANY RELEASED PARTY PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN THE PLAN, ALL RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION, OR OTHER PROCEEDING ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO THE PLAN.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THE PLAN, ALL PERSONS WHO HAVE HELD, HOLD, OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED, DISCHARGED, OR ARE SUBJECT TO EXCULPATION, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS: (I) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH RIGHTS, CLAIMS OR INTERESTS; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE, RELIEF OR ORDER AGAINST SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (III) CREATING, PERFECTING, OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH PERSONS OR THE PROPERTY OR ESTATE OF SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; AND (IV) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED, OR DISCHARGED PURSUANT TO THE PLAN.

THE RIGHTS AFFORDED IN THE PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THE DEBTORS' ASSETS, PROPERTY, OR ESTATES. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE INTERESTS SHALL BE CANCELLED (EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN).

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR IN THE PLAN OR IN OBLIGATIONS ISSUED PURSUANT TO THE PLAN FROM AND AFTER THE

EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER BANKRUPTCY CODE SECTION 502(g).

ALL PERSONS SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE LITIGATION TRUST, ALL OTHER RELEASED PARTIES AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS, AGENTS AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS, OR ANY ACT OR OMISSION, TRANSACTION, OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, HOLDERS OF CLAIMS THAT OPT OUT OF THE RELEASES UNDER SECTION 8.3 OF THE PLAN WILL NOT BE SUBJECT TO THE INJUNCTION WITH RESPECT TO PREPETITION CLAIMS AGAINST NON-DEBTOR ENTITIES.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO RELEASES OR EXCULPATIONS CONTAINED HEREIN SHALL RELEASE LIFESPACE FROM ITS OBLIGATIONS TO THE RESIDENTS TRUST CONTAINED IN THE LIFESPACE SETTLEMENT AND CONTRIBUTION AGREEMENT, WHICH SHALL BE PRESERVED AND ASSIGNED TO THE RESIDENTS TRUST AND THE RESIDENTS TRUST TRUSTEE PURSUANT TO THE TERMS OF THE PLAN.

Exhibit 5-B

(Disputed Claim Non-Voting Status Notice)

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Counsel to Debtors and Debtors in Possession

Counsel to UMB Bank, N.A. as Trustee and DIP Lender

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

NOTICE TO HOLDERS OR POTENTIAL HOLDERS OF DISPUTED CLAIMS NOT ENTITLED TO VOTE ON THE PLAN OF (I) NON-VOTING STATUS; (II) CONFIRMATION HEARING; (III) CONFIRMATION OBJECTION DEADLINE; AND (IV) OPPORTUNITY TO OPT OUT OF THIRD-PARTY RELEASES

¹ The Debtors in the Chapter 11 Cases (the “**Chapter 11 Cases**”), along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

On December 19, 2022, the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the “**Bankruptcy Court**”) entered its order² (the “**Disclosure Statement Order**”) that approved the *Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* (as modified, amended, and supplemented, the “**Disclosure Statement**”) ³ filed by UMB Bank, N.A., in its capacity as (i) successor bond trustee and master trustee for the Original Bonds (collectively, the “**Trustee**”) and (ii) lender under the DIP Credit Agreement (the “**DIP Lender**”), Northwest Senior Housing Corporation d/b/a/ Edgemere (“**Edgemere**” and collectively with the Trustee and DIP Lender, the “**Plan Sponsors**”). In the Disclosure Statement Order, the Court found that the Disclosure Statement contains adequate information within the meaning of section 1125 of the Bankruptcy Code. You are being provided this notice with respect to the *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Plan**”).⁴

You hold a Disputed Claim. Holders of Disputed Claims, such as you, are not entitled to vote on the Plan. Under the Bankruptcy Code, only holders of allowed claims or interests may vote to accept or reject a plan of reorganization. Your Claim has been objected by the Debtors and/or the Plan Sponsors. You do, however, have the right to contest your non-voting status and/or object to the confirmation of the Plan in accordance with Bankruptcy Rule 3018.

Pursuant to the *Order (I) Establishing Voting Record Date and Other Deadlines; (II) Approving Solicitation and Notice Procedures with Respect to the Plan; (III) Approving Manner and Forms of Ballots, Notices and Related Documents; and (IV) Granting Related Relief* (the “**Solicitation Procedures Order**”),⁵ the Disclosure Statement, the Plan, and other materials included in the Solicitation Package will not be served upon you. The materials may be obtained free-of-charge from <https://www.kccllc.net/Edgemere> or by written request to Kurtzman Carson Consultants LLC (the “**Voting Agent**”) requesting that a paper copy of the Disclosure Statement, the Plan, and other materials included in the Solicitation Package be sent to the address specified in the request at the following address:

Northwest Senior Housing Corporation Solicitation
c/o Kurtzman Carson Consultants LLC
222 N. Pacific Coast Highway, Suite 300
El Segundo, CA 90245

The Court has scheduled **January 26, 2023, at 9:30 a.m.** (prevailing Central Time), which is at least 21 days from the date of service hereof, as the date and time for the hearing on confirmation of the Plan and the sale of substantially all of the Debtors’ assets as contemplated therein (the “**Confirmation Hearing**”) and to consider any objections to the Plan. The Confirmation Hearing will be held at the United States Bankruptcy Court, before the Honorable Judge Michelle V. Larson, United States Bankruptcy Judge, at United States Courthouse, Earle Cabell Federal Building, 1100 Commerce St., 14th Floor, Courtroom No. 2, Dallas, TX 75242.

² Docket No. 936.

³ Docket No. 934.

⁴ All capitalized terms not herein defined shall have the meaning ascribed to them in the Plan.

⁵ Docket No. [__].

You may participate in the Confirmation Hearing in-person or via WebEx (by video or telephone via the Court's WebEx platform). For WebEx Video Participation/Attendance: <https://uscourts.webex.com/meet/larson>. For WebEx Telephonic Only Participation/Attendance: Dial-In: **1.650.479.3207**, Access code: **160 135 6015**.⁶

The Confirmation Hearing may be adjourned from time to time without further notice other than an announcement of the adjourned date(s) at the hearing, and thereafter, at any adjourned hearing(s). Additionally, the Plan may be modified without further notice before or as a result of the Confirmation Hearing, and thereafter, as otherwise provided in the Bankruptcy Code.

Objections, if any, to the confirmation of the Plan and the sale of substantially all of the Debtors' assets as contemplated therein must be filed with the Bankruptcy Court so as to be received on or before **January 20, 2023, at 4:00 p.m.** (prevailing Central Time) (the "**Objection Deadline**") and served so as to be actually received by the following parties no later than the Objection Deadline: (i) counsel for the Debtors, Polsinelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201, Attn: Trinitee G. Green, tggreen@polsinelli.com, and Polsinelli PC, 600 3rd Avenue, 42nd Floor, New York, NY 10015, Attn: Jeremy R. Johnson, jeremy.johnson@polsinelli.com; (ii) counsel for UMB Bank, N.A., Mintz, Levin, Cohn, Ferris, Glovsky, and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, Attn: Daniel Bleck, dsbleck@mintz.com, Eric Blythe, erblythe@mintz.com, and Kaitlin Walsh, krwalsh@mintz.com; (iii) counsel for the Committee, Foley & Lardner, 2021 McKinney Avenue, Ste. 1600, Dallas, Texas 75201, Attn. Stephen A. McCartin, smccartin@foley.com, Thomas C. Scannell, tscannell@foley.com, and Mark C. Moore, mmoore@foley.com; (iv) the Office of the United States Trustee, 1100 Commerce St, Room 976, Dallas, Texas 75242-1699, Attn: Lisa Lambert, lisa.l.lambert@usdoj.gov; (v) counsel for Lifespace Communities, Inc., Perkins Coie LLP, 110 North Wacker Drive, 34th Floor, Chicago, Illinois 60606, Attn: Eric E. Walker, EWalker@perkinscoie.com; and (vi) such other parties as the Bankruptcy Court may order.

Any objection to the Plan must be in writing, filed by the Objection Deadline, and (a) must state the name and address of the objecting party and the amount of its Claim or the nature of its interest, and (b) must state with particularity the nature of its objection. **Any objection not timely filed shall be deemed waived and shall not be considered by the Bankruptcy Court.**

Holders of Claims are deemed to grant the third-party releases set forth in Section 8 of the Plan, which are included herein for ease of reference. If the Plan is confirmed these provisions will become effective against such holders of Claims. If you do not agree to such provisions and do not wish to be a Releasing Party as defined by the Plan, you **MUST** affirmatively elect to opt out by filling out and submitting an opt out election form (the "**Opt Out Form**" on or before **January 20, 2023 at 4:00 p.m. (prevailing Central Time)** (the "**Opt Out Deadline**").

⁶ Judge Larson's WebEx hearing instructions can be found at: https://www.txnb.uscourts.gov/sites/txnb/files/hearings/WebEx%20Hearing%20Instructions%20for%20Judge%20Larson_4.pdf.

**NOTICE REGARDING CERTAIN RELEASE, EXCULPATION, AND
INJUNCTION PROVISIONS IN PLAN**

EACH PERSON THAT DOES NOT (I) OBJECT SPECIFICALLY TO THE THIRD PARTY RELEASE OR (II) AFFIRMATIVELY OPT OUT OF THE THIRD PARTY RELEASE ON A TIMELY SUBMITTED BALLOT OR OPT OUT FORM SHALL, AND SHALL BE DEEMED, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, TO HAVE SPECIFICALLY CONSENTED TO THE RELEASES SET FORTH IN SECTION 8 OF THE PLAN, AND REPRODUCED BELOW:

Section 1.135 of the Plan Defines “Releasing Party”

“*Releasing Party*” means (i) each holder of a Claim who has not chosen, by marking the appropriate box on the Ballot and/or Opt Out Form, as appropriate, to opt out of the “Releases by Holders of Claims” provided for in Section 8.3 of this Plan, (ii) the DIP Lender, the Trustee and the Holders of Bond Claims solely to the extent set forth in Section 8.3 of the Plan, (iii) Lifespace, and (vi) the Committee.

Section 8.2 of the Plan – Releases by the Debtors.

PURSUANT TO BANKRUPTCY CODE SECTION 1123(B), AS OF THE EFFECTIVE DATE, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, INCLUDING THE INVESTMENT AND SERVICE OF THE RELEASED PARTIES TO FACILITATE THE EXPEDITIOUS REORGANIZATION OF THE DEBTORS AND THE IMPLEMENTATION OF THE RESTRUCTURING CONTEMPLATED BY THE PLAN, THE RELEASED PARTIES ARE DEEMED RELEASED AND DISCHARGED BY THE DEBTORS, THE REORGANIZED DEBTOR, AND THE ESTATES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, SETOFFS, RECOUPMENTS, REMEDIES, ENFORCEMENT RIGHTS AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, OR THE RELEASED PARTIES WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR INTEREST, OR OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THIS DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT OR RELATED

AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, THE “DEBTOR RELEASED CLAIMS”), OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASE SET FORTH ABOVE DOES NOT RELEASE ANY PARTY WITH POST-EFFECTIVE DATE OBLIGATIONS UNDER THE PLAN OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN FROM THOSE POST-EFFECTIVE DATE OBLIGATIONS. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY DEBTOR RELEASED CLAIM(S) FOR THE BENEFIT OF ANY PARTY AS SUCH CLAIMS ARE RELEASED PURSUANT TO THE PLAN AND, AS SUCH, DO NOT AND WILL NOT CONSTITUTE LITIGATION TRUST OR RESIDENTS TRUST ASSETS.

Section 8.3 of the Plan – Releases by Holders of Claims.

AS OF THE EFFECTIVE DATE AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, EACH RELEASING PARTY SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, LIFESPACES, THE INITIAL PLAN SPONSORS, AND ALL OTHER RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, ENFORCEMENT RIGHTS, SETOFFS, RECOUPMENTS, REMEDIES, AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT SUCH PERSON WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF ANY OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THE DISCLOSURE STATEMENT, ANY PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, “CREDITOR RELEASED CLAIMS”) OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY

ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE CREDITOR RELEASED CLAIMS.

NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY IN THE PLAN, THE DIP LENDER, THE TRUSTEE AND HOLDERS OF THE ORIGINAL BONDS SHALL ALL BE RELEASING PARTIES SOLELY WITH RESPECT TO ANY AND ALL CLAIMS RELATING TO THE DEBTORS (OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE), BUT NOT WITH RESPECT TO ANY OTHER CLAIMS SUCH HOLDERS MAY HAVE UNRELATED TO THE DEBTORS, INCLUDING BUT NOT LIMITED TO ANY OBLIGATIONS OWED TO BONDHOLDERS IN CONNECTION WITH BONDS ISSUED BY LIFESPACE.

Section 8.4 of the Plan - Exculpation.

UPON THE EFFECTIVE DATE, THE PLAN SPONSORS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS AND AGENTS WILL BE DEEMED TO HAVE SOLICITED ACCEPTANCES OF THE PLAN IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING BANKRUPTCY CODE SECTION 1125(E).

EXCEPT WITH RESPECT TO ANY ACTS OR OMISSIONS EXPRESSLY SET FORTH IN AND PRESERVED BY THE PLAN, THE PLAN SUPPLEMENT, OR ANY RELATED DOCUMENTS, THE EXCULPATED PARTIES SHALL NEITHER HAVE, NOR INCUR ANY LIABILITY TO ANY ENTITY FOR ANY PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR RELATED TO FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING, ADMINISTERING, CONFIRMING, OR EFFECTING THE PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION OF THE PLAN, THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN, THE DISTRIBUTION OF PROPERTY UNDER THE PLAN, OR ANY OTHER RELATED AGREEMENT OR ANY OTHER PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OF THE DEBTORS; *PROVIDED, THAT* THE FOREGOING “EXCULPATION” SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY ENTITY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT (INCLUDING FRAUD); *PROVIDED FURTHER, THAT* EACH EXCULPATED PARTY SHALL BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER,

OR ITS DUTIES PURSUANT TO, OR IN CONNECTION WITH, THE PLAN OR ANY OTHER RELATED DOCUMENT, INSTRUMENT, OR AGREEMENT. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY CLAIMS DESCRIBED IN SECTION 8 OF THE PLAN AGAINST ANY EXCULPATED PARTY.

Section 8.5 of the Plan - Discharge of Claims.

PURSUANT TO BANKRUPTCY CODE SECTION 1141(D), AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE BAR DATE ORDER, IN THE PLAN, OR IN ANY CONTRACT, INSTRUMENT, OR OTHER AGREEMENT OR DOCUMENT CREATED PURSUANT TO THE PLAN, THE DISTRIBUTIONS, RIGHTS, AND TREATMENT THAT ARE PROVIDED IN THE PLAN SHALL BE IN FULL AND FINAL SATISFACTION, SETTLEMENT, RELEASE, AND DISCHARGE, EFFECTIVE AS OF THE EFFECTIVE DATE, OF ALL CLAIMS AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, WHETHER KNOWN OR UNKNOWN, AGAINST, LIABILITIES OF, LIENS ON, OBLIGATIONS OF, AND RIGHTS AGAINST THE DEBTORS OR ANY OF THEIR ASSETS OR PROPERTIES, REGARDLESS OF WHETHER ANY PROPERTY SHALL HAVE BEEN DISTRIBUTED OR RETAINED PURSUANT TO THE PLAN ON ACCOUNT OF SUCH CLAIMS, INCLUDING DEMANDS, LIABILITIES, AND CAUSES OF ACTION THAT AROSE BEFORE THE EFFECTIVE DATE, ANY CONTINGENT OR NON-CONTINGENT LIABILITY ON ACCOUNT OF REPRESENTATIONS OR WARRANTIES ISSUED ON OR BEFORE THE EFFECTIVE DATE, AND ALL DEBTS OF THE KIND SPECIFIED IN BANKRUPTCY CODE SECTIONS 502(G), 502(H), OR 502(I), IN EACH CASE WHETHER OR NOT: (I) A PROOF OF CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS FILED OR DEEMED FILED PURSUANT TO BANKRUPTCY CODE SECTION 501; (II) A CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS ALLOWED PURSUANT TO BANKRUPTCY CODE SECTION 502; OR (III) THE HOLDER OF SUCH A CLAIM HAS ACCEPTED THE PLAN. EXCEPT AS OTHERWISE PROVIDED HEREIN, ANY DEFAULT BY THE DEBTORS WITH RESPECT TO ANY CLAIM THAT EXISTED BEFORE OR ON ACCOUNT OF THE FILING OF THE CHAPTER 11 CASES SHALL BE DEEMED CURED ON THE EFFECTIVE DATE. THE CONFIRMATION ORDER SHALL BE A JUDICIAL DETERMINATION OF THE DISCHARGE OF ALL CLAIMS SUBJECT TO THE EFFECTIVE DATE OCCURRING, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN.

Section 8.6 of the Plan - Injunction.

FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION, OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED

OR TO BE RELEASED AGAINST ANY RELEASED PARTY PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN THE PLAN, ALL RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION, OR OTHER PROCEEDING ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO THE PLAN.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THE PLAN, ALL PERSONS WHO HAVE HELD, HOLD, OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED, DISCHARGED, OR ARE SUBJECT TO EXCULPATION, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS: (I) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH RIGHTS, CLAIMS OR INTERESTS; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE, RELIEF OR ORDER AGAINST SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (III) CREATING, PERFECTING, OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH PERSONS OR THE PROPERTY OR ESTATE OF SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; AND (IV) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED, OR DISCHARGED PURSUANT TO THE PLAN.

THE RIGHTS AFFORDED IN THE PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THE DEBTORS' ASSETS, PROPERTY, OR ESTATES. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE INTERESTS SHALL BE CANCELLED (EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN).

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR IN THE PLAN OR IN OBLIGATIONS ISSUED PURSUANT TO THE PLAN FROM AND AFTER THE

EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER BANKRUPTCY CODE SECTION 502(g).

ALL PERSONS SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE LITIGATION TRUST, ALL OTHER RELEASED PARTIES AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS, AGENTS AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS, OR ANY ACT OR OMISSION, TRANSACTION, OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, HOLDERS OF CLAIMS THAT OPT OUT OF THE RELEASES UNDER SECTION 8.3 OF THE PLAN WILL NOT BE SUBJECT TO THE INJUNCTION WITH RESPECT TO PREPETITION CLAIMS AGAINST NON-DEBTOR ENTITIES.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO RELEASES OR EXCULPATIONS CONTAINED HEREIN SHALL RELEASE LIFESPACE FROM ITS OBLIGATIONS TO THE RESIDENTS TRUST CONTAINED IN THE LIFESPACE SETTLEMENT AND CONTRIBUTION AGREEMENT, WHICH SHALL BE PRESERVED AND ASSIGNED TO THE RESIDENTS TRUST AND THE RESIDENTS TRUST TRUSTEE PURSUANT TO THE TERMS OF THE PLAN.

Exhibit 6-B
(Opt Out Form)

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Counsel to Debtors and Debtors in Possession

Counsel to UMB Bank, N.A. as Trustee and DIP Lender

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

OPT OUT ELECTION FORM FOR NON-VOTING CLAIMS

You have received this opt out election form (the “**Opt Out Form**”) because you are or may be a holder of a Claim or Interest that is not entitled to vote on the *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to

¹ The Debtors in the Chapter 11 Cases (the “**Chapter 11 Cases**”), along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

time, the “Plan”).² Holders of Claims are deemed to grant the third-party releases set forth in Section 8 of the Plan, which are included herein for ease of reference. If the Plan is confirmed these provisions will become effective against such holders of Claims. If you do not agree to such provisions and do not wish to be a Releasing Party as defined by the Plan, you **MUST** affirmatively elect to opt out by filling out and submitting this form on or before **January 20, 2023 at 4:00 p.m. (prevailing Central Time)** (the “**Opt Out Deadline**”).

**NOTICE REGARDING CERTAIN RELEASE, EXCULPATION, AND
INJUNCTION PROVISIONS IN PLAN**

EACH PERSON THAT DOES NOT (I) OBJECT SPECIFICALLY TO THE THIRD PARTY RELEASE OR (II) AFFIRMATIVELY OPT OUT OF THE THIRD PARTY RELEASE ON A TIMELY SUBMITTED BALLOT OR OPT OUT FORM SHALL, AND SHALL BE DEEMED, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, TO HAVE SPECIFICALLY CONSENTED TO THE RELEASES SET FORTH IN SECTION 8 OF THE PLAN, AND REPRODUCED BELOW:

Section 1.135 of the Plan Defines “Releasing Party”

“*Releasing Party*” means (i) each holder of a Claim who has not chosen, by marking the appropriate box on the Ballot and/or Opt Out Form, as appropriate, to opt out of the “Releases by Holders of Claims” provided for in Section 8.3 of this Plan, (ii) the DIP Lender, the Trustee and the Holders of Bond Claims solely to the extent set forth in Section 8.3 of the Plan, (iii) Lifespace, and (vi) the Committee.

Section 8.2 of the Plan – Releases by the Debtors.

PURSUANT TO BANKRUPTCY CODE SECTION 1123(B), AS OF THE EFFECTIVE DATE, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, INCLUDING THE INVESTMENT AND SERVICE OF THE RELEASED PARTIES TO FACILITATE THE EXPEDITIOUS REORGANIZATION OF THE DEBTORS AND THE IMPLEMENTATION OF THE RESTRUCTURING CONTEMPLATED BY THE PLAN, THE RELEASED PARTIES ARE DEEMED RELEASED AND DISCHARGED BY THE DEBTORS, THE REORGANIZED DEBTOR, AND THE ESTATES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, SETOFFS, RECOUPMENTS, REMEDIES, ENFORCEMENT RIGHTS AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, OR THE RELEASED PARTIES WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY

² All capitalized terms not herein defined shall have the meaning ascribed to them in the Plan.

CLAIM OR INTEREST, OR OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THIS DISCLOSURE STATEMENT, THE PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, THE “DEBTOR RELEASED CLAIMS”), OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASE SET FORTH ABOVE DOES NOT RELEASE ANY PARTY WITH POST-EFFECTIVE DATE OBLIGATIONS UNDER THE PLAN OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN FROM THOSE POST-EFFECTIVE DATE OBLIGATIONS. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY DEBTOR RELEASED CLAIM(S) FOR THE BENEFIT OF ANY PARTY AS SUCH CLAIMS ARE RELEASED PURSUANT TO THE PLAN AND, AS SUCH, DO NOT AND WILL NOT CONSTITUTE LITIGATION TRUST OR RESIDENTS TRUST ASSETS.

Section 8.3 of the Plan – Releases by Holders of Claims.

AS OF THE EFFECTIVE DATE AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, EACH RELEASING PARTY SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE DEBTORS, THE REORGANIZED DEBTOR, THE ESTATES, LIFESPACE, THE INITIAL PLAN SPONSORS, AND ALL OTHER RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, ENFORCEMENT RIGHTS, SETOFFS, RECOUPMENTS, REMEDIES, AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, THAT SUCH PERSON WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF ANY OTHER PERSON, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, ANY ACT, REPRESENTATION, OMISSION, TRANSACTION, AFFILIATION, EVENT OR OTHER CIRCUMSTANCE

TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTORS, OR THEIR RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATES, THE CHAPTER 11 CASES OR THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE PLAN, THE DISCLOSURE STATEMENT, ANY PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, OR THE SALE TRANSACTION (COLLECTIVELY, "CREDITOR RELEASED CLAIMS") OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY OR A FORMER OFFICER OR DIRECTOR OF THE DEBTORS THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE CREDITOR RELEASED CLAIMS.

NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY IN THE PLAN, THE DIP LENDER, THE TRUSTEE AND HOLDERS OF THE ORIGINAL BONDS SHALL ALL BE RELEASING PARTIES SOLELY WITH RESPECT TO ANY AND ALL CLAIMS RELATING TO THE DEBTORS (OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION THAT CONSTITUTES WILLFUL MISCONDUCT (INCLUDING FRAUD) OR GROSS NEGLIGENCE), BUT NOT WITH RESPECT TO ANY OTHER CLAIMS SUCH HOLDERS MAY HAVE UNRELATED TO THE DEBTORS, INCLUDING BUT NOT LIMITED TO ANY OBLIGATIONS OWED TO BONDHOLDERS IN CONNECTION WITH BONDS ISSUED BY LIFESPACE.

Section 8.4 of the Plan - Exculpation.

UPON THE EFFECTIVE DATE, THE PLAN SPONSORS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS AND AGENTS WILL BE DEEMED TO HAVE SOLICITED ACCEPTANCES OF THE PLAN IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING BANKRUPTCY CODE SECTION 1125(E).

EXCEPT WITH RESPECT TO ANY ACTS OR OMISSIONS EXPRESSLY SET FORTH IN AND PRESERVED BY THE PLAN, THE PLAN SUPPLEMENT, OR ANY RELATED DOCUMENTS, THE EXCULPATED PARTIES SHALL NEITHER HAVE, NOR INCUR ANY LIABILITY TO ANY ENTITY FOR ANY PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR RELATED TO FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING, ADMINISTERING, CONFIRMING, OR EFFECTING THE PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION OF THE PLAN, THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN, THE DISTRIBUTION OF PROPERTY UNDER

THE PLAN, OR ANY OTHER RELATED AGREEMENT OR ANY OTHER PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OF THE DEBTORS; PROVIDED, THAT THE FOREGOING “EXCULPATION” SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY ENTITY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT (INCLUDING FRAUD); PROVIDED FURTHER, THAT EACH EXCULPATED PARTY SHALL BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER, OR ITS DUTIES PURSUANT TO, OR IN CONNECTION WITH, THE PLAN OR ANY OTHER RELATED DOCUMENT, INSTRUMENT, OR AGREEMENT. FOR THE AVOIDANCE OF DOUBT, THE LITIGATION TRUSTEE AND THE RESIDENTS TRUST TRUSTEE SHALL NOT HAVE AUTHORITY TO PURSUE ANY CLAIMS DESCRIBED IN SECTION 8 OF THE PLAN AGAINST ANY EXCULPATED PARTY.

Section 8.5 of the Plan - Discharge of Claims.

PURSUANT TO BANKRUPTCY CODE SECTION 1141(D), AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE BAR DATE ORDER, IN THE PLAN, OR IN ANY CONTRACT, INSTRUMENT, OR OTHER AGREEMENT OR DOCUMENT CREATED PURSUANT TO THE PLAN, THE DISTRIBUTIONS, RIGHTS, AND TREATMENT THAT ARE PROVIDED IN THE PLAN SHALL BE IN FULL AND FINAL SATISFACTION, SETTLEMENT, RELEASE, AND DISCHARGE, EFFECTIVE AS OF THE EFFECTIVE DATE, OF ALL CLAIMS AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, WHETHER KNOWN OR UNKNOWN, AGAINST, LIABILITIES OF, LIENS ON, OBLIGATIONS OF, AND RIGHTS AGAINST THE DEBTORS OR ANY OF THEIR ASSETS OR PROPERTIES, REGARDLESS OF WHETHER ANY PROPERTY SHALL HAVE BEEN DISTRIBUTED OR RETAINED PURSUANT TO THE PLAN ON ACCOUNT OF SUCH CLAIMS, INCLUDING DEMANDS, LIABILITIES, AND CAUSES OF ACTION THAT AROSE BEFORE THE EFFECTIVE DATE, ANY CONTINGENT OR NON-CONTINGENT LIABILITY ON ACCOUNT OF REPRESENTATIONS OR WARRANTIES ISSUED ON OR BEFORE THE EFFECTIVE DATE, AND ALL DEBTS OF THE KIND SPECIFIED IN BANKRUPTCY CODE SECTIONS 502(G), 502(H), OR 502(I), IN EACH CASE WHETHER OR NOT: (I) A PROOF OF CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS FILED OR DEEMED FILED PURSUANT TO BANKRUPTCY CODE SECTION 501; (II) A CLAIM BASED UPON SUCH CLAIM, DEBT, OR RIGHT IS ALLOWED PURSUANT TO BANKRUPTCY CODE SECTION 502; OR (III) THE HOLDER OF SUCH A CLAIM HAS ACCEPTED THE PLAN. EXCEPT AS OTHERWISE PROVIDED HEREIN, ANY DEFAULT BY THE DEBTORS WITH RESPECT TO ANY CLAIM THAT EXISTED BEFORE OR ON ACCOUNT OF THE FILING OF THE CHAPTER 11 CASES SHALL BE DEEMED CURED ON THE EFFECTIVE DATE. THE CONFIRMATION ORDER SHALL BE A JUDICIAL DETERMINATION OF THE DISCHARGE OF ALL CLAIMS SUBJECT TO THE EFFECTIVE DATE OCCURRING, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN.

Section 8.6 of the Plan - Injunction.

FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION, OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED AGAINST ANY RELEASED PARTY PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN THE PLAN, ALL RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION, OR OTHER PROCEEDING ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, ENFORCEMENT RIGHT, INTEREST, OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO THE PLAN.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT, OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THE PLAN, ALL PERSONS WHO HAVE HELD, HOLD, OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED, DISCHARGED, OR ARE SUBJECT TO EXCULPATION, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS: (I) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH RIGHTS, CLAIMS OR INTERESTS; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE, RELIEF OR ORDER AGAINST SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (III) CREATING, PERFECTING, OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH PERSONS OR THE PROPERTY OR ESTATE OF SUCH PERSONS ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; AND (IV) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF, IN CONNECTION WITH, OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED, OR DISCHARGED PURSUANT TO THE PLAN.

THE RIGHTS AFFORDED IN THE PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THE

DEBTORS' ASSETS, PROPERTY, OR ESTATES. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE INTERESTS SHALL BE CANCELLED (EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN).

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR IN THE PLAN OR IN OBLIGATIONS ISSUED PURSUANT TO THE PLAN FROM AND AFTER THE EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER BANKRUPTCY CODE SECTION 502(g).

ALL PERSONS SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE LITIGATION TRUST, ALL OTHER RELEASED PARTIES AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, INVESTMENT BANKERS, FINANCIAL ADVISORS, AND OTHER PROFESSIONAL ADVISORS, AGENTS AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS, OR ANY ACT OR OMISSION, TRANSACTION, OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, HOLDERS OF CLAIMS THAT OPT OUT OF THE RELEASES UNDER SECTION 8.3 OF THE PLAN WILL NOT BE SUBJECT TO THE INJUNCTION WITH RESPECT TO PREPETITION CLAIMS AGAINST NON-DEBTOR ENTITIES.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO RELEASES OR EXCULPATIONS CONTAINED HEREIN SHALL RELEASE LIFESPACE FROM ITS OBLIGATIONS TO THE RESIDENTS TRUST CONTAINED IN THE LIFESPACE SETTLEMENT AND CONTRIBUTION AGREEMENT, WHICH SHALL BE PRESERVED AND ASSIGNED TO THE RESIDENTS TRUST AND THE RESIDENTS TRUST TRUSTEE PURSUANT TO THE TERMS OF THE PLAN.

PLEASE READ THE FOLLOWING:

If you do not wish to be a “**Releasing Party**” (as defined in the Plan) and grant the releases set forth in the Plan, you **MUST** do all of the following: (i) check the following box, (ii) complete and sign this form, and (iii) ensure that this completed and signed form is timely submitted to the Voting Agent before the Opt Out Deadline expires.

If you do not submit this completed and signed “Opt Out Form” to the Voting Agent before the Voting Deadline and check the following opt-out box, you will be deemed to have consented to the foregoing provisions and to being deemed a Releasing Party.

Item 1. Optional Opt Out Release Election. Check the box below if you elect not to grant the releases contained in Section 8.3 of the Plan. Election to withhold consent is at your option. If you do not check the box below, you will be deemed to consent to the releases contained in Section 8.3 of the Plan to the fullest extent permitted by applicable law.

The undersigned elects to:

OPT OUT of the releases contained in Section 8.3 of the Plan.

Item 2. Certifications.

By signing this Opt-Out Form, the undersigned certifies:

- (a) that, as of the Voting Record Date, either: (i) the Entity is the holder of the Claims set forth below; or (ii) the Entity is an authorized signatory for an Entity that is a holder of the Claims set forth below;
- (b) that the holder has received a copy of the *Notice to Holders or Potential Holders of Disputed Claims Not Entitled to Vote on the Plan of (i) Non-Voting Status; (ii) Confirmation Hearing; (iii) Confirmation Objection Deadline; and (iv) Opportunity to Opt Out of Third-Party Releases* and that this Opt-Out Form is submitted pursuant to the terms and conditions set forth therein;
- (c) that the Entity has submitted the same respective election concerning the releases with respect to all Claims in a single Class set forth above; and
- (d) that no other Opt-Out Form with respect to the amount(s) of Claims identified below have been submitted with respect to the Plan or, if any other Opt-Out Forms have been submitted with respect to such Claims, then any such earlier Opt-Out Forms are hereby revoked.

Name of Holder:	
	(Print or Type)
Signature:	
Name of Signatory:	
	(If other than holder)
Title:	
Address:	

Telephone Number:	_____
Email:	_____
Date Completed:	_____

IF YOU WISH TO OPT OUT, YOU MUST COMPLETE, SIGN, AND DATE THIS OPT-OUT FORM AND RETURN NO LATER THAN JANUARY 20, 2023 AT 4:00 P.M. (PREVAILING CENTRAL TIME):

VIA REGULAR MAIL, OVERNIGHT, OR HAND DELIVERY:	VIA ELECTRONIC BALLOT BY VISITING THE WEBSITE BELOW:
Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245	http://www.kccllc.net/edgemere

E-Ballot Voting Instructions

To properly submit your Opt Out Form electronically, you must electronically complete, sign, and return this customized electronic Opt Out Form by utilizing the “E-Ballot” portal on the website maintained by Kurtzman Carson Consultants, LLC (the “**Voting Agent**”) by visiting <http://www.kccllc.net/edgemere>, clicking on the “Submit E-Ballot” link, and following the instructions set forth on the website. Opt Out Forms will not be accepted by facsimile, email or electronic means other than E-Ballot portal.

IMPORTANT NOTE: You will need the following information to retrieve and submit your customized electronic Opt Out Form:

Unique E-Ballot ID#: _____

PIN#: _____

If you are unable to use the E-Ballot portal or need assistance in completing and submitting your Opt Out Form, please contact the Voting Agent via telephone at (866) 967-0269 (U.S./Canada) or (310) 751-2669 (International) or by e-mail at EdgemereInfo@kccllc.com. Holders who cast an Opt Out Form using the Voting Agent’s E-Ballot portal should NOT also submit a paper Opt Out Form.

Exhibit 7

(Confirmation and Sale Hearing Notice)

Trinitee G. Green (SBN 24081320)
Polsinelli PC
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
Telephone: (214) 397-0030
Facsimile: (214) 397-0033
tggreen@polsinelli.com

J. Frasher Murphy (SBN 24013214)
Thomas J. Zavala (SBN 24116265)
Haynes and Boone, LLP
2323 Victory Avenue, Suite 700
Dallas, TX 75219
Telephone: (214) 651-5000
frasher.murphy@haynesboone.com
tom.zavala@haynesboone.com

Jeremy R. Johnson (Admitted *Pro Hac Vice*)
Polsinelli PC
600 3rd Avenue, 42nd Floor
New York, New York 10016
Telephone: (212) 684-0199
Facsimile: (212) 684-0197
jeremy.johnson@polsinelli.com

Daniel S. Bleck (Admitted *Pro Hac Vice*)
Eric Blythe (Admitted *Pro Hac Vice*)
Kaitlin R. Walsh (Admitted *Pro Hac Vice*)
Mintz, Levin, Cohn, Ferris, Glovsky, and
Popeo, PC
One Financial Center
Boston, MA 02111
Telephone: (617) 546-6000
dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

Counsel to Debtors and Debtors in Possession

Counsel to UMB Bank, N.A. as Trustee and DIP Lender

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

**NOTICE OF HEARING REGARDING (I) CONFIRMATION OF THE
FIRST AMENDED PLAN OF REORGANIZATION OF THE PLAN SPONSORS
DATED DECEMBER 6, 2022; (II) APPROVAL OF THE SALE TRANSACTION;
AND (III) RELATED VOTING AND OBJECTION DEADLINES**

PLEASE TAKE NOTICE THAT on December 19, 2022, Northwest Senior Housing Corporation and its affiliated debtor (collectively, the “**Debtors**”) in the above-captioned chapter 11

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

cases (the “**Chapter 11 Cases**”) and UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”) and in its capacity as lender under the DIP Credit Agreement (the “**DIP Lender**” and, together with the Trustee, the “**Initial Plan Sponsors**” and collectively with the Debtors, the “**Plan Sponsors**”) filed the (i) *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Plan**”) and (ii) *First Amended Disclosure Statement for the Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 934] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Disclosure Statement**”). The Plan is supported by the Plan Sponsors, Lifespace Communities, Inc. (“**Lifespace**”), and the official committee of unsecured creditors (the “**Committee**”).

PLEASE TAKE FURTHER NOTICE THAT on November 2, 2022, the Initial Plan Sponsors filed the *Motion of Trustee and DIP Lender for Entry of an Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation and Sale Hearing; and (V) Granting Related Relief* [Docket No. 755] (the “**Sale Motion**”);

PLEASE TAKE FURTHER NOTICE THAT on December 6, 2022, the Initial Plan Sponsors filed the *Notice of Filing Revised and Supplemental Documents in Support of Motion of Trustee and DIP Lender for Entry of an Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation and Sale Hearing; and (V) Granting Related Relief* [Docket No. 872] (the “**Sale Documents**”);

PLEASE TAKE FURTHER NOTICE THAT on December 19, 2022 the United States Bankruptcy Court for the Northern District of Texas (the “**Bankruptcy Court**”) entered its order [Docket No. 936] (the “**Disclosure Statement Order**”) approving the Disclosure Statement and on ___, 2022 the Bankruptcy Court entered its order [Docket No. [•]] (the “**Bidding Procedures Order**”) approving the bidding procedures set forth in the Sale Motion and the Sale Documents;²

PLEASE TAKE FURTHER NOTICE THAT the hearing at which the Court will consider Confirmation of the Plan, and approval of the sale of substantially all of the Debtors’ assets pursuant to the terms of the Plan (the “**Confirmation and Sale Hearing**”) will commence on **January 26, 2023 at 9:30 a.m. prevailing Central Time** before the Honorable Michelle V. Larson, in the Bankruptcy Court located at 1100 Commerce St., 14th Flr. Courtroom #2 Dallas, TX 75242. The Confirmation and Sale Hearing will be conducted in a hybrid format. Thus, you may participate in-person or via Webex. If you wish to participate remotely, you may do so by video or telephone via the Court’s WebEx platform). **For WebEx Video Participation/Attendance:** Link: <https://us-courts.webex.com/meet/larson>. **For WebEx**

² Important information and deadlines related to the proposed marketing and sale of the Debtors’ assets pursuant to the Plan are set forth in the Sale Motion and the Sale Documents, which should be reviewed together with the Plan by all parties in interest.

Telephonic Only Participation/Attendance: Dial-In: 1.650.479.3207, Access code: 160 135 6015.

PLEASE BE ADVISED: THE CONFIRMATION AND SALE HEARING MAY BE CONTINUED FROM TIME TO TIME BY THE COURT OR THE PLAN SPONSORS **WITHOUT FURTHER NOTICE** OTHER THAN BY SUCH ADJOURNMENT BEING ANNOUNCED IN OPEN COURT OR BY A NOTICE OF ADJOURNMENT FILED WITH THE COURT AND SERVED ON ALL PARTIES ENTITLED TO NOTICE.

CRITICAL INFORMATION REGARDING VOTING ON THE PLAN

Voting Record Date. The voting record date is **December 15, 2022** (the “**Voting Record Date**”), which is the date for determining which holders of Claims and Interests are entitled to vote on the Plan.

Voting Deadline. The deadline for voting on the Plan **January 20, 2023, at 4:00 p.m. prevailing Central Time** (the “**Voting Deadline**”). If you received a Solicitation Package including a Ballot and intend to vote on the Plan, you *must*: (a) follow the instructions carefully; (b) complete *all* of the required information on the Ballot; and (c) execute and return your completed Ballot according to and as set forth in detail in the voting instructions so that it is *actually received* by Kurtzman Carson Consultants LLC (the “**Voting Agent**”) on or before the Voting Deadline. *A failure to follow such instructions may disqualify your vote.*

CRITICAL INFORMATION REGARDING OBJECTING TO THE PLAN

SECTION 8 OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS THAT WILL BECOME EFFECTIVE IF THE PLAN IS CONFIRMED.

THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER SUCH PROVISIONS UNDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.

IF YOU DO NOT AGREE TO SUCH PROVISIONS AND DO NOT WISH TO BE A RELEASING PARTY, AS DEFINED BY THE PLAN, YOU MUST TAKE ACTION BY FILLING OUT AND TIMELY SUBMITTING A FORM TO “OPT-OUT” OF SUCH RELEASES AND RELATED PLAN PROVISIONS.

THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN OR IF YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, CONTACT THE VOTING AGENT.

Plan Objection Deadline. The deadline for filing objections to the Plan is **January 20, 2023 at 4:00 p.m. prevailing Central Time** (the “**Plan Objection Deadline**”). All objections to the relief sought at the Confirmation and Sale Hearing *must*: (a) be in writing; (b) comply with the Bankruptcy Rules, the Local Rules, and any applicable orders of the Court; (c) set forth the name of the objector and the nature and amount of any Claim or Interest asserted by the objector against

or in the Debtors' Estates; (d) state, with particularity, the legal and factual bases for the objection and, if practicable, a proposed modification to the Plan that would resolve such objection; and (e) be filed with the Court (contemporaneously with a proof of service) and served upon the following parties so as to be **actually received** on or before the Plan Objection Deadline: (i) counsel for the Debtors, Polsinelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201, Attn: Trinitee G. Green and 600 3rd Avenue, 42nd Floor, New York, NY 10016, Attn: Jeremy R. Johnson; (ii) counsel for Lifespace Communities, Inc., Cooley LLP, 110 North Upper Wacker Drive, Suite 4200, Chicago, Illinois 60606, Attn: Eric. E. Walker; (iii) counsel for UMB Bank, N.A., Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, Attn: Daniel Bleck, Eric Blythe and Kaitlin Walsh; (iv) counsel for the Committee, Foley & Lardner, 2021 McKinney Avenue, Ste. 1600, Dallas, Texas 75201, Attn. Stephen A. McCartin, Thomas C. Scannell, and Mark C. Moore; (v) the Office of the United States Trustee, 1100 Commerce St, Room 976, Dallas, Texas 75242-1699, Attn: Lisa Lambert; and (vi) such other parties as the Court may order.

ADDITIONAL INFORMATION

Obtaining Solicitation Materials. The materials in the Solicitation Package(s) with respect to the Plan are intended to be self-explanatory. If you should have any questions or if you would like to obtain additional solicitation materials (or paper copies of solicitation materials if you received an electronic version), please feel free to contact the Voting Agent by: (a) calling (866) 967-0269 (toll free) or +1 (310) 751-2669 (international); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; or (c) emailing at EdgemereInfo@kccllc.com with a reference to "Edgemere" in the subject line. You may also obtain such information for free by visiting the case website at <http://www.kccllc.net/edgemere> or for a fee via PACER at <http://www.txnb.uscourts.gov>. Please be advised that the Voting Agent is authorized to answer questions about, and provide additional copies of, solicitation materials, but may not advise you as to whether you should vote to accept or reject the Plan.

The Plan Supplement. The Plan Sponsors will file the Plan Supplement (as defined in the Plan) on or before **January 13, 2023** and will serve notice on all holders of Claims and Interests entitled to vote on the Plan, which will: (a) inform parties of the filing of the Plan Supplement; (b) list the information contained in the Plan Supplement; and (c) explain how parties may obtain copies of the Plan Supplement.

Lifespace's Financial Information. Financial information with respect to Lifespace is available on the bankruptcy case website maintained by KCC, the claims, solicitation and tabulation agent in these Chapter 11 Cases. The information may be accessed for free by visiting the Debtors' bankruptcy case website at <https://www.kccllc.net/edgemere> and selecting the "Lifespace Financials" tab on the home page. In addition, parties in interest may request a copy of the Master Trust Indenture (as defined in the Lifespace Settlement and Contribution Agreement) by contacting the Voting Agent. Additionally, parties may contact the undersigned to request a copy of the Master Trust Indenture.

BINDING NATURE OF THE PLAN:

IF CONFIRMED, THE PLAN SHALL BIND ALL HOLDERS OF CLAIMS AND INTERESTS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WHETHER OR NOT SUCH HOLDER WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE CONFIRMED PLAN, HAS FILED A PROOF OF CLAIM IN THE CHAPTER 11 CASES, FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN, OR VOTED TO REJECT THE PLAN.

Dated: _____, 2022
Dallas, Texas

POLSINELLI PC

/s/ Draft
Trinitee G. Green (SBN 24081320)
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
Telephone: (214) 397-0030
Facsimile: (214) 397-0033
tggreen@polsinelli.com

– and –

Jeremy R. Johnson (Admitted *Pro Hac Vice*)
600 3rd Avenue, 42nd Floor
New York, New York 10016
Telephone: (212) 684-0199
Facsimile: (212) 684-0197
jeremy.johnson@polsinelli.com

Counsel to the Debtors and Debtors in Possession

HAYNES AND BOONE, LLP

/s/ Draft
J. Frasher Murphy
State Bar No. 24013214
Thomas J. Zavala
State Bar No. 24116265
2323 Victory Avenue, Suite 700
Dallas, TX 75219
Telephone: (214) 651-5000
frasher.murphy@haynesboone.com
tom.zavala@haynesboone.com

– and –

MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO, PC

Daniel S. Bleck (Admitted *Pro Hac Vice*)
Eric Blythe (Admitted *Pro Hac Vice*)
Kaitlin R. Walsh (Admitted *Pro Hac Vice*)
One Financial Center
Boston, MA 02111
Telephone: (617) 546-6000
dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

Counsel to UMB Bank, N.A. as Trustee and DIP Lender

Exhibit 8-B

(Plan Supplement Notice)

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re:	Chapter 11
Northwest Senior Housing Corporation, <i>et al.</i> , ¹	Case No. 22-30659 (MVL)
Debtors.	(Jointly Administered)

NOTICE OF FILING OF PLAN SUPPLEMENT

PLEASE TAKE NOTICE THAT on December 19, 2022, Northwest Senior Housing Corporation and its affiliated debtor (collectively, the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”) and UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”) and in its capacity as lender under the DIP Credit Agreement (the “**DIP Lender**” and, together with the Trustee, the “**Initial Plan Sponsors**” and collectively with the Debtors, the “**Plan Sponsors**”) filed the (i) *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Plan**”) and (ii) *Third Amended Disclosure Statement for the Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 934] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Disclosure Statement**”). The Plan is supported by the Plan Sponsors, Lifespace Communities, Inc. (“**Lifespace**”), and the official committee of unsecured creditors (the “**Committee**”).

PLEASE TAKE FURTHER NOTICE THAT on November 2, 2022, the Initial Plan Sponsors filed the *Motion of Trustee and DIP Lender for Entry of an Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation and Sale Hearing; and (V) Granting Related Relief* [Docket No. 755] (the “**Sale Motion**”);

PLEASE TAKE FURTHER NOTICE THAT on December 6, 2022, the Initial Plan Sponsors filed the *Notice of Filing Revised and Supplemental Documents in Support of Motion of Trustee and DIP Lender for Entry of an Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

Leases; (IV) Scheduling Combined Confirmation and Sale Hearing; and (V) Granting Related Relief [Docket No. 872] (the “**Sale Documents**”);

PLEASE TAKE FURTHER NOTICE THAT on December 19, 2022 the United States Bankruptcy Court for the Northern District of Texas (the “**Bankruptcy Court**”) entered its order [Docket No. 936] (the “**Disclosure Statement Order**”) approving the Disclosure Statement and on [DATE], 2022, the Bankruptcy Court entered its order [Docket No. [●]] (the “**Bidding Procedures Order**”) approving the bidding procedures set forth in the Sale Motion and the Sale Documents;²

PLEASE TAKE FURTHER NOTICE THAT, as contemplated by the Plan, the Plan Sponsors filed the Plan Supplement with the Court on [●], 2022 [Docket No. [●]]. The Plan Supplement contains the following documents (as defined in the Plan): (i) the Litigation Trust Agreement; (ii) Residents Trust Agreement; (iii) list(s) of Executory Contracts and Unexpired Leases, and (iv) a form of monthly rental agreement for Current Residents. The Plan Sponsors shall have the right to amend the documents contained in, and exhibits to, the Plan Supplement, subject to the terms of the Plan.

PLEASE TAKE FURTHER NOTICE THAT the hearing at which the Court will consider Confirmation of the Plan and approval of the sale of substantially all of the Debtors’ assets pursuant to the terms of the Plan (the “**Confirmation and Sale Hearing**”) will commence on **January 26, 2023 at 9:30 a.m. prevailing Central Time** before the Honorable Michelle V. Larson, in the Bankruptcy Court located at 1100 Commerce St., 14th Flr. Courtroom #2 Dallas, TX 75242. The Confirmation and Sale Hearing will be conducted in a hybrid format. Thus, you may participate in-person or via Webex. If you wish to participate remotely, you may do so by video or telephone via the Court’s WebEx platform). **For WebEx Video Participation/Attendance:** Link: <https://us-courts.webex.com/meet/larson>. **For WebEx Telephonic Only Participation/Attendance:** Dial-In: 1.650.479.3207, Access code: 160 135 6015.

PLEASE BE ADVISED: THE CONFIRMATION AND SALE HEARING MAY BE CONTINUED FROM TIME TO TIME BY THE COURT OR THE PLAN SPONSORS **WITHOUT FURTHER NOTICE** OTHER THAN BY SUCH ADJOURNMENT BEING ANNOUNCED IN OPEN COURT OR BY A NOTICE OF ADJOURNMENT FILED WITH THE COURT AND SERVED ON ALL PARTIES ENTITLED TO NOTICE.

CRITICAL INFORMATION REGARDING OBJECTING TO THE PLAN

SECTION 8 OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS THAT WILL BECOME EFFECTIVE IF THE PLAN IS CONFIRMED. THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.

² Important information and deadlines related to the proposed marketing and sale of the Debtors’ assets pursuant to the Plan are set forth in the Sale Motion and the Sale Documents, which should be reviewed together with the Plan by all parties in interest.

IF YOU DO NOT AGREE TO SUCH PROVISIONS AND DO NOT WISH TO BE A RELEASING PARTY, AS DEFINED BY THE PLAN, YOU MUST TAKE ACTION BY FILLING OUT AND TIMELY SUBMITTING AN “OPT-OUT FORM.”

THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN OR IF YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, CONTACT THE VOTING AGENT.

Plan Objection Deadline. The deadline for filing objections to the Plan is **January 20, 2023 at 4:00 p.m. prevailing Central Time** (the “**Plan Objection Deadline**”). All objections to the relief sought at the Confirmation and Sale Hearing *must*: (a) be in writing; (b) comply with the Bankruptcy Rules, the Local Rules, and any applicable orders of the Court; (c) set forth the name of the objector and the nature and amount of any Claim or Interest asserted by the objector against or in the Debtors’ Estates; (d) state, with particularity, the legal and factual bases for the objection and, if practicable, a proposed modification to the Plan that would resolve such objection; and (e) be filed with the Court (contemporaneously with a proof of service) and served upon the following parties so as to be *actually received* on or before the Plan Objection Deadline: (i) counsel for the Debtors, Polsinelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201, Attn: Trinitee G. Green and 600 3rd Avenue, 42nd Floor, New York, NY 10016, Attn: Jeremy R. Johnson; (ii) counsel for Lifespace Communities, Inc., Cooley LLP, 110 North Upper Wacker Drive, Suite 4200, Chicago, Illinois 60606, Attn: Eric. E. Walker; (iii) counsel for UMB Bank, N.A., Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, Attn: Daniel Bleck, Eric Blythe, and Kaitlin Walsh; (iv) counsel for the Committee, Foley & Lardner, 2021 McKinney Avenue, Ste. 1600, Dallas, Texas 75201, Attn. Stephen A. McCartin, Thomas C. Scannell, and Mark C. Moore; (v) the Office of the United States Trustee, 1100 Commerce St, Room 976, Dallas, Texas 75242-1699, Attn: Lisa Lambert; and (vi) such other parties as the Court may order.

ADDITIONAL INFORMATION

Obtaining Solicitation Materials. The materials in the Solicitation Package are intended to be self-explanatory. If you should have any questions or if you would like to obtain additional solicitation materials (or paper copies of solicitation materials if you received an electronic version) or a copy of the Plan Supplement, please feel free to contact the voting by: (a) calling (866) 967-0269 (toll free) or +1 (917) 281-4800 (international); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; (c) emailing at EdgemereInfo@kccllc.com with a reference to “Edgemere” in the subject line; or (d) visiting the case website at <http://www.kccllc.net/edgemere>. You may also obtain such information for a fee via PACER at <http://www.txnb.uscourts.gov>. Please be advised that the Voting Agent is authorized to answer questions about, and provide additional copies of, solicitation materials, but may not advise you as to whether you should vote to accept or reject the Plan.

Lifespace’s Financial Information. Financial information with respect to Lifespace is available on the bankruptcy case website maintained by KCC, the claims, solicitation and tabulation agent in these Chapter 11 Cases. The information may be accessed for free by visiting the Debtors’ bankruptcy case website at <https://www.kccllc.net/edgemere> and selecting the “Lifespace Financials” tab on the home page. In addition, parties in interest may request a copy of the Master Trust Indenture (as defined in the Lifespace Settlement and Contribution Agreement) by contacting the Voting Agent. Additionally, parties may contact the undersigned to request a copy of the Master Trust Indenture.

BINDING NATURE OF THE PLAN:

IF CONFIRMED, THE PLAN SHALL BIND ALL HOLDERS OF CLAIMS AND INTERESTS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WHETHER OR NOT SUCH HOLDER WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE PLAN, HAS FILED A PROOF OF CLAIM IN THE CHAPTER 11 CASES, FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN, OR VOTED TO REJECT THE PLAN.

[Signatures on Following Page]

Dated: _____, 2023
Dallas, Texas

POLSINELLI PC

/s/ Draft

Trinitee G. Green (SBN 24081320)
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Dallas, Texas 75201
Telephone: (214) 397-0030
Facsimile: (214) 397-0033
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– and –

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Counsel to the Debtors and Debtors in Possession

HAYNES AND BOONE, LLP

/s/ Draft

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– and –

**MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY, AND POPEO, PC**

Daniel S. Bleck (Admitted *Pro Hac Vice*)
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erblythe@mintz.com
krwalsh@mintz.com

Counsel to UMB Bank, N.A. as Trustee and DIP Lender

Exhibit 9

(Resident Claim Cover Letter Template)



222 N. Pacific Coast Hwy 310.823.9000 PHONE
3rd Floor kccllc.com
El Segundo, CA 90245

[Date]

[Resident Name
Contact
Address
Address
City, State, Zip]

You are scheduled as a resident claimant under Edgemere’s bankruptcy case.

The amount of Edgemere’s refund obligation due to you pursuant to the terms of your residency agreement with Edgemere is \$[_____].

IF YOU AGREE WITH THIS AMOUNT YOU DO NOT HAVE TO FILE A REJECTION CLAIM AND THE REJECTION DAMAGES BAR DATE WILL NOT APPLY TO YOU. THE ONLY ACTION YOU NEED TO TAKE IS THE SUBMISSION OF THE BALLOT VOTING TO ACCEPT OR REJECT THE PROPOSED CHAPTER 11 PLAN BEFORE THE VOTING SUBMISSION DEADLINE INCLUDED THEREIN.

IF YOU DISAGREE WITH THIS AMOUNT, THEN YOU WILL NEED TO FILE A REJECTION CLAIM PRIOR TO THE REJECTION CLAIM BAR DATE FOLLOWING THE REJECTION OF YOUR RESIDENCY AGREEMENT.

Exhibit 10

(Committee Solicitation Letter)

**OFFICIAL COMMITTEE OF UNSECURED CREDITORS
IN THE EDMERE BANKRUPTCY PROCEEDING**

DECEMBER 19, 2022

TO UNSECURED CREDITORS OF NORTHWEST SENIOR HOUSING CORP. (“EDMERE”)

The Committee

The Official Committee of Unsecured Creditors (the “Committee”) was appointed by the Office of the United States Trustee to represent the interests of all unsecured creditors (including former and current residents) in the EdmERE bankruptcy proceeding. The Committee’s goals have been:

- (i) to maximize the repayment (or “dividend”) to unsecured creditors, including the repayment of entrance fee refund claims to former and current residents (which aggregate approximately \$145 million); and
- (ii) to recapitalize and de-leverage EdmERE to ensure its financial health going forward in order to allow it to continue operating as a “first in class” CCRC¹ facility.

To this end, the Committee has retained bankruptcy counsel and financial advisors experienced in complex business bankruptcy cases, and has actively negotiated with all parties to develop a bankruptcy plan of reorganization that will achieve these goals.

The Plan Package

You have or will soon receive a package of documents from EdmERE. If you are a current or former resident, your package will include:

- A plan of reorganization (the “Plan”) proposed and sponsored by the Bondholders (who hold approximately \$110 million of EdmERE’s bond debt) and by EdmERE.
- A letter (on blue colored paper) from KCC stating the amount of your Refund Claim. If that amount is accurate, you do not need to file a further claim with the court.
- A Ballot for you to accept or reject the Plan. The Ballot (also on blue colored paper for your easy reference). Please fill out pages 11 and 12 of the Ballot and mail it to the address listed on page 12 of the Ballot so that it is received on or before January 20, 2023 at 4:00 pm CT.

Summary of the Plan

The proposed Plan generally provides as follows:

Sale of Assets

- Edgemere's assets will be sold to Bay 9 Holdings, LLC ("Bay 9"), which is owned by one of the Bondholders (or any other party who submits a higher and better offer). All of the proceeds from the sale will be used to repay bankruptcy related expenses and to provide the Bondholders a partial repayment of their debt.
- The Landlord's Ground Lease will be assumed and assigned to Bay 9 so that it can continue to operate Edgemere as a "first in class" CCRC.
- The existing Residency Agreements (which primarily utilize a refundable entrance fee model) will be rejected/cancelled, and Edgemere will convert from a refundable entrance fee model to a monthly fee based model that does not contain life care benefits. Bay 9 will provide current residents the right to continue their occupancy at Edgemere by executing new monthly fee based residency agreements.

Residents Trust and Lifespace Settlement

- The Plan contains a settlement of all claims against Lifespace² by Edgemere, SQLC and the Residents (who do not OPT OUT of the settlement, referred to herein as the "Participating Residents"). The Plan is designed to provide sufficient funds to repay 100% of the Resident Claims.
- In exchange for the releases of claims, Lifespace has agreed to pay to a "Residents Trust" (created under the Plan for the benefit of Residents) an aggregate amount equal to the Residents Claims, payable in annual payments over eighteen (18) years as reflected on Exhibit 1. These annual amounts were determined based on actuarial projections obtained by Lifespace.

Payment to Escrow Residents, Participating Former Residents and Participating Current Residents

- Escrow Residents who deposited their entrance fees into escrow shall receive a full refund within ten (10) days of the Effective Date of the Plan.
- Participating Former Residents shall receive a distribution from the Residents Trust in the amount of their Resident Claims sixty (60) days after:
 - (a) the Residents Trust has been informed by the Purchaser that the Participating Former Resident’s independent living unit has been re-leased to a new resident, and
 - (b) the Residents Trust has sufficient funds, after reasonable reserves, to make such distribution.³
- Participating Current Residents shall receive a distribution from the Residents Trust in the amount of their Allowed Current Resident Claims within sixty (60) days after:
 - (a) vacating the Edgemere facility, either through death or by moving out of the facility,
 - (b) the Residents Trust has been informed by the Purchaser that the Participating Current Resident’s independent living unit has been re-leased to a new resident, and
 - (c) the Trust has sufficient funds, after reasonable reserves, to make such distribution.³

Potential Queue

- If there are insufficient funds in the Residents Trust to fully pay a Resident Claim, such Resident shall receive whatever portion of the Resident Claim is available at that time, with the remaining portion of the Resident Claim payable in subsequent years as funds become available. If there is more than one Resident who is not fully paid their Resident Claim when due, the Residents Trust shall pay those Residents in the chronological order as funds are available to the Residents Trust.

Life Care Subsidy

- Participating Current Residents who advance to higher levels of care within the community may request, and the Residents Trust will advance to the resident (subject to the availability of funds in the Residents Trust), the portion of such Resident's monthly fee for the elevated level of care that exceeds the then-current monthly fee charged for independent living services. All payments made hereunder shall be deducted from such Resident's Claim.
- In addition, Participating Current Residents that are able to establish to the satisfaction of the Residents Trust Trustee that he or she is indigent and unable to pay their monthly fee may request, and the Residents Trust will advance to the resident (subject to the availability of funds in the Residents Trust) such Resident's monthly fee (in any level of care) until such Resident's Claim has been exhausted. Requests for distribution of Residents Trust assets in accordance with this paragraph and the preceding paragraph (referred to herein as the "Life Care Subsidy") shall be given priority in timing of payment to distributions to residents who vacate the community.

Option to "OPT OUT" of Releases

The Plan provides that each Resident individually is releasing Edgemere and Lifespace (among others) from any and all claims UNLESS you "OPT OUT" of the release by so indicating on the Ballot. The Committee does not represent you personally and cannot give you legal advice on whether you should or should not elect to OPT OUT of the Lifespace settlement.

Residents who OPT OUT of the Plan Releases pursuant to the terms of the Plan shall receive no distributions from the Residents Trust and shall not be entitled to payment of Life Care Subsidy from the Residents Trust.

Committee Recommendation

The Committee believes the Plan is the best option available to unsecured creditors, including residents, and strongly urges you to:

- ACCEPT (Vote For)** the Plan.

Important Deadlines

The Court has set a number of important **deadlines**, including (but not limited to) the following:

- **January 20, 2023, at 4:00 p.m. (Central Time)** is the **deadline** for KCC, the Voting Agent, to **actually receive** Ballots from all creditors, including residents.
- **January 26, 2023, at 9:30 a.m. (Central Time)** is the date for the **hearing on the proposed sale of assets and confirmation** of the Plan.

Sincerely,

/s/

Official Committee of Unsecured Creditors
By: Erle Nye
Title: Chairperson

¹ Continuing Care Retirement Community.

² The potential claims against Lifespace are described in more detail in the Disclosure Statement that you have recently received.

³ The Trustee shall reserve sufficient funds in the Residents Trust for projected Trust expenses and the future payments of projected Life Care Subsidy on behalf of Participating Current Residents.

Exhibit 1

Lifespace Trust Contribution Schedule

Date	Lifespace Contribution Payment	Administrative Expense Payment	Annual Payment
Effective Date Pay neat	\$52,385,094.00	\$75,000.00	\$52,460,094.00
2024	\$11,395,234.00	\$75,000.00	\$11,470,234.00
2025	\$10,839,105.00	\$75,000.00	\$10,914,105.00
2026	\$9,968,057.00	\$75,000.00	\$10,043,057.00
2027	\$9,005,741.00	\$75,000.00	\$9,080,741.00
2028	\$7,901,979.00	\$75,000.00	\$7,976,979.00
2029	\$6,889,084.00	\$75,000.00	\$6,964,084.00
2030	\$5,966,775.00	\$75,000.00	\$6,041,775.00
2031	\$5,134,098.00	\$75,000.00	\$5,209,098.00
2032	\$4,359,664.00	\$75,000.00	\$4,434,664.00
2033	\$3,674,660.00	\$75,000.00	\$3,749,660.00
2034	\$3,078,130.00	\$75,000.00	\$3,153,130.00
2035	\$2,562,942.00	\$75,000.00	\$2,637,942.00
2036	\$2,129,252.00	\$75,000.00	\$2,204,252.00
2037	\$1,761,542.00	\$75,000.00	\$1,836,542.00
2038	\$1,446,837.00	\$75,000.00	\$1,521,837.00
2039	\$1,173,589.00	\$75,000.00	\$1,248,589.00
2040	\$931,568.00	\$75,000.00	\$1,006,568.00
2041	\$734,281.00	\$75,000.00	\$809,281.00
2042	\$572,976.00	\$75,000.00	\$647,976.00
	\$141,910,608.00	\$1,500,000.00	\$143,410,608.00

Exhibit 5

HAYNES AND BOONE, LLP

J. Frasher Murphy
State Bar No. 24013214
Thomas J. Zavala
State Bar No. 24116265
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Dallas, TX 75219
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dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

Counsel to the Plan Sponsors

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	Chapter 11
Northwest Senior Housing Corporation, <i>et al.</i> , ¹	Case No. 22-30659 (MVL)
Debtors.	(Jointly Administered)

**MOTION OF TRUSTEE AND DIP LENDER FOR ENTRY OF AN ORDER
(I) AUTHORIZING AND APPROVING THE BIDDING PROCEDURES;
(II) AUTHORIZING AND APPROVING THE STALKING HORSE ASSET PURCHASE
AGREEMENT; (III) APPROVING PROCEDURES RELATED TO THE ASSUMPTION
OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES;
(IV) SCHEDULING COMBINED CONFIRMATION AND SALE HEARING;
AND (V) GRANTING RELATED RELIEF**

**A HEARING WILL BE CONDUCTED ON THE MATTERS SET FORTH
IN THIS MOTION ON NOVEMBER 30, 2022 AT 1:30 P.M. (PREVAILING
CENTRAL TIME) AT THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS, 1100 COMMERCE ST.,
14TH FLOOR, COURTROOM NO. 2, DALLAS, TEXAS 75242. THE
HEARING WILL ALSO BE CONDUCTED VIA WEBEX IN**

¹ The Debtors in the Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.



**ACCORDANCE WITH INSTRUCTIONS PROVIDED IN A SEPARATE
NOTICE OF HEARING FILED ON NOVEMBER 2, 2022.**

UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”) and in its capacity as a lender under the DIP Credit Agreement (the “**DIP Lender**,” and together with the Trustee, the “**Plan Sponsors**”) hereby move this Court (the “**Motion**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”) for entry of an order substantially in the form attached hereto as **Exhibit A** (the “**Proposed Order**”) pursuant to sections 105(a), 363, 365, 503, 507, 1123(a)(5)(D), and 1123(b)(4) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “**Bankruptcy Code**”), Rules 2002, 6004, 6006, 9007 and 9014 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rules 2002-1(a)(2) and 9007-1 of the Local Bankruptcy Rules for the Northern District of Texas (the “**Local Rules**”): (a) authorizing and approving the Bidding Procedures (defined herein); (b) authorizing entry into the Stalking Horse APA (defined herein); (c) approving procedures related to the assumption of certain executory contracts and unexpired leases; (d) scheduling a hearing to consider the Sale Transaction (defined herein) concurrently with consideration of approval of the *Plan of Reorganization of the Trustee and the DIP Lender Dated November 2, 2022* (as amended, modified, and supplemented, the “**Plan**”)² [Docket No. 752] (the “**Confirmation and Sale Hearing**”); (e) establishing notice and objection procedures in respect of the proposed Sale Transaction in connection with the confirmation of the Plan; and (f) granting related relief. In support of the Motion, the Plan Sponsors respectfully represent as follows:

INTRODUCTION

The Plan proposed by the Plan Sponsors represents the best possible path to maximizing the value of the Debtors’ assets for the benefit of all stakeholders. The Plan will ensure the ongoing

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

viability of the Edgemere Community such that it can successfully operate for the remainder of the Ground Lease term and meet Resident expectations with respect to quality of service and care. To accomplish this goal, the Plan will implement the Sale Transaction, pursuant to which substantially all of the Debtors' assets will be sold to a Purchaser (the "**Purchased Assets**") and remaining assets of the Estates will be transferred to a Litigation Trust to be liquidated for the benefit of, and distributed to, creditors. The Plan Sponsors have selected an initial Purchaser, Bay 9 Holdings LLC or its designee (the "**Stalking Horse Bidder**") as a starting point towards maximizing the value of the Debtors' estates. The Stalking Horse Bidder's offer will be subject to higher and better bids, including through a potential auction, pursuant to the bidding and sale procedures substantially in the form attached to the Proposed Order as **Exhibit 1** (the "**Bidding Procedures**"). The Plan Sponsors and the Stalking Horse Bidder have negotiated the terms of an Asset Purchase Agreement, a copy of which is attached to the Proposed Order as **Exhibit 2** (the "**Stalking Horse APA**"). The Plan Sponsors believe that the Stalking Horse APA represents the fair market value for the Purchased Assets. Nevertheless, the Plan Sponsors are hopeful that there will be an auction which may result in overbids, and therefore even more value to the Debtors' estates.

The Plan Sponsors submit that the best test of the value of the Debtors' assets is to determine what the market will bear through an open sale process. By approving the designation of the Stalking Horse Bidder and the sale process described herein and in the Bidding Procedures, this Court will ensure that the value of the Debtors' assets will be maximized and market-tested.

By this Motion, the Plan Sponsors respectfully request the (a) authorization and approval of the Bidding Procedures, including approval of the Stalking Horse APA, (b) the approval of the notices relating to the Sale Transaction, including regarding assumption of any non-resident

contracts, and (c) scheduling the hearing to consider approval of the Sale Transaction to occur in connection with the hearing to consider approval of the Plan (the “**Confirmation and Sale Hearing**”). It is critical that the sale process be consummated on the timeline set forth in the Bidding Procedures and in this Motion. In recognition of the fact that the Debtors’ postpetition financing matures on December 31, 2022 and that it is imperative that a plan of reorganization is consummated as quickly as possible, the Debtors and the Plan Sponsors, with this Court’s blessing, agreed to a plan confirmation timeline that serves as the framework for the sale timeline. The sale timeline has been designed to ensure adequate time for a marketing process while preserving and maximizing the value of the Debtors’ estates for the benefit of all stakeholders, including the Residents.

JURISDICTION AND VENUE

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and the Plan Sponsors confirm their consent to the entry of a final order or judgment by the Court in connection with the Motion if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

2. Venue is proper in this District under 28 U.S.C. §§ 1408 and 1409.

3. The statutory bases for the relief sought herein are sections 105(a), 363, 365, 503, 507, 1123(a)(5)(D), and 1123(b)(4) of the Bankruptcy Code, 2002, 6004, 6006, 9007 and 9014 of the Bankruptcy Rules, and Local Rules 2002-1(a)(2) and 9007-1.

PROCEDURAL BACKGROUND

4. On April 14, 2022 (the “**Petition Date**”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Texas (the “**Court**”).

5. The Chapter 11 Cases are being jointly administered pursuant to Bankruptcy Rule 1015(b). [Docket No. 88]. The Debtors continue to operate and manage their businesses as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

6. On April 28, 2022, the Office of the United States Trustee for the Northern District of Texas (the “**U.S. Trustee**”) appointed an official committee of unsecured creditors (the “**Committee**”) pursuant to Bankruptcy Code section 1102(a)(1). [Docket No. 135].

7. No trustee or examiner has been appointed in the Chapter 11 Cases.

8. Pursuant to the *Order Granting in Part and Denying in Part the Debtors’ Motion for Entry of an Order Extending the Exclusivity Period for the Filing of a Chapter 11 Plan*, dated October 13, 2022 [Docket No. 705] (the “**Exclusivity Termination Order**”), the Plan Sponsors have been granted authority to file the Plan.

RELIEF REQUESTED

9. By this Motion, the Plan Sponsors seek approval of the following:
- a. the Bidding Procedures outlining the process for submitting bids for the Debtors’ assets and conducting an auction (the “**Auction**”) in the event the Plan Sponsors receive more than one qualified bid for the purchase of the Debtors’ assets;
 - b. the Stalking Horse APA, which includes a break-up fee of \$1,455,000.00 (the “**Break Up Fee**”) (representing approximately 3% of the transaction value under the Stalking Horse APA) and an expense reimbursement not to exceed \$200,000.00 (the “**Expense Reimbursement**”, and collectively with the Break Up Fee, the “**Bid Protections**”), and directing the Debtors to enter into the Stalking Horse

- APA subject to higher and better bids as set forth in the Bidding Procedures;
- c. the form of notice of the sale of the Debtors’ assets at a public auction (the “**Notice of Sale**”), substantially in the form attached to the Proposed Order as **Exhibit 3**;
 - d. the form of notice to counterparties to executory contracts and unexpired leases that will be assumed or rejected pursuant to the Plan (the “**Cure and Possible Assumption and Assignment Notice**”), substantially in the form attached to the Proposed Order as **Exhibit 4**; and
 - e. the establishment of the following dates and deadlines with respect to the Sale process, subject to modification as necessary:

Proposed Date ³	Event
5 Days after Entry of Order approving the Bidding Procedures	Deadline for Plan Sponsors to file and Serve Cure and Possible Assumption and Assignment Notice
December 19, 2022 at 4:00 p.m.	Deadline to file objections to Cure and Possible Assumption and Assignment Notice
December 27, 2022 at 4:00 p.m.	Bid Deadline
December 28, 2022 at 10:00 a.m.	Auction (if necessary)
January 3, 2023 at 4:00 p.m.	Deadline to Object to the Plan and the Sale
January 6, 2023	Deadline to File Replies to Plan Objections
January 10, 2023 at 9:30 a.m.	Confirmation and Sale Hearing

BASIS FOR RELIEF

10. The Plan Sponsors have identified the Stalking Horse Bidder as a potential purchaser of the Debtors’ assets. The Stalking Horse Bidder has established a minimum value of \$48,500,000.00 in cash plus certain assumed liabilities, subject to certain adjustments as set forth in the Stalking Horse APA, to be provided to the Debtors’ estates upon consummation of the sale. It is the Plan Sponsors’ hope that through a robust marketing process lead by RBC, as described

³ All times are prevailing Central Time.

in detail in the Bidding Procedures, higher and better offers will be obtained for the Debtors' assets and the Debtors' estates will realize even greater value.

I. The Court Should Approve the Stalking Horse APA and the Bid Protections Contained Therein

11. Section 1121(c) of the Bankruptcy Code provides that “[a]ny party in interest, including the debtor, the trustee, a creditors’ committee, an equity security holders’ committee, a creditor, an equity security holder, or any indenture trustee, may file a plan” after the expiration of a debtor’s exclusivity period. *See* 11 U.S.C. § 1121(c). Moreover, pursuant to the Exclusivity Termination Order, the Court expressly provided that “[o]n and after October 27, 2022, the Bond Trustee, the Debtors and Lifespace Communities, Inc. . . . shall each have the right to file a chapter 11 plan of reorganization”

12. Section 1123 of the Bankruptcy Code requires that a chapter 11 plan have an adequate means of implementation which may include, *inter alia*, the “sale of all or any part of the property of the estate, either subject to or free of any lien, or the distribution of all or any part of the property of the estate among those having an interest in such property of the estate.” *See* 11 U.S.C. 1123(a)(5)(D); *see also* COLLIER ON BANKRUPTCY ¶ 1123.01[5][c] (Richard Levin & Henry J. Sommer eds., 16th ed. 2022) (observing that “section 1123(a)(5)(D) ‘overrides nonbankruptcy law restrictions on the distribution of collateral to satisfy a claim secured by the same.’”) (internal citation omitted). Section 1123(b)(4), in turn, explicitly provides that a chapter 11 plan may “provide for the sale of all or substantially all of the property of the estate, and the distribution of the proceeds of such sale among holders of claims or interests.” 11 U.S.C. § 1123(b)(4); *see also* COLLIER ON BANKRUPTCY ¶ 1123.02[4] (Richard Levin & Henry J. Sommer eds., 16th ed. 2022) (noting that “Section 1123(b)(4) supplements section 1123(a)(5)(D), which permits the sale of all or any part of the debtor’s property as a means for the execution of the plan.

Thus, a plan may provide for sale of all or part of the property of the estate even though the plan does not provide for the distribution of the proceeds as the means of effectuating the plan.”).

13. The paramount goal in any proposed sale of property of the estate is to maximize the proceeds received by the estate. *See, e.g., Corp. Assets, Inc. v. Paloian*, 368 F.3d 761, 765 (7th Cir. 2004) (in a bankruptcy sale, the “governing principle . . . is to secure the highest price for the benefit of the estate and creditors”). To that end, the sale of the Debtors’ assets through a chapter 11 plan maintains the Bankruptcy Code’s objective to maximize the value of the debtors’ estates through a sale while simultaneously balancing the rights of creditors and parties in interest to vote on the proposed sale of the debtors’ assets and reorganization. *See In re Food Barn Stores, Inc.*, 107 F.3d 558, 564-65 (8th Cir. 1997) (observing that in bankruptcy sales, “a primary objective of the Code [is] to enhance the value of the estate at hand”); *In re Atlanta Packaging Prods., Inc.*, 99 B.R. 124, 131 (Bankr. N.D. Ga. 1988) (noting that the goal of a bankruptcy sale “is to obtain the highest price or greatest overall benefit possible for the estate.”); *see also, In re Fin. News Network, Inc.*, 126 B.R. 152, 156 (Bankr. S.D.N.Y. 1991) (finding that “court-imposed rules for the disposition of assets . . . [should] provide an adequate basis for comparison of offers, and [should] provide for a fair and efficient resolution of bankrupt estates.”).

14. The transaction contemplated by the Plan would achieve the goal of maximizing the value of the Debtors’ estates. Pursuant to the Plan, the Stalking Horse Bidder shall purchase substantially all of the Debtors’ assets for a cash purchase price of \$48,500,000.00 plus certain assumed liabilities, subject to certain adjustments as set forth in the Stalking Horse APA (the “**Sale Transaction**”), pursuant to the terms of the Stalking Horse APA. The Sale Transaction is subject to higher or better offers and a possible auction as set forth in detail herein, and the consummation of the Sale Transaction is conditioned upon entry the Confirmation Order. In order to conduct the

sale process contemplated by the Plan side-by-side with the solicitation of votes on the Plan, the Plan Sponsors request approval of their selection of Stalking Horse Bidder and request that this Court direct the Debtors to execute the Stalking Horse APA in order to ensure that the Stalking Horse Bidder’s offer to purchase the Debtors’ assets is binding, and to afford the Stalking Horse the Bid Protections set forth in the Stalking Horse APA and the Bidding Procedures as set forth below.

15. The key provisions of the Stalking Horse APA are as follows:

Purchase Consideration:	The consideration payable by the Stalking Horse Bidder is \$48,500,000.00 in cash, subject to certain adjustments, and the assumption of the Assumed Liabilities.
Escrow Deposit:	The Stalking Horse has agreed to deposit \$2,425,000.00 in cash with UMB Bank, N.A. as the “ Escrow Agent, ” which will be held by the Escrow Agent in accordance with the provisions of the Escrow Deposit Agreement and the Stalking Horse APA.
Holdback:	\$1,500,000.00 of the Purchase Price shall be deposited into an escrow account with an independent escrow agent to reimburse the Stalking Horse Bidder for any amounts subject to Medicare payor recoupment or setoff against the Stalking Horse Bidder’s post-Closing Accounts Receivable, but related to pre-Closing overpayments on Accounts Receivable made to Seller. Subject to any Medicare payment audit, upon the one-year anniversary of the Closing Date, any remaining and undisputed Closing Escrow Amount shall be paid to the Plan Sponsors as proceeds from the Sale.

<p>Bid Protections:</p>	<p>In the event the Debtors consummate an alternative sale transaction for substantially all of the business or the Purchased Assets (as defined in the Stalking Horse APA), the Stalking Horse APA contemplates that the Debtors shall pay to the Stalking Horse Bidder the Bid Protections in the aggregate amount of no more than \$1,655,000.00. The Bid Protections shall be entitled to priority as an administrative expense in the Chapter 11 Cases under sections 503(b) and 507(a)(2) of the Bankruptcy Code.</p>
<p>Treatment of Residency Agreements:</p>	<p>The Stalking Horse APA contemplates that the Debtors will reject all Residency Agreements, and the Stalking Horse Bidder will offer all Current Residents at the Edgemere Community the option to enter into a new monthly rental agreement which shall provide similar services to each Current Resident as offered by the Debtors prior to Closing, at the then current private pay rate as advertised by the Debtors, subject to ordinary market adjustments.</p>
<p>Treatment of Executory Contracts and Unexpired Leases (other than Residency Agreements):</p>	<p>The Stalking Horse APA provides that the Debtors will assume and assign the Ground Lease to the Stalking Horse Bidder, and sets forth a notice process pursuant to which the Landlord and other counterparties to unexpired leases and executory contracts may object to proposed cure amounts and adequate protection. The Stalking Horse APA also permits the Stalking Horse Bidder to schedule additional executory contracts and unexpired leases to be assumed and assigned to the Stalking Horse Bidder.</p>

16. In addition, the Bid Protections are appropriate and should be approved. Courts recognize that procedures intended to enhance competitive bidding are consistent with the goal of maximizing the value realized by the estate and therefore are appropriate in the context of bankruptcy transactions. *See In re ASARCO, L.L.C.*, 650 F.3d 593, 603 (5th Cir. 2011) (affirming a bankruptcy court’s approval of bidding procedures designed to maximize the value of the

debtor's estate); *In re Energy Future Holdings Corp.*, 593 B.R. 217, 246 (Bankr. D. Del. 2018) (recognizing the appropriateness of bidding procedures where the objective at all times was to maximize value for their estates); *In re Integrated Res., Inc.*, 147 B.R. 650, 659 (S.D.N.Y. 1992) (bidding procedures "encourage bidding and . . . maximize the value of the debtor's assets").

17. Here, the Bid Protections are a necessary component of the Stalking Horse APA and should be approved as in the best interests of the estates to maximize the Debtors' estates' assets. See *In re Acis Capital Mgmt., L.P.*, 604 B.R. 484, 518 (N.D. Tex. 2019), *aff'd sub nom. Matter of Acis Capital Mgmt., L.P.*, 850 Fed. Appx. 302 (5th Cir. 2021) ("the Break-Up Fee facilitated the plan confirmation process. Without the Break-Up Fee, the Trustee would have had no ready, willing, and able partner for the proposed . . . transaction . . ."). The Break Up Fee and Expense Reimbursement will only be paid if the Stalking Horse Bidder is not the Successful Bidder, and the Debtors close a sale with an alternative Successful Bidder. As additional protection to the Stalking Horse Bidder, upon the closing of any sale to an alternative Successful Bidder, the Bid Protections shall be paid directly to the Stalking Horse Bidder without further order of this Court and treated as an allowed superpriority administrative expense claim against the Debtors' estates pursuant to sections 105(a), 503(b), and 507(a)(2) of the Bankruptcy Code. The Break Up Fee represents approximately 3% of the transaction value under the Asset Purchase Agreement. This percentage is well within the order of magnitude of break-up fees approved in other cases, including cases within the Northern District of Texas. See, e.g., *In re Erickson Retirement Cmty., LLC*, Case No. 09-37010-SGJ11 (Bankr. N.D. Tex. 2009) [Docket No. 272] (finding break-up fee and expenses equal to 3.5% of purchase price reasonable); *In re GGI Holdings, LLC, et al.*, Case No. 20-31318-HDH11 (Bankr. N.D. Tex. 2020) [Docket No. 428] (approving break-up fee of 3%); *In re FC Background, LLC, d/b/a FC Constr. Servs.*, Case No. 19-32037-SGJ11 (Bankr. N.D. Tex.

2019) [Docket No. 83] (approving bid protections of up to \$300,000.00 or approximately 3% of the proposed purchase price, including \$200,000.00 of break-up fee and up to \$100,000.00 of expense reimbursement); *In re Bouchard Transp. Co., Inc.*, 639 B.R. 697, 721 (S.D. Tex. 2022) (affirming order allowing stalking horse bidder's administrative expense claim comprising a \$3.3 million breakup fee, equal to 3% of the stalking horse bidder's purchase price, and expense reimbursement of \$885,506.98); *In re Briggs & Stratton Corp.*, Case No. 20-43597 (BSS) (Bankr. E.D. Mo. Aug. 19, 2020) [Doc. No. 505] (approving breakup fee not exceeding \$16.5 million, representing 3% of the stalking horse bidder's purchase price, and expense reimbursement not exceeding \$2.75 million); *In re RMS Titanic, Inc.*, Case No. 16-02230 (PMG) (Bankr. M.D. Fla. Sept. 13, 2018) [Doc. No. 1201] (approving expense reimbursement and breakup fee of the greater of \$500,000.00 and 3% of the purchase price); *In re Sea Island Co.*, Case No. 10-21034 (EJC) (Bankr. S.D. Ga. Sept. 15, 2010) [Doc. No. 189] (finding a 3% breakup fee to be appropriate).

18. Approval of the Stalking Horse APA is in the best interests of the Debtors' estates. In the event no other qualified competing bid materializes, the Stalking Horse APA represents a viable path forward for the Debtors, and will ensure Current Residents the opportunity to stay in their homes and receive the same level of care they currently receive. The Court should approve the Stalking Horse APA and direct the Debtors to execute the Stalking Horse APA.

II. The Court Should Approve the Bidding Procedures

19. Pursuant to Bankruptcy Rule 6004(f)(1), sales of property outside the ordinary course of business may be made by private sale or public auction. Good cause exists to expose the Debtors' assets to auction. The Auction conducted in accordance with the proposed Bidding Procedures will enable the Plan Sponsors, in consultation with the Debtors and the Committee

(collectively, the “**Consultation Parties**”), to solicit higher and better offers for the Debtors’ assets, thereby maximizing the value of the Debtors’ estates for the benefit of all stakeholders.

20. To be eligible to participate in the Auction, each initial Bid and each party (other than the Stalking Horse Bidder) submitting such a Bid (each, a “**Bidder**”) must be determined by the Plan Sponsors, in consultation with the Consultation Parties, to satisfy each of the following conditions, and, if so met, such Bid shall constitute a “**Qualified Bid,**” and such Bidder shall constitute a “**Qualified Bidder**”:

Purchase Price	The Bid must include a cash purchase price in an amount that is at least \$48,500,000.00, plus the amount of the Break Up Fee, plus the amount of the Expense Reimbursement, plus \$100,000.00.
Good Faith Deposit	The Bid accompanied by a deposit in an amount of five percent (5%) of the Bidder’s proposed cash purchase price to be held in an interest bearing escrow account to be held by the Escrow Agent in accordance with the Escrow Deposit Agreement.
Asset Purchase Agreement	The Bid must include a marked version of the Stalking Horse APA (the “ Bidder APA ”) to identify what, if any, modifications the Bidder proposes.
Going Concern Information	The Bidder APA shall (a) identify all Non-Resident Contract Counterparty (defined below) agreements that the Bidder wishes to have assumed and assigned to it pursuant to the Sale; (b) provide details regarding the treatment of Residency Agreements with the Debtors’ current or former residents; (c) provide details regarding the operation and management of the Purchased Assets after the Sale; and (d) provide information pertinent to the ability to obtain regulatory approvals to purchase and operate the Purchased Assets.
Corporate Authority; Financial Ability to Perform; Irrevocable Bid	Each Bid must include written evidence that the Bidder has appropriate corporate authority and financial wherewithal to consummate the Sale Transaction, and that the Bid is irrevocable until the Closing Date of the Sale

	Transaction. Each Bid must acknowledge that the Bidder waives and is not entitled to any of the Stalking Horse Bid Protections or other similar bidder protections, including as a substantial contribution under section 503 of the Bankruptcy Code.
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21. If any Bid (other than the Stalking Horse Bid) received by the Bid Deadline is determined to be a Qualified Bid, the Plan Sponsors, in consultation with the Consultation Parties, will hold an Auction in accordance with the Bidding Procedures, which are designed to ensure a competitive sale process and encourage higher and better bids, and as such should be approved.

III. The Bidding Procedures Relating to the Assignment and Assumption of Executory Contracts and Unexpired Leases Should Be Approved

22. Pursuant to the Plan, any of the Debtors’ Executory Contracts or Unexpired Leases to be assumed under the Sale Transaction that are, or may be, alleged to be in default, shall be satisfied solely by cure or by a waiver of cure agreed upon between the Purchaser and the applicable counterparty. *See* Disclosure Statement § V.D. In order to provide counterparties with sufficient notice of the proposed cure amounts, the Bidding Procedures contemplate that within five (5) days after entry of the Bidding Procedures Order, the Plan Sponsors will file with the Court and serve the Cure and Possible Assumption and Assignment Notice to the counterparties to Executory Contracts and Unexpired Leases, other than Residents that are party to a Residency Agreement as of the Petition Date (each, a “**Non-Resident Contract Counterparty**”), setting forth the Plan Sponsors’ calculation of each Non-Resident Contract Counterparty’s cure amount, if any, that would be owing to such Non-Resident Contract Counterparty if the Debtors were to assume or assume and assign such Executory Contract or Unexpired Lease, and alerting such Non-Resident Contract Counterparty that its agreement may be assumed and assigned to the Purchaser. Any Non-Resident Contract Counterparty that objects to the cure amount set forth in the Cure and

Possible Assumption and Assignment Notice must file an objection (a “**Cure Objection**”) no later than December 19, 2022 at 4:00 p.m. (prevailing Central Time), which Cure Objection must be served on the following by e-mail: (a) counsel for the Plan Sponsors, Daniel Bleck, dsbleck@mintz.com, Eric Blythe, erblythe@mintz.com, and Kaitlin Walsh, krwalsh@mintz.com; (b) RBC Capital Advisors, David Fields, david.fields@rbccm.com; (c) counsel for the Debtors, Trinitee G. Green, tggreen@polsinelli.com and Jeremy Johnson, jeremy.johnson@polsinelli.com, and (d) counsel for the Committee, Stephen A. McCartin, smccartin@foley.com, Thomas C. Scannell, tscannell@foley.com, and Mark Moore, mmoore@foley.com (collectively, the “**Notice Parties**”).

23. If a Non-Resident Contract Counterparty does not timely file and serve a Cure Objection, that party will be forever barred from objecting to the proposed cure amount. Where a Non-Resident Contract Counterparty files a timely Cure Objection asserting a higher cure amount than the amount listed in the Cure and Possible Assumption and Assignment Notice, and the Non-Resident Contract Counterparty and the Plan Sponsor are unable to consensually resolve the dispute, the amount to be paid under section 365 of the Bankruptcy Code (if any) or, as the case may be, the Debtors’ ability to assign the agreement to the Purchaser, will be determined at the Confirmation and Sale Hearing.

24. After the conclusion of the Auction, the Plan Sponsors shall file with the Court and serve on the Notice Parties and Contract Counterparties a further notice (the “**Assumption Notice**”) identifying the Purchaser, stating which Executory Contracts or Unexpired Leases may be assumed and assigned to the Purchaser, and providing such Contract Counterparties with the Purchaser’s assurance of future performance. Any Contract Counterparty that objects to the adequacy of the assurance set forth in the Assumption Notice must file an objection with the Court

(a “**Contract Objection**”) and serve the Contract Objection on the Notice Parties prior to the Confirmation and Sale Hearing. If a Contract Counterparty does not file a Contract Objection prior to the Confirmation and Sale Hearing, such party will be forever barred from objecting to the adequacy of the assurance to be provided by the Purchaser and assumption and assignment to the Purchaser. Where a Contract Counterparty files a Contract Objection prior to the Confirmation and Sale Hearing, and the parties are unable to consensually resolve the dispute, the adequacy of the assurance provided by the Purchaser or raised issues regarding the potential assumption and assignment will be determined at the Confirmation and Sale Hearing.

25. For the avoidance of doubt, these procedures do not address Residency Agreements although the Residency Agreements are Executory Contracts. As provided above, the Stalking Horse APA provides for the rejection of all Residency Agreements with the Debtors’ Current Residents. In order to qualify as a Qualified Bidder, all Bidders must provide detail regarding its proposed treatment of Residency Agreements with the Debtors’ current or former Residents. To the extent a potential Purchaser includes the assumption of the Residency Agreements, the potential Purchaser will be required to satisfy the related cure costs and provide adequate assurance of future performance. The Assumption Notice shall include a description of the Purchaser’s proposed treatment of Residency Agreements.

26. The Plan Sponsors assert that the aforementioned Assumption Notice and related Bidding Procedures constitute good, proper, and adequate notice of the Sale Transaction, whether accomplished through a sale to the Stalking Horse Bidder or to an alternative bidder. Therefore, the Plan Sponsors respectfully request that this Court approve the foregoing notice and objection procedures.

CONCLUSION

WHEREFORE, the Plan Sponsors request that the Court enter an Order substantially in the form attached hereto as Exhibit A, granting the relief requested herein and providing the Plan Sponsors such other and further relief as is just and proper.

[Remainder of page intentionally left blank.]

Dated: November 2, 2022

HAYNES AND BOONE, LLP

/s/ J. Frasher Murphy _____

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– and –

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Counsel to the Plan Sponsors

EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

Re: Docket No. []

**ORDER (I) AUTHORIZING AND APPROVING THE BIDDING PROCEDURES;
(II) AUTHORIZING ENTRY INTO THE STALKING HORSE ASSET PURCHASE
AGREEMENT; (III) APPROVING PROCEDURES RELATED TO THE ASSUMPTION
OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES;
(IV) SCHEDULING COMBINED CONFIRMATION AND SALE HEARING
AND (V) GRANTING RELATED RELIEF**

Having considered the *Motion of Trustee and DIP Lender for Entry of an Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking*

¹ The Debtors in the Chapter 11 Cases (the “Chapter 11 Cases”), along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation And Sale Hearing; and (V) Granting Related Relief [Docket No. __] (the “**Motion**”)² and the other testimony, evidence, and representations regarding the Motion, the Court finds that: (a) jurisdiction over the matters in the Motion is proper pursuant to 28 U.S.C. § 1334, (b) venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409, (c) proper and adequate notice of the Motion has been provided and no further notice is needed, (d) the relief sought in the Motion is in the best interest of the Debtors’ estates, their creditors, and all parties in interest, and (e) good and sufficient cause exists for granting the relief requested in the Motion.

THE BANKRUPTCY COURT HEREBY FINDS AND DETERMINES THAT:³

- A. Notice of the Motion complies with Bankruptcy Rule 2002.
- B. The relief requested in the Motion is **GRANTED** as provided herein.
- C. Objections to the Sale Transaction must be made by **January 3, 2023 at 4:00 p.m.** (prevailing Central Time).
- D. The Plan Sponsors have articulated good and sufficient reasons for: (i) approval of the Bidding Procedures⁴; (ii) approval of the selection of the Stalking Horse Bidder; (iii) approval of the Break Up Fee and the Expense Reimbursement; (iv) authorizing payment of the Break Up Fee and Expense Reimbursement to the Stalking Horse Bidder under the circumstances described in the Bidding Procedures and in the Stalking Horse APA;⁵ (v) approval of the form and manner

² All capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

³ This Order constitutes this Court’s findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rules 7052 and 9014. Any and all findings of fact shall constitute findings of fact, even if they are stated as conclusions of law, and any and all conclusions of law shall constitute conclusions of law, even if they are stated as findings of fact.

⁴ See **Exhibit 1** hereto.

⁵ See **Exhibit 2** hereto.

of notice of all bidding procedures, bid protection and related agreements described in the Motion; (vi) scheduling of the Auction (if necessary) and approval of the manner of notice thereof; and (vii) all related relief set forth herein. The good and sufficient reasons articulated by the Plan Sponsors, which were set forth in the Motion and on the record at the hearing held before this Court on November 30, 2022, are incorporated herein by reference and, among other things, form the basis for the findings of fact and conclusions of law set forth herein.

E. The Bidding Procedures, incorporated herein by reference as if fully set forth in this Order, are fair, reasonable, and appropriate, and represent the best method for maximizing the value of the Debtors' estates. The Break Up Fee and the Expense Reimbursement, on the terms set forth in the Bidding Procedures and the Stalking Horse APA: (i) shall, if triggered, be deemed actual and necessary costs and expenses of preserving the Debtors' estates, within the meaning of 503(b) and 507(a)(2) of the Bankruptcy Code treated as an allowed superpriority administrative expense claim against the Debtors' estates pursuant to sections 105(a), 503(b), and 507(a)(2) of the Bankruptcy Code in accordance with the Stalking Horse APA; (ii) are commensurate to the real and substantial benefit conferred upon the Debtors' estates by the Stalking Horse Bidder; (iii) are reasonable and appropriate, including in light of the size and nature of the sale transaction and comparable transactions, the commitments that have been made, and the efforts that have been and will be expended by the Stalking Horse Bidder, notwithstanding that the proposed transaction may be subject to better and higher offers, and are necessary to induce the Stalking Horse Bidder to pursue the transaction, and (iv) were conditions to, and necessary for, the Stalking Horse Bidder to pursue the Sale and to be bound by the Stalking Horse APA and were designed to ensure the highest and best offers are attained.

F. The Bidding Procedures, the Break Up Fee, and the Expense Reimbursement were each a material inducement to, and an express condition of, the willingness of the Stalking Horse Bidder to submit a bid through the execution of the Stalking Horse APA, which will serve as a minimum floor bid on which the Plan Sponsors, the Debtors, their creditors, and other bidders, may rely. The Stalking Horse Bidder has provided a material benefit to the Debtors and their creditors by increasing the likelihood that the best possible purchase price for the Purchased Assets will be realized.

G. Approval of the Stalking Horse APA with the Stalking Horse Bidder is in the best interests of the Debtors, the Debtors' estates, and creditors, and it reflects a sound exercise of business judgment. The Stalking Horse APA provides adequate opportunity to sell the Debtors' assets in order to preserve and realize their optimal value.

Accordingly,

IT IS HEREBY ORDERED, AND NOTICE IS HEREBY GIVEN, THAT:

1. The Motion is **GRANTED**.

Approval of the Asset Purchase Agreement & Bid Protections

2. The Stalking Horse APA is hereby **APPROVED**, subject to higher or better offers at the Auction.
3. The Debtors are hereby authorized and directed to execute the Stalking Horse APA.
4. The Break Up Fee in the amount of \$1,455,000.00 and the Expense Reimbursement in the amount of up to \$200,000.00 are hereby approved, and shall constitute actual and necessary costs and expenses of preserving the Debtors' estates within the meaning of section 503(b) of the Bankruptcy Code which are entitled to priority in accordance with section 507(a)(2) of the Bankruptcy Code. If the Debtors sell, transfer, lease, or otherwise dispose of, directly or indirectly,

including through an asset sale, stock sale, merger or other similar transaction, all or substantially all of the business or the Purchased Assets in a transaction or a series of transactions with one or more persons other than the Stalking Horse Bidder in accordance with the Bidding Procedures (such event being an “**Alternative Transaction**”), the Debtors shall pay, and is hereby authorized to pay, to the Stalking Horse Bidder, within two (2) Business Days after the consummation of the Alternative Transaction, (i) an amount in cash equal to the Break Up Fee and (ii) the Expense Reimbursement.

5. No person or entity, other than the Stalking Horse Bidder, shall be entitled to any expense reimbursement, break-up fees, “topping,” termination, substantial contribution, or other similar fee or payment, and by submitting a bid, such person or entity is deemed to have waived their right to request or to file with this Court any request for expense reimbursement or any fee of any nature, whether by virtue of section 503(b) of Bankruptcy Code or otherwise.

Approval of the Bidding Procedures, Procedures for Determining Cure Amounts for Executory Contracts and Unexpired Leases, and Form and Manner of Notice of Sale

6. The Bidding Procedures are fully incorporated herein and are hereby **APPROVED** in their entirety. The Bidding Procedures shall govern the submission, receipt, and analysis of all Bids relating to any Proposed Transaction. Any party desiring to submit a Bid shall comply with the Bidding Procedures and this Bidding Procedures Order. The Plan Sponsors are authorized to take any and all actions necessary to implement the Bidding Procedures, in accordance therewith and the Stalking Horse APA.

7. The Sale Notice⁶ is hereby **APPROVED** in its entirety.

⁶ See **Exhibit 3** hereto.

8. The process and requirements associated with submitting a Qualified Bid are fair, reasonable, appropriate, and designed to maximize recoveries for the benefit of the Debtors' estates, creditors, and other parties in interest.

9. All bidders submitting a Bid are deemed to have submitted to the exclusive jurisdiction of the Court with respect to all matters related to the Bidding Procedures, the Auction, the Confirmation and Sale Hearing, and the terms and conditions of the sale or transfer of the Purchased Assets.

10. The Stalking Horse Bidder is deemed a Qualified Bidder for all purposes, and the Stalking Horse Bid as set forth in the Stalking Horse APA is deemed a Qualified Bid. In the event that no other Qualified Bids are submitted, no auction will be conducted, the Plan Sponsors shall deem the Stalking Horse Bidder to be the Successful Bidder with respect to the Purchased Assets and will seek final approval of the sale of the Purchased Assets (as defined in the Stalking Horse APA) through the Plan at the Confirmation and Sale Hearing.

11. To be eligible to participate in the Auction, each initial Bid and each party (other than the Stalking Horse Bidder that is deemed to be a Qualified Bidder in all respects) submitting such a Bid (each, a "**Bidder**") must be determined by the Plan Sponsors, in consultation with the Consultation Parties, to satisfy each of the following conditions and, if so met, such Bid shall constitute a "**Qualified Bid**," and such Bidder shall constitute a "**Qualified Bidder**":

Purchase Price	The Bid must include a cash purchase price in an amount that is at least \$48,500,000.00, plus the amount of the Break Up Fee, plus the amount of the Expense Reimbursement, plus \$100,000.00.
Good Faith Deposit	The Bid accompanied by a deposit in an amount of five percent (5%) of the Bidder's proposed cash purchase price to be held in an interest bearing escrow account to be held by

	the Escrow Agent in accordance with the Escrow Deposit Agreement.
Asset Purchase Agreement	The Bid must include a marked version of the Stalking Horse APA (the “ Bidder APA ”) to identify what, if any, modifications the Bidder proposes.
Going Concern Information	The Bidder APA shall (a) identify all Non-Resident Contract Counterparty (defined below) agreements that the Bidder wishes to have assumed and assigned to it pursuant to the Sale; (b) provide details regarding the treatment of Residency Agreements with the Debtors’ current or former residents; (c) provide details regarding the operation and management of the Purchased Assets after the Sale; and (d) provide information pertinent to the ability to obtain regulatory approvals to purchase and operate the Purchased Assets.
Corporate Authority; Financial Ability to Perform; Irrevocable Bid	Each Bid must include written evidence that the Bidder has appropriate corporate authority and financial wherewithal to consummate the Sale Transaction, and that the Bid is irrevocable until the Closing Date of the Sale Transaction. Each Bid must acknowledge that the Bidder waives and is not entitled to any of the Stalking Horse Bid Protections or other similar bidder protections, including as a substantial contribution under section 503 of the Bankruptcy Code.

12. If any Bid (other than the Stalking Horse Bid) received by the Bid Deadline is determined by the Plan Sponsors, in consultation with the Consultation Parties, to be a Qualified Bid, the Plan Sponsors will hold an Auction in accordance with the Bidding Procedures. At the Auction, the Plan Sponsors may: (a) select, in consultation with the Consultation Parties and pursuant to the Bidding Procedures, the highest or otherwise best Bid and the Successful Bid or Backup Bid; and (b) reject any Bid (regardless of whether such Bid is a Qualified Bid) that, upon consultation with the Consultation Parties is (i) inadequate, insufficient, or not the highest or best Bid, (ii) not in conformity with the requirements of the Bankruptcy Code, the Bankruptcy Rules,

or the Bidding Procedures, or (iii) contrary to, or otherwise not in the best interests of, the Debtors' estates, affected stakeholders, or other parties in interest.

**Approval of the Bidding Procedures Relating to the Assignment and Assumption of
Executory Contracts and Unexpired Leases**

13. The Bidding Procedures regarding the assumption and assignment of the Debtors' Executory Contracts or Unexpired Leases and the Cure and Possible Assumption and Assignment Notice⁷ are hereby **APPROVED**.

14. Any Non-Resident Contract Counterparty that objects to the cure amount set forth in the Cure and Possible Assumption and Assignment Notice, must file an objection (a "**Cure Objection**") no later than December 19, 2022 at 4:00 p.m. (prevailing Central Time), which Cure Objection must be served on the following by e-mail:

- a. Counsel for the Plan Sponsors: Daniel S. Bleck, Eric R. Blythe, & Kaitlin R. Walsh, Mintz Levin, One Financial Center, Boston MA 02111; DSbleck@mintz.com, ERBlythe@mintz.com, KRWalsh@mintz.com;
- b. Debtors: Trinitee G. Green, Polsinelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201; tggreen@polsinelli.com; Jeremy R. Johnson & Brenna A. Dolphin, Polsinelli PC, 600 3rd Avenue, 42nd Floor, New York, New York 10016; jeremy.johnson@polsinelli.com, bdolphin@polsinelli.com;
- c. Counsel for the Official Committee of Unsecured Creditors of the Debtors: Stephen A. McCartin, Thomas C. Scannell, Mark C. Moore, Foley & Lardner LLP, 2021 McKinney Ave., Ste 1600, Dallas, TX 75201; smccartin@foley.com, tscannell@foley.com, mmoore@foley.com; and
- d. The Office of the United States Trustee, Attn: Lisa Lambert, 1100 Commerce St., Room 976, Dallas, TX 75242; lisa.l.lambert@usdoj.gov.

⁷ See **Exhibit 4** hereto.

15. If a Non-Resident Contract Counterparty does not timely file and serve a Cure Objection, that party shall be forever barred from objecting to the proposed cure amount. Where a Non-Resident Contract Counterparty files a timely Cure Objection asserting a higher cure amount than the amount listed in the Cure and Possible Assumption and Assignment Notice, and the Non-Resident Contract Counterparty and the Plan Sponsor are unable to consensually resolve the dispute, the amount to be paid under section 365 of the Bankruptcy Code (if any) or, as the case may be, the Debtors' ability to assign the agreement to the Purchaser, shall be determined at the Confirmation and Sale Hearing.

16. After the conclusion of the Auction, the Plan Sponsors shall file with the Court and serve on the Notice Parties and Contract Counterparties a further notice (the "**Assumption Notice**") identifying the Purchaser, stating which Executory Contracts or Unexpired Leases may be assumed and assigned to the Purchaser, and providing such Contract Counterparties with the Purchaser's assurance of future performance. Any Contract Counterparty that objects to the adequacy of the assurance set forth in the Assumption Notice must file an objection with the Court (a "**Contract Objection**") and serve the Contract Objection on the Notice Parties prior to the Confirmation and Sale Hearing. If a Contract Counterparty does not file a Contract Objection prior to the Confirmation and Sale Hearing, such party shall be forever barred from objecting to the adequacy of the assurance to be provided by the Purchaser and the assumption and assignment to the Purchaser. Where a Contract Counterparty files a Contract Objection prior to the Confirmation and Sale Hearing, and the parties are unable to consensually resolve the dispute, the adequacy of the assurance provided by the Purchaser or raised issues regarding the potential assumption and assignment will be determined at the Confirmation and Sale Hearing.

17. For the avoidance of doubt, the Bidding Procedures regarding the assumption and assignment of the Debtors' Executory Contracts or Unexpired Leases and the Cure and Possible Assumption and Assignment Notice shall not apply to Residency Agreements.

Approval of the Sale Notice

18. The Confirmation and Sale Hearing will be a combined evidentiary hearing on the confirmation of the Plan pursuant to Bankruptcy Rule 3018(c) and the proposed Sale Transaction, or an Alternative Transaction, as the case may be. The Confirmation and Sale Hearing shall commence before the Honorable Michelle V. Larson, United States Bankruptcy Judge, in the United States Bankruptcy Court for the Northern District of Texas, on **January 10, 2023 at 9:30 a.m.** (prevailing Central Time). The Confirmation and Sale Hearing may be adjourned or rescheduled from time to time by the Court without further notice other than an announcement made at the hearing or at any adjourned or rescheduled hearing thereon.

19. The form of the Sale Notice provides adequate notice of the time fixed for filing objections and the hearing to consider confirmation of the Plan in accordance with Bankruptcy Rules 2002(a), 2002(b), 2002(d), and 3017(d) and is hereby **APPROVED**.

Related Relief

20. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

21. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 6006, 7062, and 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

22. This Court retains jurisdiction to hear and consider all disputes arising from the interpretation or implantation of this Order.

Exhibits Referenced and Incorporated Hereto

- Exhibit 1 – Bidding Procedures
- Exhibit 2 – Stalking Horse APA
- Exhibit 3 – Sale Notice
- Exhibit 4 – Cure and Possible Assumption and Assignment Notice

End of Order

Prepared by:

HAYNES AND BOONE, LLP

/s/ Draft

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– and –

**MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY, AND POPEO, PC**

Daniel S. Bleck (Admitted *Pro Hac Vice*)
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Counsel to the Plan Sponsors

Exhibit 1

Bidding Procedures

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

BIDDING PROCEDURES

UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “Trustee”) and in its capacity as lender under the DIP Credit Agreement (the “DIP Lender,” and collectively with the Trustee, the “Plan Sponsors”) are pursuing Court approval of the *Plan of Reorganization of the Trustee and the DIP Lender Dated November 2, 2022* [Docket No. 752] (the “Plan”).² Pursuant to the Plan, substantially all of the assets of the Debtors (the “Assets”) will be sold (the “Sale”). Bay 9 Holdings LLC, or its designee (the “Stalking Horse Bidder”) has agreed to purchase the Assets for a cash purchase price of \$48,500,000 plus assumed liabilities (the “Stalking Horse Bid”) pursuant to the terms and conditions of the Asset Purchase Agreement attached as an exhibit to the Plan (the “Stalking Horse APA”). To ensure that the maximum value is received for the Assets, the Stalking Horse APA is subject to higher or better offers. To that end, the Plan Sponsors are marketing the Assets and soliciting offers therefor in accordance with these procedures (the “Bidding Procedures”), which have been approved pursuant to an Order entered by this Court in the above-captioned bankruptcy case on November [], 2022 (the “Bidding Procedures Order”) [Docket No. []].

As provided below, the Plan Sponsors are soliciting bids (“Bids”) for the proposed acquisition of the Assets in accordance with these Bidding Procedures, which require, among other things, that potential purchasers submit an executed asset purchase agreement, along with a marked version evidencing any changes to the Stalking Horse APA. The Plan Sponsors will consider all Bids which comply with the terms of these Bidding Procedures.

Important Dates (All times are prevailing Central Time)³

December 19, 2022 at 4:00 p.m.: Deadline to file objections to the Cure and Possible Assumption and Assignment Notice

December 27, 2022 at 4:00 p.m.: Bid Deadline (as defined below).

December 28, 2022 at 10:00 a.m.: Auction date.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

³ All dates are subject to change in the Plan Sponsors’ discretion after consultation with the Debtors and Unsecured Creditors’ Committee (the “Committee” and together with the Debtors, the “Consultation Parties”).

Within Two (2) Business Days after Conclusion of Auction: Deadline for the Plan Sponsors to file a notice regarding the results of the Auction, including the selection of the Successful Bidder and the Backup Bidder (as each are defined below).

January 3, 2023 at 4:00 p.m.: Deadline to serve objections to the Sale and confirmation of the Plan Sponsors' Plan.

January 10, 2023 at 9:30 a.m.: Hearing to consider approval of the Sale and confirmation of the Plan.

Marketing Process

RBC Capital Markets, LLC ("RBC"), who will act as the investment banker for the solicitation of the purchase of the Assets, has developed a list of parties who the Plan Sponsors believe may be interested in consummating a Sale in addition to the Stalking Horse Bidder, which list includes both strategic and financial parties (each, individually, a "Contact Party", and collectively, the "Contact Parties").

RBC shall distribute to, or make available in the data room for, each Contact Party an "Information Package" that is comprised of:

- a cover letter;
- a copy of these Bidding Procedures; and
- a copy of a confidentiality agreement (the "Confidentiality Agreement"), a form of which is attached hereto as **Exhibit 1**.

To participate in the bidding process and to receive access to any confidential materials relating to the Assets (the "Diligence Materials"), each Contact Party must submit to the Plan Sponsors and the Debtors, through RBC, an executed Confidentiality Agreement, signed and transmitted by the person or entity wishing to have access to the Diligence Materials. Each Contact Party who qualifies for access to the Diligence Materials shall be a "Preliminary Potential Purchaser." All Diligence Material requests must be directed to RBC.

Bid Protections

Subject to the terms of the Bidding Procedures Order, as a component of the Stalking Horse APA, the Stalking Horse Bidder shall be entitled to a break-up fee of \$1,455,000 (*i.e.*, 3% of the cash purchase price) (the "Break Up Fee") and an expense reimbursement not to exceed \$200,000 (the "Expense Reimbursement"), payable from the proceeds of a closing of a Sale with an alternative purchaser in accordance with these Bidding Procedures, and a minimum bid increment for other bidders to submit competing bids, and other buyer protections set forth herein (collectively, the "Stalking Horse Bid Protections"). The Stalking Horse Bidder shall be entitled to credit bid the amount of its Break Up Fee plus its Expense Reimbursement at any Auction.

Qualifying Bid Process

To be eligible to participate in the auction, each initial Bid, and each party (other than the Stalking Horse Bidder) submitting such a Bid (each, a “Bidder”), must be determined by the Plan Sponsors, in consultation with the Consultation Parties, to satisfy each of the following conditions and, if so met, such Bid shall constitute a “Qualified Bid,” and such Bidder shall constitute a “Qualified Bidder”. For the avoidance of doubt, without the need for any further action, the Stalking Horse Bid is a Qualified Bid and the Stalking Horse Bidder is a Qualified Bidder.

1. Minimum Bid: Each initial Bid must be greater than or equal to (i) the value offered under the Stalking Horse APA, including a minimum cash purchase price of \$48,500,000, plus (ii) the amount of the Break Up Fee, plus (iii) the amount of the Expense Reimbursement, plus (iv) \$100,000 (the “Minimum Qualified Bid”).

2. Good Faith Deposit: Each initial Bid must be accompanied by a deposit in an amount of five percent (5%) of the Bidder’s proposed cash purchase price (the “Good Faith Deposit”) to an interest bearing escrow account (the “Escrow Deposit Account”) to be held by UMB Bank, N.A. as escrow agent (the “Escrow Agent”) in accordance with the Escrow Deposit Agreement attached hereto as Exhibit 2.

3. Terms of Bid: To be a Qualified Bid, each Bid must include:

- Transaction Documents. All executed transaction documents pursuant to which the Bidder proposes to effectuate the Sale, including (a) an executed asset purchase agreement (the “Bidder APA”), in word and pdf format; (b) a version of such Bidder APA marked against the Stalking Horse APA; and (c) related agreements and disclosures (collectively the “Transaction Documents”). Each Bid may provide for either a for-profit or not-for-profit entity as the owner and/or operator of the Debtors’ facility.
- Going Concern Information. The Bidder APA shall also (a) identify all Non-Resident Contract Counterparty (defined below) agreements that the Bidder wishes to have assumed and assigned to it pursuant to the Sale; (b) provide detail regarding the treatment of any agreement with any of the Debtors’ current or former residents (each, a “Residency Agreement”); (c) provide detail regarding the operation and management of the Assets after the Sale; and (d) provide information pertinent to the ability to obtain regulatory approvals to purchase and operate the Assets.
- Corporate Authority. Each Bid must disclose the identity of each entity that will be bidding or otherwise participating in connection with such Bid, and the complete terms of any such participation, and provide written evidence, reasonably acceptable to the Plan Sponsors, demonstrating appropriate corporate authorization to consummate the Sale.

- Proof of Financial Ability to Perform. Each Bid must include written evidence sufficient for the Plan Sponsors to reasonably conclude, after consultation with the Consultation Parties, that the Bidder has or will have the necessary financial ability to consummate the Sale and provide adequate assurance of future performance under all executory contracts to be assumed and assigned in accordance therewith. Such information should include, *inter alia*, the following:
 - contact names and numbers for verification of financing sources, if applicable;
 - evidence of the Bidder’s internal resources and proof of any outside funding sources that are needed to close the Sale; and
 - the Bidder’s current financial statements and any such other form, financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Plan Sponsors demonstrating that such Bidder has or will have the ability to close the Sale.
 - Each Bid must acknowledge that the Bidder waives and is not entitled to any of the Stalking Horse Bid Protections or other similar bidder protections, including as a substantial contribution under section 503 of the Bankruptcy Code.

4. Contingencies. Each Bid must include a statement that there are no conditions precedent to the Bidder’s ability to close the Sale other than Court and regulatory approvals, including that there are no due diligence or financing contingencies to the Bid, and that all necessary internal and shareholder approvals have been obtained prior to the Bid. Each Bid may be subject to the satisfaction of the conditions precedent to the Sale, as set forth in the Bidder APA.

5. Irrevocable: Each Bid must be irrevocable through the entry of the Confirmation Order; provided, however, that a Bid accepted as the Successful Bid or the Backup Bid (as each are defined below) shall remain irrevocable as set forth below, subject to the terms and conditions of the Bidding Procedures.

6. Bid Deadline: The Plan Sponsors must receive each Bid, in writing, on or before December 27, 2022, or such later date as may be agreed to by the Plan Sponsors (the “Bid Deadline”). Each Bid must be sent by the Bid Deadline to (i) counsel for the Plan Sponsors by e-mail: Daniel Bleck, dsbleck@mintz.com, Eric Blythe, erblythe@mintz.com, and Kaitlin Walsh, krwalsh@mintz.com and (ii) RBC, David Fields, david.fields@rbccm.com. Counsel to the Plan Sponsors will provide the Consultation Parties with any Bid within one (1) day of receipt thereof.

Auction

If any Bid (other than the Stalking Horse Bid) received by the Bid Deadline is determined to be a Qualified Bid, the Plan Sponsors will conduct an auction (the “Auction”) to determine the highest or best Qualified Bid. This determination shall take into account any factors the Plan Sponsors, upon consultation with the Consultation Parties, reasonably deem relevant to the value of the Qualified Bid to the Debtors’ estates. Before the Auction, the Stalking Horse Bidder and the other Qualified Bidders will be notified if any Qualified Bids have been received and will receive copies of such Qualified Bids. If no other Qualified Bid is received, the Plan Sponsors will not hold an Auction, and the Stalking Horse Bidder will be named the Successful Bidder. The Auction, if necessary, shall take place on December 28, 2022 at Haynes and Boone, LLP, 2323 Victory Avenue, Suite 700, Dallas, Texas. Unless otherwise agreed to by the Plan Sponsors, only the Plan Sponsors, the Debtors, Qualified Bidders, advisors to the Committee, representatives of holders of the Bonds, and each of their respective legal or financial professionals are eligible to attend or participate at the Auction. The Auction shall be recorded, transcribed or videotaped, and shall be conducted according to the following procedures, which may be modified by the Plan Sponsors in consultation with the Consultation Parties:

The Plan Sponsors Shall Conduct the Auction.

The Plan Sponsors and their professionals shall direct and preside over the Auction in consultation with the Consultation Parties in a manner that is consistent with these Bidding Procedures. Before the Auction, the Plan Sponsors shall describe the terms of the highest or best Qualified Bid(s) (the “Auction Baseline Bid”).

Bidding at the Auction shall begin with Auction Baseline Bid. All Bids made thereafter shall be Overbids (as defined below), and shall be made in a manner determined by the Plan Sponsors, in consultation with the Consultation Parties, and all material terms of each Overbid received shall be disclosed to all Bidders who have submitted Qualified Bids prior to any subsequent round of bidding. The Plan Sponsors shall maintain a transcript of all Bids made and announced at the Auction, including the Auction Baseline Bid and all Overbids.

Terms of Overbids.

An “Overbid” is any Bid made at the Auction subsequent to the Plan Sponsors’ announcement of the Auction Baseline Bid. To submit an Overbid for purposes of this Auction, a Bidder must comply with the following conditions:

(1) ***Minimum Overbid Increment.***

In advance of the Auction and after a review of the Qualified Bids received, the Plan Sponsors, in consultation with the Consultation Parties, shall determine the increments of any Overbid after the Auction Baseline Bid (the “Minimum Overbid Increment”); provided, that the Plan Sponsors shall retain the right to modify the Minimum Overbid Increment at the Auction in consultation with the Consultation Parties.

(2) ***Remaining Terms are the Same as for Qualified Bids.***

Except as modified herein, an Overbid must comply with the conditions for a Qualified Bid set forth above; provided, however, that the Bid Deadline shall not apply. Upon the conclusion of the Auction, the Successful Bidder and Backup Bidder's last Bid accepted by the Plan Sponsors, in consultation with the Consultation Parties, shall remain open and binding on each such Bidder for thirty (30) days after entry of the Confirmation Order as further provided herein.

To the extent not previously provided, a Qualified Bidder submitting an Overbid must submit, as part of its Overbid, written evidence (in the form of financial disclosure, credit-quality support information or other enhancement reasonably acceptable to the Plan Sponsors in consultation with the Consultation Parties) demonstrating such Bidder's ability to close the Sale.

(3) ***Announcing Overbids.***

Prior to each round of the Auction, the Plan Sponsors will announce the Minimum Overbid Increment for such round to all Bidders; *provided, however*, that the Plan Sponsors reserve the right to require bids submitted in the final round of the Auction to be sealed at the time of submission. Each Overbid will be made by the Qualified Bidder in the main auction room where the Auction proceedings are being transcribed such that all Qualified Bidders can hear and seek clarification from the Plan Sponsors on the terms of such Overbid.

(4) ***Consideration of Overbids.***

The Plan Sponsors reserve the right, in their reasonable business judgment in consultation with the Consultation Parties, to make one or more adjournments in the Auction to, among other things: (a) facilitate discussions among the Plan Sponsors, the Consultation Parties, and any Qualified Bidder to consider how they wish to proceed, (b) give Qualified Bidders the opportunity to provide the Plan Sponsors with such additional information as the Plan Sponsors in their reasonable business judgment, in consultation with the Consultation Parties, may require to evaluate that the Qualified Bidder's financial ability to consummate the Sale at the prevailing Overbid amount, or (c) address other reasonable concerns.

"As Is, Where Is" Sale.

Except as explicitly set forth in the Stalking Horse APA, any Sale of the Assets will be transferred on an "as is, where is" basis, with all faults, and without representations or warranties of any kind, nature or description.

Consent to Jurisdiction as Condition to Bidding.

All Qualified Bidders are deemed to have consented to the core jurisdiction of the Bankruptcy Court and waived any right to a jury trial in connection with any disputes relating to any Bids, the Bidding Procedures, the Transaction Documents or the Auction.

Closing the Auction.

The Auction may be adjourned from time to time by the Plan Sponsors after consultation with the Consultation Parties. Other than reasonable adjournments, the Auction shall continue until there is only one Qualified Bid that the Plan Sponsors determine, after consultation with its financial and legal advisors and the Consultation Parties, is the highest or best Qualified Bid at the Auction (the “Successful Bid” and the Qualified Bidder submitting such Successful Bid, the “Successful Bidder”). The Auction shall not close unless and until all Qualified Bidders who have submitted Qualified Bids and remain active in the Auction have been given a reasonable opportunity, as determined by the Plan Sponsors, in consultation with the Consultation Parties, to submit an Overbid at the Auction to the then-existing Overbid. Prior to the conclusion of the Auction, the Successful Bidder and Backup Bidder shall have submitted fully executed Transaction Documents memorializing the terms of the Successful Bid and Backup Bid and the Successful Bidder shall have increased the amount of its Good Faith Deposit to 5% of the cash purchase price of the Successful Bid. Notwithstanding anything in the Bidding Procedures to the contrary, if an Auction is conducted, the party with the next highest or otherwise best Qualified Bid(s) at the conclusion of the Auction, as determined by the Plan Sponsors, in consultation with the Consultation Parties, shall be required to serve as a backup bidder (the “Backup Bidder”). The Backup Bidder shall be required to keep its final Qualified Bid or last Overbid at Auction (the “Backup Bid”) open and irrevocable until the earlier of one (1) business day after the closing of the Sale with the Successful Bidder, and thirty (30) days from the entry of the Confirmation Order (the “Outside Backup Date”) unless such Backup Bidder is determined to become the Successful Bidder; *provided, however*, that if the Backup Bidder is the Stalking Horse Bidder, the Outside Backup Date shall be the earlier of (i) thirty (30) days from the entry of the Confirmation Order and (ii) March 1, 2023. Following entry of the Confirmation Order, if the Successful Bidder fails to consummate the Sale, the Plan Sponsors may designate the Backup Bidder to be the new Successful Bidder, and the Plan Sponsors will be authorized, but not required, to consummate the Sale with the Backup Bidder without further order of the Bankruptcy Court. The closing date to consummate the Sale with the Backup Bidder shall be as soon as reasonably possible after the date that the Plan Sponsors provide notice to the Backup Bidder that the Successful Bidder failed to consummate the Sale and that the Plan Sponsors desire to consummate the transaction with the Backup Bidder subject to the terms of the Bidder APA executed by the Backup Bidder (the “Backup Bidder APA”).

Procedures for Determining Cure Amounts and Adequate Assurance for Contract Counterparties to Assigned Contracts

Within five (5) days after entry of the Bidding Procedures Order, the Plan Sponsors will file with the Bankruptcy Court and serve a notice to the Debtors’ contract counterparties other than residents that are party to a Residency Agreement (each, a “Non-Resident Contract Counterparty”), setting forth the Plan Sponsors’ calculation of each Non-Resident Contract Counterparty’s cure amount, if any, that would be owing to such Non-Resident Contract Counterparty if the Debtors were to assume or assume and assign such executory contract or unexpired lease, and alerting such Non-Resident Contract Counterparty that its agreement may be assumed and assigned to the Successful

Bidder (the “Cure and Possible Assumption and Assignment Notice”).⁴ Any Non-Resident Contract Counterparty that objects to the cure amount set forth in the Cure and Possible Assumption and Assignment Notice, must file an objection (a “Cure Objection”) no later than December 19, 2022, which Cure Objection must be served on the following by e-mail: (a) counsel for the Plan Sponsors, Daniel Bleck, dsbleck@mintz.com, Eric Blythe, erblythe@mintz.com, and Kaitlin Walsh, krwalsh@mintz.com; (b) RBC, David Fields, david.fields@rbccm.com; (c) counsel for the Debtors, Trinitee G. Green, tggreen@polsinelli.com and Jeremy Johnson, jeremy.johnson@polsinelli.com, and (d) counsel for the Committee: Stephen A. McCartin, smccartin@foley.com, Thomas C. Scannell, tscannell@foley.com, and Mark Moore, mmoore@foley.com (collectively, the “Notice Parties”).

If a Non-Resident Contract Counterparty does not timely file and serve a Cure Objection, that party will be forever barred from objecting to the proposed cure amount. Where a Non-Resident Contract Counterparty files a timely Cure Objection asserting a higher cure amount than the amount listed in the Cure and Possible Assumption and Assignment Notice, and the Non-Resident Contract Counterparty and the Plan Sponsor are unable to consensually resolve the dispute, the amount to be paid under Bankruptcy Code section 365 (if any) or, as the case may be, the Debtors’ ability to assign the agreement to the Successful Bidder, will be determined at the Combined Hearing (as defined below)

After the conclusion of the Auction, the Plan Sponsors shall file with the Bankruptcy Court and serve on the Notice Parties and Contract Counterparties a further notice (the “Assumption Notice”) identifying the Successful Bidder, stating which Contracts may be assumed and assigned to the Successful Bidder, and providing such Contract Counterparties with the Successful Bidder’s assurance of future performance. Any Contract Counterparty that objects to the adequacy of the assurance or assumption and/or assignment of its Contract set forth in the Assumption Notice must file an objection with the Bankruptcy Court (a “Contract Objection”) and serve the Contract Objection on the Notice Parties prior to the Combined Hearing. If a Contract Counterparty does not file a Contract Objection prior to the Combined Hearing, such party will be forever barred from objecting to the adequacy of the assurance to be provided by the Successful Bidder and assumption and assignment to the Successful Bidder. Where a Contract Counterparty files a Contract Objection prior to the Combined Hearing, and the parties are unable to consensually resolve the dispute, the adequacy of the assurance provided by the Successful Bidder or raised issues regarding the potential assumption and assignment will be determined at the Combined Hearing.

For the avoidance of doubt, this section does not address Residency Agreements although the Residency Agreements are executory contracts. As provided above, in order to constitute a Qualified Bid, each Bid must provide detail regarding the treatment of Residency Agreements with the Debtors’ current or former Residents. To the extent a Bid includes the assumption of the Residency Agreements, the Bidder will be required to satisfy the related cure costs and provide adequate assurance of future performance. The Assumption Notice shall include a description of the Successful Bidder’s proposed treatment of Residency Agreements.

⁴ For the avoidance of doubt, “Non-Resident Contract Counterparty” shall not include any resident, former resident, or other party asserting claims arising under the Residency Agreements.

Confirmation and Sale Hearing

The Successful Bid will be subject to approval by the Plan Sponsors and the Bankruptcy Court. The evidentiary hearing to consider approval of the Successful Bid will be combined with an evidentiary hearing to consider confirmation of the Plan. The combined hearing (the “Combined Hearing”) will be held before the Honorable Michelle V. Larson, United States Bankruptcy Court for the Northern District of Texas – Dallas Division, Earle Cabell Federal Building, 110 Commerce Street, Room 1254, Dallas Texas on January 10, 2023 at 9:30 a.m. (CT).

At the Combined Hearing, the Plan Sponsors will seek the entry of an order of the Bankruptcy Court (i) approving and authorizing the Sale to the Successful Bidder, and, if applicable, the Backup Bidder and (ii) confirming the Plan. The Successful Bidder shall appear at the Combined Hearing and be prepared to testify in support of the Successful Bid and the Successful Bidder’s ability to close in a timely manner.

Objections to the Sale of the Assets to the Successful Bidder or Backup Bidder must be filed and served so that they are actually received by the Notice Parties and counsel for the Office of the United States Trustee for the Northern District of Texas, Lisa Lambert, lisa.l.lambert@usdoj.gov, no later than January 3, 2023. The Combined Hearing may be adjourned or rescheduled as ordered by the Bankruptcy Court or by the Plan Sponsors with the approval of the Successful Bidder in consultation with the Consultation Parties but without further notice to creditors and parties in interest other than by announcement by the Plan Sponsors of the adjourned date at the Combined Hearing.

No later than ten (10) calendar days after entry of the Confirmation Order, the Successful Bidder, the Plan Sponsors and the Debtors shall complete and execute all agreements, contracts, instruments and other documents evidencing and containing terms and conditions on which the Successful Bid was made and the Sale contemplated by the Successful Bid shall close contemporaneously with the effectiveness of the Plan.

Return of Good Faith Deposits

The Good Faith Deposits of all Qualified Bidders shall be held in one or more interest-bearing escrow accounts by the Escrow Agent, but shall not become property of the Debtors’ estates absent further order of the Bankruptcy Court. The Good Faith Deposit of any Qualified Bidder that is neither the Successful Bidder nor the Backup Bidder shall be returned to such Qualified Bidder not later than two (2) business days after announcement of the Successful Bidder and any Backup Bidder. The Good Faith Deposit of the Backup Bidder shall be returned to the Backup Bidder on the date that is the earlier of one (1) business day after the closing of the Sale with the Successful Bidder, and the Outside Backup Date; *provided, however*, that in the event the Successful Bidder does not consummate the Sale as described above and the Plan Sponsors provide notice to the Backup Bidder that it has been chosen as the replacement Successful Bidder and then the Backup Bidder’s Good Faith Deposit shall be held until the closing of the Sale with the Backup Bidder as set forth in the Backup Bidder APA. Upon the return of the Good Faith Deposits, their respective owners shall receive any and all interest that will have accrued thereon. If the Successful Bidder

or the Backup Bidder timely closes the Sale, its Good Faith Deposit shall be credited towards its purchase price.

Reservation of Rights

THE PLAN SPONSORS RESERVE THEIR RIGHTS TO MODIFY THESE BIDDING PROCEDURES IN ANY MANNER, IN CONSULTATION WITH CONSULTATION PARTIES, THAT WILL BEST PROMOTE THE GOALS OF THE BIDDING PROCESS AND TO IMPOSE, AT OR PRIOR TO THE AUCTION, ADDITIONAL OR DIFFERENT CUSTOMARY TERMS AND CONDITIONS ON THE SALE OF THE ASSETS, INCLUDING, WITHOUT LIMITATION, EXTENDING THE DEADLINES SET FORTH IN THESE BIDDING PROCEDURES, ADJOURNING THE AUCTION AT OR PRIOR TO THE AUCTION AND/OR ADJOURNING THE COMBINED HEARING PRIOR TO SUCH HEARING OR IN OPEN COURT WITHOUT FURTHER NOTICE, AND REJECTING ANY OR ALL QUALIFIED BIDS IF, IN THE PLAN SPONSORS' REASONABLE, GOOD-FAITH BUSINESS JUDGMENT DETERMINED THAT SUCH QUALIFIED BID IS (I) INADEQUATE OR INSUFFICIENT, (II) NOT IN CONFORMITY WITH THE REQUIREMENTS OF THE BANKRUPTCY CODE OR ANY RELATED RULES OR THE TERMS SET FORTH HEREIN, OR (III) CONTRARY TO THE BEST INTERESTS OF THE DEBTORS; PROVIDED THAT NOTHING HEREIN SHALL PERMIT THE MODIFICATION OF THE REQUIREMENT THAT ANY QUALIFIED BID MUST PROVIDE FOR THE PAYMENT OF THE STALKING HORSE BID PROTECTIONS. THE PLAN SPONSORS RESERVE THE RIGHT, AT ANY TIME, FOR ANY REASON AND IN THEIR REASONABLE, GOOD-FAITH BUSINESS JUDGMENT, IN CONSULTATION WITH THE CONSULTATION PARTIES, TO DECLINE TO PURSUE THE SALE AND TO WITHDRAW ANY MOTION FILED IN THE COURT SEEKING TO APPROVE THE SALE.

Dated: November 2, 2022

HAYNES AND BOONE, LLP

/s/ J. Frasher Murphy _____

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State Bar No. 24013214
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– and –

**MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY, AND POPEO, PC**

Daniel S. Bleck (Admitted *Pro Hac Vice*)
Eric Blythe (Admitted *Pro Hac Vice*)
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Counsel to the Plan Sponsors

Exhibit 2

Stalking Horse APA

ASSET PURCHASE AGREEMENT

DATED AS OF NOVEMBER [•], 2022

BY AND BETWEEN

**NORTHWEST SENIOR HOUSING CORPORATION,
A TEXAS NOT-FOR-PROFIT CORPORATION, as Seller**

AND

BAY 9 HOLDINGS LLC or its designee, as Purchaser

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the “**Agreement**”) is made and entered into as of November [•], 2022 (the “**Execution Date**”), by and between Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“**Seller**” or the “**Debtor**”), and Bay 9 Holdings LLC, a Delaware limited liability company, or its designee (“**Purchaser**”). The Seller and the Purchaser are sometimes individually referred to as a “**Party**” and collectively as the “**Parties.**”

RECITALS

WHEREAS, Seller has filed a voluntary petition for relief under the Bankruptcy Code as Case Number 22-30659 (the “**Chapter 11 Case**”) with the United States Bankruptcy Court for the Northern District of Texas (the “**Bankruptcy Court**”);

WHEREAS, Seller is a not-for-profit corporation that owns and operates a best-in-class continuing care retirement community (the “**Edgemere Community**”) on land owned by Intercity Investments Properties, Inc. (the “**Landlord**”) located at 8523 Thackery St, Dallas, Texas 75225 and leased to Seller pursuant to that certain Ground Lease dated November 5, 1999 (the “**Ground Lease**”). The Edgemere Community offers residents a continuum of care in a campus-style setting, providing living accommodations and related health care and support services to persons aged 62 or older.

WHEREAS, UMB Bank, N.A., in its capacity as successor Bond Trustee under the 2015 Bond Indenture and the 2017 Bond Indenture, and successor Master Trustee under the Original Master Indenture (the “**Trustee**”) and in its capacity as DIP Lender (as defined below) (UMB Bank, N.A. in each such capacity, collectively, the “**Plan Sponsors**”), have filed a proposed a Plan of Reorganization under Chapter 11 of the Bankruptcy Code (including all related supplements and documents, the “**Plan**”) that contemplates the sale of the Edgemere Community and related assets to Purchaser, or another purchaser that submits a higher and better offer for the assets in accordance with the Sale Transaction Procedures (as defined below);

WHEREAS, Purchaser desires to acquire the Edgemere Community, including Edgemere’s leasehold interest in the Premises (as defined below) created by the Ground Lease, and the assets owned by Seller and used or useful to Seller’s operation of the Edgemere Community (the “**Business**”, and, together with Seller’s interests in the Ground Lease, the “**Assets**”) on the terms and conditions contained in this Agreement, subject to higher and better bids, as well as confirmation of the Plan;

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1

DEFINITIONS

1.1 Defined Terms. As used herein, the following terms have the meanings set forth below:

“**2015 Bond Indenture**” means that certain Indenture of Trust, dated May 1, 2015, by and between the Issuer and the Bank of New York Mellon Trust Company, National Association, as initial bond trustee, pursuant to which the Series 2015 Bonds were issued.

“**2017 Bond Indenture**” means that certain Indenture of Trust, dated March 1, 2017, between the Issuer and Bank of New York Mellon Trust Company, National Association, as initial bond trustee, pursuant to which the Series 2017 Bonds were issued.

“**Accounts Receivable**” means all accounts, accounts receivable, contractual rights to payment, notes, notes receivable, negotiable instruments, chattel paper, and vendor and supplier rebates of Seller in connection with, or relating to, the Business other than intercompany obligations by and among Seller, Lifespace and any Affiliates thereof.

“**Accrued PTO**” means accrued but unused paid time off (including any sick time) for each employee as of the Closing Date.

“**Action**” means any action, claim, proceeding, litigation, arbitration, mediation, suit, investigation or regulatory inquiry (whether civil, criminal, administrative or judicial), or any appeal therefrom or any material demand letter threatening the initiation of any of the foregoing, including, but not limited to, the Landlord Litigation and any all causes of action arising from Chapter 5 of the Bankruptcy Code.

“**Affiliate**” shall mean, as to the entity in question, any person or entity that directly or indirectly controls, is controlled by or is under common control with, the entity in question and the term “**control**” means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity whether through ownership of voting securities, by contract or otherwise. For the avoidance of doubt, Lifespace shall not be deemed an affiliate of the Seller at the time of Closing.

“**Agreement**” has the meaning set forth in the recitals.

“**Alternative Transaction**” has the meaning set forth in Section 7.1(f).

“**Approvals**” means all consents and approvals from any Governmental Authority, including without limitation any Governmental Authority with regulatory oversight of healthcare organizations, which are necessary for the transfer of the Purchased Assets or the operation of the Business.

“**Assets**” has the meaning set forth in the recitals.

“**Assumed Contracts**” means all of the rights and interests of Seller in and to the executory contracts and unexpired leases that Purchaser designates for assumption and assignment, as listed on Schedule 5.5(b) (as may be supplemented or modified prior to Closing), but explicitly excluding all of the Residency Agreements and the Residency Escrow Agreement.

“**Assumed Liabilities**” has the meaning set forth in Section 2.3.

“**Assignment and Assumption Agreement**” has the meaning set forth in Section 2.8(a)(ii) and substantially in the form set forth in **Exhibit B** hereto.

“**Bankruptcy Code**” means Title 11 of the United States Code entitled “Bankruptcy”, as now in effect.

“**Bankruptcy Court**” has the meaning set forth in the recitals.

“**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure as now in effect.

“**Bidding Procedures Motion**” means that certain motion filed by the Plan Sponsors on November 2, 2022 seeking Bankruptcy Court approval of the bidding procedures attached thereto and this Agreement, and granting related relief.

“**Bidding Procedures Order**” means that certain order of the Bankruptcy Court dated [•], 2022 granting the relief sought in the Bidding Procedures Motion.

“**Bills of Sale**” has the meaning set forth in Section 2.8(a)(i) and substantially in the form set forth in **Exhibit A** hereto.

“**Bond Trustee**” means UMB Bank, N.A., in its capacity as successor Bond Trustee under (i) that certain Indenture of Trust, dated as of May 1, 2015 and (ii) that certain Indenture of Trust, dated March 1, 2017, each issued by the Tarrant County Cultural Education Facilities Finance Corporation for the benefit of the Seller.

“**Books and Records**” means the books and records of Seller relating to the Purchased Assets, to the greatest extent assignable; provided, however, that “Books and Records” shall not include the originals of Seller’s minute books, stock books and Tax returns.

“**Break-Up Fee**” has the meaning set forth in Section 7.1(f).

“**Business**” has the meaning set forth in the recitals.

“**Business Day**” means any day other than any Saturday, Sunday or legal holiday in Dallas, Texas.

“**Chapter 11 Case**” has the meaning set forth in the recitals.

“**Closing**” has the meaning set forth in Section 2.7.

“**Closing Date**” has the meaning set forth in Section 2.7.

“**Closing Escrow**” has the meaning set forth in Section 2.5(h).

“**Closing Escrow Agent**” has the meaning set forth in Section 2.5(h).

“**Closing Escrow Amount**” has the meaning set forth in Section 2.5(h).

“**Closing Escrow Objection**” has the meaning set forth in Section 2.5(h).

“**Closing Escrow Release Date**” has the meaning set forth in Section 2.5(h).

“**Closing Escrow Release Notice**” has the meaning set forth in Section 2.5(h).

“**Closing Statement**” has the meaning set forth in Section 2.8.

“**Confirmation Order**” means the order of the Bankruptcy Court in form and substance acceptable to the Plan Sponsors and Purchaser, confirming the Plan and approving the Sale pursuant to section 1129 of the Bankruptcy Code.

“**Contract Party**” has the meaning set forth in Section 5.5.

“**Cure Amounts**” means the amount necessary pursuant to 11 U.S.C. § 365 to cure defaults under Assumed Contracts.

“**Debtor**” has the meaning set forth in the recitals.

“**Deposit**” has the meaning set forth in Section 2.5(b) and shall include any interest earned thereon.

“**DIP Credit Agreement**” means that certain Priming Superpriority Debtor-in-Possession Credit Agreement between the Debtors and the DIP Lender as approved by the Bankruptcy Court.

“**DIP Lender**” means UMB Bank, N.A., in its capacity as lender under the DIP Credit Agreement.

“**Edgemere Community**” has the meaning set forth in the recitals.

“**Effective Time**” has the meaning set forth in Section 2.7.

“**Encumbrance**” means any charge, claim (as defined at Bankruptcy Code section 101(5)), community property interest, pledge, condition, equitable interest, lien (statutory or other), option, security interest, mortgage, easement, encroachment, right of way, right of first refusal, or restriction of any kind, including any restriction on use, transfer, receipt of income or exercise of any other attribute of ownership.

“**Equipment**” means the furniture, tangible property and equipment owned by Seller and used or useful to the Business, including the property identified on Schedule 1(w).

“**Escrow Agent**” means UMB Bank, N.A.

“**Escrow Deposit Agreement**” means that certain agreement between Purchaser, Seller and Escrow Agent substantially in the form set forth in **Exhibit G** hereto.

“**Excluded Assets**” has the meaning set forth in Section 2.2.

“**Excluded Contracts**” has the meaning set forth in Section 5.5(b).

“**Execution Date**” has the meaning set forth in the recitals.

“**Existing Improvements**” shall have the meaning set forth in the Ground Lease.

“**Expense Reimbursement**” has the meaning set forth in Section 7.1(f).

“**Final Order**” means an order or judgment of the Bankruptcy Court entered by the Clerk of the Bankruptcy Court on the docket in the Chapter 11 Case that has not been reversed, vacated, or stayed and as to which (i) the time to appeal, petition for certiorari, or move for a new trial, reargument, or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for a new trial, reargument, or rehearing shall then be pending and stayed, or (ii) if an appeal, writ of certiorari, new trial, reargument, or rehearing thereof has been sought and a stay of the order or judgment has been granted, such order or judgment of the Bankruptcy Court shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, reargument, or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, to petition for certiorari, or to move for a new trial, reargument, or rehearing shall have expired; provided, however, that the possibility that a motion under Rules 59 or 60 of the Federal Rules of Civil Procedure, or Bankruptcy Rules 9023 or 9024, may be filed relating to such order shall not cause such order to not be a Final Order.

“**Governmental Authority**” means the Bankruptcy Court, any tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States, any foreign country or any domestic or foreign state, county, city or other political subdivision.

“**Ground Lease**” has the meaning set forth in the recitals.

“**Ground Lease Assignment and Assumption Agreement**” has the meaning set forth in Section 2.8(a)(iii) and substantially in the form set forth in **Exhibit C** hereto.

“**Intangible Personal Property**” means all intangible property rights related to the Businesses or the Premises, including any warranties and guaranties, zoning approvals, building permits, and systems used or useful to the Business. .

“**Intellectual Property**” means all intellectual property and industrial property rights and assets, and any other similar or equivalent type of proprietary right or intellectual property right anywhere in the world, and all rights to sue, obtain damages or other remedies, including for past, present, and future infringement or misappropriation, and other administrative rights arising from or relating to any of the foregoing, and any interests and protections that are associated with, similar to, or required for the exercise of, any of the foregoing, however arising, pursuant to the Laws of any jurisdiction throughout the world, whether registered or unregistered, including any and all: (a) trademarks, service marks, trade names, brand names, fictitious names, logos, trade dress, design rights and other similar designations of source, sponsorship, association or origin, together with the goodwill connected with the use of and symbolized by, and all

registrations, applications and renewals for, any of the foregoing; (b) internet domain names, whether or not trademarks, registered in any top-level domain by any authorized private registrar or governmental authority, web addresses, web pages, websites and related content, accounts with Twitter, Facebook and other social media companies and the content found thereon and related thereto, and URLs; (c) works of authorship, expressions, designs and design registrations, whether or not copyrightable, including copyrights, author, performer, moral and neighboring rights, and all registrations, applications for registration and renewals of such copyrights; (d) inventions, discoveries, trade secrets, business and technical information and know-how, databases, data collections and other confidential and proprietary information and all rights therein; (e) patents (including all reissues, divisional, provisionals, continuations and continuations-in-part, re-examinations, renewals, substitutions and extensions thereof), patent applications, and other patent rights and any other governmental-authority-issued indicia of invention ownership (including inventor's certificates, petty patents and patent utility models); (f) software and firmware, including data files, source code, object code, application programming interfaces, architecture, files, records, schematics, computerized databases and other related specifications and documentation; (g) semiconductor chips and mask works; (h) royalties, fees, income, payments and other proceeds now or hereafter due or payable with respect to any and all of the foregoing; and (i) all rights to any Actions of any nature available to or being pursued by Seller to the extent related to the foregoing, whether accruing before, on, or after the Execution Date, including all rights to and claims for damages, restitution and injunctive relief for infringement, dilution, misappropriation, violation, misuse, breach or default, with the right but no obligation to sue for such legal and equitable relief, and to collect, or otherwise recover, any such damages.

"Intellectual Property Assets" means all Intellectual Property that is owned or licensed by Seller, to the greatest extent assignable, and used or useful to the Business. Intellectual Property Assets shall exclude computer software used by Seller in operation of the Assets which Seller has no right to sell, including computer software which can be purchased through retail outlets, and Matrix software used by Seller for minimum data set tabulation.

"Intellectual Property Assignment and Assumption Agreement" has the meaning set forth in Section 2.8(a)(iv) and substantially in the form set forth in **Exhibit D** hereto.

"Intellectual Property Registrations" means all Intellectual Property Assets that are subject to any issuance, registration, application, or other filing by, to or with any governmental authority or authorized private registrar in any jurisdiction, including registered trademarks, domain names and copyrights, issued and reissued patents and pending applications for any of the foregoing.

"Inventory" means all Seller's inventory used or useful to the Business.

"Issuer" means Tarrant County Cultural Education Facilities Finance Corporation.

"IT Assets" means IT Inventories, technical documentation, software contracts and computer equipment, in each case related to the Business.

"IT Inventories" means (i) computer software code (in all media) and materials, including all software programs; (ii) computer software documentation, including user materials;

and (iii) all other unused or reusable materials, stores, and supplies related to computer software, in each case to the extent used in, relating to, or arising out of the Business

“**Land**” shall have the meaning set forth in the Ground Lease.

“**Landlord**” has the meaning set forth in the recitals.

“**Landlord Litigation**” means that certain adversary proceeding commenced in the Bankruptcy Court on April 14, 2022 (Adv. No. 22-03040-mvl) and captioned *Northwest Senior Housing Corporation v. Intercity Investment Properties, Inc., et al.*

“**Liabilities**” means liabilities, obligations, or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute, or contingent, accrued or unaccrued, matured or unmatured or otherwise.

“**Lien**” shall have the meaning set forth in section 101(37) of the Bankruptcy Code, including any security interest, pledge, mortgage, lien, charge, adverse claim of ownership or use, restriction on transfer (such as a right of first refusal or other similar right), defect of title, encroachments, or other encumbrance of any kind or character.

“**Lifespace**” shall mean Lifespace Communities, Inc.

“**MAC**” shall mean either (i) if there has been a reduction of seventeen and a half percent (17.5%) or more, for any reason, when comparing the occupancy for independent living, memory care, and assisted living Residents, collectively, in the Edgemere Community during the month in which the Execution Date occurs to the monthly occupancy for such Residents over any one month period from the Execution Date to the Closing Date or (ii) the loss, revocation, or termination of any Permits necessary or material to operate the Business in the manner operated on the Execution Date, or the cessation of any material part of the Business.

“**Medicare**” means Title XVIII of the Social Security Act.

“**Modified Residency Agreement**” has the meaning set forth in Section 5.5(d).

“**Necessary Consent**” has the meaning set forth in Section 5.5(c).

“**Original Master Indenture**” means that certain Amended and Restated Master Trust Indenture, Deed of Trust and Security Agreement, dated November 15, 1999 and effective as of April 1, 2006, by and between the Obligated Group and JP Morgan Chase Bank, National Association, as initial master trustee and UMB Bank, N.A., as successor Master Trustee, as supplemented by that certain Supplemental Indenture Number 6, dated March 1, 2017, which shall be further amended on and after the Effective Date.

“**Outside Closing Date**” has the meaning set forth in Section 2.7.

“**Permits**” means to the greatest extent transferrable, all licenses, permits (including occupancy permits), certificates, registrations, approvals, franchises, consents and other

authorizations of Seller obtained from or filed with a Governmental Authority and used or useful to the Business, including Seller's Medicare provider agreements.

"Permitted Liens" means (i) statutory Liens for Taxes, assessments or other governmental charges not yet due and payable, (ii) workers', repairers', landlords' and similar Liens which arose or were incurred in the ordinary course of business and which secure obligations which are not yet due and payable and which do not exceed \$10,000 in the aggregate, (iii) Liens which are expressly assumed or consented to by Purchaser herein (including, without limitation, liens included in the Assumed Liabilities), (iv) Liens which are created by Purchaser, (v) easements, restrictions, covenants, and all other matters of record and legal highways with respect to the Premises, and (vi) matters which would be shown on an accurate survey of the Premises.

"Person" means any natural person, corporation, limited liability company, general partnership, limited partnership, sole proprietorship, trust, union, association, Governmental Authority or other business organization.

"Plan" has the meaning set forth in the recitals.

"Plan Sponsors" has the meaning set forth in the recitals.

"Premises" has the meaning set forth in the Ground Lease, consisting of, without limitation, approximately 16.2 acres of land located in Dallas, Texas.

"Proration Time" means 12:01 on the Closing Date.

"Purchase Price" has the meaning set forth in Section 2.5(a).

"Purchased Assets" has the meaning set forth in Section 2.1.

"Purchaser" has the meaning set forth in the recitals.

"Purchaser Closing Certificate" has the meaning set forth in Section 6.3(e) and substantially in the form set forth in **Exhibit F** hereto.

"Rejected Contracts" has the meaning set forth in Section 5.5(b).

"Related Agreements" means the Bill of Sale, the Assignment Assumption Agreement, Ground Lease Assumption Agreement, the Intellectual Property Assignment and Assumption Agreement, and other agreements, documents, and instruments related to the transactions contemplated herein.

"Residency Agreements" means those certain agreements entered into by and between any Resident and the Seller, including all independent living residency agreements, assisted living residency agreements, life care agreements, skilled nursing residency agreements, memory care agreements, and any additional documents related thereto, including any amendments, supplements, or addendums.

“**Residency Escrow Agreement**” means that certain Escrow Agreement dated as of September 27, 2021, by and among Edgemere, the Trustee, and Regions Bank as escrow agent.

“**Resident**” means a present or former occupant of the Edgemere Community who is a party to a Residency Agreement.

“**Sale**” shall have the meaning ascribed to it in the Sale Transaction Procedures.

“**Sale Transaction Procedures**” shall mean the procedures, in form and substance acceptable to Purchaser, and set forth in those certain bidding procedures as filed and served pursuant to the Bidding Procedures Motion, which set forth the procedures in connection with the sale of substantially all of the Seller’s assets pursuant to Sections 105(a), 363, 363, 365, 1123, 1125(a)(5)(D) and 1129 of the Bankruptcy Code.

“**Seller**” has the meaning set forth in the recitals.

“**Seller Closing Certificate**” has the meaning set forth in Section 6.2(e) and substantially in the form set forth in **Exhibit E** hereto.

“**Tangible Personal Property**” means all tangible personal property owned by Seller and used or useful to the Business.

“**Taxes**” means any and all taxes, fees, levies, duties, tariffs, import charges and other charges imposed by any taxing authority, together with any related interest, penalties or other additions thereto, or additional amounts imposed by any taxing authority, and without limiting the generality of the foregoing, shall include net income alternative or add-on minimum tax, gross income, gross receipts, sales, use, ad valorem, value added, franchise, profits, license, transfer, recording, escheat, withholding, payroll, employment, excise, severance, stamp, occupation, premium, property, windfall profit, environmental, custom, duty, or other tax, governmental fee or other like assessment or charge of any kind whatsoever.

“**Threshold**” has the meaning set forth in Section 2.10.

“**Transferred Employee**” shall have the meaning set forth in Section 5.4(b).

ARTICLE 2

PURCHASE AND SALE OF ASSETS

2.1 Sale of Assets to Purchaser. Upon the terms and subject to the conditions contained in this Agreement, at the Closing, the Seller shall sell, assign, transfer, deliver and convey to Purchaser, and Purchaser shall purchase, acquire and accept from Seller pursuant to Sections 363, 365, 1123, 1125(a)(5)(D) and 1129 of the Bankruptcy Code, all of Seller’s right, title and interest in and to all assets, properties, rights, titles and interests of every kind and nature of Seller whether real, personal or mixed, tangible or intangible (including goodwill), wherever located and whether now existing or hereafter acquired, which relate to, or are used or useful to the Business other than Excluded Assets, free and clear of all Encumbrances and Liens, except Permitted Liens, including, without limitation (collectively, the “**Purchased Assets**”):

- (a) the Ground Lease;
- (b) all of Seller's interest in the Land and Existing Improvements pursuant to the Ground Lease;
- (c) the Accounts Receivable;
- (d) the Books and Records;
- (e) the Equipment;
- (f) the Inventory;
- (g) to the greatest extent transferable under applicable law, the Permits, including Seller's Medicare provider agreement;
- (h) the Intellectual Property Assets;
- (i) the Tangible Personal Property, only to the extent assignable;
- (j) the Intangible Personal Property;
- (k) the IT Assets;
- (l) all prepaid expenses, credits, advance payments, claims, security, refunds, rights of recovery, rights of set-off, rights of recoupment, deposits, charges, sums, and fees which pertain to the Purchased Assets and are not Excluded Assets;
- (m) Seller's attorney-client and work-product privileges which pertain to the Purchased Assets; and
- (n) the Assumed Contracts.

2.2 Excluded Assets. Notwithstanding Section 2.1, the Parties acknowledge that Seller shall not sell, assign, transfer or convey to Purchaser, and Purchaser shall not purchase, acquire or accept from Seller, the assets consisting of the following (all such assets, the "**Excluded Assets**"):

- (a) the Purchase Price and all rights under this Agreement and the Related Agreements;
- (b) all cash and cash equivalents;
- (c) the contracts that are not Assumed Contracts (including the Residency Agreements and the Residency Escrow Agreement, which, for the avoidance of doubt, are Rejected Contracts);

- (d) all set-off rights to claims filed or asserted in the Chapter 11 Case (except to the extent arising in connection with (i) an Assumed Contract which is subject to cure, (ii) Assumed Liabilities, or (iii) Accounts Receivable);
- (e) all Actions;
- (f) all intercompany-related obligations between and among Lifespace, the Seller and their respective Affiliates;
- (g) hold-backs and escrows for any prorations or Taxes (except real estate Taxes for tax year 2023 relating to the Premises and paid by Seller prior to the Closing) being paid by Seller in connection with the Closing or afterward, if applicable;
- (h) all insurance policies of Seller, any prepaid insurance premiums and any rights or claims or proceeds arising from such policies;
- (i) all Tax refunds and rebates which are related to Seller's operation of the Business prior to the Closing;
- (j) all (i) corporate seals, corporate organizational records, minute books, charter documents, record books, and stock transfer books pertaining to Seller, (ii) original Tax, accounting and financial records which pertain exclusively to the Excluded Assets, and (iii) such other files, books and records which pertain exclusively to the Excluded Assets or to the formation, existence or capitalization of Seller or of any other Person;
- (k) all Inventory and Assets disposed of or exhausted prior to Closing in the ordinary course of business;
- (l) any records which Seller is legally required to retain in its possession and any records related to Excluded Assets or Excluded Liabilities (as hereinafter defined);
- (m) all equipment and tangible property located at the Premises but not owned by Seller, and all other assets, properties and rights not related to or used in the Business;
- (n) personnel records for Employees who are not Transferred Employees and, to the extent the transfer of such records (whether directly or by means of the sale of the Purchased Assets) to Purchaser or its affiliates is prohibited by applicable Law, for Transferred Employees;
- (o) all board designated, self-insurance trusts, workers compensation trusts, working capital trust assets, and assets and investments restricted as to use), donor restricted assets, beneficial interests in charitable trusts and accrued earnings on all of the foregoing;
- (p) Employee Retention Tax Credit on qualified wages for the period from March 27, 2020 to December 31, 2021 provided by the Coronavirus Aid, Relief, and Economic Security Act (CARES ACT), the Consolidated Appropriations Act, 2021 (CAA), and the American Rescue Plan Act (ARPA); and

(q) any reserve or bond funds in possession of the Trustee, including, without limitation, any restricted and trustee-held or other escrowed funds (such as the debt service reserves, operating reserves and rent reserves).

2.3 Assumed Liabilities. Upon the terms and subject to the conditions contained in this Agreement, at the Closing, Purchaser shall assume or otherwise be responsible for, which amounts shall be in addition to the Purchase Price, for (collectively, the “**Assumed Liabilities**”):

(a) all liabilities and obligations under the Purchased Assets accruing or arising after the Closing (except real estate Taxes for tax year 2023 relating to the Premises and paid by Seller prior to the Closing) and all Cure Amounts associated with the Assumed Contracts (other than the Ground Lease for which the Cure Amounts, if any, shall be paid by Seller at Closing);

(b) all liabilities and obligations arising under or related to the Assumed Contracts, from and after Closing; and

(c) all liabilities required to be paid by Purchaser pursuant to this Agreement (such as, without limitation, stamp and recording Tax, solely to the extent not exempt under 11 U.S.C. § 1146).

2.4 Excluded Liabilities. Except for the Assumed Liabilities, Purchaser shall not assume or be liable to pay, perform or discharge any liability, obligation, debt, claim against or contract of the Seller or any of its Affiliates which, in any case, pertain to the ownership, operation or conduct of the Business or the ownership of the Purchased Assets prior to the Closing Date, at any time existing or asserted, whether or not accrued, fixed, contingent or otherwise, whether known or unknown, and whether or not recorded on the books and records of Seller or any of its Affiliates. Without limiting the generality of the foregoing, the Excluded Liabilities shall include, but not be limited to, the following:

(a) any liabilities with respect to the transactions contemplated hereunder arising under the federal Worker Adjustment and Retraining Notification Act and any similar foreign, state, or local plant closing or collective dismissal Laws (collectively, the “WARN Act”);

(b) any Liability for Taxes of Seller (or any member or affiliate of Seller) or relating to the Business, the Purchased Assets, or the Assumed Liabilities for any accruing or arising prior to the Closing (except real estate Taxes for tax year 2023 relating to the Premises and paid by Seller prior to the Closing);

(c) any Liabilities relating to or arising out of the Excluded Assets, whether arising prior to, or from and after the Closing,

(d) any Liabilities related to or arising out of any Rejected Contracts, Accrued PTO, or any pension, deferred compensation or retirement plan, whether arising prior to, or from and after the Closing;

(e) any Liabilities in respect of any pending or threatened Action arising out of, relating to or otherwise in respect of the ownership or operation of the Business or the Purchased Assets to the extent such Action relates to such operation on or prior to the Closing Date; and

(f) any liabilities related to cost report settlements, fines, penalties, overpayments or recoupments.

2.5 Closing Proceedings.

(a) The Purchase Price under this Agreement is Forty Eight Million and Five Hundred Thousand Dollars (\$48,500,000.00) (“**Purchase Price**”), as adjusted in accordance with this Section 2.5.

(b) Upon the entry of the Bidding Procedures Order by the Bankruptcy Court, Two Million and Four Hundred Thousand Dollars (\$2,425,000) (the “**Deposit**”) shall be paid to Escrow Agent, which will be held by Escrow Agent in accordance with the terms and conditions of this Agreement, the Escrow Deposit Agreement substantially in the form set forth in **Exhibit G** hereto, the Bidding Procedures Order and further orders of the Bankruptcy Court which have been reviewed and approved by the Purchaser. The Deposit will be credited against the Purchase Price at Closing, subject to Section 2.5(c), or, in the event an Alternative Transaction is consummated, returned to Purchaser in accordance with the terms of this Agreement.

(c) Notwithstanding anything to the contrary contained herein, if the Closing does not occur, the Deposit, including any interest earned thereon, shall be paid to the party entitled thereto pursuant to the terms of this Agreement.

(d) At the Closing, Purchaser shall assume the Assumed Liabilities (which shall be in addition to, and not a credit against, the Purchase Price), *provided, however*, with regard to Assumed Contracts other than the Ground Lease, the Purchaser shall pay to each Contract Party any Cure Amounts, in cash, by wire transfer of immediately available funds, necessary to assume and assign any Assumed Contract, at such time as may be designated by the Court in the Confirmation Order; *provided, further, however*, the Seller shall pay any Cure Amounts due in connection with the Ground Lease to permit the assumption and assignment of the Ground Lease to Purchaser free and clear of any Encumbrances and Liens effective as of the Closing Date.

(e) At the Closing, Purchaser shall pay all escrow fees, recording costs or fees, transfer Taxes (if applicable), and conveyance fees (if applicable). The provisions of this Section 2.5(e) shall survive the Closing.

(f) At the Closing, payment of the Purchase Price, minus the Deposit (and any interest earned thereon) and plus or minus prorations or adjustments as set forth herein, shall be paid by the Purchaser by wire transfer to Escrow Agent.

(g) At the Closing, the Parties will execute and deliver the Related Agreements.

(h) At the Closing, \$1,500,000 of the Purchase Price (the “**Closing Escrow Amount**”) shall be deposited into an escrow account (the “**Closing Escrow**”) with an independent escrow agent acceptable to the Plan Sponsors (the “**Closing Escrow Agent**”) upon terms and conditions consistent with this section. On or prior to the Closing Escrow Release Date (defined below), any portion of the Closing Escrow Amount shall only be released to Purchaser from the Closing Escrow upon fourteen (14) days’ notice by Purchaser to Closing Escrow Agent and Plan Sponsors for release of the amount (only up to the available Closing Escrow Amount) credited by

Medicare/CMS payor pursuant to a notice of recoupment or setoff against the Purchaser's post-Closing Medicare Accounts Receivable on account of pre-Closing Medicare/CMS payor overpayments on Seller's Accounts Receivable (each, a "**Closing Escrow Release Notice**"). The Plan Sponsors may assert any objection to a Closing Escrow Release Notice on or before seven (7) days from receipt of a Closing Escrow Release Notice (each, a "**Closing Escrow Objection**"). The Plan Sponsors and Purchaser shall meet and confer in good faith to discuss the Closing Escrow Objection. To the extent the Plan Sponsors fail to reach an agreement with Purchaser and continue(s) all or part of the Closing Escrow Objections, the Plan Sponsors shall (a) provide instruction to the escrow agent to release any undisputed amounts from the Closing Escrow (up to the available Closing Escrow Amount), and (b) seek further order of the Bankruptcy Court to resolve the Closing Escrow Objection. Upon the later of (i) the one (1) year anniversary of the Closing Date, or (ii) resolution of any payment audit relating to Seller's pre-Closing Medicare payments or Accounts Receivable that is pending at or initiated prior to the one (1) year anniversary of the Closing (the "**Closing Escrow Release Date**"), any remaining and undisputed Closing Escrow Amount shall be paid to Plan Sponsors as proceeds from the Sale, with any disputed remaining amounts being disbursed upon final resolution of any then pending Closing Escrow Objections.

2.6 Prorations. The following items shall be prorated as of the Proration Time and paid or credited at Closing, as shall be set forth on the Closing Statement. In the event any amounts at Closing cannot be accurately determined, such amounts shall be estimated and adjusted as promptly as practicable thereafter but in no event later than sixty (60) days after the Closing Date. Seller shall be responsible for such items prior to the Proration Time and Purchaser shall be responsible for such items after the Proration Time.

(a) All state, county, city, school, ad valorem, and other local real and personal property taxes and assessments and business personal property taxes relating to or assessed against the Purchased Assets shall be prorated as of the Proration Time.

(b) To the extent all utilities and other periodic charges cannot be changed to Purchaser's designee's account by the Closing Date, the same shall be prorated as of the Proration Time.

(c) Seller shall credit to Purchaser at Closing a pro-rata portion of the payments received by Seller for residents and patients, as well as other services to be provided after the Proration Time. Seller shall be credited at Closing with all prepayments made by Seller for services relating to Purchased Assets to be provided after the Proration Time (except real estate Taxes for tax year 2023 relating to the Premises and paid by Seller prior to the Closing).

(d) Provider taxes, privilege taxes or so-called bed taxes or similar taxes or fees (howsoever designated) shall be prorated as of the Proration Time.

2.7 Time and Place of Closing. Subject to the terms of this Agreement, the closing of the transactions contemplated hereby (the "**Closing**") shall be held by electronic exchange of executed documents (or, if the parties elect to hold a physical Closing, at the offices of the Plan Sponsors' legal counsel at Haynes and Boone, LLP, 2323 Victory Avenue, Suite 700, Dallas, Texas 75219), prior to the close of business on a date which is not later than ten (10) days after all

of the conditions to Closing set forth in Article VI are either satisfied or waived (other than conditions which, by their nature, are to be satisfied on the Closing Date) (the “**Closing Date**”), but in no event later than forty-five (45) days after the entry of the Confirmation Order so long as an operation transition agreement is in place that enables Purchaser to operate the Business in the manner Seller was operating the Business as of the Execution Date (the “**Outside Closing Date**”) (unless otherwise mutually agreed by the Parties). The transactions contemplated hereby shall take place pursuant to, and in accordance with, the terms and conditions hereof. The Closing shall be effective as of 11:59 p.m. on the Closing Date or such other date and time as the parties may agree in writing (the “**Effective Time**”).

2.8 Closing Deliverables.

(a) At the Closing, Seller shall deliver to Purchaser or its designees the following:

(i) bills of sale in the form of **Exhibit A** (the “**Bills of Sale**”) duly executed by Seller, transferring the Existing Improvements, the Intellectual Property Assets, the Intangible Personal Property the Tangible Personal Property, and the IT Assets to Purchaser or its designees;

(ii) assignment and assumption agreements in the form of **Exhibit B** (the “**Assignment and Assumption Agreement**”) duly executed by Seller, effecting the assignment to and assumption by Purchaser’s designees of the Assumed Contracts (other than the Ground Lease);

(iii) assignment and assumption agreement in the form of **Exhibit C** (“**Ground Lease Assignment and Assumption Agreement**”) duly executed by Seller, effecting the assignment to and assumption by Purchaser’s designees of the Ground Lease;

(iv) assignment and assumption agreements in the form of **Exhibit D** (the “**Intellectual Property Assignment and Assumption Agreement**”) duly executed by Seller, effecting the assignment to and assumption by Purchaser’s designees of the Intellectual Property Assets;

(v) a closing certificate duly executed by Seller in the form of **Exhibit E** (the “**Seller Closing Certificate**”);

(vi) a closing statement setting forth all prorations and adjustments (the “**Closing Statement**”);

(vii) a certified copy of the Confirmation Order;

(viii) physical possession of the Purchased Assets, including, without limitation, all access codes and keys to the Edgemere Community and Premises and all other things reasonably necessary in order for Purchaser to commence Business;

(ix) upon approval of the Bankruptcy Court, evidence of assumption of the Ground Lease; and

(x) all other documents and instruments contemplated to be delivered by Seller pursuant to this Agreement.

(b) At the Closing, Purchaser and/or its designees shall deliver to Seller the following:

(i) the Assignment and Assumption Agreements duly executed by Purchaser or its designees;

(ii) a closing certificate duly executed by the Purchaser in the form of **Exhibit F** (the “**Purchaser Closing Certificate**”);

(iii) the Closing Statement duly executed by Purchaser; and

(iv) all other documents and instruments contemplated to be delivered by Purchaser pursuant to this Agreement.

(c) On the Closing Date, Purchaser shall cause the Escrow Agent to deliver the Deposit to Seller and shall transfer to Seller the balance of the Purchase Price, less the \$1,500,000 escrow as described in Section 2.5(h).

2.9 Purchase Price Allocation. Purchaser shall allocate the Purchase Price (together with Assumed Liabilities properly included, if any) among the Purchased Assets in a manner consistent with the fair market values determined in good faith and on a reasonable basis by Purchaser prior to the Closing Date. Such allocation shall be consistent with Section 1060 of the Internal Revenue Code and the Treasury Regulations thereunder. Purchaser and Seller covenant and agree that all filings with Governmental Authorities regarding Taxes will be consistent with such allocation.

2.10 Casualty and Condemnation. If any material part of the Purchased Assets is condemned, damaged or destroyed (whether by fire, theft, or other casualty event) prior to the Closing, Seller shall immediately notify Purchaser of such condemnation, damage or destruction. In the event Seller’s reasonable estimate of such damage or destruction is in excess of \$2,500,000.00 (“**Threshold**”), then Purchaser shall have the option to: (x) terminate this Agreement by written notice delivered to Seller within ten (10) days after Purchaser’s receipt of notice of such damage or destruction, in which case the Deposit shall be returned to Purchaser and the Parties shall have no further obligations hereunder, or (y) proceed with the transaction contemplated in this Agreement without abatement of the Purchase Price, in which case (i) all insurance proceeds relating to such damage or casualty shall be deemed to have been absolutely and irrevocably assigned to and be payable directly to Purchaser from and after the Closing (and held by the Seller in trust for the Purchaser if received prior to the Closing), less any amounts reasonably expended by Seller with the written consent of the Purchaser prior to Closing, (ii) Purchaser shall have the right to conduct all settlement proceedings with respect to such insurance claims, and (iii) Seller shall deliver to Purchaser through escrow an unconditional assignment of all such insurance proceeds. If prior to Closing a material portion, but not all of the

Premises, is taken through any power of eminent domain, whether by condemnation or conveyance in lieu of condemnation, Seller shall promptly provide Purchaser written notice of such action and Purchaser shall have the option before the date of the Closing to terminate this Agreement by written notice to Seller delivered within ten (10) days after receipt of Seller's written notice to Purchaser, and Seller shall promptly return the Deposit to Purchaser in immediately available funds. In order to constitute a "material" portion of the Premises for purposes of this Section 2.10, there must be a decrease in the value of the Premises in excess of the Threshold. If this Agreement is not terminated, Seller shall not be obligated to repair any damage or destruction unless requires by law, regulation or Government Authority. Any documents provided pursuant to this Section shall be provided by the disclosing Party to counsel for the Bond Trustee within one (1) Business Day of such disclosure.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF SELLER

In order to induce Purchaser to enter into this Agreement, Seller makes the representations and warranties set forth below which are true, correct and complete on the date hereof and shall be true, correct and complete as of the Closing.

3.1 Organization and Qualification of Seller. Seller is a nonprofit corporation duly organized, validly existing and in good standing under the laws of the State of Texas and has full corporate power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on the Business as currently conducted.

3.2 Authority, Execution and Delivery. Subject to entry of the Confirmation Order and to the extent limited thereby, Necessary Consents, and the Approvals, Seller has full power, authority and capacity to execute and deliver this Agreement and the Related Agreements and to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby, and this Agreement has been duly and validly executed and delivered by Seller and constitutes, and upon the execution and delivery by the Seller of the Related Agreements, the Related Agreements shall constitute, legal, valid and binding obligations of Seller enforceable against Seller in accordance with their terms.

3.3 Broker. Except for the engagement of RBC Capital Markets, LLC, whose fee shall be paid from the proceeds of the sale at Closing, neither Seller nor any of its Affiliates has incurred any liability for any fee or commission to any broker, finder, investment banker or other intermediary in connection with the transactions contemplated by this Agreement that would result in any liability, fee, expense or obligation being imposed on Purchaser.

3.4 Title to Purchased Assets. Seller has good and valid title to all the Purchased Assets. All such Purchased Assets are free and clear of Liens and Encumbrances except for the Permitted Liens.

3.5 Accuracy of Representations and Warranties. All representations and warranties of Seller contained in this Agreement are true and correct as of the Execution Date and shall be true and correct as of the Closing Date.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF PURCHASER

In order to induce Seller to enter into this Agreement, Purchaser makes the representations and warranties set forth below which are true, correct and complete on the date hereof and shall be true, correct and complete as of the Closing.

4.1 **Organization.** Purchaser has full power, authority and capacity to execute and deliver this Agreement and the Related Agreements and to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby.

4.2 **Authority, Execution and Delivery.** This Agreement has been duly and validly executed and delivered by Purchaser and constitutes and, upon the execution and delivery by Purchaser of the Related Agreements, the Related Agreements shall constitute, legal, valid and binding obligations of Purchaser enforceable against Purchaser in accordance with their terms.

4.3 **Brokers.** Neither Purchaser nor any of its Affiliates has incurred any liability for any fee or commission to any broker, finder, investment banker or other intermediary in connection with the transactions contemplated by this Agreement that would result in any liability, fee, expense or obligation being imposed on Seller.

4.4 **Adequate Funds.** As of the Execution Date, Purchaser has the ability to obtain funds in cash in amounts equal to the Purchase Price and other funds needed to consummate the transaction and will at the Closing have immediately available funds in cash, which are sufficient to pay the Purchase Price and to pay any other amounts payable pursuant to this Agreement and to consummate the transaction contemplated herein.

4.5 **Condition of Assets; Disclaimers.** Purchaser expressly acknowledges and warrants that Purchaser is accepting the Purchased Assets, and taking assignment of the Ground Lease in an "AS IS" "WHERE IS" "WITH ALL FAULTS CONDITION". PURCHASER ACKNOWLEDGES THAT, EXCEPT AS OTHERWISE PROVIDED FOR IN THE REPRESENTATIONS AND WARRANTIES IN ARTICLE 3 OF THIS AGREEMENT, SELLER MAKES NO REPRESENTATIONS, WARRANTIES, OR GUARANTEES WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PURCHASED ASSETS.

The representations and warranties in this Section 4 shall not survive Closing.

ARTICLE 5

COVENANTS

5.1 **Access to Books and Records.** Seller shall, commencing on the Execution Date, provide reasonable access to Purchaser of all of Seller's assets, books, accounting records, correspondence and files of Seller (to the extent related to the operation of the Assets) for examination by Purchaser (and its representatives), with the right to make copies of such books, records and files or extracts therefrom. Such access will be available to Purchaser during normal business hours, upon reasonable notice, in such manner as will not unreasonably interfere with the

conduct of the Business. Those books, records and files which relate to Seller's assets that are not transferred to Purchaser shall be maintained pursuant to the terms of and in accordance with the Confirmation Order. In addition, from the Execution Date until the Closing Date, Seller shall provide to Purchaser copies of the reports provided to the US Trustee and/or DIP Lender at Section 5.1(a), (c) and (d) of the DIP Credit Agreement [ECF #72] and paragraph 21(ii) of the Final Order approving entry into the DIP Credit Agreement [ECF #421].

5.2 Conduct of Business. From the Execution Date until the Closing Date, except as otherwise contemplated by this Agreement, authorized by the Bankruptcy Court or to the extent Purchaser otherwise consents in writing, and subject to the requirements of the Chapter 11 Case, Seller shall: (i) conduct the Business in the ordinary course, (ii) make no transfers of any Purchased Assets, (iii) use commercially reasonable efforts to maintain and preserve intact the organization and advantageous business relationships of the Business, and (iv) take no action which would materially adversely affect or materially delay the ability of Purchaser to obtain any Approvals for the transactions contemplated hereby or to perform its covenants under this Agreement.

5.3 Further Assurances. Subject to the terms and conditions of this Agreement, at any time or from time to time after the Closing, at Purchaser's reasonable request and at the Purchaser's sole cost and expense, the Seller will execute and deliver to Purchaser such other instruments of sale, transfer, conveyance and assignment, provide such materials and information and take such other actions as Purchaser may reasonably deem necessary or desirable in order more effectively to transfer, convey and assign to Purchaser, and to confirm Purchaser's title to, all of the Purchased Assets. Additionally, Purchaser shall undertake all commercially reasonable efforts to obtain Permits and regulatory approvals as are needed to consummate the transaction described in this Agreement, and shall file any necessary applications within fifteen (15) days of entry of the Confirmation Order.

5.4 Employees.

(a) Not more than ten (10) days after the Execution Date, Seller shall provide Purchaser with a list of all employees of Seller working at the Edgemere Community, including, for each listed employee, his or her name, date of hire, job title, full-time/part-time status, exempt/non-exempt status, bonus eligibility, commission eligibility, current compensation and status (*e.g.*, leave of absence, disability, layoff, active, temporary).

(b) As of the Closing Date, Purchaser may, but shall not be obligated to, offer employment to such of the hourly and salaried employees of the Seller in its sole discretion (all such employees that accept the employment offer are collectively, the "**Transferred Employees**"). For the avoidance of doubt, Purchaser shall have no liability to Seller or any Transferred Employee for any accrued and unpaid obligations owing from Seller to such employee.

(c) As of the Closing Date, all such Transferred Employees shall be deemed to be the employees of Purchaser and no longer to be the employees of Seller. Effective as of the Closing, Seller agrees to terminate the employment of all of the Transferred Employees. Seller agrees to use its commercially reasonable efforts to make employment records and other related information reasonably requested by Purchaser available to Purchaser.

(d) Nothing herein, express or implied, shall confer upon any other Persons (including any current or former employee or contractor of Seller, Purchaser or any of their respective Affiliates) any rights or remedies hereunder, including any right to employment or continued employment for any specified period or continued participation in any benefit plan or other benefit plan, or any nature or kind whatsoever under or by reason of this Agreement. Nothing herein restricts or precludes the right of Purchaser to terminate the employment of any Transferred Employee after the Closing Date.

5.5 Assumed and Assigned Contracts.

(a) Cure Process. Purchaser shall pay cash or other acceptable consideration to the third party (or parties) to the applicable Assumed Contract (each, a **“Contract Party”**) in order to cure the monetary defaults and satisfy any pecuniary obligations of Seller (or obtain waivers with respect thereto) with respect to the Business. Notwithstanding anything to the contrary herein, Seller shall pay cash or other acceptable consideration to the Landlord in order to cure the monetary defaults and satisfy any pecuniary obligations of Seller in connection with the Ground Lease, with such consideration to permit the assumption and assignment of the Ground Lease to Purchaser free and clear of any Encumbrances and Liens, effective as of the Closing Date. The Purchaser shall provide adequate assurance of future performance under the Assumed Contracts. Further, Purchaser shall assume all obligations from and after the Closing Date under Assumed Contracts.

(b) Identification of Assumed Contracts. Schedule 5.5(b)(i) identifies all executory contracts and unexpired leases Purchaser wishes to be assumed by Seller and assigned by the Seller to Purchaser at Closing (the **“Assumed Contracts”**). At any time prior to the Closing, Purchaser will have the right to provide written notice to Seller of Purchaser’s election to designate an executory contract or an unexpired lease as an Assumed Contract or as a contract that will not be assumed by Purchaser (such contracts, the **“Excluded Contracts”**). Schedule 5.5(b)(ii) identifies all executory contracts and unexpired leases Purchaser wishes to be Excluded Contracts. Upon such designation of a contract as an Assumed Contract, such contract will constitute a Purchased Asset and will be conveyed to Purchaser under this Agreement at Closing. Upon such designation of a contract as an Excluded Contract, such contract will constitute an Excluded Asset. All executory contracts and unexpired leases that are not Assumed Contracts, including, the Excluded Contracts, shall be deemed to be rejected by Seller under Section 365(a) of the Bankruptcy Code as of the Closing Date (the **“Rejected Contracts”**). For the avoidance of doubt, the Residency Agreements, the Residency Escrow Agreement and the management agreement between the Seller and Lifespace are Rejected Contracts and Excluded Contracts. The Confirmation Order shall provide for the assumption and assignment to Purchaser, effective as of the Effective Time, of any Assumed Contract, and, to the extent not included in a prior order of the Bankruptcy Court, for the rejection, effective as of the Effective Time, of the Rejected Contracts. After the Closing Date, the Seller shall be released from any further liability under such Assumed Contracts as provided for under Sections 365(k) and 1141 of the Bankruptcy Code.

(c) Non-Assignment of Assets. Notwithstanding any other provision of this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or transfer and shall not affect the assignment or transfer of any Purchased Asset if (a) notwithstanding the rights and remedies available under the Bankruptcy Code, an attempted assignment thereof,

without the approval, authorization or consent of, or granting or issuance of any license or permit by, any Government Authority thereto would constitute a breach thereof or (b) the Bankruptcy Court shall not have approved assumption and assignment of any Assumed Contract for any reason (each such action in (a) and (b), a “**Necessary Consent**”). In such event, Seller and Purchaser shall use their commercially reasonable efforts, to obtain the Necessary Consents with respect to any such Assumed Contract after the Closing; provided that the failure to obtain any Necessary Consent shall not delay the Closing or give rise to a reduction in the Purchase Price. Nothing in this Section 5.5 shall in any way diminish or enlarge (x) Purchaser’s obligations hereunder to obtain the Approvals, or (y) the Parties’ obligations hereunder to obtain the Necessary Consents.

(d) Modified Residency Agreements. Purchaser will offer all current Residents at the Edgemere Community the option to enter into a new rental agreement which shall provide similar services to each current Resident as offered by Seller prior to Closing, at the then current private pay rate as advertised by Seller, subject to ordinary market adjustments (the “**Modified Residency Agreement**”).

5.6 Cost Reports. Seller shall prepare and file any Medicare cost reports for the Edgemere Community related to the period prior to Closing. Following the Closing, Seller shall be authorized to contact the business office manager or other persons with access to the information at the Edgemere Community during normal business hours in order to obtain information needed to prepare the final Medicare cost reports with respect to claims filed with Medicare for the Facilities prior to the Closing, and Purchaser shall provide Seller with such Edgemere Community records as Seller reasonably requests to complete such final cost reports.

ARTICLE 6

CONDITIONS TO CLOSING

6.1 Conditions to Obligations of All Parties. The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions:

(a) No governmental authority shall have enacted, issued, promulgated, enforced, or entered any governmental Order which is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following completion thereof.

(b) The Bankruptcy Court shall have entered the Confirmation Order on terms reasonably acceptable to the Parties approving the sale to the Purchaser, and the Confirmation Order shall have become a Final Order.

(c) Purchaser or its designees shall have received all Permits and regulatory approvals that are material to operation of the Purchased Assets as such Purchased Assets are currently owned and operated by Seller.

6.2 Conditions to Obligations of Purchaser. The obligations of Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Purchaser's waiver, at or prior to the Closing, of each of the following conditions:

(a) Seller shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other Related Agreements to be performed or complied with by it prior to or on the Closing Date; provided, with respect to agreements, covenants and conditions that are qualified by materiality, Seller shall have performed such agreements, covenants, and conditions, as so qualified, in all respects.

(b) The representations and warranties of Seller contained in this Agreement, the other Related Agreements and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality) or in all material respects (in the case of any representation or warranty not qualified by materiality) on and as of the Execution Date and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects).

(c) No injunction or restraining order shall have been issued by any governmental authority, and be in effect, which restrains or prohibits any material transaction contemplated hereby.

(d) Seller shall have delivered to Purchaser duly executed counterparts to the Related Agreements and such other documents and deliveries set forth in Section 2.8(a).

(e) Purchaser shall have received a certificate, dated the Closing Date, and signed by a duly authorized officer of Seller, that each of the conditions set forth in Section 6.2(a) and Section 6.2(b) have been satisfied (the "**Seller Closing Certificate**").

(f) No MAC has occurred that Purchaser has not waived by written notice to Seller.

6.3 Conditions to Obligations of Seller. The obligations of Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Seller's waiver, at or prior to the Closing, of each of the following conditions:

(a) The representations and warranties of Purchaser contained in this Agreement, the other Related Agreements and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality) or in all material respects (in the case of any representation or warranty not qualified by materiality or) on and as of the Execution Date and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects).

(b) Purchaser shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other

Related Agreements to be performed or complied with by it prior to or on the Closing Date; provided, with respect to agreements, covenants and conditions that are qualified by materiality, Purchaser shall have performed such agreements, covenants, and conditions, as so qualified, in all respects.

(c) No injunction or restraining Order shall have been issued by any governmental authority, and be in effect, which restrains or prohibits any material transaction contemplated hereby.

(d) Purchaser shall have delivered to Seller duly executed counterparts to the Related Agreements (other than this Agreement) and such other documents and deliveries set forth in Section 2.8(b).

(e) Seller shall have received a certificate, dated the Closing Date, and signed by a duly authorized officer of Purchaser, that each of the conditions set forth in Section 6.3(a) and Section 6.3(b) have been satisfied (the “**Purchaser Closing Certificate**”).

(f) Seller shall have received a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of Purchaser certifying that attached thereto are true and complete copies of all resolutions adopted by the officers of Purchaser authorizing the execution, delivery and performance of this Agreement and the other Related Agreements and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby.

(g) Seller shall have received a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of Purchaser certifying the names and signatures of the officers of Purchaser authorized to sign this Agreement, the Related Agreements, and the other documents to be delivered hereunder and thereunder.

(h) Purchaser shall have delivered to Seller such other documents or instruments as Seller reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

ARTICLE 7

TERMINATION

7.1 Termination. This Agreement may be terminated, or enforced in accordance with Section 7.2(c), at any time before the Closing by written notice to the applicable Party:

- (a) by mutual written agreement of Purchaser and Seller;
- (b) by Purchaser upon written notice to Seller of Seller’s material breach or default of any provision of this Agreement, which breach or default is not cured (only if capable of curing) within ten (10) Business Days after written notice thereof is received, provided, however, that the Purchaser is not then in material breach or default of this Agreement;

(c) by Seller with consent of Plan Sponsors, upon written notice to Purchaser of Purchaser's material breach or default of any provision of this Agreement, which breach or default is not cured within ten (10) Business Days after written notice thereof is received, provided, however, that the Seller is not then in material breach or default of this Agreement;

(d) by either Purchaser, or Seller with consent of Plan Sponsors, if the sale is not approved by the Bankruptcy Court, or there is an Alternative Transaction;

(e) by Purchaser, or Seller with consent of Plan Sponsors, if the Closing has not occurred by the Outside Closing Date by no fault of the Party terminating; and

(f) by either Purchaser with consent of Plan Sponsors, or Seller, if, prior to Closing, the Confirmation Order, after being entered by the Bankruptcy Court, has subsequently been reversed, revoked, or voided by an order of a court of competent jurisdiction.

(g) by Purchaser if any of the conditions set forth in Section 6.1(c) or 6.2 shall have been, or if it becomes apparent that any of such conditions will not be, fulfilled by the Outside Closing Date, unless such failure shall be due to the failure of Purchaser to perform with any of the covenants, agreements or conditions hereof to be performed or complied with prior to the Closing; or

(h) by Seller if any of the conditions set forth in Section 6.3 shall have been, or if it becomes apparent that any of such conditions will not be, fulfilled by the Outside Closing Date, unless such failure shall be due to the failure of Seller to perform with any of the covenants, agreements or conditions hereof to be performed or complied with prior to the Closing;

(i) If Seller sells, transfers, leases or otherwise disposes of, directly or indirectly, including through an asset sale, stock sale, merger or other similar transaction, all or substantially all of the Business or the Purchased Assets in a transaction or a series of transactions with one or more Persons other than Purchaser in any circumstance, including in accordance with the Sale Transaction Procedures (such event being an "**Alternative Transaction**"), Seller shall pay to Purchaser, within two (2) Business Days after the consummation of the Alternative Transaction, an amount in cash equal to (i) three percent (3%) of the Purchase Price (the "**Break-Up Fee**") and (ii) Purchaser's actual, out of pocket costs and expenses, not to exceed \$200,000 (the "**Expense Reimbursement**");

(j) by Purchaser if Seller fails to comply with Section 5.1(a), (c) or (d) of the DIP Credit Agreement [ECF #72] or paragraph 21(ii) of the Final Order approving entry into the DIP Credit Agreement [ECF #421] or if there is an Event of Default under Section 8.1 (k), or (l) under the DIP Credit Agreement; or

(k) by Purchaser if the Bidding Procedures Order is not in form and substance acceptable to the Purchaser, which order must include approval of the Break-Up Fee and Expense Reimbursement.

7.2 Remedies.

(a) If the Closing does not occur as a result of an Alternative Transaction, the payment of the Break-Up Fee and the Expense Reimbursement as set forth in Section 7.1(f) shall be Purchaser's sole and exclusive remedy.

(b) Upon termination by Seller in accordance with Section 7.1 due to Purchaser's default or breach, provided the Seller has not defaulted under or breached this Agreement, Purchaser will be deemed to have forfeited the Deposit as liquidated damages. The Parties intend that the remedy in Section 7.2(b) constitutes compensation, and not a penalty and shall be the sole and exclusive remedy to Seller for any such default or breach by Purchaser of this Agreement. The Parties acknowledge and agree that Seller's harm caused by Purchaser's default or breach of this Agreement would be impossible or very difficult to accurately estimate as of the date of this Agreement, and that upon termination due to Purchaser's breach or default pursuant to Section 7.1, the Deposit is a reasonable estimate of the anticipated or actual harm that might arise from such a default or breach.

(c) Upon default or breach by Seller in accordance with Section 7.1, provided the Purchaser has not defaulted under or breached this Agreement, Purchaser shall elect (1) and only one (1) of the following remedies:

(i) Purchaser may terminate this Agreement by written notice given to Seller and Plan Sponsors, in which event the Deposit will be refunded to Purchaser; or

(ii) Purchaser may demand specific performance of this Agreement by Seller and, if necessary, have a right to entry of an order enforcing the terms hereunder.

(d) Effect of Termination. In the event of the termination of this Agreement in accordance with this Article, this Agreement shall forthwith become void and there shall be no liability on the part of any party hereto except as set forth in Section 7.2 hereof.

Article 7 shall survive any termination of this Agreement.

ARTICLE 8

MISCELLANEOUS

8.1 Expenses. Except as specifically set forth in this Agreement, the Parties shall bear their own expenses, including, without limitation, fees, disbursements and other costs of any attorneys, accountants and other advisors, in connection with this Agreement, the Related Agreements, and the transactions contemplated hereby and thereby. This Section shall not apply, if the Closing does not occur, to any existing or future litigation, if a right to attorneys' fees and expenses otherwise exists.

8.2 Notices. All notices, requests, demands and other communications made in connection with this Agreement shall be in writing and shall be (a) mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, (b) transmitted by hand delivery, (c)

sent by electronic means, or (d) sent by nationally recognized overnight courier for next Business Day delivery, addressed as follows:

Seller:

John Falldine, Executive Director
Edgemere
8523 Thackery Street
Dallas, Texas 75225

With a simultaneous copy to:

Jeremy R. Johnson & Trinitee G. Green
POLSINELLI PC
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
jeremy.johnson@polsinelli.com
tggreen@polsinelli.com

Purchaser:

Bay 9 Holdings LLC
265 Magnolia Avenue
Suite 100
Larkspur, CA 94939

With a simultaneous copy to:

Adrienne K. Walker
Chelsey Rosenbloom List
Locke Lord LLP
111 Huntington Avenue
9th Floor
Boston, MA 02199-7613
awalker@lockelord.com
chelsey.list@lockelord.com

And with a simultaneous copy to counsel for the Plan Sponsors:

Daniel S. Bleck
Eric Blythe
Kaitlin R. Walsh
Mintz Levin Cohn Ferris Glovsky
and Popeo, PC
One Financial Center
Boston, Massachusetts 02111
dsbleck@mintz.com
erblythe@mintz.com

krwalsh@mintz.com

or, in each case, such other address as may be specified in writing to the other Party. All such notices, requests, demands, waivers and other communications shall be deemed to have been received (w) if by first-class, registered or certified mail, on the fifth Business Day after the mailing thereof, (x) if by hand delivery, on the day after such delivery, (y) if by electronic means and the transmitting Party receives a transmission receipt dated the day of transmission, on the same day as the transmission, and (z) if by nationally recognized overnight courier, on the next Business Day after deposit with such courier.

8.3 Amendment; Waivers, Etc. No amendment, modification or discharge of this Agreement, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the Party against whom enforcement of the amendment, modification, discharge or waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the Party granting such waiver in any other respect or at any other time.

8.4 Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

8.5 Assignment. Neither this Agreement nor any of the rights or obligations under this Agreement may be assigned by either Party without the prior written consent of the other Party, except that Purchaser may assign its rights under this Agreement to an Affiliate.

8.6 Parties in Interest. This Agreement and the Related Agreements shall be binding upon and inure solely to the benefit of the Parties and their successors and permitted assigns, and nothing in this Agreement or any Related Agreement, expressed or implied, is intended to confer upon any other Person any rights or remedies of any nature under or by reason of this Agreement or any Related Agreement.

8.7 No Personal Liability. No individual officer, director, employee, manager, agent, or representative shall have personal liable for any of the obligations hereunder or claims of any kind in connection herewith.

8.8 Counterparts; Facsimile Signature. This Agreement may be executed in one or more counterparts, each of which shall be deemed to constitute an original, but all of which shall constitute one and the same instrument, and shall become effective when one or more counterparts have been signed by each of the Parties. Any Party may execute this Agreement by facsimile (or .pdf copy) signature and the other Parties will be entitled to rely upon such facsimile (or .pdf copy) signature as conclusive evidence that this Agreement has been duly executed by such Party.

8.9 Governing Law. Except to the extent inconsistent with the Bankruptcy Code, this Agreement and the Related Agreements shall be governed by and construed and enforced in accordance with the laws of the State of Texas, without regard to its conflicts of law rules.

8.10 Jurisdiction. Each of the Parties agrees that any proceeding brought to enforce the rights or obligations of any Party under this Agreement or any Related Agreement shall be commenced and maintained in the Bankruptcy Court, and the Bankruptcy Court shall have

exclusive jurisdiction over any such proceeding. Each of the Parties consents to the exercise of jurisdiction over it and its properties, in accordance with the terms of this Section, with respect to any proceeding arising out of or in connection with this Agreement, any Related Agreement or the transactions contemplated hereby or thereby, or the enforcement of any rights under this Agreement or any Related Agreement. EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY IN ANY PROCEEDINGS BROUGHT BY ANY OTHER PARTY IN CONNECTION WITH ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, THE PROPERTY OR THE RELATIONSHIP OF THE PARTIES HEREUNDER. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING OR EARLIER TERMINATION OF THIS AGREEMENT.

8.11 Severability. If any provision of this Agreement is inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatsoever, so long as this Agreement, taken as a whole, still expresses the material intent of the Parties. The invalidity of any one or more phrases, sentences, clauses, sections or subsections of this Agreement shall not affect the remaining portions of this Agreement.

8.12 Entire Agreement. This Agreement and the Related Agreements constitute the entire agreement between the Parties with respect to the subject matter hereof, and supersede all prior agreements and understandings, both written and oral, between the Parties with respect to the subject matter hereof. There are no warranties, representations or other agreements between the Parties in connection with the subject matter hereof except as set forth specifically herein.

8.13 Employees Not Third-Party Beneficiaries. Nothing in this Agreement or the Related Agreements is intended to confer upon any past, present or future employee of Seller or its Affiliates or his or her legal representatives or heirs any rights as a third-party beneficiary or otherwise or any other rights or remedies of any nature or kind whatsoever under or by reason of the transactions contemplated by this Agreement or by the Related Agreements, including, without limitation, any rights of employment, continued employment or any rights under or with respect to any employee benefit, welfare benefit, pension or other fringe benefit plan, fund, program or arrangement.

8.14 Bulk Sales or Transfer Laws. Purchaser hereby waives compliance by Seller with the provisions of the bulk sales or transfer laws of all applicable jurisdictions; it being understood that any Liabilities arising out of the failure of Seller to comply with the requirements and provisions of any bulk sales, bulk transfer or similar laws of any jurisdiction which would not otherwise constitute Assumed Liabilities shall be treated as Excluded Liabilities.

8.15 No Inferences. Inasmuch as this Agreement is the result of negotiations between sophisticated parties of equal bargaining power represented by counsel, no inference in favor of, or against, either party shall be drawn from the fact that any portion of this Agreement has been drafted by or on behalf of such party.

8.16 Interpretation. In this Agreement, unless the context otherwise requires: (a) references to this Agreement are references to this Agreement and to the Schedules and Exhibits hereto; (b) references to Articles and Sections are references to articles and sections of this Agreement; (c) references to any party to this Agreement shall include references to its respective successors, its designees, and permitted assigns; (d) references to a judgment shall include references to any order, writ, injunction, decree, determination or award of any court or tribunal; (e) the terms “hereof,” “herein,” “hereby,” and any derivative or similar words will refer to this entire Agreement; (f) references to any document (including this Agreement) are references to that document as amended, consolidated, supplemented, novated or replaced by the parties thereof from time to time; (g) references to any law are references to that law as of the Closing Date, unless the context requires otherwise, and shall also refer to all rules and regulations promulgated thereunder, unless the context requires otherwise; (h) the word “including” shall mean including without limitation; and (i) references to time are references to Central Standard or Daylight time (as in effect on the applicable day) unless otherwise specified herein. The representations, warranties, and schedules will be deemed supplemented and amended by any Disclosure Update in order to cause the representations and warranties of Seller to be true as of the Closing.

8.17 WAIVER OF JURY TRIAL. EACH PARTY TO THIS AGREEMENT HEREBY UNCONDITIONALLY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, ANY OF THE DOCUMENTS RELATED HERETO, ANY DEALINGS BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT OR ANY RELATED TRANSACTIONS.

8.18 Time of the Essence. Time is of the essence for purposes of this Agreement and the rights and obligations of the Parties hereunder.

[Signatures Follow on Next Page]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered as of the date first above written.

NORTHWEST SENIOR HOUSING CORPORATION:

By: _____
Name: _____
Title: _____

BAY 9 HOLDINGS LLC:


By: _____
Name: Kierstin Hatch
Title: Managing Member of HP

SCHEDULE 1(w) – EQUIPMENT

SCHEDULE 3.7 – PERMITS

SCHEDULE 5.5(b)(i) – ASSUMED CONTRACTS

SCHEDULE 5.5(b)(ii) – EXCLUDED CONTRACTS

EXHIBIT A

FORM OF BILL OF SALE

BILL OF SALE

Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“**Seller**”), for good and valuable consideration received from Bay 9 Holdings LLC, a Delaware limited liability company, or its designee (“**Purchaser**”), except as limited by that certain Asset Purchase Agreement, dated as of November [•], 2022 between Seller and Purchaser (as modified, amended, or supplemented, the “**Asset Purchase Agreement**”) and the Confirmation Order (as defined in the Asset Purchase Agreement), does hereby sell, convey, transfer, assign and deliver the Purchased Assets (as defined in the Asset Purchase Agreement) “AS-IS”, “WHERE-IS”, “WITH ALL FAULTS”, and Seller does not make any express or implied representations, statements, warranties or conditions of any kind or nature whatsoever concerning the Purchased Assets being sold, conveyed, transferred, assigned and delivered hereunder.

Seller hereby covenants that it will, from time to time upon written request therefor, execute and deliver to Purchaser, its nominees, successors and/or assigns, any new or confirmatory instruments which Purchaser, its nominees, successors and/or assigns, may reasonably request in order to assign and transfer to Purchaser its rights, title and interest in, such Purchased Assets.

IN WITNESS WHEREOF, the undersigned, being duly authorized, has executed and delivered this instrument effective as of January [•], 2023.

NORTHWEST SENIOR HOUSING CORPORATION,
a Texas not-for-profit corporation

By: _____
Name:
Title:

EXHIBIT B

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (“**Assignment**”), dated as of January [•], 2023, is between Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“**Assignor**”), and Bay 9 Holdings LLC, a Delaware limited liability company, or its designee (“**Assignee**”). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Asset Purchase Agreement (as defined below).

RECITALS

A. This Assignment is executed pursuant to that certain Asset Purchase Agreement dated as of November [•], 2022, by and between Assignor as Seller and Assignee as Purchaser (the “**Purchase Agreement**”).

B. Subject to the terms and conditions set forth in the Purchase Agreement, Assignor has agreed to assign to Assignee the Assumed Contracts, and Assignee has agreed to assume the Assumed Liabilities.

AGREEMENT

NOW, THEREFORE, in consideration of the above promises and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Assignor does hereby assign transfer, convey, and deliver to Assignee, as of the Effective Time, all of its right, title, and interest in all Assumed Contracts.

2. Assignee, as of the Effective Time, hereby assumes and agrees to pay and perform in due course the Assumed Liabilities. For avoidance of doubt, Assignee is not assuming any of the Excluded Liabilities set forth in Section 2.4 of the Purchase Agreement.

3. This Assignment is binding upon and shall inure to the benefit of the parties and their respective successors and assigns.

4. This Assignment may be executed in any number of counterparts (including by facsimile, .PDF, or email), each of which will be deemed to be an original and all of which, together, will constitute one and the same instrument.

5. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH FEDERAL BANKRUPTCY LAW, TO THE EXTENT APPLICABLE, AND WHERE STATE LAW IS IMPLICATED THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO THE CHOICE OF LAW PRINCIPLES THEREOF, INCLUDING AS TO MATTERS OF CONSTRUCTION, VALIDITY, AND PERFORMANCE.

6. THE PARTIES AGREE THAT THE BANKRUPTCY COURT SHALL HAVE JURISDICTION OVER ALL DISPUTES AND OTHER MATTERS RELATING TO (i) THE

INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT TO THIS AGREEMENT; OR (ii) THE ASSUMED CONTRACTS AND TRANSFERRED RIGHTS ASSIGNED PURSUANT TO OR ARISING OUT OF THIS AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT TO THIS AGREEMENT, AND THE PARTIES EXPRESSLY CONSENT TO AND AGREE NOT TO CONTEST SUCH EXCLUSIVE JURISDICTION; PROVIDED THAT IF THE BANKRUPTCY COURT IS UNWILLING OR UNABLE TO HEAR ANY SUCH DISPUTES AND OTHER MATTERS, THEN THE COURTS OF THE STATE OF TEXAS AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA SITTING IN THE STATE OF TEXAS SHALL HAVE JURISDICTION OVER SUCH DISPUTES AND OTHER MATTERS EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

7. Nothing in this Assignment, express or implied, is intended to or shall be construed to modify, expand, or limit in any way the terms and conditions of the Purchase Agreement. In the event of a conflict between the terms and conditions of this Assignment and the terms and conditions of the Purchase Agreement, the terms and conditions of the Purchase Agreement shall govern, supersede, and prevail.

8. None of the provisions of this Assignment may be amended or waived unless such amendment or waiver is in writing and is signed, in the case of an amendment, by both parties, or in the case of a waiver, by the party against whom the waiver is to be effective.

[Signature page follows.]

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

ASSIGNOR

**NORTHWEST SENIOR HOUSING
CORPORATION**

By: _____

ASSIGNEE

BAY 9 HOLDINGS LLC

By: _____

EXHIBIT C

FORM OF GROUND LEASE ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT AND ASSUMPTION OF LEASE (this “Assignment Agreement”) is made and entered into this [•] day of January, 2023 (the “Effective Date”) by and among Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“Assignor”), and Bay 9 Holdings LLC, a Delaware limited liability company, or its designee (“Assignee”). Assignor and Assignee may be referred to individually herein as a “Party” and, collectively, as the “Parties” to this Assignment Agreement.

WHEREAS, Assignor is a party to the Ground Lease (as it may be amended, the “Lease Agreement”) dated as of November 1999 by and between Intercity Investment Properties, Inc., a Texas corporation (“Landlord”) and Assignor with respect to certain real property in the City and County of Dallas more specifically described in the Lease Agreement (the “Premises”); and

WHEREAS, pursuant to that certain Asset Purchase Agreement dated as of November [•], 2022 (the “Purchase Agreement”), Assignor desires to assign the Lease Agreement to Assignee effective as of the Closing Date (as defined in the Purchase Agreement) and Assignee desires to assume the Lease Agreement in accordance with, and subject to the terms hereof.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the Parties agree as follows:

1. Effective as of the Effective Date, Assignor hereby irrevocably contributes, assigns, transfers, conveys and delivers to Assignee, and Assignee hereby accepts from Assignor, the entire right, title, and interest of Assignor in, to and under the Lease Agreement.
2. Notwithstanding anything to the contrary contained in the Lease Agreement and subject to the terms and conditions of the Purchase Agreement and Confirmation Order (as defined in the Purchase Agreement), effective as of the Effective Date, Assignee hereby assumes and agrees to be bound by the terms and conditions, pay, defend, discharge, and perform all of the liabilities and obligations of the tenant arising under the Lease Agreement on and after the Effective Date as if Assignee were the tenant named therein. Assignor shall remain responsible for all of the liabilities and obligations of the tenant arising under the Lease Agreement prior to the Effective Date subject to any limitations in the Purchase Agreement and the Confirmation Order.
3. Assignor represents that the Lease Agreement represents the entire agreement with respect to the Premises between Landlord and Assignor.
4. Effective as of the Effective Date, notice is hereby given that all notices and other communications to Assignor and Assignee under the Lease Agreement should be delivered to the addresses set forth below in lieu of (or, with respect to Assignee, in addition to) the addresses for notices set forth in the Lease Agreement. Notice to Landlord shall be given to the address set forth in the Lease Agreement. Any notice, demand, request, consent, approval or communication that a Party desires or is required to give to any other Party related to this Assignment Agreement shall be in writing and either served personally or sent by prepaid, certified or registered mail, return receipt requested, and addressed to such Party at the address set forth below. A Party may change its address by notifying the other Parties of the change of address. Notice shall be deemed

communicated on the date shown on the receipt card (or if no date is shown, on the date of the postmark) if mailed as provided in this paragraph, and upon receipt if served personally.

Assignor:

John Falldine, Executive Director
Edgemere
8523 Thackery Street
Dallas, Texas 75225

With a simultaneous copy to:

Jeremy R. Johnson & Trinitee G. Green
POLSINELLI PC
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
jeremy.johnson@polsinelli.com
tggreen@polsinelli.com

Assignee:

Bay 9 Holdings LLC
265 Magnolia Avenue
Suite 100
Larkspur, CA 94939

With a simultaneous copy to:

Adrienne K. Walker
Chelsey Rosenbloom List
Locke Lord LLP
111 Huntington Avenue
9th Floor
Boston, MA 02199-7613
awalker@lockelord.com
chelsey.list@lockelord.com

Except as specifically amended or modified by this Assignment Agreement, the Lease Agreement shall remain unchanged and in full force and effect.

5. Assignee warrants and represents it has not contacted any broker regarding the Premises or this Assignment Agreement.

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

7. This Assignment Agreement shall be governed by and construed in accordance with federal bankruptcy law, to the extent applicable, and where state law is implicated this Assignment

Agreement, shall be governed by and construed in accordance with the laws of the State of Texas without giving effect to any choice or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction).

8. THE PARTIES AGREE THAT THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS (THE "BANKRUPTCY COURT") SHALL HAVE JURISDICTION OVER ALL DISPUTES AND OTHER MATTERS RELATING TO THE INTERPRETATION AND ENFORCEMENT OF THIS ASSIGNMENT AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT TO THIS ASSIGNMENT AGREEMENT AND THE PARTIES EXPRESSLY CONSENT TO AND AGREE NOT TO CONTEST SUCH EXCLUSIVE JURISDICTION; PROVIDED THAT IF THE BANKRUPTCY COURT IS UNWILLING OR UNABLE TO HEAR ANY SUCH DISPUTES AND OTHER MATTERS, THEN THE COURTS OF THE STATE OF TEXAS AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA SITTING IN THE STATE OF TEXAS SHALL HAVE JURISDICTION OVER SUCH DISPUTES AND OTHER MATTERS EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

9. This Assignment Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which counterparts when taken together will constitute one and the same agreement. The exchange of copies of this Assignment Agreement and of signature pages by facsimile transmission or electronic mail transmission (e.g., in .PDF format) will constitute effective execution and delivery of this Assignment Agreement as to the parties and may be used in lieu of the original Assignment Agreement for all purposes. Signatures of the parties transmitted by facsimile or electronic mail (e.g., in .PDF format) will be deemed to be their original signatures for any purpose whatsoever. Without limiting the foregoing, the words "execution," "execute," "signed," "signature," and words of like import in or related to this Assignment Agreement and the transactions contemplated hereby shall be deemed to include electronic signatures (e.g., through DocuSign or other similar electronic e-signature application), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act.

[Signature Page Follows]

EXECUTED under seal as of the date first above written.

ASSIGNOR:

Northwest Senior Housing Corporation

By: _____

Name: []

Title: []

Hereunto Duly Authorized

ASSIGNEE:

Bay 9 Holdings, LLC

By: _____

Name: []

Title: []

Hereunto Duly Authorized

EXHIBIT D

**FORM OF INTELLECTUAL PROPERTY
ASSIGNMENT AND ASSUMPTION AGREEMENT**

INTELLECTUAL PROPERTY ASSIGNMENT

This INTELLECTUAL PROPERTY ASSIGNMENT (this “**Agreement**”), is executed and delivered as of January [•], 2023, by and among Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“**Assignor**”) and Bay 9 Holdings LLC, a Delaware limited liability company, or its designee (“**Assignee**”) pursuant to the Asset Purchase Agreement (as hereinafter defined). Assignor and Assignee are each referred to individually as a “**Party**,” and collectively as the “**Parties**.”

WHEREAS, on the terms and subject to the conditions of the Asset Purchase Agreement, dated as of November [•], 2022, by and between Assignor (the “**Seller**”), and Assignee (the “**Purchaser**”) (as modified, amended, or supplemented, the “**Asset Purchase Agreement**”), Seller agreed to, on the Closing Date and at the Closing, sell, convey, transfer, assign, and deliver to Purchaser the Purchased Assets free and clear of all Claims and Encumbrances (other than Permitted Liens).

WHEREAS, Assignor is the owner of the Intellectual Property Assets as defined in the Asset Purchase Agreement, including as set forth on **Schedule 1** hereto; and

NOW, THEREFORE, for the consideration set forth in the Asset Purchase Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. **Defined Terms**. All initially capitalized terms used but not defined herein have the meaning given them in the Asset Purchase Agreement.

2. **Assignment**. On the terms and subject to the conditions set forth in the Asset Purchase Agreement and the Confirmation Order, Assignor hereby sells, conveys, transfers, assigns, and delivers to Assignee, and Assignee’s successors and assigns,

i) all right, title and interest in and to the Intellectual Property Assets, including all rights therein provided by international conventions and treaties, and the right to sue for past, present and future infringement thereof (“**Transferred Rights**”);

ii) any and all rights to sue at law or in equity for any infringement, imitation, impairment, distortion, dilution or other unauthorized use or conduct in derogation of the Transferred Rights occurring prior to the Closing, including the right to receive all proceeds and damages therefrom;

iii) any and all rights to royalties, profits, compensation, license fees or other payments or remuneration of any kind relating to the Transferred Rights arising from and after the date of this Agreement;

iv) any and all rights to obtain renewals, reissues, and extensions of registrations or other legal protections pertaining to the Transferred Rights; and

v) all goodwill and other intangible assets associated with the Intellectual Property Assets.

Assignee, its successors and assigns, shall hold the rights to the foregoing for and during the existence of such Transferred Rights, and all renewals, reissues and extensions thereof, as fully and as entirely as the same would have been held and enjoyed by Assignor had this Agreement not been made.

3. Asset Purchase Agreement. This Agreement is in accordance with and is subject to the terms of the Asset Purchase Agreement and Confirmation Order. Nothing contained herein shall be deemed to supersede, enlarge on, limit or modify any of the obligations, agreements, covenants or warranties of Seller contained in the Asset Purchase Agreement and Confirmation Order. If any conflict or other difference exists between the terms of this Agreement and the Asset Purchase Agreement or Confirmation Order, then the terms of the Asset Purchase Agreement and Confirmation Order shall govern and control. Except as set forth in the Asset Purchase Agreement and Confirmation Order, the Transferred Rights are being sold, conveyed, transferred, assigned and delivered hereunder “AS-IS”, “WHERE-IS”, “WITH ALL FAULTS”, and Seller does not make any express or implied representations, statements, warranties or conditions of any kind or nature whatsoever concerning the Transferred Rights being sold, conveyed, transferred, assigned and delivered hereunder.

4. Further Assurances. At the request and cost (if any) of Assignee, Assignor shall timely execute and deliver any additional documents and perform such additional acts reasonably necessary or desirable to record and perfect the interest of Assignee in and to the Intellectual Property Assets (including, without limitation, the Transferred Rights), and shall not enter into any agreement in conflict with this Agreement.

5. Binding on Successors; No Third Party Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and the respective successors in interest and permitted assigns of such parties. This Agreement is not intended to confer any rights or remedies upon any Person or entity other than the Parties hereto.

6. Counterparts. This Agreement may be executed in two (2) or more counterparts (including by DocuSign, or other electronic delivery by electronic mail), each of which shall be deemed an original but all of which together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party hereto and delivered to the other parties, it being understood that each party need not sign the same counterpart. No Party shall assert that the use of an electronic transmission to deliver a signature or the fact that any signature was transmitted or communicated through the use of an electronic transmission, constitutes a defense to the formation or delivery of a contract or a document, and each party hereto forever waives any such defenses.

7. Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

8. Amendments, Etc. Any amendment, modification or waiver of any term or provision of this Agreement must be in writing and signed by Assignor and Assignee. Any waiver will be effective only in the specific instance and for the specific purpose for which it is given.

9. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH FEDERAL BANKRUPTCY LAW, TO THE EXTENT APPLICABLE, AND WHERE STATE LAW IS IMPLICATED THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO THE CHOICE OF LAW PRINCIPLES THEREOF, INCLUDING AS TO MATTERS OF CONSTRUCTION, VALIDITY, AND PERFORMANCE.

10. Bankruptcy Court Jurisdiction. THE PARTIES AGREE THAT THE BANKRUPTCY COURT SHALL HAVE JURISDICTION OVER ALL DISPUTES AND OTHER MATTERS RELATING TO (i) THE INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT TO THIS AGREEMENT; OR (ii) THE INTELLECTUAL PROPERTY ASSETS, AND TRANSFERRED RIGHTS ASSIGNED PURSUANT TO OR ARISING OUT OF THIS AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT TO THIS AGREEMENT, AND THE PARTIES EXPRESSLY CONSENT TO AND AGREE NOT TO CONTEST SUCH EXCLUSIVE JURISDICTION; PROVIDED THAT IF THE BANKRUPTCY COURT IS UNWILLING OR UNABLE TO HEAR ANY SUCH DISPUTES AND OTHER MATTERS, THEN THE COURTS OF THE STATE OF TEXAS AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA SITTING IN THE STATE OF TEXAS SHALL HAVE JURISDICTION OVER SUCH DISPUTES AND OTHER MATTERS EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

[Signature Page Follows]

IN WITNESS WHEREOF, the party hereto has executed this Agreement as of the day and year first above written.

ASSIGNEE:

ASSIGNOR:

BAY 9 HOLDINGS LLC

NORTHWEST SENIOR HOUSING
CORPORATION

By: _____
Name:
Its:

By: _____
Name:
Its:

Schedule 1 - Intellectual Property Assets

EXHIBIT E

FORM OF SELLER CLOSING CERTIFICATE

SELLER CLOSING CERTIFICATE

Pursuant to Section 6.2(e) of the Asset Purchase Agreement (the “**Agreement**”), dated as of November [•], 2022 between Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“**Seller**”) and Bay 9 Holdings LLC, a Delaware limited liability company, or its designee (“**Purchaser**”), the undersigned, being a duly authorized executive officer of Seller, does hereby certify that (i) all the covenants and obligations of the Agreement to be complied with and performed by Seller at or before the Closing Date (as defined in the Agreement) have been complied with and performed in all material respects, and (ii) the representations and warranties made by Seller in the Agreement (other than those that speak as of a specified date or time) are true and correct in all respects, as of the Closing Date, with the same force and effect as though such representations and warranties had been made on and as of the Closing Date, except to the extent such failure to be true and correct has not had, and would not reasonably be expected to have, a material effect.

Northwest Senior Housing Corporation,
a Texas not-for-profit corporation

By: _____
Name:
Title:

EXHIBIT F

FORM OF PURCHASER CLOSING CERTIFICATE

PURCHASER CLOSING CERTIFICATE

Pursuant to Section 6.3(e) of the Asset Purchase Agreement (the “**Agreement**”), dated as of November [•], 2022 between Northwest Senior Housing Corporation, a Texas not-for-profit company (“**Seller**”) and Bay 9 Holdings LLC, a Delaware limited liability company or its designee (“**Purchaser**”), the undersigned, being a duly authorized executive officer of Purchaser, does hereby certify that (i) all of the covenants and obligations of the Agreement to be complied with and performed by Purchaser at or before the Closing Date (as defined in the Agreement) have been complied with and performed in all material respects, and (ii) the representations and warranties made by Purchaser in the Agreement (other than those that speak as of a specified date or time) are true and correct in all respects, as of the Closing Date, with the same force and effect as though such representations and warranties had been made on and as of the Closing Date, except to the extent such failure to be true and correct has not had, and would not reasonably be expected to have, a material effect.

Bay 9 Holdings LLC
a Delaware limited liability company

By: _____
Name:
Title:

EXHIBIT G

FORM OF ESCROW DEPOSIT AGREEMENT

ESCROW AGREEMENT

THIS Escrow Agreement (this “**Agreement**”) made and entered into as of this [•] day of November, 2022 by and among Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“**Seller**”), Bay 9 Holdings LLC, a Delaware limited liability company or its designee (“**Purchaser**”), and UMB Bank, N.A., as Escrow Agent, a national banking association organized and existing under the laws of the United States of America (the “**Escrow Agent**”).

RECITALS

A. Seller has filed a voluntary petition for relief under the Bankruptcy Code as Case Number 22-30659 with the United States Bankruptcy Court for the Northern District of Texas;

B. Seller is a not-for-profit corporation that owns and operates a best-in-class continuing care retirement community located at 8523 Thackery St, Dallas, Texas 75225 (the “**Edgemere Community**”) on land owned by Intercity Investment Properties, Inc. pursuant to that certain Ground Lease dated November 5, 1999 (the “**Ground Lease**”). The Edgemere Community offers residents a continuum of care in a campus-style setting, providing living accommodations and related health care and support services to persons aged 62 or older.

C. UMB Bank, N.A., as the Bond Trustee under the 2015 Bond Indenture and the 2017 Bond Indenture, and successor Master Trustee under the Original Master Indenture (the “**Trustee**”) and in its capacity as DIP Lender, have filed a proposed a Plan of Reorganization under Chapter 11 of the Bankruptcy Code (the “**Plan**”) that contemplates the sale of the Edgemere Community and related assets to Purchaser, or another purchaser that submits a higher and better offer for the assets in accordance with the Sale Transaction Procedures;

D. Purchaser desires to acquire the Edgemere Community, including Edgemere’s leasehold interest in the Premises created by the Ground Lease, and the assets owned by Seller and used or useful to Seller’s operation of the Edgemere Community (the “**Business**”, and, together with Seller’s interests in the Ground Lease, the “**Assets**”) on the terms and conditions contained in this Agreement, subject to higher and better bids, as well as confirmation of the Plan;

E. Seller and Purchaser have entered into that certain Asset Purchase Agreement dated November [•], 2022 (the “**APA**”)¹.

F. Seller and Purchaser desire that UMB Bank, N.A. act as Escrow Agent to hold the Deposit for the Sale described in the APA, and Escrow Agent is willing to act in such capacity. Seller and Purchaser acknowledge that UMB Bank, N.A. also serves as Bond Trustee and DIP Lender. Seller and Purchaser assert that no conflict exists, nor does Seller or Purchaser assert any objection thereto.

¹ Terms not defined herein shall have the meanings ascribed to them in the APA.

AGREEMENT

NOW, THEREFORE, Seller, Purchaser, and Escrow Agent agree to the terms of this Agreement as follows:

1. Commencement of Duties. Purchaser, subject to entry of the Bidding Procedures Order, simultaneously with the execution and delivery of this Agreement, shall transfer to the Escrow Agent the aggregate sum of Two Million and Four Hundred Thousand Dollars (\$2,425,000) (the “**Escrowed Funds**”). Upon receipt of the Escrowed Funds and after the parties’ submission of all documentation required by the Escrow Agent to comply with the Bank Secrecy Act, the duties and obligations of each of the parties to this Agreement will commence.

2. Operation of the Escrow. With respect to any requested disbursement, Seller and Purchaser (i) certify they have reviewed any wire instructions set forth in such written disbursement direction to confirm such wire instructions are accurate, (ii) agree to indemnify and hold harmless the Escrow Agent from and against any and all claim, demand, loss, liability, or expense sustained, including but not limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement requested up to the amount of the Escrowed Funds, and (iii) agree they will not seek recourse from the Escrow Agent as a result of losses incurred by it for making the disbursement in accordance with the disbursement direction.

3. Escrowed Funds. Upon receipt of the Escrowed Funds, the Escrow Agent shall hold the Escrowed Funds in escrow pursuant to the terms of this Agreement. Until such time as the Escrowed Funds shall be distributed by the Escrow Agent as provided herein, unless the Escrow Agent is otherwise directed in writing in a joint written investment direction signed by the Seller and the Purchaser, the Escrowed Funds shall be invested and reinvested by the Escrow Agent in the an interest-bearing money market deposit account. The parties hereto acknowledge that the Escrow Agent does not have a duty nor will it undertake any duty to provide investment advice.

(a) The Escrow Agent shall be entitled to sell or redeem any such investment as necessary to make any distributions required under this Agreement and shall not be liable or responsible for any loss resulting from any such sale or redemption.

(b) Income, if any, resulting from the investment of the Escrowed Funds shall be retained by the Escrow Agent and shall be considered, for all purposes of this Agreement, to be part of the Escrowed Funds.

4. Disbursement of the Escrowed Funds. The Parties shall act in accordance with, and the Escrow Agent shall hold and release the Escrowed Funds as provided in this Section:

(a) Upon receipt of a joint written instruction executed by each of Seller and Purchaser with respect to the Escrowed Funds, the Escrow Agent shall promptly, but in any event within two (2) business days after receipt of such joint written instruction, disburse all or part of the Escrowed Funds in accordance with such joint written instruction;

(b) Upon receipt by the Escrow Agent of a copy of a final, non-appealable order of any court of competent jurisdiction which may be issued, together with (i) a certificate executed by an authorized representative of the prevailing party, to the

effect that such order is final and non-appealable and from a court of competent jurisdiction having proper authority and (ii) the written payment instructions executed by an authorized representative of the prevailing party to effectuate such order (a “Final Determination”) (a copy of which shall be delivered simultaneously to the Escrow Agent and the no-presenting party), the Escrow Agent shall, on the fifth (5th) business day following receipt of such Final Determination, disburse as directed, part of all, as the case may be, of the Escrowed Funds in accordance with such Final Determination; or

(c) the Escrow Agent shall release the Escrowed Funds in a manner consistent with the terms of the Bidding Procedures Order.

5. Duties of the Escrow Agent. The Escrow Agent shall have no duties or responsibilities other than those expressly set forth in this Agreement, and no implied duties or obligations shall be read into this Agreement against the Escrow Agent. The Escrow Agent has no fiduciary or discretionary duties of any kind. The Escrow Agent is not a party to, or bound by, the Purchase Agreement or any other agreement among the other parties hereto, and the Escrow Agent’s duties shall be determined solely by reference to this Agreement. The Escrow Agent shall have no duty to enforce any obligation of any person, other than as provided herein. The Escrow Agent shall be under no liability to anyone by reason of any failure on the part of any party hereto or any maker, endorser or other signatory of any document or any other person to perform such person’s obligations under any such document.

6. Liability of the Escrow Agent; Indemnification. The Escrow Agent acts hereunder as a depository only. The Escrow Agent is not responsible or liable in any manner for the sufficiency, correctness, genuineness or validity of this Escrow Agreement or with respect to the form of execution of the same. The Escrow Agent shall not be liable for any action taken or omitted by it, or any action suffered by it to be taken or omitted, in good faith, and in the exercise of its own best judgment, and may rely conclusively and shall be protected in acting upon any order, notice, demand, certificate, opinion or advice of counsel (including counsel chosen by the Escrow Agent), statement, instrument, report or other paper or document (not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and acceptability of any information therein contained) which is believed by the Escrow Agent to be genuine and to be signed or presented by the proper person(s). The Escrow Agent shall not be held liable for any error in judgment made in good faith by an officer or employee of the Escrow Agent unless it shall be proved that the Escrow Agent was grossly negligent in ascertaining the pertinent facts or acted intentionally in bad faith. The Escrow Agent shall not be bound by any notice of demand, or any waiver, modification, termination or rescission of this Agreement or any of the terms hereof, unless evidenced by a writing delivered to the Escrow Agent signed by the proper party or parties and, if the duties or rights of the Escrow Agent are affected, unless it shall give its prior written consent thereto. In no event shall the Escrow Agent be liable for incidental, indirect, special, consequential or punitive damages or penalties (including, but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such damages or penalty and regardless of the form of action. The Escrow Agent shall not be responsible for delays or failures in performance resulting from acts beyond its control, including without limitation acts of God, strikes, lockouts, riots, acts of war or terror, epidemics, pandemics, governmental regulations, fire, communication line failures, computer viruses, power failures, earthquakes or other disasters. The Escrow Agent shall not be obligated to take any legal action or commence any proceeding in connection with the

Escrowed Funds, any account in which Escrowed Funds are deposited, this Agreement or any other agreement, or to appear in, prosecute or defend any such legal action or proceeding.

The Escrow Agent may consult legal counsel in the event of any dispute or question as to the construction of any provisions hereof or its duties hereunder, and it shall incur no liability and shall be fully protected in acting in accordance with the opinion or instructions of such counsel.

The Escrow Agent shall not be responsible, may conclusively rely upon and shall be protected, indemnified and held harmless by Seller and Purchaser, acting jointly and severally, for the sufficiency or accuracy of the form of, or the execution, validity, value or genuineness of any document or property received, held or delivered by it hereunder, or of the signature or endorsement thereon, or for any description therein; nor shall the Escrow Agent be responsible or liable in any respect on account of the identity, authority or rights of the persons executing or delivering or purporting to execute or deliver any document, property or this Agreement.

In the event that the Escrow Agent shall become involved in any arbitration or litigation relating to the Escrowed Funds, the Escrow Agent is authorized to comply with any decision reached through such arbitration or litigation.

Seller and Purchaser, jointly and severally, hereby agree to indemnify the Escrow Agent and each direction, officer, employee, attorney, agent and affiliate of the Escrow Agent for, and to hold it harmless against any loss, liability or expense incurred in connection herewith up to the amount of the Escrowed Funds without gross negligence or willful misconduct on the part of the Escrow Agent, including without limitation legal or other fees arising out of or in connection with its entering into this Agreement and carrying out its duties hereunder, including without limitation the costs and expenses of defending itself against any claim of liability in the premises or any action for interpleader. The Escrow Agent shall be under no obligation to institute or defend any action, suit, or legal proceeding in connection herewith, unless first indemnified and held harmless to its satisfaction in accordance with the foregoing, except that the Escrow Agent shall not be indemnified against any loss, liability or expense arising out of its own gross negligence or willful misconduct as finally determined by a court of competent jurisdiction, subject to no further appeal. Such indemnity shall survive the termination or discharge of this Agreement or resignation of the Escrow Agent.

7. The Escrow Agent's Fee. Escrow Agent shall be entitled to fees and expenses for its regular services as Escrow Agent as set forth in Exhibit A. Additionally, Escrow Agent is entitled to fees for extraordinary services and reimbursement of any out of pocket and extraordinary costs and expenses, including, but not limited to, attorneys' fees. Escrow Agent shall have a first lien upon all Escrowed Funds for the purposes of paying its fees and expenses. All of the Escrow Agent's compensation, costs and expenses shall be paid by Seller. Any fees and expenses shall be payable from and may be deducted by Escrow Agent from interest and/or principal of any monies held in Escrowed Funds by Escrow Agent.

8. Security Interests. No party to this Escrow Agreement shall grant a security interest in any monies or other property deposited with the Escrow Agent under this Escrow Agreement, or otherwise create a lien, encumbrance or other claim against such monies or borrow against the same.

9. Dispute. In the event of any disagreement between the undersigned or the person or persons named in the instructions contained in this Agreement, or any other person, resulting in adverse claims and demands being made in connection with or for any papers, money or property involved herein, or affected hereby, the Escrow Agent shall be entitled to refuse to comply with any demand or claim, as long as such disagreement shall continue, and in so refusing to make any delivery or other disposition of any money, papers or property involved or affected hereby, the Escrow Agent shall not be or become liable to the undersigned or to any person named in such instructions for its refusal to comply with such conflicting or adverse demands, and the Escrow Agent shall be entitled to refuse and refrain to act until: (a) The rights of the adverse claimants shall have been fully and finally adjudicated in a Court assuming and having jurisdiction of the parties and money, papers and property involved herein or affected hereby, or (b) All differences shall have been adjusted by agreement and the Escrow Agent shall have been notified thereof in writing, signed by all the interested parties.

10. Resignation of Escrow Agent. Escrow Agent may resign or be removed, at any time, for any reason, by written notice of its resignation or removal to the proper parties at their respective addresses as set forth herein, at least 30 days before the date specified for such resignation or removal to take effect; upon the effective date of such resignation or removal:

(a) All cash and other payments and all other property then held by the Escrow Agent hereunder shall be delivered by it to such successor Escrow Agent as may be designated in writing by the Seller and the Purchaser, whereupon the Escrow Agent's obligations hereunder shall cease and terminate;

(b) If no such successor Escrow Agent has been designated by such date, all obligations of the Escrow Agent hereunder shall, nevertheless, cease and terminate, and the Escrow Agent's sole responsibility thereafter shall be to keep all property then held by it and to deliver the same to a person designated in writing by the Seller and the Purchaser or in accordance with the directions of a final order or judgment of a court of competent jurisdiction.

(c) Further, if no such successor Escrow Agent has been designated by such date, the resigning or removed Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor agent. In such instance, the resigning or removed Escrow Agent may pay into court all monies and property deposited with Escrow Agent under this Agreement.

11. Notices. All notices, demands and requests required or permitted to be given under the provisions hereof must be in writing and shall be deemed to have been sufficiently given, upon receipt, if (i) personally delivered, (ii) sent by telecopy or electronic mail and confirmed by phone or (iii) mailed by registered or certified mail, with return receipt requested, delivered as follows:

(1) If to Seller: John Falldine, Executive Director
Edgemere
8523 Thackery Street
Dallas, Texas 75225
John.Falldine@lifespacecommunities.com

with a copy to:

Jeremy Johnson & Trinitee Green
POLSINELLI PC
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
jeremy.johnson@polsinelli.com
tggreen@polsinelli.com

(2) If to Purchaser:

Bay 9 Holdings LLC
265 Magnolia Avenue
Suite 100
Larkspur, CA 94939

with a copy to:

Adrienne K. Walker

Chelsey Rosenbloom List
Locke Lord LLP
111 Huntington Avenue, 9th Floor
Boston, MA 02199-7613
awalker@lockelord.com
chelsey.list@lockelord.com

(3) If to Escrow Agent:

Irina Palchuk, Senior Vice President
UMB Bank, N.A.
100 William Street, Suite 1850
New York, NY 10038
Irina.Palchuk@umb.com

with a copy to:

Daniel S. Bleck
Eric Blythe
Kaitlin R. Walsh
Mintz Levin Cohn Ferris Glovsky
and Popeo, PC
One Financial Center
Boston, Massachusetts 02111
dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

12. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Missouri without regard to the principles of conflicts of law.

13. Binding Effect; Benefit. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties hereto.

14. Modification. This Agreement may be amended, modified or terminated at any time by a writing executed by Seller, Purchaser, and the Escrow Agent; provided the party making such assignment provides written notice to the other parties hereto.

15. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law. The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means.

16. Headings. The section headings contained in this Agreement are inserted for convenience only, and shall not affect in any way, the meaning or interpretation of this Agreement.

17. Severability. This Agreement constitutes the entire agreement among the parties and supersedes all prior and contemporaneous agreements and undertakings of the parties in connection herewith. No failure or delay of the Escrow Agent in exercising any right, power or remedy may be, or may be deemed to be, a waiver thereof; nor may any single or partial exercise of any right, power or remedy preclude any other or further exercise of any right, power or remedy. In the event that any one or more of the provisions contained in this Agreement, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement.

18. Earnings Allocation; Tax Matters; Regulatory Compliance. The parties hereto agree that, for tax reporting purposes, all interest or other income, if any, attributable to the Escrowed Funds or any other amount held in escrow by the Escrow Agent pursuant to this Agreement shall be allocable to the Seller. The Seller agrees to provide the Escrow Agent completed Forms W-9 (or Forms W-8, in the case of non-U.S. persons) and other forms and documents that the Escrow Agent may reasonably request (collectively, "Tax Reporting Documentation") at the time of execution of this Agreement. Additionally, the parties hereto agree that they will provide any information reasonably requested by the Escrow Agent to comply with the USA Patriot Act of 2001, as amended from time to time, and the Bank Secrecy Act of 1970, as amended from time to time (together the "Acts"), which information will be used to verify the identities of the parties to ensure compliance with the terms of such Acts. The parties hereto understand that if such Tax Reporting Documentation is not so certified to the Escrow Agent, the Escrow Agent may be required by the Internal Revenue Code, as it may be amended from time to time, to withhold a portion of any interest or other income earned on the investment of monies or other property held by the Escrow Agent pursuant to this Escrow Agreement.

[SIGNATURE PAGES FOLLOW]

SELLER:

Northwest Senior Housing Corporation,
a Texas not-for-profit corporation

By: _____
Name:
Title:

PURCHASER:

Bay 9 Holdings LLC,
a Delaware limited liability company

By: _____
Name:
Title:

ESCROW AGENT:

UMB BANK, N.A., solely as Escrow Agent

By: _____
Name: Irina Palchuk
Title: Senior Vice President

EXHIBIT A

ESCROW FEES AND EXPENSES

Acceptance Fee

Review escrow agreement and establish account \$1,250.00

Annual Fee (per year or part thereof)

Maintain account \$1,250.00

Fees specified are for the regular, routine services contemplated by the Escrow Agreement, and any additional or extraordinary services, including, but not limited to disbursements involving a dispute or arbitration, or administration while a dispute, controversy or adverse claim is in existence, will be charged based upon time required at the then standard hourly rate. In addition to the specified fees, all expenses related to the administration of the Escrow Agreement (other than normal overhead expenses of the regular staff) such as, but not limited to, travel, postage, shipping, courier, telephone, facsimile, supplies, legal fees, accounting fees, etc., will be reimbursable. Acceptance and first year annual fees will be payable at the initiation of the escrow and annual fees will be payable in advance thereafter. Other fees and expenses will be billed as incurred.

Exhibit 3

Sale Notice

HAYNES AND BOONE, LLP

J. Frasher Murphy
State Bar No. 24013214
Thomas J. Zavala
State Bar No. 24116265
2323 Victory Avenue, Suite 700
Dallas, TX 75219
Telephone: (214) 651-5000
frasher.murphy@haynesboone.com
tom.zavala@haynesboone.com

Counsel to the Plan Sponsors

**MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY, AND POPEO, PC**

Daniel S. Bleck (Admitted *Pro Hac Vice*)
Eric Blythe (Admitted *Pro Hac Vice*)
Kaitlin R. Walsh (Admitted *Pro Hac Vice*)
One Financial Center
Boston, MA 02111
Telephone: (617) 546-6000
dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

NOTICE OF SALE

PLEASE TAKE NOTICE THAT:

1. Pursuant to the *Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation And Sale Hearing; and (V) Granting Related Relief* [Docket No. ___] (the “**Bidding Procedures Order**”) entered by the United States Bankruptcy Court for the Northern District of Texas (the “**Bankruptcy Court**”) on [____], 2022, the Bankruptcy Court approved entry into that certain Asset Purchase Agreement, dated as of November [•], 2022 (the “**Stalking Horse APA**”) with Bay 9 Holdings LLC or its designee (the “**Stalking Horse Bidder**”) for the sale of substantially all of the Debtors’ assets subject to a competitive bidding process as set forth in the Bidding Procedures Order. Capitalized terms used but not otherwise

¹ The Debtors in the Chapter 11 Cases (the “**Chapter 11 Cases**”), along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

defined in this notice have the meanings ascribed to them in the Bidding Procedures Order or the Stalking Horse APA, as applicable.

2. Copies of (i) the Stalking Horse APA, (ii) the Bidding Procedures, and (iii) the Bidding Procedures Order can be obtained by contacting the Plan Sponsors' financial advisor, RBC Capital Advisors ("RBC"), Attn: David B. Fields, Telephone: 610-729-3658, E-mail: david.fields@rbccm.com or by download from the Debtors' claims and noticing agent KCC website at: <https://www.kccllc.net/edgemere>.

3. Once filed with the Bankruptcy Court, which will be at least [_____] () days prior to the Confirmation and Sale Hearing, copies of the proposed order approving the Plan Sponsors' Plan, which order will effectuate the sale of the Debtors' assets (the "**Confirmation Order**") may be obtained by contacting RBC or KCC as set forth in paragraph 2 above.

4. All interested parties are invited to make an offer to purchase the Purchased Assets in accordance with the terms and conditions approved by the Bankruptcy Court (the "**Bidding Procedures**") by **DECEMBER 27, 2022 at 4:00 P.M. (prevailing Central Time)**. Pursuant to the Bidding Procedures, the Plan Sponsors may conduct an auction for the Purchased Assets (the "**Auction**") on **DECEMBER 28, 2022 BEGINNING PROMPTLY AT 10:00 A.M. (prevailing Central Time)** at the offices of the Plan Sponsors' counsel, Haynes & Boone LLP, 2323 Victory Avenue, Suite 700 Dallas, TX 75219 or such other location as may be announced prior to the Auction to the Auction Participants. Contact the Plan Sponsors' financial advisor, RBC, Attn: David B. Fields, Telephone: 610-729-3658, E-mail: david.fields@rbccm.com for further information regarding the Debtors' assets and/or making a bid.

5. Participation at the Auction is subject to the Bidding Procedures and the Bidding Procedures Order.

6. A hearing to approve the sale of the Purchased Assets to the highest and best bidder will be held on **JANUARY 10, 2023 at 9:30 A.M. (prevailing Central Time)** at the Bankruptcy Court. The hearing on the sale may be adjourned without notice other than an adjournment in open court.

7. Objections, if any, to the proposed sale must be filed and served in accordance with the Bidding Procedures Order, and **actually received** no later **JANUARY 3, 2023 AT 4:00 P.M. (prevailing Central Time)**.

8. This notice is qualified in its entirety by the Bidding Procedures Order.

[Remainder of page intentionally left blank.]

Dated: [_____], 2022

HAYNES AND BOONE, LLP

/s/ DRAFT

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Thomas J. Zavala
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– and –

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Counsel to the Plan Sponsors

Exhibit 4

Cure and Possible Assumption and Assignment Notice

HAYNES AND BOONE, LLP

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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:
Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

**NOTICE OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES
THAT MAY BE ASSUMED, PURSUANT TO SECTIONS 365 AND 1123 OF THE
BANKRUPTCY CODE, IN CONNECTION WITH THE PLAN AND THE
PROPOSED CURE AMOUNTS WITH RESPECT THERETO**

PLEASE TAKE NOTICE THAT:

1. On April 14, 2022 (the “**Petition Date**”), Northwest Senior Housing Corporation and Senior Quality Lifestyles Corporation (collectively, the “**Debtors**”) commenced bankruptcy cases (the “**Chapter 11 Cases**”) in the United States Bankruptcy Court for the Northern District

¹ The Debtors in the Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

of Texas, Dallas Division, by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”).

2. On November 2, 2022, UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”) and in its capacity as a lender under the DIP Credit Agreement (the “**DIP Lender**,” and collectively with the Trustee, the “**Plan Sponsors**”) filed, among other things, the *Plan of Reorganization of the Trustee and the DIP Lender Dated November 2, 2022* (as amended, modified, and supplemented, the “**Plan**”) and the *Motion of Trustee and DIP Lender for Entry of an Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation And Sale Hearing; and (V) Granting Related Relief* [Docket No. __] (the “**Motion**”).² On [____], 2022, the Bankruptcy Court entered an order granting the relief requested in the Motion [Docket No. __] (the “**Bidding Procedures Order**”).

3. Pursuant to the Bidding Procedures Order, the Plan Sponsors are delivering this notice (the “**Cure and Possible Assumption and Assignment Notice**”) identifying (a) those executory contracts and unexpired leases which may be assumed on the Effective Date and assigned to a Purchaser (the “**Executory Contracts and Unexpired Leases**”); and (b) the proposed cure amount for each Executory Contract and Unexpired Lease identified herein. For the avoidance of doubt, this Cure and Possible Assumption and Assignment Notice shall not apply to the Residency Agreements, which are contemplated to be rejected pursuant to the Plan.

² All capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

4. An Executory Contract and/or Unexpired Lease with respect to which you have been identified as a counterparty, and the corresponding proposed cure amount, if any, is set forth on the attached Exhibit A.

Objections

5. Any objections to the assumption and/or assumption and assignment of any Executory Contract or Unexpired Lease, including any objection to a proposed cure amount (each a “**Cure Objection**”), must (a) be in writing; (b) state with specificity the nature of such objection; and (c) comply with the Bankruptcy Rules.

6. Additionally, any Cure Objection must be filed with the Court no later than **DECEMBER 19, 2022 at 4:00 P.M. (prevailing Central Time)**.

7. UNLESS YOU FILE A CURE OBJECTION AND SERVE SUCH OBJECTION IN ACCORDANCE WITH THE INSTRUCTIONS AND DEADLINES SET FORTH HEREIN, YOU SHALL BE FOREVER BARRED FROM (A) OBJECTING TO THE DEBTORS’ ASSUMPTION, ASSIGNMENT AND/OR THE CURE AMOUNT SET FORTH ON EXHIBIT A; AND (B) ASSERTING OR CLAIMING ANY CURE AMOUNT AGAINST THE DEBTORS, THE PURCHASER, OR ANY OTHER ASSIGNEE OF THE RELEVANT EXECUTORY CONTRACT OR UNEXPIRED LEASE; PROVIDED, HOWEVER, THAT ANY COUNTERPARTY TO AN EXECUTORY CONTRACT OR UNEXPIRED LEASE SUBJECT TO ASSUMPTION MAY RAISE AN OBJECTION TO THE ASSUMPTION AND ASSIGNMENT THEREOF SOLELY WITH RESPECT TO THE ABILITY OF THE SUCCESSFUL BIDDER TO PROVIDE ADEQUATE ASSURANCE OF FUTURE PERFORMANCE UNDER THE ASSUMED CONTRACT AT

**THE CONFIRMATION AND SALE HEARING, OR AT ANY TIME BEFORE THE
CONFIRMATION AND SALE HEARING.**

Confirmation and Sale Hearing

8. Any Cure Objection that is timely filed and served regarding any Executory Contract or Unexpired Lease listed on **Exhibit A**, shall be heard at a hearing to be held before the Honorable Michelle V. Larson, United States Bankruptcy Court for the Northern District of Texas, 1100 Commerce Street, 14th Floor, Courtroom No. 2, Dallas, Texas 75242 on **January 10, 2023 at 9:30 a.m. (prevailing Central Time)** or such other date and time as may be fixed by the Court.

Reservation of Rights

9. The presence of an Executory Contract or Unexpired Lease on **Exhibit A** does not constitute an admission that such any listed Executory Contract or Unexpired Lease is an executory contract or unexpired lease within the meaning of section 365 of the Bankruptcy Code, or that such Executory Contract or Unexpired Lease will be assumed by the Debtors and assigned to the Purchaser. The Plan Sponsors reserve all of their rights to send out additional notices concerning additional or other Executory Contracts and Unexpired Leases subject to the provisions of any order by the Court.

[Remainder of page intentionally left blank.]

DATED: _____, 2022
Dallas, Texas

HAYNES AND BOONE, LLP

By: /s/ Draft

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State Bar No. 24013214
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krwalsh@mintz.com

Counsel to the Plan Sponsors

Exhibit 6



CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed December 20, 2022

United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

Re: Docket No. 755

**ORDER (I) AUTHORIZING AND APPROVING THE BIDDING PROCEDURES;
(II) AUTHORIZING ENTRY INTO THE STALKING HORSE ASSET PURCHASE
AGREEMENT; (III) APPROVING PROCEDURES RELATED TO THE ASSUMPTION
OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES;
(IV) SCHEDULING COMBINED CONFIRMATION AND SALE HEARING
AND (V) GRANTING RELATED RELIEF**

Having considered the *Motion of Trustee and DIP Lender for Entry of an Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking*

¹ The Debtors in the Chapter 11 Cases (the “Chapter 11 Cases”), along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.



Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation And Sale Hearing; and (V) Granting Related Relief [Docket No. 755] (the “**Motion**”)² and the other testimony, evidence, and representations regarding the Motion, the Court finds that: (a) jurisdiction over the matters in the Motion is proper pursuant to 28 U.S.C. § 1334, (b) venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409, (c) proper and adequate notice of the Motion has been provided and no further notice is needed, (d) the relief sought in the Motion is in the best interest of the Debtors’ estates, their creditors, and all parties in interest, and (e) good and sufficient cause exists for granting the relief requested in the Motion.

THE BANKRUPTCY COURT HEREBY FINDS AND DETERMINES THAT:³

- A. Notice of the Motion complies with Bankruptcy Rule 2002.
- B. The relief requested in the Motion is **GRANTED** as provided herein.
- C. Objections to the Sale Transaction must be made by **January 20, 2023 at 4:00 p.m.** (prevailing Central Time).
- D. UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”) and in its capacity as lender under the DIP Credit Agreement (the “**DIP Lender**”) have articulated good and sufficient reasons for: (i) approval of the Bidding Procedures⁴; (ii) approval of the selection of the Stalking Horse Bidder; (iii) approval of the Break Up Fee and the Expense Reimbursement; (iv) authorizing payment of the Break Up Fee and Expense Reimbursement to the Stalking Horse Bidder under the circumstances described

² All capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

³ This Order constitutes this Court’s findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rules 7052 and 9014. Any and all findings of fact shall constitute findings of fact, even if they are stated as conclusions of law, and any and all conclusions of law shall constitute conclusions of law, even if they are stated as findings of fact.

⁴ See **Exhibit 1** hereto.

in the Bidding Procedures and in the Stalking Horse APA;⁵ (v) approval of the form and manner of notice of all bidding procedures, bid protection and related agreements described in the Motion; (vi) scheduling of the Auction (if necessary) and approval of the manner of notice thereof; and (vii) all related relief set forth herein. The good and sufficient reasons articulated by the Trustee and DIP Lender, which were set forth in the Motion and on the record at the hearing held before this Court on December 15, 2022, are incorporated herein by reference and, among other things, form the basis for the findings of fact and conclusions of law set forth herein.

E. The Bidding Procedures, incorporated herein by reference as if fully set forth in this Order, are fair, reasonable, and appropriate, and represent the best method for maximizing the value of the Debtors' estates. The Break Up Fee and the Expense Reimbursement, on the terms set forth in the Bidding Procedures and the Stalking Horse APA: (i) shall, if triggered, be deemed actual and necessary costs and expenses of preserving the Debtors' estates, within the meaning of 503(b) and 507(a)(2) of the Bankruptcy Code treated as an allowed superpriority administrative expense claim against the Debtors' estates pursuant to sections 105(a), 503(b), and 507(a)(2) of the Bankruptcy Code in accordance with the Stalking Horse APA; (ii) are commensurate to the real and substantial benefit conferred upon the Debtors' estates by the Stalking Horse Bidder; (iii) are reasonable and appropriate, including in light of the size and nature of the sale transaction and comparable transactions, the commitments that have been made, and the efforts that have been and will be expended by the Stalking Horse Bidder, notwithstanding that the proposed transaction may be subject to better and higher offers, and are necessary to induce the Stalking Horse Bidder to pursue the transaction, and (iv) were conditions to, and necessary for, the Stalking Horse Bidder

⁵ See Exhibit 2 hereto.

to pursue the Sale and to be bound by the Stalking Horse APA and were designed to ensure the highest and best offers are attained.

F. The Bidding Procedures, the Break Up Fee, and the Expense Reimbursement were each a material inducement to, and an express condition of, the willingness of the Stalking Horse Bidder to submit a bid through the execution of the Stalking Horse APA, which will serve as a minimum floor bid on which the Trustee, DIP Lender, the Debtors, their creditors, and other bidders, may rely. The Stalking Horse Bidder has provided a material benefit to the Debtors and their creditors by increasing the likelihood that the best possible purchase price for the Purchased Assets will be realized.

G. Approval of the Stalking Horse APA with the Stalking Horse Bidder is in the best interests of the Debtors, the Debtors' estates, and creditors, and it reflects a sound exercise of business judgment. The Stalking Horse APA provides adequate opportunity to sell the Debtors' assets in order to preserve and realize their optimal value.

Accordingly,

IT IS HEREBY ORDERED, AND NOTICE IS HEREBY GIVEN, THAT:

1. The Motion is **GRANTED**.

Approval of the Asset Purchase Agreement & Bid Protections

2. The Stalking Horse APA is hereby **APPROVED**, subject to higher or better offers at the Auction.
3. The Debtors are hereby authorized and directed to execute the Stalking Horse APA.
4. The Break Up Fee in the amount of \$1,455,000.00 and the Expense Reimbursement in the amount of up to \$200,000.00 are hereby approved, and shall constitute actual and necessary costs and expenses of preserving the Debtors' estates within the meaning of section 503(b) of the

Bankruptcy Code which are entitled to priority in accordance with section 507(a)(2) of the Bankruptcy Code. If the Debtors sell, transfer, lease, or otherwise dispose of, directly or indirectly, including through an asset sale, stock sale, merger or other similar transaction, all or substantially all of the business or the Purchased Assets in a transaction or a series of transactions with one or more persons other than the Stalking Horse Bidder in accordance with the Bidding Procedures (such event being an “**Alternative Transaction**”), the Debtors shall pay, and are hereby authorized to pay, to the Stalking Horse Bidder, within two (2) Business Days after the consummation of the Alternative Transaction, (i) an amount in cash equal to the Break Up Fee and (ii) the Expense Reimbursement.

5. No person or entity, other than the Stalking Horse Bidder, shall be entitled to any expense reimbursement, break-up fees, “topping,” termination, substantial contribution, or other similar fee or payment, and by submitting a bid, such person or entity is deemed to have waived their right to request or to file with this Court any request for expense reimbursement or any fee of any nature, whether by virtue of section 503(b) of Bankruptcy Code or otherwise.

Approval of the Bidding Procedures, Procedures for Determining Cure Amounts for Executory Contracts and Unexpired Leases, and Form and Manner of Notice of Sale

6. The Bidding Procedures are fully incorporated herein and are hereby **APPROVED** in their entirety. The Bidding Procedures shall govern the submission, receipt, and analysis of all Bids relating to any Proposed Transaction. Any party desiring to submit a Bid shall comply with the Bidding Procedures and this Bidding Procedures Order. The Trustee and DIP Lender are authorized to take any and all actions necessary to implement the Bidding Procedures, in accordance therewith and the Stalking Horse APA.

7. The Sale Notice⁶ is hereby **APPROVED** in its entirety.

⁶ See **Exhibit 3** hereto.

8. The process and requirements associated with submitting a Qualified Bid are fair, reasonable, appropriate, and designed to maximize recoveries for the benefit of the Debtors’ estates, creditors, and other parties in interest.

9. All bidders submitting a Bid are deemed to have submitted to the exclusive jurisdiction of the Court with respect to all matters related to the Bidding Procedures, the Auction, the Confirmation and Sale Hearing, and the terms and conditions of the sale or transfer of the Purchased Assets.

10. The Stalking Horse Bidder is deemed a Qualified Bidder for all purposes, and the Stalking Horse Bid as set forth in the Stalking Horse APA is deemed a Qualified Bid. In the event that no other Qualified Bids are submitted, no auction will be conducted, the Trustee and DIP Lender shall deem the Stalking Horse Bidder to be the Successful Bidder with respect to the Purchased Assets and will seek final approval of the sale of the Purchased Assets (as defined in the Stalking Horse APA) through the Plan at the Confirmation and Sale Hearing.

11. To be eligible to participate in the Auction, each initial Bid and each party (other than the Stalking Horse Bidder that is deemed to be a Qualified Bidder in all respects) submitting such a Bid (each, a “**Bidder**”) must be determined by the Trustee and DIP Lender, in consultation with the Debtors, the official committee of unsecured creditors (the “**Committee**”) and Lifespace Communities, Inc. (“**Lifespace**,” and collectively with the Committee, the “**Consultation Parties**”), to satisfy each of the following conditions and, if so met, such Bid shall constitute a “**Qualified Bid**,” and such Bidder shall constitute a “**Qualified Bidder**”:

Purchase Price	The Bid must include a cash purchase price in an amount that is at least \$48,500,000.00, plus the amount of the Break Up Fee, plus the amount of the Expense Reimbursement, plus \$100,000.00.
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Good Faith Deposit	The Bid accompanied by a deposit in an amount of five percent (5%) of the Bidder’s proposed cash purchase price to be held in an interest bearing escrow account to be held by the Escrow Agent in accordance with the Escrow Deposit Agreement.
Asset Purchase Agreement	The Bid must include a marked version of the Stalking Horse APA (the “ Bidder APA ”) to identify what, if any, modifications the Bidder proposes.
Going Concern Information	The Bidder APA shall (a) identify all Non-Resident Contract Counterparty (defined below) agreements that the Bidder wishes to have assumed and assigned to it pursuant to the Sale; (b) provide details regarding the treatment of Residency Agreements with the Debtors’ current or former residents; (c) provide details regarding the operation and management of the Purchased Assets after the Sale; and (d) provide information pertinent to the ability to obtain regulatory approvals to purchase and operate the Purchased Assets.
Corporate Authority; Financial Ability to Perform; Irrevocable Bid	Each Bid must include written evidence that the Bidder has appropriate corporate authority and financial wherewithal to consummate the Sale Transaction, including information demonstrating adequate assurance of future performance under the Ground Lease in similar form and substance as that which Stalking Horse Bidder has agreed to provide the Landlord upon designation by the Court as Stalking Horse Bidder, and that the Bid is irrevocable until the Closing Date of the Sale Transaction. Each Bid must acknowledge that the Bidder waives and is not entitled to any of the Stalking Horse Bid Protections or other similar bidder protections, including as a substantial contribution under section 503 of the Bankruptcy Code.

12. If any Bid (other than the Stalking Horse Bid) received by the Bid Deadline is determined by the Trustee and DIP Lender, in consultation with the Debtors and the Consultation Parties, to be a Qualified Bid, the Trustee and DIP Lender will hold an Auction in accordance with

the Bidding Procedures. At the Auction, the Trustee and DIP Lender may: (a) select, in consultation with the Debtors and the Consultation Parties and pursuant to the Bidding Procedures, the highest or otherwise best Bid and the Successful Bid or Backup Bid; and (b) reject any Bid (regardless of whether such Bid is a Qualified Bid) that, upon consultation with the Debtors and the Consultation Parties is (i) inadequate, insufficient, or not the highest or best Bid, (ii) not in conformity with the requirements of the Bankruptcy Code, the Bankruptcy Rules, or the Bidding Procedures, or (iii) contrary to, or otherwise not in the best interests of, the Debtors' estates, affected stakeholders, or other parties in interest.

**Approval of the Bidding Procedures Relating to the Assignment and Assumption of
Executory Contracts and Unexpired Leases**

13. The Bidding Procedures regarding the assumption and assignment of the Debtors' Ground Lease (as defined in the *Second Amended Plan of Reorganization of the Plan Sponsors Dated December 12, 2022* [Docket No. 898] (the "**Plan**")) are hereby **APPROVED**.

14. Intercity Investments Properties, Inc. (the "**Landlord**") shall file a notice disclosing the nature of and amount it asserts is required to cure monetary defaults and satisfy any pecuniary obligations of the Debtors (or obtain waivers with respect thereto) in order for the Debtors to assume and assign the Ground Lease to the Successful Bidder (the "**Landlord Cure Notice**") no later than December 23, 2022 (the "**Landlord Cure Bar Date**") and serve the Landlord Cure Notice on the following parties by e-mail (collectively, the "**Notice Parties**"):

- a. Counsel for the Trustee and the DIP Lender: Daniel S. Bleck, Eric R. Blythe, & Kaitlin R. Walsh, Mintz Levin, One Financial Center, Boston MA 02111; DSbleck@mintz.com, ERBlythe@mintz.com, KRWalsh@mintz.com;
- b. RBC: David Fields, david.fields@rbccm.com;
- c. Counsel for the Debtors: Trinitee G. Green, Polsinelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201; tggreen@polsinelli.com; Jeremy R. Johnson & Brenna A. Dolphin, Polsinelli PC, 600 3rd

Avenue, 42nd Floor, New York, New York 10016;
jeremy.johnson@polsinelli.com, bdolphin@polsinelli.com;

- d. Counsel for the Official Committee of Unsecured Creditors of the Debtors: Stephen A. McCartin, Thomas C. Scannell, Mark C. Moore, Foley & Lardner LLP, 2021 McKinney Ave., Ste 1600, Dallas, TX 75201; smccartin@foley.com, tscannell@foley.com, mmoore@foley.com;
- e. Counsel for Lifespace: Eric Walker, ewalker@cooley.com;
- f. Counsel for the Stalking Horse Bidder, Adrienne Walker, awalker@lockelord.com and Chelsey Rosenbloom List, chelsey.list@lockelord.com; and
- g. The Office of the United States Trustee, Attn: Lisa Lambert, 1100 Commerce St., Room 976, Dallas, TX 75242; lisa.l.lambert@usdoj.gov.

15. If the Landlord fails to file the Landlord Cure Notice by the Landlord Cure Bar Date, the Landlord shall be forever barred from asserting a cure amount with respect to assumption and assignment of the Ground Lease.

16. Objections to the Landlord Cure Notice must be filed no later than January 6, 2023.

17. The Stalking Horse Bidder shall provide the Landlord with adequate assurance of future performance under the Ground Lease (the “**Stalking Horse Adequate Assurance**”) no later than December 16, 2022. The Landlord shall file any objection to the Stalking Horse Adequate Assurance no later than December 30, 2022 (the “**Landlord Adequate Assurance Objection**”) and serve such objection on the Notice Parties. Responses to any Landlord Adequate Assurance Objection must be filed no later than January 19, 2023.

18. This Court shall hear argument regarding the Landlord Cure Notice and the Landlord Adequate Assurance Objection at the Confirmation and Sale Hearing.

19. For the avoidance of doubt, if a Bidder other than the Stalking Horse Bidder is chosen as the Successful Bidder, the Landlord’s reserves its right to object to the Successful

Bidder's ability to provide adequate assurance of future performance prior to the Sale and Confirmation Hearing as provided below.

20. The Bidding Procedures regarding the assumption and assignment of the Debtors' Executory Contracts or Unexpired Leases and the Cure and Possible Assumption and Assignment Notice⁷ are hereby **APPROVED**.

21. Any Non-Resident Contract Counterparty that objects to (i) the cure amount set forth in the Cure and Possible Assumption and Assignment Notice or (ii) the Stalking Horse Bidder's adequate assurance of future performance, must file an objection (a "**Cure Objection**") no later than January 10, 2023 at 4:00 p.m. (prevailing Central Time), which Cure Objection must be served on the Notice Parties by e-mail.

22. If a Non-Resident Contract Counterparty does not timely file and serve a Cure Objection, that party shall be forever barred from objecting to the proposed cure amount or to the Stalking Horse Bidder's adequate assurance of future performance. Where a Non-Resident Contract Counterparty files a timely Cure Objection asserting a higher cure amount than the amount listed in the Cure and Possible Assumption and Assignment Notice, and the Non-Resident Contract Counterparty and the Trustee and DIP Lender are unable to consensually resolve the dispute, the amount to be paid under section 365 of the Bankruptcy Code (if any) or, as the case may be, the Debtors' ability to assign the agreement to the Purchaser, shall be determined at the Confirmation and Sale Hearing.

23. After the conclusion of the Auction, the Trustee and DIP Lender shall file with the Court and serve on the Notice Parties, Contract Counterparties and the Landlord a further notice (the "**Assumption Notice**") identifying the Purchaser, stating which Executory Contracts or

⁷ See **Exhibit 4** hereto.

Unexpired Leases may be assumed and assigned to the Purchaser, and providing such Contract Counterparties, including the Landlord, with the Purchaser's assurance of future performance. Any Contract Counterparty that objects to the adequacy of the assurance set forth in the Assumption Notice must file an objection with the Court (a "**Contract Objection**") and serve the Contract Objection on the Notice Parties prior to the Confirmation and Sale Hearing. If a Contract Counterparty or the Landlord does not file a Contract Objection prior to the Confirmation and Sale Hearing, such party shall be forever barred from objecting to the adequacy of the assurance to be provided by the Purchaser and the assumption and assignment to the Purchaser. Where a Contract Counterparty or the Landlord files a Contract Objection prior to the Confirmation and Sale Hearing, and the parties are unable to consensually resolve the dispute, the adequacy of the assurance provided by the Purchaser or raised issues regarding the potential assumption and assignment will be determined at the Confirmation and Sale Hearing.

24. For the avoidance of doubt, the Bidding Procedures regarding the assumption and assignment of the Debtors' Executory Contracts or Unexpired Leases and the Cure and Possible Assumption and Assignment Notice shall not apply to Residency Agreements.

Approval of the Sale Notice

25. The Confirmation and Sale Hearing will be a combined evidentiary hearing on the confirmation of the Plan pursuant to Bankruptcy Rule 3018(c) and the proposed Sale Transaction, or an Alternative Transaction, as the case may be. The Confirmation and Sale Hearing shall commence before the Honorable Michelle V. Larson, United States Bankruptcy Judge, in the United States Bankruptcy Court for the Northern District of Texas, on **January 26, 2023 at 9:30 a.m.** (prevailing Central Time). The Confirmation and Sale Hearing may be adjourned or

rescheduled from time to time by the Court without further notice other than an announcement made at the hearing or at any adjourned or rescheduled hearing thereon.

26. The form of the Sale Notice provides adequate notice of the time fixed for filing objections and the hearing to consider confirmation of the Plan in accordance with Bankruptcy Rules 2002(a), 2002(b), 2002(d), and 3017(d) and is hereby **APPROVED**.

Related Relief

27. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

28. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 6006, 7062, and 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

29. This Court retains jurisdiction to hear and consider all disputes arising from the interpretation or implantation of this Order.

Exhibits Referenced and Incorporated Hereto

- Exhibit 1 – Bidding Procedures
- Exhibit 2 – Stalking Horse APA
- Exhibit 3 – Sale Notice
- Exhibit 4 – Cure and Possible Assumption and Assignment Notice

End of Order

Prepared by:

HAYNES AND BOONE, LLP

/s/ J. Frasher Murphy

J. Frasher Murphy

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Thomas J. Zavala

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krwalsh@mintz.com

Counsel to the Trustee and DIP Lender

Exhibit 1

Bidding Procedures

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re: Northwest Senior Housing Corporation, <i>et al.</i> , ¹ Debtors.	Chapter 11 Case No. 22-30659 (MVL) (Jointly Administered)
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BIDDING PROCEDURES

UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “Trustee”) and in its capacity as lender under the DIP Credit Agreement (the “DIP Lender”), and Northwest Senior Housing Corporation and its affiliated debtors (the “Debtors,” and collectively with the Trustee and the DIP Lender, the “Plan Sponsors”) are pursuing Court approval of the *Second Amended Plan of Reorganization of the Plan Sponsors Dated December 12, 2022* [Docket No. 898] (the “Plan”).² Pursuant to the Plan, substantially all of the assets of the Debtors (the “Assets”) will be sold (the “Sale”). Bay 9 Holdings LLC, or its designee (the “Stalking Horse Bidder”) has agreed to purchase the Assets for a cash purchase price of \$48,500,000 plus assumed liabilities (the “Stalking Horse Bid”) pursuant to the terms and conditions of the Asset Purchase Agreement attached as an exhibit to the Plan (the “Stalking Horse APA”). To ensure that the maximum value is received for the Assets, the Stalking Horse APA is subject to higher or better offers. To that end, the Plan Sponsors are marketing the Assets and soliciting offers therefor in accordance with these procedures (the “Bidding Procedures”), which have been approved pursuant to an Order entered by this Court in the above-captioned bankruptcy case on December [], 2022 (the “Bidding Procedures Order”) [Docket No. []].

As provided below, the Plan Sponsors are soliciting bids (“Bids”) for the proposed acquisition of the Assets in accordance with these Bidding Procedures, which require, among other things, that potential purchasers submit an executed asset purchase agreement, along with a marked version evidencing any changes to the Stalking Horse APA. The Plan Sponsors will consider all Bids which comply with the terms of these Bidding Procedures.

Important Dates (All times are prevailing Central Time)³

December 16, 2022: Deadline for Stalking Horse Bidder to provide adequate assurance of future performance under the Ground Lease (as defined in the Plan) to the Landlord (as defined below)

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

³ All dates are subject to change in the Trustee and DIP Lender’s discretion after consultation with the Debtors, the Unsecured Creditors’ Committee (the “Committee”) and Lifespace Communities, Inc. (“Lifespace” and together with the Committee, the “Consultation Parties”).

December 23, 2022: Landlord Cure Bar Date (as defined below)

December 30, 2022: Deadline for Landlord to file the Landlord Adequate Assurance Objection (as defined below)

January 10, 2023 at 4:00 p.m.: Deadline for Non-Resident Contract Counterparties to file objections to the Cure and Possible Assumption and Assignment Notice (as defined below)

January 13, 2023 at 4:00 p.m.: Bid Deadline (as defined below).

January 17, 2023 at 10:00 a.m.: Auction date.

Within Two (2) Business Days after Conclusion of Auction: Deadline for the Plan Sponsors to file a notice regarding the results of the Auction, including the selection of the Successful Bidder and the Backup Bidder (as each are defined below).

January 20, 2023 at 4:00 p.m.: Deadline to serve objections to the Sale and confirmation of the Plan Sponsors' Plan.

January 26, 2023 at 9:30 a.m.: Hearing to consider approval of the Sale and confirmation of the Plan.

Marketing Process

RBC Capital Markets, LLC ("RBC"), who has been retained by the Trustee and who will act as the investment banker for the solicitation of the purchase of the Assets, has developed a list of parties who the Plan Sponsors believe may be interested in consummating a Sale in addition to the Stalking Horse Bidder, which list includes both strategic and financial parties (each, individually, a "Contact Party", and collectively, the "Contact Parties").

RBC shall distribute to, or make available in the data room for, each Contact Party an "Information Package" that is comprised of:

- a cover letter;
- a copy of these Bidding Procedures; and
- a copy of a confidentiality agreement (the "Confidentiality Agreement"), a form of which is attached hereto as **Exhibit 1**.

To participate in the bidding process and to receive access to any confidential materials relating to the Assets (the "Diligence Materials"), each Contact Party must submit to the Plan Sponsors and the Debtors, through RBC, an executed Confidentiality Agreement, signed and transmitted by the person or entity wishing to have access to the Diligence Materials. Each Contact Party who qualifies for access to the Diligence Materials shall be a "Preliminary Potential Purchaser." All Diligence Material requests must be directed to RBC.

Bid Protections

Subject to the terms of the Bidding Procedures Order, as a component of the Stalking Horse APA, the Stalking Horse Bidder shall be entitled to a break-up fee of \$1,455,000 (*i.e.*, 3% of the cash purchase price) (the "Break Up Fee") and an expense reimbursement not to exceed \$200,000 (the "Expense Reimbursement"), payable from the proceeds of a closing of a Sale with an alternative purchaser in accordance with these Bidding Procedures, and a minimum bid increment for other bidders to submit competing bids, and other buyer protections set forth herein (collectively, the

“Stalking Horse Bid Protections”). The Stalking Horse Bidder shall be entitled to credit bid the amount of its Break Up Fee plus its Expense Reimbursement at any Auction.

Qualifying Bid Process

To be eligible to participate in the auction, each initial Bid, and each party (other than the Stalking Horse Bidder) submitting such a Bid (each, a “Bidder”), must be determined by the Plan Sponsors, in consultation with the Consultation Parties, to satisfy each of the following conditions and, if so met, such Bid shall constitute a “Qualified Bid,” and such Bidder shall constitute a “Qualified Bidder”. For the avoidance of doubt, without the need for any further action, the Stalking Horse Bid is a Qualified Bid and the Stalking Horse Bidder is a Qualified Bidder.

1. Minimum Bid: Each initial Bid must be greater than or equal to (i) the value offered under the Stalking Horse APA, including a minimum cash purchase price of \$48,500,000, plus (ii) the amount of the Break Up Fee, plus (iii) the amount of the Expense Reimbursement, plus (iv) \$100,000 (the “Minimum Qualified Bid”)⁴.

2. Good Faith Deposit: Each initial Bid must be accompanied by a deposit in an amount of five percent (5%) of the Bidder’s proposed cash purchase price (the “Good Faith Deposit”) to an interest bearing escrow account (the “Escrow Deposit Account”) to be held by UMB Bank, N.A. as escrow agent (the “Escrow Agent”) in accordance with the Escrow Deposit Agreement attached hereto as **Exhibit 2**.

3. Terms of Bid: To be a Qualified Bid, each Bid must include:

- Transaction Documents. All executed transaction documents pursuant to which the Bidder proposes to effectuate the Sale, including (a) an executed asset purchase agreement (the “Bidder APA”), in word and pdf format; (b) a version of such Bidder APA marked against the Stalking Horse APA; and (c) related agreements and disclosures (collectively the “Transaction Documents”). Each Bid may provide for either a for-profit or not-for-profit entity as the owner and/or operator of the Debtors’ facility.
- Going Concern Information. The Bidder APA shall also (a) identify all Non-Resident Contract Counterparty (defined below) agreements that the Bidder wishes to have assumed and assigned to it pursuant to the Sale; (b) provide detail regarding the treatment of any agreement with any of the Debtors’ current or former residents (each, a “Residency Agreement”); (c) provide detail regarding the operation and management of the Assets after the Sale; and (d) provide information pertinent to the ability to obtain regulatory approvals to purchase and operate the Assets.
- Corporate Authority. Each Bid must disclose the identity of each entity that will be bidding or otherwise participating in connection with such Bid, and

⁴ The Minimum Qualified Bid must be an amount at least equal to \$50,255,000.00.

the complete terms of any such participation, and provide written evidence, reasonably acceptable to the Plan Sponsors, demonstrating appropriate corporate authorization to consummate the Sale.

- Proof of Financial Ability to Perform and Adequate Assurance of Future Performance under the Ground Lease. Each Bid must include written evidence sufficient for the Plan Sponsors to reasonably conclude, after consultation with the Consultation Parties, that the Bidder has or will have the necessary financial ability to consummate the Sale and provide adequate assurance of future performance under all executory contracts to be assumed and assigned in accordance therewith. Such information should include, *inter alia*, the following:
 - contact names and numbers for verification of financing sources, if applicable;
 - evidence of the Bidder's internal resources and proof of any outside funding sources that are needed to close the Sale; and
 - the Bidder's current financial statements and any such other form, financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Plan Sponsors demonstrating that such Bidder has or will have the ability to close the Sale.
 - Information demonstrating adequate assurance of future performance under the Ground Lease in similar form and substance as that which Stalking Horse Bidder has agreed to provide the Landlord upon designation by the Court as Stalking Horse Bidder.
 - Each Bid must acknowledge that the Bidder waives and is not entitled to any of the Stalking Horse Bid Protections or other similar bidder protections, including as a substantial contribution under section 503 of the Bankruptcy Code.

4. Contingencies. Each Bid must include a statement that there are no conditions precedent to the Bidder's ability to close the Sale other than Court and regulatory approvals, including that there are no due diligence or financing contingencies to the Bid, and that all necessary internal and shareholder approvals have been obtained prior to the Bid. Each Bid may be subject to the satisfaction of the conditions precedent to the Sale, as set forth in the Bidder APA.

5. Irrevocable: Each Bid must be irrevocable through the entry of the Confirmation Order; *provided, however*, that a Bid accepted as the Successful Bid or the Backup Bid (as each are defined below) shall remain irrevocable as set forth below, subject to the terms and conditions of the Bidding Procedures.

6. **Bid Deadline:** The Trustee and DIP Lender must receive each Bid, in writing, on or before January 13, 2023, or such later date as may be agreed to by the Trustee and DIP Lender (the “**Bid Deadline**”). Each Bid must be sent by the Bid Deadline to (i) counsel for the Trustee and DIP Lender by e-mail: Daniel Bleck, dsbleck@mintz.com, Eric Blythe, erblythe@mintz.com, and Kaitlin Walsh, krwalsh@mintz.com and (ii) RBC, David Fields, david.fields@rbccm.com. Counsel to the Plan Sponsors will provide the Consultation Parties with any Bid within one (1) day of receipt thereof.

Auction

If any Bid (other than the Stalking Horse Bid) received by the Bid Deadline is determined to be a Qualified Bid, the Plan Sponsors will conduct an auction (the “**Auction**”) to determine the highest or best Qualified Bid. This determination shall take into account any factors the Trustee and the DIP Lender, upon consultation with the Debtors and the Consultation Parties, reasonably deem relevant to the value of the Qualified Bid to the Debtors’ estates. Before the Auction, the Stalking Horse Bidder and the other Qualified Bidders will be notified if any Qualified Bids have been received and will receive copies of such Qualified Bids. If no other Qualified Bid is received, the Plan Sponsors will not hold an Auction, and the Stalking Horse Bidder will be named the Successful Bidder. The Auction, if necessary, shall take place on January 17, 2023 at Haynes and Boone, LLP, 2323 Victory Avenue, Suite 700, Dallas, Texas. Unless otherwise agreed to by the Trustee and DIP Lender, only the Plan Sponsors, Lifespace, Qualified Bidders, advisors to the Committee, representatives of holders of the Bonds, and each of their respective legal or financial professionals are eligible to attend or participate at the Auction. The Auction shall be recorded, transcribed or videotaped, and shall be conducted according to the following procedures, which may be modified by the Trustee and DIP Lender in consultation with the Debtors and the Consultation Parties:

The Trustee and DIP Lender Shall Conduct the Auction.

The Trustee and DIP Lender and their professionals shall direct and preside over the Auction in consultation with the Debtors and the Consultation Parties in a manner that is consistent with these Bidding Procedures. Before the Auction, the Trustee and DIP Lender shall describe the terms of the highest or best Qualified Bid(s) (the “**Auction Baseline Bid**”).

Bidding at the Auction shall begin with Auction Baseline Bid. All Bids made thereafter shall be Overbids (as defined below), and shall be made in a manner determined by the Trustee and DIP Lender, in consultation with the Debtors and the Consultation Parties, and all material terms of each Overbid received shall be disclosed to all Bidders who have submitted Qualified Bids prior to any subsequent round of bidding. The Trustee and DIP Lender shall maintain a transcript of all Bids made and announced at the Auction, including the Auction Baseline Bid and all Overbids.

Terms of Overbids.

An “**Overbid**” is any Bid made at the Auction subsequent to the Trustee and DIP Lender’s announcement of the Auction Baseline Bid. To submit an Overbid for purposes of this Auction, a Bidder must comply with the following conditions:

(1) ***Minimum Overbid Increment.***

In advance of the Auction and after a review of the Qualified Bids received, the Trustee and DIP Lender, in consultation with the Debtors and the Consultation Parties, shall determine the increments of any Overbid after the Auction Baseline Bid (the “Minimum Overbid Increment”); provided, that Trustee and the DIP Lender shall retain the right to modify the Minimum Overbid Increment at the Auction in consultation with the Debtors and the Consultation Parties.

(2) ***Remaining Terms are the Same as for Qualified Bids.***

Except as modified herein, an Overbid must comply with the conditions for a Qualified Bid set forth above; *provided, however*, that the Bid Deadline shall not apply. Upon the conclusion of the Auction, the Successful Bidder and Backup Bidder’s last Bid accepted by the Trustee and DIP Lender, in consultation with the Debtors and the Consultation Parties, shall remain open and binding on each such Bidder for thirty (30) days after entry of the Confirmation Order as further provided herein.

To the extent not previously provided, a Qualified Bidder submitting an Overbid must submit, as part of its Overbid, written evidence (in the form of financial disclosure, credit-quality support information or other enhancement reasonably acceptable to the Trustee and DIP Lender in consultation with the Debtors and the Consultation Parties) demonstrating such Bidder’s ability to close the Sale.

(3) ***Announcing Overbids.***

Prior to each round of the Auction, the Trustee and DIP Lender will announce the Minimum Overbid Increment for such round to all Bidders; *provided, however*, that the Trustee and DIP Lender reserve the right to require bids submitted in the final round of the Auction to be sealed at the time of submission. Each Overbid will be made by the Qualified Bidder in the main auction room where the Auction proceedings are being transcribed such that all Qualified Bidders can hear and seek clarification from the Trustee and DIP Lender on the terms of such Overbid.

(4) ***Consideration of Overbids.***

The Trustee and DIP Lender reserve the right, in their reasonable business judgment in consultation with the Debtors and the Consultation Parties, to make one or more adjournments in the Auction to, among other things: (a) facilitate discussions among the Plan Sponsors, the Consultation Parties, and any Qualified Bidder to consider how they wish to proceed, (b) give Qualified Bidders the opportunity to provide the Trustee and the DIP Lender with such additional information as the Trustee and the DIP Lender in their reasonable business judgment, in consultation with the Debtors and the Consultation Parties, may require to evaluate that the Qualified Bidder’s financial ability to consummate the Sale at the prevailing Overbid amount, or (c) address other reasonable concerns.

“As Is, Where Is” Sale.

Except as explicitly set forth in the Stalking Horse APA, any Sale of the Assets will be transferred on an “as is, where is” basis, with all faults, and without representations or warranties of any kind, nature or description.

Consent to Jurisdiction as Condition to Bidding.

All Qualified Bidders are deemed to have consented to the core jurisdiction of the Bankruptcy Court and waived any right to a jury trial in connection with any disputes relating to any Bids, the Bidding Procedures, the Transaction Documents or the Auction.

Closing the Auction.

The Auction may be adjourned from time to time by the Trustee and DIP Lender after consultation with the Debtors and the Consultation Parties. Other than reasonable adjournments, the Auction shall continue until there is only one Qualified Bid that the Trustee and DIP Lender determine, after consultation with their financial and legal advisors, the Debtors and the Consultation Parties, is the highest or best Qualified Bid at the Auction (the “Successful Bid” and the Qualified Bidder submitting such Successful Bid, the “Successful Bidder”). The Auction shall not close unless and until all Qualified Bidders who have submitted Qualified Bids and remain active in the Auction have been given a reasonable opportunity, as determined by the Trustee and DIP Lender, in consultation with the Debtors and the Consultation Parties, to submit an Overbid at the Auction to the then-existing Overbid. Prior to the conclusion of the Auction, the Successful Bidder and Backup Bidder shall have submitted fully executed Transaction Documents memorializing the terms of the Successful Bid and Backup Bid and the Successful Bidder shall have increased the amount of its Good Faith Deposit to 5% of the cash purchase price of the Successful Bid. Notwithstanding anything in the Bidding Procedures to the contrary, if an Auction is conducted, the party with the next highest or otherwise best Qualified Bid(s) at the conclusion of the Auction, as determined by the Trustee and DIP Lender, in consultation with the Debtors and the Consultation Parties, shall be required to serve as a backup bidder (the “Backup Bidder”). The Backup Bidder shall be required to keep its final Qualified Bid or last Overbid at Auction (the “Backup Bid”) open and irrevocable until the earlier of one (1) business day after the closing of the Sale with the Successful Bidder, and thirty (30) days from the entry of the Confirmation Order (the “Outside Backup Date”) unless such Backup Bidder is determined to become the Successful Bidder; *provided, however*, that if the Backup Bidder is the Stalking Horse Bidder, the Outside Backup Date shall be the earlier of (i) thirty (30) days from the entry of the Confirmation Order and (ii) March 17, 2023. Following entry of the Confirmation Order, if the Successful Bidder fails to consummate the Sale, the Trustee and DIP Lender may designate the Backup Bidder to be the new Successful Bidder, and the Plan Sponsors will be authorized, but not required, to consummate the Sale with the Backup Bidder without further order of the Bankruptcy Court. The closing date to consummate the Sale with the Backup Bidder shall be as soon as reasonably possible after the date that the Plan Sponsors provide notice to the Backup Bidder that the Successful Bidder failed to consummate the Sale and that the Plan Sponsors desire to consummate the transaction with the Backup Bidder subject to the terms of the Bidder APA executed by the Backup Bidder (the “Backup Bidder APA”).

Procedures for Determining Cure Amounts and Adequate Assurance for Contract Counterparties to Assigned Contracts

(1) Procedures Relating to Ground Lease

Intercity Investments Properties, Inc. (the “Landlord”) shall be required to file a notice disclosing the nature of and amount it asserts is required to cure monetary defaults and satisfy any pecuniary obligations of the Debtors (or obtain waivers with respect thereto) in order for the Debtors to assume and assign the Ground Lease (as defined in the Plan) to the Successful Bidder (the “Landlord Cure Notice”) no later than December 23, 2022 (the “Landlord Cure Bar Date”) and serve the Landlord Cure Notice on the following parties by e-mail: (a) counsel for the Trustee and DIP Lender, Daniel Bleck, dsbleck@mintz.com, Eric Blythe, erblythe@mintz.com, and Kaitlin Walsh, krwalsh@mintz.com; (b) RBC, David Fields, david.fields@rbccm.com; (c) counsel for the Debtors, Trinitee G. Green, tggreen@polsinelli.com and Jeremy Johnson, jeremy.johnson@polsinelli.com, (d) counsel for the Stalking Horse Bidder, Adrienne Walker, awalker@lockelord.com and Chelsey Rosenbloom List, chelsey.list@lockelord.com; (e) counsel for the Committee: Stephen A. McCartin, smccartin@foley.com, Thomas C. Scannell, tscannell@foley.com, and Mark Moore, mmoore@foley.com, (f) counsel for Lifespace: Eric Walker, ewalker@cooley.com and (g) the Office of the United States Trustee, Attn: Lisa Lambert, lisa.l.lambert@usdoj.gov. (collectively, the “Notice Parties”). Objections to the Landlord Cure Notice must be filed no later than January 6, 2023.

The Stalking Horse Bidder shall provide the Landlord with adequate assurance of future performance under the Ground Lease (the “Stalking Horse Adequate Assurance”) no later than December 16, 2022. The Landlord shall file any objection to the Stalking Horse Adequate Assurance no later than December 30, 2022 (the “Landlord Adequate Assurance Objection”) and serve such objection on the Notice Parties. Responses to any Landlord Adequate Assurance Objection must be filed no later than January 19, 2023.

The Bankruptcy Court shall hear argument regarding the Landlord’s cure amount and the Landlord Adequate Assurance Objection at the Confirmation and Sale Hearing.

For the avoidance of doubt, if a Bidder other than the Stalking Horse Bidder is chosen as the Successful Bidder, the Landlord reserves its right to object to the Successful Bidder’s ability to provide adequate assurance of future performance prior to the Sale and Confirmation Hearing as provided below.

(2) Procedures Relating to Other Non-Resident Contracts

Within five (5) days after entry of the Bidding Procedures Order, the Plan Sponsors will file with the Bankruptcy Court and serve a notice to the Debtors’ contract counterparties other than residents that are party to a Residency Agreement (each, a “Non-Resident Contract Counterparty”), setting forth the Plan Sponsors’ calculation of each Non-Resident Contract Counterparty’s cure amount, if any, that would be owing to such Non-Resident Contract Counterparty if the Debtors were to assume or assume and assign such executory contract or unexpired lease, and alerting such Non-Resident Contract Counterparty that its agreement may be assumed and assigned to the Successful

Bidder (the “Cure and Possible Assumption and Assignment Notice”).⁵ From and after the date that is one business day after the designation by the Bankruptcy Court of the Stalking Horse Bidder, the Plan Sponsors will, upon receipt of a written request from any Non-Resident Contract Counterparty, provide the Stalking Horse Adequate Assurance to such Non-Resident Contract Counterparty. Any Non-Resident Contract Counterparty that objects to (i) the cure amount set forth in the Cure and Possible Assumption and Assignment Notice, or (ii) the Stalking Horse Bidder’s adequate assurance of future performance, must file an objection (a “Cure Objection”) no later than January 10, 2023, which Cure Objection must be served on the Notice Parties by e-mail.

If a Non-Resident Contract Counterparty does not timely file and serve a Cure Objection, that party will be forever barred from objecting to the proposed cure amount or to the Stalking Horse Bidder’s adequate assurance of future performance. Where a Non-Resident Contract Counterparty files a timely Cure Objection asserting a higher cure amount than the amount listed in the Cure and Possible Assumption and Assignment Notice, and the Non-Resident Contract Counterparty and the Plan Sponsors are unable to consensually resolve the dispute, the amount to be paid under Bankruptcy Code section 365 (if any) or, as the case may be, the Debtors’ ability to assign the agreement to the Successful Bidder, will be determined at the Combined Hearing (as defined below)

After the conclusion of the Auction, the Plan Sponsors shall file with the Bankruptcy Court and serve on the Notice Parties, Contract Counterparties and the Landlord a further notice (the “Assumption Notice”) identifying the Successful Bidder, stating which Contracts may be assumed and assigned to the Successful Bidder, and providing such Contract Counterparties and the Landlord with the Successful Bidder’s assurance of future performance. Any Contract Counterparty that objects to the adequacy of the assurance or assumption and/or assignment of its Contract set forth in the Assumption Notice must file an objection with the Bankruptcy Court (a “Contract Objection”) and serve the Contract Objection on the Notice Parties prior to the Combined Hearing. If a Contract Counterparty does not file a Contract Objection prior to the Combined Hearing, such party will be forever barred from objecting to the adequacy of the assurance to be provided by the Successful Bidder and assumption and assignment to the Successful Bidder. Where a Contract Counterparty files a Contract Objection prior to the Combined Hearing, and the parties are unable to consensually resolve the dispute, the adequacy of the assurance provided by the Successful Bidder or raised issues regarding the potential assumption and assignment will be determined at the Combined Hearing.

For the avoidance of doubt, this section does not address Residency Agreements although the Residency Agreements are executory contracts. As provided above, in order to constitute a Qualified Bid, each Bid must provide detail regarding the treatment of Residency Agreements with the Debtors’ current or former Residents. To the extent a Bid includes the assumption of the Residency Agreements, the Bidder will be required to satisfy the related cure costs and provide adequate assurance of future performance. The Assumption Notice shall include a description of the Successful Bidder’s proposed treatment of Residency Agreements.

⁵ For the avoidance of doubt, “Non-Resident Contract Counterparty” shall not include any resident, former resident, or other party asserting claims arising under the Residency Agreements.

Confirmation and Sale Hearing

The Successful Bid will be subject to approval by the Trustee, DIP Lender and the Bankruptcy Court. The evidentiary hearing to consider approval of the Successful Bid will be combined with an evidentiary hearing to consider confirmation of the Plan. The combined hearing (the “Combined Hearing”) will be held before the Honorable Michelle V. Larson, United States Bankruptcy Court for the Northern District of Texas – Dallas Division, Earle Cabell Federal Building, 110 Commerce Street, Room 1254, Dallas Texas on January 26, 2023 at 9:30 a.m. (CT).

At the Combined Hearing, the Plan Sponsors will seek the entry of an order of the Bankruptcy Court (i) approving and authorizing the Sale to the Successful Bidder, and, if applicable, the Backup Bidder and (ii) confirming the Plan. The Successful Bidder shall appear at the Combined Hearing and be prepared to testify in support of the Successful Bid and the Successful Bidder’s ability to close in a timely manner.

Objections to the Sale of the Assets to the Successful Bidder or Backup Bidder must be filed and served so that they are actually received by the Notice Parties no later than January 20, 2023. The Combined Hearing may be adjourned or rescheduled as ordered by the Bankruptcy Court or by the Plan Sponsors with the approval of the Successful Bidder in consultation with the Consultation Parties but without further notice to creditors and parties in interest other than by announcement by the Plan Sponsors of the adjourned date at the Combined Hearing.

No later than ten (10) calendar days after entry of the Confirmation Order, the Successful Bidder and the Plan Sponsors shall complete and execute all agreements, contracts, instruments and other documents evidencing and containing terms and conditions on which the Successful Bid was made and the Sale contemplated by the Successful Bid shall close contemporaneously with the effectiveness of the Plan.

Return of Good Faith Deposits

The Good Faith Deposits of all Qualified Bidders shall be held in one or more interest-bearing escrow accounts by the Escrow Agent, but shall not become property of the Debtors’ estates absent further order of the Bankruptcy Court. The Good Faith Deposit of any Qualified Bidder that is neither the Successful Bidder nor the Backup Bidder shall be returned to such Qualified Bidder not later than two (2) business days after announcement of the Successful Bidder and any Backup Bidder. The Good Faith Deposit of the Backup Bidder shall be returned to the Backup Bidder on the date that is the earlier of one (1) business day after the closing of the Sale with the Successful Bidder, and the Outside Backup Date; *provided, however*, that in the event the Successful Bidder does not consummate the Sale as described above and the Plan Sponsors provide notice to the Backup Bidder that it has been chosen as the replacement Successful Bidder and then the Backup Bidder’s Good Faith Deposit shall be held until the closing of the Sale with the Backup Bidder as set forth in the Backup Bidder APA. Upon the return of the Good Faith Deposits, their respective owners shall receive any and all interest that will have accrued thereon. If the Successful Bidder or the Backup Bidder timely closes the Sale, its Good Faith Deposit shall be credited towards its purchase price.

Reservation of Rights

THE TRUSTEE AND DIP LENDER RESERVE THEIR RIGHTS TO MODIFY THESE BIDDING PROCEDURES IN ANY MANNER, IN CONSULTATION WITH THE DEBTORS AND THE CONSULTATION PARTIES, THAT WILL BEST PROMOTE THE GOALS OF THE BIDDING PROCESS AND TO IMPOSE, AT OR PRIOR TO THE AUCTION, ADDITIONAL OR DIFFERENT CUSTOMARY TERMS AND CONDITIONS ON THE SALE OF THE ASSETS, INCLUDING, WITHOUT LIMITATION, EXTENDING THE DEADLINES SET FORTH IN THESE BIDDING PROCEDURES, ADJOURNING THE AUCTION AT OR PRIOR TO THE AUCTION AND/OR ADJOURNING THE COMBINED HEARING PRIOR TO SUCH HEARING OR IN OPEN COURT WITHOUT FURTHER NOTICE, AND REJECTING ANY OR ALL QUALIFIED BIDS IF, IN THE TRUSTEE AND DIP LENDER'S REASONABLE, GOOD-FAITH BUSINESS JUDGMENT DETERMINED THAT SUCH QUALIFIED BID IS (I) INADEQUATE OR INSUFFICIENT, (II) NOT IN CONFORMITY WITH THE REQUIREMENTS OF THE BANKRUPTCY CODE OR ANY RELATED RULES OR THE TERMS SET FORTH HEREIN, OR (III) CONTRARY TO THE BEST INTERESTS OF THE DEBTORS; PROVIDED THAT NOTHING HEREIN SHALL PERMIT THE MODIFICATION OF THE REQUIREMENT THAT ANY QUALIFIED BID MUST PROVIDE FOR THE PAYMENT OF THE STALKING HORSE BID PROTECTIONS. THE TRUSTEE AND DIP LENDER RESERVE THE RIGHT, AT ANY TIME, FOR ANY REASON AND IN THEIR REASONABLE, GOOD-FAITH BUSINESS JUDGMENT, IN CONSULTATION WITH THE DEBTORS AND THE CONSULTATION PARTIES, TO DECLINE TO PURSUE THE SALE AND TO WITHDRAW ANY MOTION FILED IN THE COURT SEEKING TO APPROVE THE SALE.

Dated: December 15, 2022

HAYNES AND BOONE, LLP

/s/ Draft

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/s/ Draft

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*Counsel to the Debtors and Debtors in
Possession*

EXHIBIT 1

Confidentiality Agreement

CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (this “Agreement”) is entered into effective as of the Effective Date (as hereafter defined) by Northwest Senior Housing Corporation, a Texas not-for-profit corporation (the “Company” or “Edgemere”), UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (the “Trustee”) and in its capacity as lender under the DIP Credit Agreement (the “DIP Lender,” and collectively with the Trustee, the “Plan Sponsors”) and _____, a _____ (“Recipient”). The Company, the Plan Sponsors and the Recipient may be referred to herein individually as a “Party” or collectively as the “Parties.”

RECITALS

A. Recipient desires access to certain non-public, confidential or proprietary information about the Company in connection with a potential transaction (the “Potential Transaction”).

B. In order to induce the Company to provide access to the Confidential Information (as hereinafter defined), Recipient hereby agrees to be bound by the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of Recipient being furnished the Confidential Information, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. For purposes of this Agreement, the term “Confidential Information” means (i) all information, data, documents, agreements, files and other materials that are furnished or made available by or on behalf of the Company or any of its Representatives (as defined herein) to Recipient, or by or on behalf of Recipient to any of its Representatives, whether furnished or made available before, on or after the Effective Date and whether oral, written or electronic, including but not limited to information relating to or regarding the business, financial condition, residents, employees, operations, assets, business plans, financial statements, projections, marketing strategies, legal proceedings and prospects of the Company, (ii) the fact that the Confidential Information has been furnished or made available to Recipient or any of its Representatives, (iii) the fact that discussions or negotiations are taking place concerning the Potential Transaction, (iv) the terms, conditions or other facts with respect to the Potential Transaction, including the status thereof, and (v) all analyses, summaries, compilations, interpretations, forecasts, data, studies, notes, translations, memoranda or any other written or electronic materials in any form whatsoever prepared by Recipient or any of its Representatives that are based on, contain or otherwise reflect any of the types of Confidential Information described in the preceding clauses (i) through (v). The Company’s “Representatives” shall mean the Company’s affiliates and all of the Company’s and its affiliates’ officers, directors, employees, members, representatives, financing sources, attorneys, accountants, consultants, agents and advisors, including RBC Capital Markets, LLC (“RBC”), which is acting as the investment banker for the Potential Transaction, and the Plan Sponsors. Recipient’s “Representatives” shall mean Recipient’s affiliates and Recipient’s and its affiliates’ officers, directors, employees, members, existing equity financing sources, attorneys,

accountants, consultants and financial advisors. Recipient's "Representatives" shall be further defined to mean only those of its Representatives to whom the Confidential Information has been or hereafter is provided. Notwithstanding the foregoing or anything to the contrary in this Agreement, Confidential Information shall not include information that: (i) is or becomes generally available to the public other than as a result of a breach of this Agreement by Recipient or its Representatives; (ii) is or becomes available to Recipient or Recipient's Representatives on a nonconfidential basis from any source other than the Company or the Company's Representatives, provided that such source is not known by Recipient or such Representative after reasonable inquiry to be bound by a confidentiality agreement with or other obligation to the Company prohibiting such disclosure; (iii) was known to Recipient on a nonconfidential basis prior to its disclosure to Recipient by the Company or the Company's Representatives, provided that such information is not known by Recipient to be subject to another confidentiality agreement with or otherwise prohibited from disclosing such information; or (iv) is independently developed by Recipient or Recipient's Representatives without the use of or reference to any Confidential Information.

2. As a condition to the Company's disclosure of the Confidential Information to Recipient, Recipient hereby agrees that all Confidential Information will be kept confidential by Recipient and Recipient's Representatives and will not be disclosed by Recipient or Recipient's Representatives to any person or entity, in any manner whatsoever, in whole or in part, and will not be used by Recipient or Recipient's Representatives directly or indirectly for any purpose other than evaluating the Potential Transaction. Moreover, Recipient agrees to transmit the Confidential Information only to Recipient's Representatives who need to know the Confidential Information for the purpose of evaluating the Potential Transaction and who are informed by Recipient of the confidential nature of the Confidential Information and who are directed to abide by the terms of this Agreement. Recipient agrees that it shall be responsible for any prohibited and/or unauthorized disclosure or use by, or other breach of the terms of this Agreement, in each case, by Recipient's Representatives and Recipient agrees to take all commercially reasonable measures to restrain such Representatives from prohibited or other unauthorized disclosure or use of the Confidential Information.

3. If Recipient or any of its Representatives are required by law, regulation, legal or regulatory proceeding (including, without limitation, oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) or by the rules of any recognized stock exchange to disclose any of the Confidential Information (collectively, a "Required Disclosure"), Recipient and its Representatives may disclose such Confidential Information, provided that Recipient and its Representatives comply with this Section 3. Upon the occurrence of facts or circumstances constituting a Required Disclosure, (i) Recipient will provide the Company and the Plan Sponsors, if legally permissible, with immediate notice of the existence, terms and circumstances of the applicable Required Disclosure so that the Company or the Plan Sponsors, at the Company's or the Plan Sponsors' sole cost and expense, may seek an appropriate protective order, (ii) Recipient will consult with the Company and the Plan Sponsors on the advisability of taking legally available steps to resist or narrow such Required Disclosure, and (iii) Recipient will take all other actions reasonably necessary to ensure that the Company or the Plan Sponsors may seek a protective order or other appropriate remedy; provided, however, that if (in the absence of a protective order) Recipient or its Representatives are advised by counsel

that it or they are nonetheless compelled to disclose all or part of the Confidential Information pursuant to such Required Disclosure, Recipient and its Representatives shall only disclose that portion of the Confidential Information that the Recipient or its Representatives are compelled to disclose pursuant to a Required Disclosure and the Recipient shall use reasonable efforts, at the Company's or the Plan Sponsors' sole cost and expense, to obtain an order or other reliable assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed. In any event, neither Recipient nor any of its Representatives will oppose any action by the Company or the Plan Sponsors to obtain a protective order or other reliable assurance that confidential treatment will be accorded the Confidential Information and Recipient and its Representatives shall fully cooperate with the Company or the Plan Sponsors to obtain such order or other assurances.

4. The Confidential Information, and all copies thereof, will remain the property of the Company and no license, copyright or similar right is granted hereunder with respect to any of the Confidential Information or any other information provided to Recipient by the Company or its Representatives. The Confidential Information, and all copies thereof, will be destroyed by Recipient and its Representatives within [X] days upon the Company's or the Plan Sponsors' written request, including, to the extent practicable, expunging all such Confidential Information from any computer or other device containing such information. After such destruction, Recipient shall provide a written confirmation that Recipient and its Representatives have destroyed all Confidential Information. Notwithstanding the foregoing sentences, Recipient and its Representatives each shall (i) be permitted to retain a copy of the Confidential Information for the sole purpose of complying with applicable law or regulatory authority and (ii) not be required to destroy, delete, or modify any backup tapes or other media made pursuant to automated archival processes in their ordinary course of business to the extent the Confidential Information would not be available to an end user and cannot be expunged without considerable effort. If Recipient determines that it does not wish to proceed with the Potential Transaction, it will promptly advise the Plan Sponsors in writing of that decision.

5. The Recipient agrees that due to the nature of this Agreement and the Confidential Information, money damages would not be a sufficient remedy for any breach or threatened breach of this Agreement by Recipient or its Representatives and therefore, due to the immediate irreparable actual and substantial harm that may result from a breach or a threatened breach by Recipient or its Representatives of this Agreement, the Company and the Plan Sponsors shall be entitled to obtain specific performance, injunctive and/or other equitable relief. To the extent permitted by applicable law, Recipient hereby waives any requirement that the Company or the Plan Sponsors prove actual damages or post a bond in connection with the remedies described in the immediately preceding sentence. The remedies afforded to the Company and the Plan Sponsors by this Section 5 shall be in addition to any and all other remedies available to the Company and the Plan Sponsors for any breach or threatened breach of this Agreement by Recipient or its Representatives. In the event of any litigation or other legal proceeding between the Parties, if a court of competent jurisdiction determines that Recipient or any of its Representatives has breached this Agreement, then Recipient shall be liable for and pay to the Company and/or the Plan Sponsors on demand the legal fees and expenses incurred by the Company and/or the Plan Sponsors in connection with such litigation, including any appeal therefrom and the Company's and/or the Plan Sponsors' enforcement of its/their rights hereunder.

6. No failure or delay by the Company or the Plan Sponsors in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise of any right, power or privilege hereunder.

7. The restrictions imposed hereby shall continue for a period of two (2) years following the Effective Date.

8. Nothing herein shall be construed to require any Party to conduct any negotiations or enter into any other agreement with another Party with respect to the Potential Transaction or any other transaction involving the Company.

9. No provision of this Agreement may be waived or amended unless such waiver or amendment is in writing and executed by all Parties. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof.

10. This Agreement may be executed in separate counterparts with electronic signatures, and exchanged by email, each of which shall be an original document, and all of which together shall constitute one and the same instrument.

11. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas applicable to agreements made and to be performed within such state. The Parties irrevocably submit to personal jurisdiction and venue in the state or federal court located in Dallas, Texas, including the United States Bankruptcy Court for the Northern District of Texas, and irrevocably agree that all claims in respect of such suit or proceeding may be determined in any such court.

12. Unless otherwise agreed to by the Company and the Plan Sponsors in writing, Recipient agrees that neither it nor its Representatives will directly or indirectly (a) initiate or maintain any contact with any patient, resident, referral source or contractor, sub-contractor, lender, creditor, consultant, employee and/or supplier of the Company for any purpose related to the Confidential Information or the Potential Transaction, or (b) use the Confidential Information to solicit any patient, resident, referral source or any contractor, sub-contractor, lender, creditor, consultant, employee and/or supplier of the Company, whether to cease doing business with the Company, or propose to enter into an agreement with the Recipient (collectively, "Prohibited Discussions"). In addition to the above, without the prior written consent of the Company and/or the Plan Sponsors, neither Recipient nor its Representatives will, directly or indirectly, (i) communicate with other parties subject to a similar confidentiality agreement with the Company and/or the Plan Sponsors regarding a Potential Transaction or (ii) negotiate with or seek to purchase or acquire, or purchase or acquire, any claims (secured, unsecured or otherwise) that are held by or that may be asserted against the Company, by any contractor, sub-contractor, lender, creditor, consultant, employee and/or supplier of the Company, regardless of whether the identity of such parties or claims is disclosed to Recipient as a part of the Confidential Information.

13. Recipient acknowledges, on behalf of itself and its Representatives, that neither the

Company, the Plan Sponsors, nor any of their Representatives make any representations or warranties, express or implied, as to the accuracy or completeness of the Confidential Information, that neither the Company, the Plan Sponsors, nor any of their Representatives shall have any liability whatsoever to Recipient or its Representatives or any other person as a result of the use of the Confidential Information or any errors therein or omissions therefrom by virtue of this Agreement and that Recipient and its Representatives shall assume full responsibility for all conclusions derived from the Confidential Information. Recipient acknowledges that it will perform its own independent investigation and analysis of the Company and the Potential Transaction without reliance on the Company, the Plan Sponsors, RBC or their respective affiliates. Neither this Agreement nor disclosure of any Confidential Information to Recipient or its Representatives shall be deemed by implication or otherwise to vest in Recipient or its Representatives rights in or to the Confidential Information, other than the right to use such Confidential Information to evaluate a Potential Transaction. This Agreement does not constitute or create any obligation of the Company or the Plan Sponsors to provide any Confidential Information or other information to Recipient or its Representatives, but merely identifies the duties and obligations with respect to the Confidential Information. Under no circumstances is the Company obligated to disclose or make available any information, including any Confidential Information, which it determines, in consultation with the Plan Sponsors, not to disclose. Neither the Company, the Plan Sponsors nor any of its Representatives is under any obligation to update or supplement any Confidential Information previously provided to Recipient or its Representatives.

14. Recipient agrees that unless and until a definitive written agreement regarding a Potential Transaction has been executed, neither the Company, the Plan Sponsors, nor Recipient will be under any obligation of any kind whatsoever with respect to a Potential Transaction by virtue of this Agreement except for the matters specifically agreed to herein. Recipient agrees that neither the Company, the Plan Sponsors nor their Representatives shall be obligated to pay any fees on Recipient's behalf to any brokers, finders, or other parties claiming to represent Recipient in a Potential Transaction.

15. Recipient understands that (i) the Plan Sponsors, in consultation with the Company and its Representatives, shall be free to conduct any process with respect to a Potential Transaction as the Company, the Plan Sponsors and their respective Representatives shall determine (including, without limitation, by negotiating with any prospective party and entering into a preliminary or definitive written agreement without prior notice to Recipient or any other Person), and to select any participant in a Potential Transaction utilizing any criteria that the Plan Sponsors, in consultation with the Company and its Representatives, may determine, (ii) any procedures relating to a Potential Transaction and the Company's and/or Plan Sponsors' consideration thereof may be changed at any time without notice to Recipient or any other Person, (iii) Recipient shall not have any claim whatsoever against the Company, the Plan Sponsors or their Representatives arising out of or relating to a Potential Transaction (other than those as against parties to a definitive written agreement with Recipient in accordance with the terms thereof), and (iv) the Plan Sponsors, in consultation with the Company and its Representatives, reserves the right to reject any and all proposals made by Recipient with regard to the Potential Transaction and to terminate discussions and negotiations with Recipient at any time.

16. Neither the Company nor the Plan Sponsors intend to provide Recipient or its Representatives any information subject to The Federal Health Insurance Portability Accountability Act (“HIPAA”) that governs the use and release of patient identifiable information by hospitals and other health care providers. HIPAA establishes protections to preserve the confidentiality of various medical and personal information and specifies that such information may not be disclosed except as authorized by law or the patient or individual. Notwithstanding Company’s and the Plan Sponsors’ intent not to disclose any information subject to HIPAA, in the event the Company, the Plan Sponsors or their Representatives disclose to Recipient or its Representatives any information subject to HIPAA, such information shall be considered Confidential Information and Recipient and its Representatives shall comply in all respects with HIPAA in conjunction with such Confidential Information. In the event any Personal Health Information (“PHI”) is required to be provided, the Parties will enter into an appropriate Business Associate Agreement or ensure that the PHI is provided in an encrypted manner that satisfies the requirements of HIPAA. Recipient and its Representatives agree to indemnify Company and/or the Plan Sponsors for any violations of HIPAA by Recipient or its Representatives relating to Confidential Information.

17. RBC is serving as investment banker in connection with the Potential Transaction. RBC will arrange for all appropriate contacts between the Company, the Plan Sponsors and Recipient. Recipient agrees to direct all (i) communications regarding the Potential Transaction, (ii) requests for additional information regarding the Company or a Potential Transaction, (iii) requests for facilities tours or management meetings, and (iv) discussions or questions regarding procedures relating to the Potential Transaction, in each case, exclusively to RBC.

18. Without limiting or altering any other obligation hereunder, Recipient shall promptly notify the Company and the Plan Sponsors in writing upon becoming aware of any breach by Recipient or its Representatives of any of the Recipient’s or its Representatives’ obligations hereunder.

19. The Company and the Plan Sponsors reserve the right to assign their respective rights, powers and privileges under this Agreement (including, without limitation, the rights to enforce this Agreement) to any person who consummates a transaction with the Company.

20. To the extent that any Confidential Information includes materials subject to the attorney-client privilege, the Company is not waiving, and shall not be deemed to have waived or diminished, its attorney work-product protections, attorney-client privileges or similar protections and privileges as a result of disclosing any of the Confidential Information (including any such Confidential Information related to pending or threatened litigation) to Recipient or its Representatives. In furtherance of the foregoing, Recipient will not claim in any proceeding involving the Company or its Representatives that the Company waived the attorney work-product protections, attorney-client privileges or similar protections and privileges as a result of disclosing any Confidential Information.

21. Recipient hereby represents and warrants that neither it nor any of its Representatives is party to any agreement, arrangement, or understanding (whether written or oral) that would restrict the ability of any other person to provide financing (debt, equity, or otherwise)

to any other person for the Potential Transaction or any similar transaction, and Recipient hereby agrees that neither it nor any of its Representatives will directly or indirectly restrict the ability of any other person to provide any such financing. Notwithstanding anything to the contrary contained herein, without the prior written consent of the Company and the Plan Sponsors, Recipient agrees that neither it nor any of its Representatives will disclose any Confidential Information to any actual or potential sources of financing (debt, equity, or otherwise).

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the Parties has entered into this Agreement by a duly authorized representative as of the date of execution by Recipient written below (the “Effective Date”).

_____ (RECIPIENT):

By: _____

Printed Name: _____

Title: _____

Date: _____

IN WITNESS WHEREOF, each of the Parties has entered into this Agreement by a duly authorized representative as of the Effective Date.

NORTHWEST SENIOR HOUSING CORPORATION,
a Texas not-for-profit corporation

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, each of the Parties has entered into this Agreement by a duly authorized representative as of the Effective Date.

UMB BANK, N.A.

By: _____

Name: _____

Title: _____

EXHIBIT 2

Escrow Deposit Agreement

ESCROW AGREEMENT

THIS Escrow Agreement (this “**Agreement**”) made and entered into as of this [•] day of December, 2022 by and among Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“**Seller**”), [•] (“**Purchaser**”), and UMB Bank, N.A., as Escrow Agent, a national banking association organized and existing under the laws of the United States of America (the “**Escrow Agent**”).

RECITALS

A. Seller has filed a voluntary petition for relief under the Bankruptcy Code as Case Number 22-30659 with the United States Bankruptcy Court for the Northern District of Texas;

B. Seller is a not-for-profit corporation that owns and operates a best-in-class continuing care retirement community located at 8523 Thackery St, Dallas, Texas 75225 (the “**Edgemere Community**”) on land owned by Intercity Investment Properties, Inc. pursuant to that certain Ground Lease dated November 5, 1999 (the “**Ground Lease**”). The Edgemere Community offers residents a continuum of care in a campus-style setting, providing living accommodations and related health care and support services to persons aged 62 or older.

C. UMB Bank, N.A., as the Bond Trustee under the 2015 Bond Indenture and the 2017 Bond Indenture, and successor Master Trustee under the Original Master Indenture (the “**Trustee**”) and in its capacity as DIP Lender, together with the Seller and its affiliated debtor, have filed a proposed a Plan of Reorganization under Chapter 11 of the Bankruptcy Code (the “**Plan**”) that contemplates the sale of the Edgemere Community and related assets to Purchaser, or another purchaser that submits a higher and better offer for the assets in accordance with the Sale Transaction Procedures;

D. Purchaser desires to acquire the Edgemere Community, including Edgemere’s leasehold interest in the Premises created by the Ground Lease, and the assets owned by Seller and used or useful to Seller’s operation of the Edgemere Community (the “**Business**”, and, together with Seller’s interests in the Ground Lease, the “**Assets**”) on the terms and conditions contained in this Agreement, subject to higher and better bids, as well as confirmation of the Plan;

E. Seller and Purchaser have entered into that certain Asset Purchase Agreement dated December [•], 2022 (the “**APA**”) ⁶.

F. Seller and Purchaser desire that UMB Bank, N.A. act as Escrow Agent to hold the Deposit for the Sale described in the APA, and Escrow Agent is willing to act in such capacity. Seller and Purchaser acknowledge that UMB Bank, N.A. also serves as Bond Trustee and DIP Lender. Seller and Purchaser assert that no conflict exists, nor does Seller or Purchaser assert any objection thereto.

⁶ Terms not defined herein shall have the meanings ascribed to them in the APA.

AGREEMENT

NOW, THEREFORE, Seller, Purchaser, and Escrow Agent agree to the terms of this Agreement as follows:

1. Commencement of Duties. Purchaser, subject to entry of the Bidding Procedures Order, simultaneously with the execution and delivery of this Agreement, shall transfer to the Escrow Agent the aggregate sum of Two Million and Four Hundred Thousand Dollars (\$2,425,000) (the “**Escrowed Funds**”). Upon receipt of the Escrowed Funds and after the parties’ submission of all documentation required by the Escrow Agent to comply with the Bank Secrecy Act, the duties and obligations of each of the parties to this Agreement will commence.

2. Operation of the Escrow. With respect to any requested disbursement, Seller and Purchaser (i) certify they have reviewed any wire instructions set forth in such written disbursement direction to confirm such wire instructions are accurate, (ii) agree to indemnify and hold harmless the Escrow Agent from and against any and all Claims, demand, losses, liabilities, or expenses sustained, including but not limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement requested up to the amount of the Escrowed Funds, and (iii) agree they will not seek recourse from the Escrow Agent as a result of losses incurred by it for making the disbursement in accordance with the disbursement direction.

3. Escrowed Funds. Upon receipt of the Escrowed Funds, the Escrow Agent shall hold the Escrowed Funds in escrow pursuant to the terms of this Agreement. Until such time as the Escrowed Funds shall be distributed by the Escrow Agent as provided herein, unless the Escrow Agent is otherwise directed in writing in a joint written investment direction signed by the Seller and the Purchaser, the Escrowed Funds shall be invested and reinvested by the Escrow Agent in the an interest-bearing money market deposit account. The parties hereto acknowledge that the Escrow Agent does not have a duty nor will it undertake any duty to provide investment advice.

(a) The Escrow Agent shall be entitled to sell or redeem any such investment as necessary to make any distributions required under this Agreement and shall not be liable or responsible for any loss resulting from any such sale or redemption.

(b) Income, if any, resulting from the investment of the Escrowed Funds shall be retained by the Escrow Agent and shall be considered, for all purposes of this Agreement, to be part of the Escrowed Funds and shall be disbursed in accordance with Section 4 and/or Section 18 of this Agreement, as applicable.

4. Disbursement of the Escrowed Funds. The Parties shall act in accordance with, and the Escrow Agent shall hold and release the Escrowed Funds as provided in this Section:

(a) Upon receipt of a joint written instruction executed by each of Seller and Purchaser with respect to the Escrowed Funds, the Escrow Agent shall promptly, but in any event within two (2) business days after receipt of such joint written instruction, disburse all or part of the Escrowed Funds in accordance with such joint written instruction;

(b) Upon receipt by the Escrow Agent of a copy of a final, non-appealable order of any court of competent jurisdiction which may be issued, together with

(i) a certificate executed by an authorized representative of the prevailing party, to the effect that such order is final and non-appealable and from a court of competent jurisdiction having proper authority and (ii) the written payment instructions executed by an authorized representative of the prevailing party to effectuate such order (a “Final Determination”) (a copy of which shall be delivered simultaneously to the Escrow Agent and the no-presenting party), the Escrow Agent shall, on the fifth (5th) business day following receipt of such Final Determination, disburse as directed, part of all, as the case may be, of the Escrowed Funds in accordance with such Final Determination; or

(c) the Escrow Agent shall release the Escrowed Funds in a manner consistent with the terms of the Bidding Procedures Order.

5. Duties of the Escrow Agent. The Escrow Agent shall have no duties or responsibilities other than those expressly set forth in this Agreement, and no implied duties or obligations shall be read into this Agreement against the Escrow Agent. The Escrow Agent has no fiduciary or discretionary duties of any kind. The Escrow Agent is not a party to, or bound by, the Purchase Agreement or any other agreement among the other parties hereto, and the Escrow Agent’s duties shall be determined solely by reference to this Agreement. The Escrow Agent shall have no duty to enforce any obligation of any person, other than as provided herein. The Escrow Agent shall be under no liability to anyone by reason of any failure on the part of any party hereto or any maker, endorser or other signatory of any document or any other person to perform such person’s obligations under any such document.

6. Liability of the Escrow Agent; Indemnification. The Escrow Agent acts hereunder as a depository only. The Escrow Agent is not responsible or liable in any manner for the sufficiency, correctness, genuineness or validity of this Escrow Agreement or with respect to the form of execution of the same. The Escrow Agent shall not be liable for any action taken or omitted by it, or any action suffered by it to be taken or omitted, in good faith, and in the exercise of its own best judgment, and may rely conclusively and shall be protected in acting upon any order, notice, demand, certificate, opinion or advice of counsel (including counsel chosen by the Escrow Agent), statement, instrument, report or other paper or document (not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and acceptability of any information therein contained) which is believed by the Escrow Agent to be genuine and to be signed or presented by the proper person(s). The Escrow Agent shall not be held liable for any error in judgment made in good faith by an officer or employee of the Escrow Agent unless it shall be proved that the Escrow Agent was grossly negligent in carrying out its duties or acted intentionally in bad faith. The Escrow Agent shall not be bound by any notice of demand, or any waiver, modification, termination or rescission of this Agreement or any of the terms hereof, unless evidenced by a writing delivered to the Escrow Agent signed by the proper party or parties and, if the duties or rights of the Escrow Agent are materially affected, unless it shall give its prior written consent thereto. In no event shall the Escrow Agent be liable for incidental, indirect, special, consequential or punitive damages or penalties (including, but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such damages or penalty. The Escrow Agent shall not be responsible for delays or failures in performance resulting from acts beyond its control, including without limitation acts of God, strikes, lockouts, riots, acts of war or terror, epidemics, pandemics, governmental regulations, fire, communication line failures, computer viruses, power failures, earthquakes or other disasters. The Escrow Agent shall not be obligated to

take any legal action or commence any proceeding in connection with the Escrowed Funds, any account in which Escrowed Funds are deposited, this Agreement or any other agreement, or to appear in, prosecute or defend any such legal action or proceeding.

The Escrow Agent may consult legal counsel in the event of any dispute or question as to the construction of any provisions hereof or its duties hereunder, and it shall incur no liability in acting in accordance with the opinion or instructions of such counsel.

The Escrow Agent shall not be responsible, may conclusively rely upon and shall be protected, indemnified and held harmless by Seller and Purchaser, acting jointly and severally, for the sufficiency or accuracy of the form of, or the execution, validity, value or genuineness of any document or property received, held or delivered by it hereunder, or of the signature or endorsement thereon, or for any description therein; nor shall the Escrow Agent be responsible or liable in any respect on account of the identity, authority or rights of the persons executing or delivering or purporting to execute or deliver any document, property or this Agreement.

In the event that the Escrow Agent shall become involved in any arbitration or litigation relating to the Escrowed Funds, the Escrow Agent is authorized to comply with any final decision reached through such arbitration or litigation.

Seller and Purchaser, jointly and severally, hereby agree to indemnify the Escrow Agent and each director, officer, and, agent and of the Escrow Agent for, and to hold it harmless against any loss, liability or expense incurred in connection herewith up to the amount of the Escrowed Funds without gross negligence or willful misconduct on the part of the Escrow Agent, including without limitation legal or other fees arising out of or in connection with its entering into this Agreement and carrying out its duties hereunder, including without limitation the reasonable costs and expenses of defending itself against any Claim of liability in the premises or any action for interpleader. The Escrow Agent shall be under no obligation to institute or defend any action, suit, or legal proceeding in connection herewith, unless first indemnified and held harmless to its satisfaction in accordance with the foregoing, except that the Escrow Agent shall not be indemnified against any loss, liability or expense arising out of its own gross negligence or willful misconduct as finally determined by a court of competent jurisdiction, subject to no further appeal. Such indemnity shall survive the termination or discharge of this Agreement or resignation of the Escrow Agent.

7. The Escrow Agent's Fee. Escrow Agent shall be entitled to fees and expenses for its regular services as Escrow Agent as set forth in Exhibit A. Additionally, Escrow Agent is entitled to fees for extraordinary services and reimbursement of any out of pocket and extraordinary costs and expenses, including, but not limited to, reasonable attorneys' fees. Escrow Agent shall have a first lien upon all Escrowed Funds for the purposes of paying its fees and expenses. All of the Escrow Agent's compensation, reasonable costs and expenses shall be paid by Seller. Any fees and expenses shall be payable from and may be deducted by Escrow Agent from interest and/or principal of any monies held in Escrowed Funds by Escrow Agent.

8. Security Interests. No party to this Escrow Agreement shall grant a security interest in any monies or other property deposited with the Escrow Agent under this Escrow Agreement, or

otherwise create a lien, encumbrance or other Claim against such monies or borrow against the same.

9. Dispute. In the event of any disagreement between the undersigned or the person or persons named in the instructions contained in this Agreement, or any other person, resulting in adverse Claims and demands being made in connection with or for any papers, money or property involved herein, or affected hereby, the Escrow Agent shall be entitled to refuse to comply with any demand or Claim, as long as such disagreement shall continue, and in so refusing to make any delivery or other disposition of any money, papers or property involved or affected hereby, the Escrow Agent shall not be or become liable to the undersigned or to any person named in such instructions for its refusal to comply with such conflicting or adverse demands, and the Escrow Agent shall be entitled to refuse and refrain to act until: (a) The rights of the adverse claimants shall have been adjudicated in a Court assuming and having jurisdiction of the parties and money, papers and property involved herein or affected hereby, or (b) All differences shall have been adjusted by agreement and the Escrow Agent shall have been notified thereof in writing, signed by all the interested parties.

10. Resignation of Escrow Agent. Escrow Agent may resign or be removed, at any time, for any reason, by written notice of its resignation or removal to the proper parties at their respective addresses as set forth herein, at least 30 days before the date specified for such resignation or removal to take effect; upon the effective date of such resignation or removal:

(a) All cash and other payments and all other property then held by the Escrow Agent hereunder shall be delivered by it to such successor Escrow Agent as may be designated in writing by the Seller and the Purchaser, whereupon the Escrow Agent's obligations hereunder shall cease and terminate;

(b) If no such successor Escrow Agent has been designated by such date, all obligations of the Escrow Agent hereunder shall, nevertheless, cease and terminate, and the Escrow Agent's sole responsibility thereafter shall be to keep all property then held by it and to deliver the same to a person designated in writing by the Seller and the Purchaser or in accordance with the directions of a final order or judgment of a court of competent jurisdiction.

(c) Further, if no such successor Escrow Agent has been designated by such date, the resigning or removed Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor agent. In such instance, the resigning or removed Escrow Agent may pay into court all monies and property deposited with Escrow Agent under this Agreement.

11. Notices. All notices, demands and requests required or permitted to be given under the provisions hereof must be in writing and shall be deemed to have been sufficiently given, upon receipt, if (i) personally delivered, (ii) sent by telecopy or electronic mail and confirmed by phone or (iii) mailed by registered or certified mail, with return receipt requested, delivered as follows:

(1) If to Seller: John Falldine, Executive Director
Edgemere

8523 Thackery Street
Dallas, Texas 75225
John.Falldine@lifespacecommunities.com

with a copy to:

Jeremy Johnson & Trinitee Green
POL SINELLI PC
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
jeremy.johnson@polsinelli.com
tggreen@polsinelli.com

(2) If to Purchaser: [•]

with a copy to: [•]

(3) If to Escrow Agent: Irina Palchuk, Senior Vice President
UMB Bank, N.A.
100 William Street, Suite 1850
New York, NY 10038
Irina.Palchuk@umb.com

with a copy to:

Daniel S. Bleck
Eric Blythe
Kaitlin R. Walsh
Mintz, Levin, Cohn, Ferris, Glovsky
and Popeo, PC
One Financial Center
Boston, Massachusetts 02111
dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

12. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Missouri without regard to the principles of conflicts of law.

13. Binding Effect; Benefit. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties hereto.

14. Modification. This Agreement may be amended, modified or terminated at any time by a writing executed by Seller, Purchaser, and the Escrow Agent; provided the party making such assignment provides written notice to the other parties hereto.

15. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any Claim, action or suit in the appropriate court of law. The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means.

16. Headings. The section headings contained in this Agreement are inserted for convenience only, and shall not affect in any way, the meaning or interpretation of this Agreement.

17. Severability. This Agreement constitutes the entire agreement among the parties and supersedes all prior and contemporaneous agreements and undertakings of the parties in connection herewith. No failure or delay of the Escrow Agent in exercising any right, power or remedy may be, or may be deemed to be, a waiver thereof; nor may any single or partial exercise of any right, power or remedy preclude any other or further exercise of any right, power or remedy. In the event that any one or more of the provisions contained in this Agreement, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement.

18. Earnings Allocation; Tax Matters; Regulatory Compliance. The parties hereto agree that, for tax reporting purposes, all interest or other income, if any, attributable to the Escrowed Funds or any other amount held in escrow by the Escrow Agent pursuant to this Agreement shall be allocable pursuant to the terms of the Asset Purchase Agreement and reported by Escrow Agent to the Internal Revenue Service "IRS" or any other taxing authority, on IRS Form 1099 or 1042S (or other appropriate form). The Seller agrees to provide the Escrow Agent completed Forms W-9 (or Forms W-8, in the case of non-U.S. persons) and other forms and documents that the Escrow Agent may reasonably request (collectively, "Tax Reporting Documentation") at the time of execution of this Agreement. Additionally, the parties hereto agree that they will provide any information reasonably requested by the Escrow Agent to comply with the USA Patriot Act of 2001, as amended from time to time, and the Bank Secrecy Act of 1970, as amended from time to time (together the "Acts"), which information will be used to verify the identities of the parties to ensure compliance with the terms of such Acts. The parties hereto understand that if such Tax Reporting Documentation is not so certified to the Escrow Agent, the Escrow Agent may be required by the Internal Revenue Code, as it may be amended from time to time, to withhold a portion of any interest or other income earned on the investment of monies or other property held by the Escrow Agent pursuant to this Escrow Agreement.

[SIGNATURE PAGES FOLLOW]

SELLER:

Northwest Senior Housing Corporation,
a Texas not-for-profit corporation

By: _____
Name:
Title:

PURCHASER:

[•]

By: _____
Name:
Title:

ESCROW AGENT:

UMB BANK, N.A., solely as Escrow Agent

By: _____
Name: Irina Palchuk
Title: Senior Vice President

EXHIBIT A

ESCROW FEES AND EXPENSES

Acceptance Fee

Review escrow agreement and establish account \$1,250.00

Annual Fee (per year or part thereof)

Maintain account \$1,250.00

Fees specified are for the regular, routine services contemplated by the Escrow Agreement, and any additional or extraordinary services, including, but not limited to disbursements involving a dispute or arbitration, or administration while a dispute, controversy or adverse Claim is in existence, will be charged based upon time required at the then standard hourly rate. In addition to the specified fees, all expenses related to the administration of the Escrow Agreement (other than normal overhead expenses of the regular staff) such as, but not limited to, travel, postage, shipping, courier, telephone, facsimile, supplies, legal fees, accounting fees, etc., will be reimbursable. Acceptance and first year annual fees will be payable at the initiation of the escrow and annual fees will be payable in advance thereafter. Other fees and expenses will be billed as incurred.

Exhibit 2

Stalking Horse APA

ASSET PURCHASE AGREEMENT

DATED AS OF DECEMBER 16, 2022

BY AND BETWEEN

**NORTHWEST SENIOR HOUSING CORPORATION,
A TEXAS NOT-FOR-PROFIT CORPORATION, as Seller**

AND

BAY 9 HOLDINGS LLC or its designee, as Purchaser

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the “**Agreement**”) is made and entered into as of December 16, 2022 (the “**Execution Date**”), by and between Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“**Seller**” or the “**Debtor**”), and Bay 9 Holdings LLC, a Delaware limited liability company, or its designee (“**Purchaser**”). The Seller and the Purchaser are sometimes individually referred to as a “**Party**” and collectively as the “**Parties**.”

RECITALS

WHEREAS, Seller has filed a voluntary petition for relief under the Bankruptcy Code as Case Number 22-30659 (the “**Chapter 11 Case**”) with the United States Bankruptcy Court for the Northern District of Texas (the “**Bankruptcy Court**”);

WHEREAS, Seller is a not-for-profit corporation that owns and operates a best-in-class continuing care retirement community (the “**Edgemere Community**”) on land owned by Intercity Investments Properties, Inc. (the “**Landlord**”) located at 8523 Thackery St, Dallas, Texas 75225 and leased to Seller pursuant to that certain Ground Lease dated November 5, 1999 (the “**Ground Lease**”). The Edgemere Community offers residents a continuum of care in a campus-style setting, providing living accommodations and related health care and support services to persons aged 62 or older.

WHEREAS, UMB Bank, N.A., in its capacity as successor Bond Trustee under the 2015 Bond Indenture and the 2017 Bond Indenture, and successor Master Trustee under the Original Master Indenture (the “**Trustee**”) and in its capacity as DIP Lender (as defined below) (the Trustee and DIP Lender collectively with the Debtors, the “**Plan Sponsors**”), have filed a Plan of Reorganization under Chapter 11 of the Bankruptcy Code (including all related supplements and documents, the “**Plan**”) that contemplates the sale of the Edgemere Community and related assets to Purchaser, or another purchaser that submits a higher and better offer for the assets in accordance with the Sale Transaction Procedures (as defined below);

WHEREAS, Purchaser desires to acquire the Edgemere Community, including Edgemere’s leasehold interest in the Premises (as defined below) created by the Ground Lease, and the assets owned by Seller and used or useful to Seller’s operation of the Edgemere Community (the “**Business**”, and, together with Seller’s interests in the Ground Lease, the “**Assets**”) on the terms and conditions contained in this Agreement, subject to higher and better bids, as well as confirmation of the Plan;

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1

DEFINITIONS

1.1 Defined Terms. As used herein, the following terms have the meanings set forth below:

“**2015 Bond Indenture**” means that certain Indenture of Trust, dated May 1, 2015, by and between the Issuer and the Bank of New York Mellon Trust Company, National Association, as initial bond trustee, pursuant to which the Series 2015 Bonds were issued.

“**2017 Bond Indenture**” means that certain Indenture of Trust, dated March 1, 2017, between the Issuer and Bank of New York Mellon Trust Company, National Association, as initial bond trustee, pursuant to which the Series 2017 Bonds were issued.

“**Accounts Receivable**” means all accounts, accounts receivable, contractual rights to payment, notes, notes receivable, negotiable instruments, chattel paper, and vendor and supplier rebates of Seller in connection with, or relating to, the Business other than intercompany obligations by and among Seller, Lifespace and any Affiliates thereof.

“**Accrued PTO**” means accrued but unused paid time off (including any sick time) for each employee as of the Closing Date.

“**Action**” means any action, Claim, proceeding, litigation, arbitration, mediation, suit, investigation or regulatory inquiry (whether civil, criminal, administrative or judicial), or any appeal therefrom or any material demand letter threatening the initiation of any of the foregoing, including, but not limited to, the Landlord Litigation and any all causes of action arising from Chapter 5 of the Bankruptcy Code.

“**Affiliate**” shall mean, as to the entity in question, any person or entity that directly or indirectly controls, is controlled by or is under common control with, the entity in question and the term “**control**” means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity whether through ownership of voting securities, by contract or otherwise. “**Agreement**” has the meaning set forth in the recitals.

“**Alternative Transaction**” has the meaning set forth in Section 7.1(f).

“**Approvals**” means all consents and approvals from any Governmental Authority, including without limitation any Governmental Authority with regulatory oversight of healthcare organizations, which are necessary for the transfer of the Purchased Assets or the operation of the Business.

“**Assets**” has the meaning set forth in the recitals.

“**Assumed Contracts**” means all of the rights and interests of Seller in and to the executory contracts and unexpired leases that Purchaser designates for assumption and assignment, as listed on Schedule 5.5(b) (as may be supplemented or modified prior to Closing), but explicitly excluding all of the Residency Agreements and the Residency Escrow Agreement.

“**Assumed Liabilities**” has the meaning set forth in Section 2.3.

“**Assignment and Assumption Agreement**” has the meaning set forth in Section 2.8(a)(ii) and substantially in the form set forth in **Exhibit B** hereto.

“**Bankruptcy Code**” means Title 11 of the United States Code entitled “Bankruptcy”, as now in effect.

“**Bankruptcy Court**” has the meaning set forth in the recitals.

“**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure as now in effect.

“**Bidding Procedures Motion**” means that certain motion filed by the Trustee and DIP Lender on November 2, 2022 seeking Bankruptcy Court approval of the bidding procedures attached thereto and this Agreement, and granting related relief.

“**Bidding Procedures Order**” means that certain order of the Bankruptcy Court dated [•], 2022 granting the relief sought in the Bidding Procedures Motion.

“**Bills of Sale**” has the meaning set forth in Section 2.8(a)(i) and substantially in the form set forth in **Exhibit A** hereto.

“**Bond Trustee**” means UMB Bank, N.A., in its capacity as successor Bond Trustee under (i) that certain Indenture of Trust, dated as of May 1, 2015 and (ii) that certain Indenture of Trust, dated March 1, 2017, each issued by the Tarrant County Cultural Education Facilities Finance Corporation for the benefit of the Seller.

“**Books and Records**” means the books and records of Seller relating to the Purchased Assets, to the greatest extent assignable; provided, however, that “Books and Records” shall not include the originals of Seller’s minute books, stock books and Tax returns.

“**Break-Up Fee**” has the meaning set forth in Section 7.1(i).

“**Business**” has the meaning set forth in the recitals.

“**Business Day**” means any day other than any Saturday, Sunday or legal holiday in Dallas, Texas.

“**Chapter 11 Case**” has the meaning set forth in the recitals.

“**Claim**” has the meaning set forth in section 101(5) of the Bankruptcy Code.

“**Closing**” has the meaning set forth in Section 2.7.

“**Closing Date**” has the meaning set forth in Section 2.7.

“**Closing Escrow**” has the meaning set forth in Section 2.5(h).

“**Closing Escrow Agent**” has the meaning set forth in Section 2.5(h).

“**Closing Escrow Amount**” has the meaning set forth in Section 2.5(h).

“**Closing Escrow Objection**” has the meaning set forth in Section 2.5(h).

“**Closing Escrow Release Date**” has the meaning set forth in Section 2.5(h).

“**Closing Escrow Release Notice**” has the meaning set forth in Section 2.5(h).

“**Closing Statement**” has the meaning set forth in Section 2.8.

“**Confirmation Order**” means the order of the Bankruptcy Court in form and substance acceptable to the Plan Sponsors and Purchaser, confirming the Plan and approving the Sale pursuant to section 1129 of the Bankruptcy Code.

“**Contract Party**” has the meaning set forth in Section 5.5.

“**Cure Amounts**” means the amount necessary pursuant to 11 U.S.C. § 365 to cure defaults under Assumed Contracts.

“**Debtor**” has the meaning set forth in the recitals.

“**Deposit**” has the meaning set forth in Section 2.5(b) and shall include any interest earned thereon.

“**DIP Credit Agreement**” means that certain Priming Superpriority Debtor-in-Possession Credit Agreement between the Debtors and the DIP Lender as approved by the Bankruptcy Court.

“**DIP Lender**” means UMB Bank, N.A., in its capacity as lender under the DIP Credit Agreement.

“**Edgemere Community**” has the meaning set forth in the recitals.

“**Effective Time**” has the meaning set forth in Section 2.7.

“**Encumbrance**” means any charge, Claim, community property interest, pledge, condition, equitable interest, lien (statutory or other), option, security interest, mortgage, easement, encroachment, right of way, right of first refusal, or restriction of any kind, including any restriction on use, transfer, receipt of income or exercise of any other attribute of ownership.

“**Equipment**” means the furniture, tangible property and equipment owned by Seller and used or useful to the Business, including the property identified on Schedule 1(w).

“**Escrow Agent**” means UMB Bank, N.A.

“**Escrow Deposit Agreement**” means that certain agreement between Purchaser, Seller and Escrow Agent substantially in the form set forth in **Exhibit G** hereto.

“**Excluded Assets**” has the meaning set forth in Section 2.2.

“**Excluded Contracts**” has the meaning set forth in Section 5.5(b).

“**Execution Date**” has the meaning set forth in the recitals.

“**Existing Improvements**” shall have the meaning set forth in the Ground Lease.

“**Expense Reimbursement**” has the meaning set forth in Section 7.1(f).

“**Final Order**” means an order or judgment of the Bankruptcy Court entered by the Clerk of the Bankruptcy Court on the docket in the Chapter 11 Case that has not been reversed, vacated, or stayed and as to which (i) the time to appeal, petition for certiorari, or move for a new trial, reargument, or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for a new trial, reargument, or rehearing shall then be pending and stayed, or (ii) if an appeal, writ of certiorari, new trial, reargument, or rehearing thereof has been sought and a stay of the order or judgment has been granted, such order or judgment of the Bankruptcy Court shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, reargument, or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, to petition for certiorari, or to move for a new trial, reargument, or rehearing shall have expired; provided, however, that the possibility that a motion under Rules 59 or 60 of the Federal Rules of Civil Procedure, or Bankruptcy Rules 9023 or 9024, may be filed relating to such order shall not cause such order to not be a Final Order.

“**Governmental Authority**” means the Bankruptcy Court, any tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States, any foreign country or any domestic or foreign state, county, city or other political subdivision.

“**Ground Lease**” has the meaning set forth in the recitals.

“**Ground Lease Assignment and Assumption Agreement**” has the meaning set forth in Section 2.8(a)(iii) and substantially in the form set forth in **Exhibit C** hereto.

“**Intangible Personal Property**” means all intangible property rights related to the Businesses or the Premises, including any warranties and guaranties, zoning approvals, building permits, and similar items used or useful to the Business.

“**Intellectual Property**” means all intellectual property and industrial property rights and assets, and any other similar or equivalent type of proprietary right or intellectual property right anywhere in the world, and all rights to sue, obtain damages or other remedies, including for infringement or misappropriation from and after the Closing Date, and other administrative rights arising from or relating to any of the foregoing, and any interests and protections that are associated with, similar to, or required for the exercise of, any of the foregoing, however arising, pursuant to the Laws of any jurisdiction throughout the world, whether registered or unregistered, including any and all: (a) trademarks, service marks, trade names, brand names, fictitious names, logos, trade dress, design rights and other similar designations of source, sponsorship, association or origin, together with the goodwill connected with the use of and symbolized by, and all registrations, applications and renewals for, any of the foregoing; (b) internet domain names, whether or not trademarks, registered in any top-level domain by any

authorized private registrar or governmental authority, web addresses, web pages, websites and related content, accounts with Twitter, Facebook and other social media companies and the content found thereon and related thereto, and URLs; (c) works of authorship, expressions, designs and design registrations, whether or not copyrightable, including copyrights, author, performer, moral and neighboring rights, and all registrations, applications for registration and renewals of such copyrights; (d) inventions, discoveries, trade secrets, business and technical information and know-how, databases, data collections and other confidential and proprietary information and all rights therein; (e) patents (including all reissues, divisional, provisionals, continuations and continuations-in-part, re-examinations, renewals, substitutions and extensions thereof), patent applications, and other patent rights and any other governmental-authority-issued indicia of invention ownership (including inventor's certificates, petty patents and patent utility models); (f) software and firmware, including data files, source code, object code, application programming interfaces, architecture, files, records, schematics, computerized databases and other related specifications and documentation; (g) semiconductor chips and mask works; (h) royalties, fees, income, payments and other proceeds now or hereafter due or payable with respect to any and all of the foregoing; and (i) all rights to any Actions of any nature available to or being pursued by Seller to the extent related to the foregoing, whether accruing before, on, or after the Execution Date, including all rights to and Claims for damages, restitution and injunctive relief for infringement, dilution, misappropriation, violation, misuse, breach or default, with the right but no obligation to sue for such legal and equitable relief, and to collect, or otherwise recover, any such damages; provided however, that notwithstanding anything else herein, all of the foregoing in this paragraph are limited to assets and rights specific to the Edgemere Community, and not to Lifespace or any of its other Affiliates (excluding Seller).

"Intellectual Property Assets" means all Intellectual Property that is owned or licensed by Seller, to the greatest extent assignable, and used or useful to the Business. Intellectual Property Assets shall exclude computer software used by Seller in operation of the Assets which Seller has no right to sell, including computer software which can be purchased through retail outlets, and Matrix software used by Seller for minimum data set tabulation.

"Intellectual Property Assignment and Assumption Agreement" has the meaning set forth in Section 2.8(a)(iv) and substantially in the form set forth in **Exhibit D** hereto.

"Intellectual Property Registrations" means all Intellectual Property Assets that are subject to any issuance, registration, application, or other filing by, to or with any governmental authority or authorized private registrar in any jurisdiction, including registered trademarks, domain names and copyrights, issued and reissued patents and pending applications for any of the foregoing.

"Inventory" means all Seller's inventory used or useful to the Business.

"Issuer" means Tarrant County Cultural Education Facilities Finance Corporation.

"IT Assets" means IT Inventories, technical documentation, software contracts and computer equipment, in each case related to the Business.

“**IT Inventories**” means (i) computer software code (in all media) and materials, including all software programs; (ii) computer software documentation, including user materials; and (iii) all other unused or reusable materials, stores, and supplies related to computer software, in each case to the extent used in, relating to, or arising out of the Business.

“**Land**” shall have the meaning set forth in the Ground Lease.

“**Landlord**” has the meaning set forth in the recitals.

“**Landlord Litigation**” means that certain adversary proceeding commenced in the Bankruptcy Court on April 14, 2022 (Adv. No. 22-03040-mvl) and captioned *Northwest Senior Housing Corporation v. Intercity Investment Properties, Inc., et al.*, and without limitation, the non-disclosure agreement related thereto.

“**Liabilities**” means liabilities, obligations, or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute, or contingent, accrued or unaccrued, matured or unmatured or otherwise.

“**Lien**” shall have the meaning set forth in section 101(37) of the Bankruptcy Code, including any security interest, pledge, mortgage, lien, charge, adverse claim of ownership or use, restriction on transfer (such as a right of first refusal or other similar right), defect of title, encroachments, or other encumbrance of any kind or character.

“**Lifespace**” shall mean Lifespace Communities, Inc.

“**MAC**” shall mean either (i) if there has been a reduction of seventeen and a half percent (17.5%) or more, for any reason, when comparing the occupancy for independent living, memory care, and assisted living Residents, collectively, in the Edgemere Community during the month in which the Execution Date occurs to the monthly occupancy for such Residents over any one month period from the Execution Date to the Closing Date or (ii) the loss, revocation, or termination of any Permits necessary or material to operate the Business in the manner operated on the Execution Date, or the cessation of any material part of the Business.

“**Medicare**” means Title XVIII of the Social Security Act.

“**Modified Residency Agreement**” has the meaning set forth in Section 5.5(d).

“**Necessary Consent**” has the meaning set forth in Section 5.5(c).

“**Option Deposits**” means all funds of Residents or prospective Residents paid into the Residency Escrow Agreement.

“**Original Master Indenture**” means that certain Amended and Restated Master Trust Indenture, Deed of Trust and Security Agreement, dated November 15, 1999 and effective as of April 1, 2006, by and between the Obligated Group and JP Morgan Chase Bank, National Association, as initial master trustee and UMB Bank, N.A., as successor Master Trustee, as supplemented by that certain Supplemental Indenture Number 6, dated March 1, 2017, which shall be further amended on and after the Effective Date.

“**Outside Closing Date**” has the meaning set forth in Section 2.7.

“**Permits**” means to the greatest extent transferrable, all licenses, permits (including occupancy permits), certificates, registrations, approvals, franchises, consents and other authorizations of Seller obtained from or filed with a Governmental Authority and used or useful to the Business, including Seller’s Medicare provider agreements.

“**Permitted Liens**” means (i) statutory Liens for Taxes, assessments or other governmental charges not yet due and payable, (ii) workers’, repairers’, landlords’ and similar Liens which arose or were incurred in the ordinary course of business and which secure obligations which are not yet due and payable and which do not exceed \$10,000 in the aggregate, (iii) Liens which are expressly assumed or consented to by Purchaser herein (including, without limitation, liens included in the Assumed Liabilities), (iv) Liens which are created by Purchaser, (v) easements, restrictions, covenants, and all other matters of record and legal highways with respect to the Premises, and (vi) matters which would be shown on an accurate survey of the Premises.

“**Person**” means any natural person, corporation, limited liability company, general partnership, limited partnership, sole proprietorship, trust, union, association, Governmental Authority or other business organization.

“**Plan**” has the meaning set forth in the recitals.

“**Plan Sponsors**” has the meaning set forth in the recitals.

“**Premises**” has the meaning set forth in the Ground Lease, consisting of, without limitation, approximately 16.2 acres of land located in Dallas, Texas.

“**Proration Time**” means 12:01 a.m. local time on the Closing Date.

“**Purchase Price**” has the meaning set forth in Section 2.5(a).

“**Purchased Assets**” has the meaning set forth in Section 2.1.

“**Purchaser**” has the meaning set forth in the recitals.

“**Purchaser Closing Certificate**” has the meaning set forth in Section 6.3(e) and substantially in the form set forth in **Exhibit F** hereto.

“**Rejected Contracts**” has the meaning set forth in Section 5.5(b).

“**Related Agreements**” means the Bill of Sale, the Assignment Assumption Agreement, Ground Lease Assumption Agreement, the Intellectual Property Assignment and Assumption Agreement, and other agreements, documents, and instruments related to the transactions contemplated herein.

“**Residency Agreements**” means those certain agreements entered into by and between any Resident and the Seller, including all independent living residency agreements, assisted living residency agreements, life care agreements, skilled nursing residency agreements,

memory care agreements, and any additional documents related thereto, including any amendments, supplements, or addendums.

“**Residency Escrow Agreement**” means that certain Escrow Agreement dated as of September 27, 2021, by and among Edgemere, the Trustee, and Regions Bank as escrow agent.

“**Resident**” means a present or former occupant of the Edgemere Community who is a party to a Residency Agreement.

“**Sale**” shall have the meaning ascribed to it in the Sale Transaction Procedures.

“**Sale Transaction Procedures**” shall mean the procedures, in form and substance acceptable to Purchaser, and set forth in those certain bidding procedures as filed and served pursuant to the Bidding Procedures Order, which set forth the procedures in connection with the sale of substantially all of the Seller’s assets pursuant to Sections 105(a), 363, 363, 365, 1123, 1125(a)(5)(D) and 1129 of the Bankruptcy Code.

“**Seller**” has the meaning set forth in the recitals.

“**Seller Closing Certificate**” has the meaning set forth in Section 6.2(e) and substantially in the form set forth in **Exhibit E** hereto.

“**Tangible Personal Property**” means all tangible personal property owned by Seller and used or useful to the Business.

“**Taxes**” means any and all taxes, fees, levies, duties, tariffs, import charges and other charges imposed by any taxing authority, together with any related interest, penalties or other additions thereto, or additional amounts imposed by any taxing authority, and without limiting the generality of the foregoing, shall include net income alternative or add-on minimum tax, gross income, gross receipts, sales, use, ad valorem, value added, franchise, profits, license, transfer, recording, escheat, withholding, payroll, employment, excise, severance, stamp, occupation, premium, property, windfall profit, environmental, custom, duty, or other tax, governmental fee or other like assessment or charge of any kind whatsoever.

“**Threshold**” has the meaning set forth in Section 2.10.

“**Transferred Employee**” shall have the meaning set forth in Section 5.4(b).

ARTICLE 2

PURCHASE AND SALE OF ASSETS

2.1 Sale of Assets to Purchaser. Upon the terms and subject to the conditions contained in this Agreement, at the Closing, the Seller shall sell, assign, transfer, deliver and convey to Purchaser, and Purchaser shall purchase, acquire and accept from Seller pursuant to Sections 363, 365, 1123, 1125(a)(5)(D) and 1129 of the Bankruptcy Code, all of Seller’s right, title and interest in and to all assets, properties, rights, titles and interests of every kind and nature of Seller whether

real, personal or mixed, tangible or intangible (including goodwill), wherever located and whether now existing or hereafter acquired, which relate to, or are used or useful to the Business other than Excluded Assets, free and clear of all Encumbrances and Liens, except Permitted Liens, including, without limitation (collectively, the “**Purchased Assets**”):

- (a) the Ground Lease;
- (b) all of Seller’s interest in the Land and Existing Improvements pursuant to the Ground Lease;
- (c) the Accounts Receivable;
- (d) the Books and Records;
- (e) the Equipment;
- (f) the Inventory;
- (g) to the greatest extent transferable under applicable law, the Permits, including Seller’s Medicare provider agreement;
- (h) the Intellectual Property Assets, if not owned, to the extent assignable;
- (i) the Tangible Personal Property, if not owned, to the extent assignable;
- (j) the Intangible Personal Property, if not owned, to the extent assignable;
- (k) the IT Assets, if not owned, to the extent assignable;
- (l) all prepaid expenses, credits, advance payments, warranties, security deposits, refunds, rights of set-off, rights of recoupment, deposits, charges, sums, and fees pertaining only to the Purchased Assets and not Excluded Assets;
- (m) Seller’s attorney-client and work-product privileges which pertain only to the Accounts Receivable, the Intellectual Property Assets, the IT Assets or the Assumed Liabilities and not Excluded Assets, and subject in all respects to Section 5.1(c); and
- (n) the Assumed Contracts.

2.2 Excluded Assets. Notwithstanding Section 2.1, the Parties acknowledge that Seller shall not sell, assign, transfer or convey to Purchaser, and Purchaser shall not purchase, acquire or accept from Seller, the assets consisting of the following (all such assets, the “**Excluded Assets**”):

- (a) the Purchase Price and all rights under this Agreement and the Related Agreements;
- (b) all cash and cash equivalents;

(c) the Excluded Contracts (including the Residency Agreements and the Residency Escrow Agreement, which, for the avoidance of doubt, are Rejected Contracts), and all escrowed Option Deposits of Residents or future Residents (which funds will be returned pursuant to the rights of such Residents and prospective Residents);

(d) all set-off rights to Claims filed or asserted in the Chapter 11 Case (except to the extent arising in connection with (i) an Assumed Contract which is subject to cure, (ii) Assumed Liabilities, or (iii) Accounts Receivable);

(e) all Actions;

(f) all intercompany-related obligations between and among Lifespace, the Seller and their respective Affiliates;

(g) hold-backs and escrows for any prorations or Taxes (except real estate Taxes for tax year 2023 relating to the Premises and paid by Seller prior to the Closing) being paid by Seller in connection with the Closing or afterward, if applicable;

(h) all insurance policies of Seller, any prepaid insurance premiums and any rights or Claims or proceeds arising from such policies;

(i) all Tax refunds and rebates which are related to Seller's operation of the Business prior to the Closing;

(j) all (i) corporate seals, corporate organizational records, minute books, charter documents, record books, and stock transfer books pertaining to Seller, (ii) original Tax, accounting and financial records which pertain exclusively to the Excluded Assets, and (iii) such other files, books and records which pertain exclusively to the Excluded Assets or to the formation, existence or capitalization of Seller or of any other Person;

(k) all Inventory and Assets disposed of or exhausted prior to Closing in the ordinary course of business;

(l) any records which Seller is legally required to retain in its possession and any records related to Excluded Assets or Excluded Liabilities (as hereinafter defined);

(m) all equipment and tangible or intangible property located at the Premises but not owned by Seller, in each case, to the extent not a Purchased Asset, and all other assets, properties and rights not related to or used in the Business;

(n) personnel records for Employees who are not Transferred Employees and, to the extent the transfer of such records (whether directly or by means of the sale of the Purchased Assets) to Purchaser or its Affiliates is prohibited by applicable Law, for Transferred Employees;

(o) all board designated, self-insurance trusts, workers compensation trusts, working capital trust assets, and assets and investments restricted as to use), donor restricted assets, beneficial interests in charitable trusts and accrued earnings on all of the foregoing;

(p) Employee Retention Tax Credit on qualified wages for the period from March 27, 2020 to December 31, 2021 provided by the Coronavirus Aid, Relief, and Economic Security Act (CARES ACT), the Consolidated Appropriations Act, 2021 (CAA), and the American Rescue Plan Act (ARPA);

(q) any reserve or bond funds in possession of the Trustee, including, without limitation, any restricted and trustee-held or other escrowed funds (such as the debt service reserves, operating reserves and rent reserves);

(r) any professional retainers or amounts held for the benefit of Seller's professionals;

(s) Seller's attorney-client and work-product privileges, subject only to the specific exception in Section 2.1(m);

(t) any and all Claims or rights being released or exculpated under Section 8 of the Plan (and for the avoidance of doubt, for purposes of this Agreement, all releases or exculpations under Section 8 of the Plan will be deemed to and will take effect 0:10 seconds prior to the Effective Time of this Agreement; and

(u) any Intellectual Property Assets or IT Assets owned by or leased to Lifespace or its other Affiliates, as opposed to Seller.

2.3 Assumed Liabilities. Upon the terms and subject to the conditions contained in this Agreement, at the Closing, Purchaser shall assume or otherwise be responsible for, which amounts shall be in addition to the Purchase Price, for (collectively, the "**Assumed Liabilities**"):

(a) all liabilities and obligations under the Purchased Assets accruing or arising on or after the Effective Time (except real estate Taxes for tax year 2023 relating to the Premises and paid by Seller prior to the Closing) and all Cure Amounts associated with the Assumed Contracts (other than the Ground Lease for which the Cure Amounts, if any, shall be paid by Seller at Closing);

(b) all liabilities and obligations arising under or related to the Assumed Contracts, from and after Closing; and

(c) all liabilities required to be paid by Purchaser pursuant to this Agreement (such as, without limitation, stamp and recording Tax, solely to the extent not exempt under 11 U.S.C. § 1146).

2.4 Excluded Liabilities. Except for the Assumed Liabilities, Purchaser shall not assume or be liable to pay, perform or discharge any liability, obligation, debt, Claim against or contract of the Seller or any of its Affiliates which, in any case, pertain to the ownership, operation or conduct of the Business or the ownership of the Purchased Assets prior to the Closing Date, at any time existing or asserted, whether or not accrued, fixed, contingent or otherwise, whether known or unknown, and whether or not recorded on the books and records of Seller or any of its Affiliates. Without limiting the generality of the foregoing, the Excluded Liabilities shall include, but not be limited to, the following:

(a) any liabilities with respect to the transactions contemplated hereunder arising under the federal Worker Adjustment and Retraining Notification Act and any similar foreign, state, or local plant closing or collective dismissal Laws (collectively, the “WARN Act”);

(b) any Liability for Taxes of Seller (or any member or Affiliate of Seller) or relating to the Business, the Purchased Assets, or the Assumed Liabilities for any accruing or arising prior to the Closing (except real estate Taxes for tax year 2023 relating to the Premises and paid by Seller prior to the Closing);

(c) any Liabilities relating to or arising out of the Excluded Assets, whether arising prior to, or from and after the Closing,

(d) any Liabilities related to or arising out of any Rejected Contracts, Accrued PTO, or any pension, deferred compensation or retirement plan, whether arising prior to, or from and after the Closing;

(e) any Liabilities in respect of any pending or threatened Action arising out of, relating to or otherwise in respect of the ownership or operation of the Business or the Purchased Assets to the extent such Action relates to such operation on or prior to the Effective Time; and

(f) any liabilities related to cost report settlements, fines, penalties, overpayments or recoupments.

2.5 Closing Proceedings.

(a) The Purchase Price under this Agreement is Forty Eight Million and Five Hundred Thousand Dollars (\$48,500,000.00) (“**Purchase Price**”), as adjusted in accordance with this Section 2.5.

(b) Within two (2) business days of entry of the Bidding Procedures Order by the Bankruptcy Court, Two Million and Four Hundred Thousand Dollars (\$2,425,000) (the “**Deposit**”) shall be paid to Escrow Agent, which will be held by Escrow Agent in accordance with the terms and conditions of this Agreement, the Escrow Deposit Agreement substantially in the form set forth in **Exhibit G** hereto, the Bidding Procedures Order and further orders of the Bankruptcy Court which have been reviewed and approved by the Purchaser. The Deposit will be credited against the Purchase Price at Closing, subject to Section 2.5(c), or, in the event an Alternative Transaction is consummated, returned to Purchaser in accordance with the terms of this Agreement.

(c) Notwithstanding anything to the contrary contained herein, if the Closing does not occur, the Deposit, including any interest earned thereon, shall be paid to the party entitled thereto pursuant to the terms of this Agreement.

(d) At the Closing, Purchaser shall assume the Assumed Liabilities (which shall be in addition to, and not a credit against, the Purchase Price), *provided, however*, with regard to Assumed Contracts other than the Ground Lease, the Purchaser shall pay to each Contract Party any Cure Amounts, in cash, by wire transfer of immediately available funds, necessary to assume and assign any Assumed Contract, at such time as may be designated by the Court in the

Confirmation Order; *provided, further, however*, the Seller shall pay any Cure Amounts due in connection with the Ground Lease to permit the assumption and assignment of the Ground Lease to Purchaser free and clear of any Encumbrances and Liens effective as of the Closing Date.

(e) At the Closing, Purchaser shall pay all escrow fees, recording costs or fees, transfer Taxes (if applicable), and conveyance fees (if applicable). The provisions of this Section 2.5(e) shall survive the Closing.

(f) At the Closing, payment of the Purchase Price, minus the Deposit (and any interest earned thereon) and plus or minus prorations or adjustments as set forth herein, shall be paid by the Purchaser by wire transfer to Escrow Agent.

(g) At the Closing, the Parties will execute and deliver the Related Agreements.

(h) At the Closing, \$1,500,000 of the Purchase Price (the “**Closing Escrow Amount**”) shall be deposited into an escrow account (the “**Closing Escrow**”) with an independent escrow agent acceptable to the Trustee and DIP Lender (the “**Closing Escrow Agent**”) upon terms and conditions consistent with this section. On or prior to the Closing Escrow Release Date (defined below), any portion of the Closing Escrow Amount shall only be released to Purchaser from the Closing Escrow upon fourteen (14) days’ notice by Purchaser to Closing Escrow Agent and the Trustee and DIP Lender for release of the amount (only up to the available Closing Escrow Amount) credited by Medicare/CMS payor pursuant to a notice of recoupment or setoff against the Purchaser’s post-Closing Medicare Accounts Receivable on account of pre-Closing Medicare/CMS payor overpayments on Seller’s Accounts Receivable (each, a “**Closing Escrow Release Notice**”). The Trustee and DIP Lender may assert any objection to a Closing Escrow Release Notice on or before seven (7) days from receipt of a Closing Escrow Release Notice (each, a “**Closing Escrow Objection**”). The Trustee and DIP Lender and Purchaser shall meet and confer in good faith to discuss the Closing Escrow Objection. To the extent the Trustee and DIP Lender fail to reach an agreement with Purchaser and continue(s) all or part of the Closing Escrow Objections, the Trustee and DIP Lender shall (a) provide instruction to the escrow agent to release any undisputed amounts from the Closing Escrow (up to the available Closing Escrow Amount), and (b) seek further order of the Bankruptcy Court to resolve the Closing Escrow Objection. Upon the later of (i) the one (1) year anniversary of the Closing Date, or (ii) resolution of any payment audit relating to Seller’s pre-Closing Medicare payments or Accounts Receivable that is pending at or initiated prior to the one (1) year anniversary of the Closing (the “**Closing Escrow Release Date**”), any remaining and undisputed Closing Escrow Amount shall be paid to Trustee and DIP Lender as proceeds from the Sale, with any disputed remaining amounts being disbursed upon final resolution of any then pending Closing Escrow Objections.

2.6 Prorations. The following items shall be prorated as of the Proration Time and paid or credited at Closing, as shall be set forth on the Closing Statement. In the event any amounts at Closing cannot be accurately determined, such amounts shall be estimated and adjusted as promptly as practicable thereafter but in no event later than sixty (60) days after the Closing Date. Seller shall be responsible for such items prior to the Proration Time and Purchaser shall be responsible for such items after the Proration Time.

(a) All state, county, city, school, ad valorem, and other local real and personal property taxes and assessments and business personal property taxes relating to or assessed against the Purchased Assets shall be prorated as of the Proration Time.

(b) To the extent all utilities and other periodic charges cannot be changed to Purchaser's designee's account by the Closing Date, the same shall be prorated as of the Proration Time.

(c) Seller shall credit to Purchaser at Closing a pro-rata portion of the payments received by Seller for residents and patients, as well as other services to be provided after the Proration Time. Seller shall be credited at Closing with all prepayments made by Seller for services relating to Purchased Assets to be provided after the Proration Time (except real estate Taxes for tax year 2023 relating to the Premises and paid by Seller prior to the Closing).

(d) Provider taxes, privilege taxes or so-called bed taxes or similar taxes or fees (howsoever designated) shall be prorated as of the Proration Time.

2.7 Time and Place of Closing. Subject to the terms of this Agreement, the closing of the transactions contemplated hereby (the "**Closing**") shall be held by electronic exchange of executed documents (or, if the parties elect to hold a physical Closing, at the offices of the Trustee and DIP Lender's legal counsel at Haynes and Boone, LLP, 2323 Victory Avenue, Suite 700, Dallas, Texas 75219), prior to the close of business on a date which is not later than ten (10) days after all of the conditions to Closing set forth in Article VI are either satisfied or waived (other than conditions which, by their nature, are to be satisfied on the Closing Date) (the "**Closing Date**"), but in no event later than sixty (60) days after the entry of the Confirmation Order so long as an operation transition agreement is in place that enables Purchaser to operate the Business in the manner Seller was operating the Business as of the Execution Date (the "**Outside Closing Date**") (unless otherwise mutually agreed by the Parties). The transactions contemplated hereby shall take place pursuant to, and in accordance with, the terms and conditions hereof. The Closing shall be effective as of 12:01 a.m. on the Closing Date or such other date and time as the parties may agree in writing (the "**Effective Time**").

2.8 Closing Deliverables.

(a) At the Closing, Seller shall deliver to Purchaser or its designees the following:

(i) bills of sale in the form of **Exhibit A** (the "**Bills of Sale**") duly executed by Seller, transferring the Existing Improvements, the Intellectual Property Assets, the Intangible Personal Property the Tangible Personal Property, and the IT Assets to Purchaser or its designees;

(ii) assignment and assumption agreements in the form of **Exhibit B** (the "**Assignment and Assumption Agreement**") duly executed by Seller, effecting the assignment to and assumption by Purchaser's designees of the Assumed Contracts (other than the Ground Lease);

(iii) assignment and assumption agreement in the form of **Exhibit C** (“**Ground Lease Assignment and Assumption Agreement**”) duly executed by Seller, effecting the assignment to and assumption by Purchaser’s designees of the Ground Lease;

(iv) assignment and assumption agreements in the form of **Exhibit D** (the “**Intellectual Property Assignment and Assumption Agreement**”) duly executed by Seller, effecting the assignment to and assumption by Purchaser’s designees of the Intellectual Property Assets;

(v) a closing certificate duly executed by Seller in the form of **Exhibit E** (the “**Seller Closing Certificate**”);

(vi) a closing statement setting forth all prorations and adjustments (the “**Closing Statement**”);

(vii) a certified copy of the Confirmation Order;

(viii) physical possession of the Purchased Assets, including, without limitation, all access codes and keys to the Edgemere Community and Premises and all other things reasonably necessary in order for Purchaser to commence Business;

(ix) upon approval of the Bankruptcy Court, evidence of assumption of the Ground Lease; and

(x) all other documents and instruments contemplated to be delivered by Seller pursuant to this Agreement.

(b) At the Closing, Purchaser and/or its designees shall deliver to Seller the following:

(i) the Assignment and Assumption Agreements duly executed by Purchaser or its designees;

(ii) a closing certificate duly executed by the Purchaser in the form of **Exhibit F** (the “**Purchaser Closing Certificate**”);

(iii) the Closing Statement duly executed by Purchaser; and

(iv) all other documents and instruments contemplated to be delivered by Purchaser pursuant to this Agreement.

(c) On the Closing Date, Purchaser shall cause the Escrow Agent to deliver the Deposit to Seller and shall transfer to Seller the balance of the Purchase Price, less the \$1,500,000 escrow as described in Section 2.5(h).

2.9 Purchase Price Allocation. Purchaser shall allocate the Purchase Price (together with Assumed Liabilities properly included, if any) among the Purchased Assets in a manner

consistent with the fair market values determined in good faith and on a reasonable basis by Purchaser prior to the Closing Date. Such allocation shall be consistent with Section 1060 of the Internal Revenue Code and the Treasury Regulations thereunder. Purchaser and Seller covenant and agree that all filings with Governmental Authorities regarding Taxes will be consistent with such allocation.

2.10 Casualty and Condemnation. If any material part of the Purchased Assets is condemned, damaged or destroyed (whether by fire, theft, or other casualty event) prior to the Closing, Seller shall immediately notify Purchaser of such condemnation, damage or destruction. In the event Seller's reasonable estimate of such damage or destruction is in excess of \$2,500,000.00 ("**Threshold**"), then Purchaser shall have the option to: (x) terminate this Agreement by written notice delivered to Seller within ten (10) days after Purchaser's receipt of notice of such damage or destruction, in which case the Deposit shall be returned to Purchaser and the Parties shall have no further obligations hereunder, or (y) proceed with the transaction contemplated in this Agreement without abatement of the Purchase Price, in which case (i) all insurance proceeds relating to such damage or casualty shall be deemed to have been absolutely and irrevocably assigned to and be payable directly to Purchaser from and after the Closing (and held by the Seller in trust for the Purchaser if received prior to the Closing), less any amounts reasonably expended by Seller with the written consent of the Purchaser prior to Closing, (ii) Purchaser shall have the right to conduct all settlement proceedings with respect to such insurance Claims, and (iii) Seller shall deliver to Purchaser through escrow an unconditional assignment of all such insurance proceeds. If prior to Closing a material portion, but not all of the Premises, is taken through any power of eminent domain, whether by condemnation or conveyance in lieu of condemnation, Seller shall promptly provide Purchaser written notice of such action and Purchaser shall have the option before the date of the Closing to terminate this Agreement by written notice to Seller delivered within ten (10) days after receipt of Seller's written notice to Purchaser, and Seller shall promptly return the Deposit to Purchaser in immediately available funds. In order to constitute a "material" portion of the Premises for purposes of this Section 2.10, there must be a decrease in the value of the Premises in excess of the Threshold. If this Agreement is not terminated, Seller shall not be obligated to repair any damage or destruction unless requires by law, regulation or Government Authority. Any documents provided pursuant to this Section shall be provided by the disclosing Party to counsel for the Bond Trustee within one (1) Business Day of such disclosure.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF SELLER

In order to induce Purchaser to enter into this Agreement, Seller makes the representations and warranties set forth below which are true, correct and complete on the date hereof and shall be true, correct and complete as of the Closing.

3.1 Organization and Qualification of Seller. Seller is a nonprofit corporation duly organized, validly existing and in good standing under the laws of the State of Texas and has full corporate power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on the Business as currently conducted.

3.2 Authority, Execution and Delivery. Subject to entry of the Confirmation Order and to the extent limited thereby, Necessary Consents, and the Approvals, Seller has full power, authority and capacity to execute and deliver this Agreement and the Related Agreements and to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby, and this Agreement has been duly and validly executed and delivered by Seller and constitutes, and upon the execution and delivery by the Seller of the Related Agreements, the Related Agreements shall constitute, legal, valid and binding obligations of Seller enforceable against Seller in accordance with their terms.

3.3 Broker. Except for the engagement of RBC Capital Markets, LLC, whose fee shall be paid from the proceeds of the sale at Closing, neither Seller nor any of its Affiliates has incurred any liability for any fee or commission to any broker, finder, investment banker or other intermediary in connection with the transactions contemplated by this Agreement that would result in any liability, fee, expense or obligation being imposed on Purchaser.

3.4 Title to Purchased Assets. Seller has good and valid title to all the Purchased Assets. As of the Closing Date, all such Purchased Assets are free and clear of Liens and Encumbrances except for the Permitted Liens.

3.5 Accuracy of Representations and Warranties. All representations and warranties of Seller contained in this Agreement are true and correct as of the Execution Date and shall be true and correct as of the Closing Date.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF PURCHASER

In order to induce Seller to enter into this Agreement, Purchaser makes the representations and warranties set forth below which are true, correct and complete on the date hereof and shall be true, correct and complete as of the Closing.

4.1 Organization. Purchaser has full power, authority and capacity to execute and deliver this Agreement and the Related Agreements and to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby.

4.2 Authority, Execution and Delivery. This Agreement has been duly and validly executed and delivered by Purchaser and constitutes and, upon the execution and delivery by Purchaser of the Related Agreements, the Related Agreements shall constitute, legal, valid and binding obligations of Purchaser enforceable against Purchaser in accordance with their terms.

4.3 Brokers. Neither Purchaser nor any of its Affiliates has incurred any liability for any fee or commission to any broker, finder, investment banker or other intermediary in connection with the transactions contemplated by this Agreement that would result in any liability, fee, expense or obligation being imposed on Seller.

4.4 Adequate Funds. As of the Execution Date, Purchaser has the ability to obtain funds in cash in amounts equal to the Purchase Price and other funds needed to consummate the transaction and will at the Closing have immediately available funds in cash, which are sufficient

to pay the Purchase Price and to pay any other amounts payable pursuant to this Agreement and to consummate the transaction contemplated herein.

4.5 Condition of Assets; Disclaimers. Purchaser expressly acknowledges and warrants that Purchaser is accepting the Purchased Assets, and taking assignment of the Ground Lease in an “AS IS” “WHERE IS” “WITH ALL FAULTS CONDITION”. PURCHASER ACKNOWLEDGES THAT, EXCEPT AS OTHERWISE PROVIDED FOR IN THE REPRESENTATIONS AND WARRANTIES IN ARTICLE 3 OF THIS AGREEMENT, SELLER MAKES NO REPRESENTATIONS, WARRANTIES, OR GUARANTEES WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PURCHASED ASSETS.

The representations and warranties in this Section 4 shall not survive Closing.

ARTICLE 5

COVENANTS

5.1 Access to Books and Records.

(a) Seller shall, commencing on the Execution Date, provide reasonable access to Purchaser of all of Seller’s assets, books, accounting records, correspondence and files of Seller (to the extent related to the operation of the Assets) for examination by Purchaser (and its representatives), with the right to make copies of such books, records and files or extracts therefrom. Such access will be available to Purchaser during normal business hours, upon reasonable notice, in such manner as will not unreasonably interfere with the conduct of the Business. Those books, records and files which relate to Seller’s assets that are not transferred to Purchaser shall be maintained pursuant to the terms of and in accordance with the Confirmation Order. In addition, from the Execution Date until the Closing Date, Seller shall provide to Purchaser copies of the reports provided to the US Trustee and/or DIP Lender at Section 5.1(a), (c) and (d) of the DIP Credit Agreement [ECF #72] and paragraph 21(ii) of the Final Order approving entry into the DIP Credit Agreement [ECF #421].

(b) Following Closing, Purchaser shall provide Seller reasonable access upon reasonable advance notice, to its books, accounting records, and files received from Seller so that Seller may obtain information needed post-Closing solely to perform its reasonable duties as a debtor under the Bankruptcy Code.

(c) Post-Closing, consistent with further assurances, Seller will cooperate with Purchaser to the extent requested by Purchaser, at reasonable cost to Purchaser, in transitioning the Business to help avoid disruption. As requested by Purchaser, Seller will assist Purchaser, at reasonable cost to Purchaser, regarding Accounts Receivable, the Intellectual Property Assets, the IT Assets, and the Assumed Liabilities that are not Excluded Assets, and in communicating information under the attorney client or work product privileges directly related thereto; *provided that*, the foregoing does not include any common interest privileged information of Lifespace or its Affiliates, or involve the Actions or the Landlord Claim; *and provided further that*, Purchaser shall not use its access to information provided under the attorney client or work product privileges for the purpose of investigating or asserting claims against Seller, Lifespace or its Affiliates, or

against their related parties released or exculpated under Section 8 of the Plan; *provided further that* the prior sentence is not intended to and shall not be deemed a release by Purchaser, nor broaden the releases and exculpations provided under the Plan.

(d) Solely for consistency regarding ownership of Intellectual Property, Seller has transferred to Purchaser, as part of Intellectual Property Assets and IT Assets, the right to Intellectual Property related to claims that arise or relate to the period prior to the Closing. Based on Seller's business which has limited Intellectual Property, neither Seller nor Purchaser is aware (in Purchaser's case, without any investigation) of any such claims, except potentially for the Landlord Litigation (which is being transferred to the Litigation Trust). Purchaser covenants that following the Closing, any actions it brings or recovery it seeks for claims related to Intellectual Property Assets or IT Assets (i) will be related to and arise for the period from and after the Effective Time (and be unrelated to the claims in the Landlord Action), or (ii) will relate to a prior breach of NDA by another potential bidder at the auction conducted pursuant to the Plan, if such NDA was transferred to Purchaser; or (iii) will only be pursued subject to consent of Seller, not to be unreasonably withheld.

5.2 Conduct of Business. From the Execution Date until the Closing Date, except as otherwise contemplated by this Agreement, authorized by the Bankruptcy Court or to the extent Purchaser otherwise consents in writing, and subject to the requirements of the Chapter 11 Case, Seller shall: (i) conduct the Business in the ordinary course, (ii) make no transfers of any Purchased Assets, (iii) use commercially reasonable efforts to maintain and preserve intact the organization and advantageous business relationships of the Business, and (iv) take no action which would materially adversely affect or materially delay the ability of Purchaser to obtain any Approvals for the transactions contemplated hereby or to perform its covenants under this Agreement.

5.3 Further Assurances. Subject to the terms and conditions of this Agreement, at any time or from time to time after the Closing, at Purchaser's reasonable request and at the Purchaser's sole cost and expense, the Seller will execute and deliver to Purchaser such other instruments of sale, transfer, conveyance and assignment, provide such materials and information and take such other actions as Purchaser may reasonably deem necessary or desirable in order more effectively to transfer, convey and assign to Purchaser, and to confirm Purchaser's title to, all of the Purchased Assets. Additionally, Purchaser shall undertake all commercially reasonable efforts to obtain Permits and regulatory approvals as are needed to consummate the transaction described in this Agreement, and shall file any necessary applications within fifteen (15) days of entry of the Confirmation Order.

5.4 Employees.

(a) Not more than ten (10) days after the Execution Date, Seller shall provide Purchaser with a list of all employees of Seller working at the Edgemere Community, including, for each listed employee, his or her name, date of hire, job title, full-time/part-time status, exempt/non-exempt status, bonus eligibility, commission eligibility, current compensation and status (*e.g.*, leave of absence, disability, layoff, active, temporary).

(b) As of the Closing Date, Purchaser shall make written offers of employment to not fewer than 90% of Seller's hourly and salaried employees (all such employees that accept the employment offer are collectively, the "**Transferred Employees**"). Seller shall not take any action that would reasonably be anticipated to impede, hinder, interfere or otherwise compete with Purchaser's efforts to hire any of Seller's employees. For the avoidance of doubt, Purchaser shall have no liability to Seller or any Transferred Employee for any accrued and unpaid obligations owing from Seller to such employee.

(c) As of the Closing Date, all such Transferred Employees shall be deemed to be the employees of Purchaser and no longer to be the employees of Seller. Effective as of the Closing, Seller agrees to terminate the employment of all of the Transferred Employees. Seller agrees to use its commercially reasonable efforts to make employment records and other related information reasonably requested by Purchaser available to Purchaser.

(d) Nothing herein, express or implied, shall confer upon any other Persons (including any current or former employee or contractor of Seller, Purchaser or any of their respective Affiliates) any rights or remedies hereunder, including any right to employment or continued employment for any specified period or continued participation in any benefit plan or other benefit plan, or any nature or kind whatsoever under or by reason of this Agreement. Nothing herein restricts or precludes the right of Purchaser to terminate the employment of any Transferred Employee after the Closing Date.

5.5 Assumed and Assigned Contracts.

(a) Cure Process. Purchaser shall pay cash or other acceptable consideration to the third party (or parties) to the applicable Assumed Contract (each, a "**Contract Party**") in order to cure the monetary defaults and satisfy any pecuniary obligations of Seller (or obtain waivers with respect thereto) with respect to the Business. Notwithstanding anything to the contrary herein, Seller shall pay cash or other acceptable consideration to the Landlord in order to cure the monetary defaults and satisfy any pecuniary obligations of Seller in connection with the Ground Lease, with such consideration to permit the assumption and assignment of the Ground Lease to Purchaser free and clear of any Encumbrances and Liens, effective as of the Closing Date. The Purchaser shall provide adequate assurance of future performance under the Assumed Contracts. Further, Purchaser shall assume all obligations from and after the Closing Date under Assumed Contracts.

(b) Identification of Assumed Contracts. Schedule 5.5(b)(i) identifies all executory contracts and unexpired leases Purchaser wishes to be assumed by Seller and assigned by the Seller to Purchaser at Closing (the "**Assumed Contracts**"). At any time prior to the Closing, Purchaser will have the right to provide written notice to Seller of Purchaser's election to designate an executory contract or an unexpired lease as an Assumed Contract or as a contract that will not be assumed by Purchaser (such contracts, the "**Excluded Contracts**"). Schedule 5.5(b)(ii) identifies all executory contracts and unexpired leases Purchaser wishes to be Excluded Contracts. Upon such designation of a contract as an Assumed Contract, such contract will constitute a Purchased Asset and will be conveyed to Purchaser under this Agreement at Closing. Upon such designation of a contract as an Excluded Contract, such contract will constitute an Excluded Asset. All executory contracts and unexpired leases that are not Assumed Contracts, including, the

Excluded Contracts, shall be deemed to be rejected by Seller under Section 365(a) of the Bankruptcy Code as of the Closing Date (the “**Rejected Contracts**”). For the avoidance of doubt, the Residency Agreements, the Residency Escrow Agreement and the management agreement between the Seller and Lifespace are Rejected Contracts and Excluded Contracts. The Confirmation Order shall provide for the assumption and assignment to Purchaser, effective as of the Effective Time, of any Assumed Contract, and, to the extent not included in a prior order of the Bankruptcy Court, for the rejection, effective as of the Effective Time, of the Rejected Contracts. After the Closing Date, the Seller shall be released from any further liability under such Assumed Contracts as provided for under Sections 365(k) and 1141 of the Bankruptcy Code. For the avoidance of doubt, and notwithstanding anything else in this Agreement, to the extent that a Purchased Asset is subject to an executory contract or unexpired lease within the meaning of Section 365 of the Bankruptcy Code, Purchaser is only taking such Assumed Contract, and otherwise, such executory contracts or unexpired leases within the meaning of Section 365 of the Bankruptcy Code shall be Excluded Contracts and are Excluded Assets as set forth herein.

(c) Non-Assignment of Assets. Notwithstanding any other provision of this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or transfer and shall not affect the assignment or transfer of any Purchased Asset if (a) notwithstanding the rights and remedies available under the Bankruptcy Code, an attempted assignment thereof, without the approval, authorization or consent of, or granting or issuance of any license or permit by, any Government Authority thereto would constitute a breach thereof or (b) the Bankruptcy Court shall not have approved assumption and assignment of any Assumed Contract for any reason (each such action in (a) and (b), a “**Necessary Consent**”). In such event, Seller and Purchaser shall use their commercially reasonable efforts, to obtain the Necessary Consents with respect to any such Assumed Contract after the Closing; provided that the failure to obtain any Necessary Consent shall not delay the Closing or give rise to a reduction in the Purchase Price. Nothing in this Section 5.5 shall in any way diminish or enlarge (x) Purchaser’s obligations hereunder to obtain the Approvals, or (y) the Parties’ obligations hereunder to obtain the Necessary Consents.

(d) Modified Residency Agreements. Subject to regulatory approvals and/or requirements, Purchaser will offer all current Residents at the Edgemere Community the option to enter into a new rental agreement which shall provide similar services to each current Resident as offered by Seller prior to Closing, at the then current private pay rate as advertised by Seller, subject to ordinary market adjustments (the “**Modified Residency Agreement**”).

5.6 Cost Reports. Seller shall prepare and file any Medicare cost reports for the Edgemere Community related to the period prior to Closing. Following the Closing, Seller shall be authorized to contact the business office manager or other persons with access to the information at the Edgemere Community during normal business hours in order to obtain information needed to prepare the final Medicare cost reports with respect to Claims filed with Medicare for the Facilities prior to the Closing, and Purchaser shall provide Seller with such Edgemere Community records as Seller reasonably requests to complete such final cost reports.

ARTICLE 6

CONDITIONS TO CLOSING

6.1 Conditions to Obligations of All Parties. The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions:

(a) No governmental authority shall have enacted, issued, promulgated, enforced, or entered any governmental Order which is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following completion thereof.

(b) The Bankruptcy Court shall have entered the Confirmation Order on terms reasonably acceptable to the Parties approving the sale to the Purchaser, and the Confirmation Order shall have become a Final Order.

(c) Purchaser or its designees shall have received all Permits and regulatory approvals that are material to operation of the Purchased Assets as such Purchased Assets are currently owned and operated by Seller.

6.2 Conditions to Obligations of Purchaser. The obligations of Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Purchaser's waiver, at or prior to the Closing, of each of the following conditions:

(a) Seller shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other Related Agreements to be performed or complied with by it prior to or on the Closing Date; provided, with respect to agreements, covenants and conditions that are qualified by materiality, Seller shall have performed such agreements, covenants, and conditions, as so qualified, in all respects.

(b) The representations and warranties of Seller contained in this Agreement, the other Related Agreements and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality) or in all material respects (in the case of any representation or warranty not qualified by materiality) on and as of the Execution Date and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects).

(c) No injunction or restraining order shall have been issued by any governmental authority, and be in effect, which restrains or prohibits any material transaction contemplated hereby.

(d) Seller shall have delivered to Purchaser duly executed counterparts to the Related Agreements and such other documents and deliveries set forth in Section 2.8(a).

(e) Purchaser shall have received a certificate, dated the Closing Date, and signed by a duly authorized officer of Seller, that each of the conditions set forth in Section 6.2(a) and Section 6.2(b) have been satisfied (the “**Seller Closing Certificate**”).

(f) No MAC has occurred that Purchaser has not waived by written notice to Seller.

(g) Purchaser shall have obtained a non-solicit of employees (for two years) and Residents of the Edgemere Community from Lifespace on behalf of itself and its Affiliates acceptable to Purchaser in its sole and absolute discretion, which shall be incorporated into the Sale Order and/or Confirmation Order; *provided, however*, that the following provision shall be deemed acceptable to Purchaser:

Injunction Against Solicitation. The Purchaser will continue to operate the Edgemere Community as a senior living community. In consideration for being a Released Party (as defined in the Plan), Lifespace, on behalf of itself and any of its Affiliates, subsidiaries, or representatives, or agents, agrees that, without the prior written consent of Purchaser, (i) from the Confirmation Date and until the second anniversary of the Closing Date (as defined in the Plan), Lifespace shall not hire or solicit for employment any individual that was an employee of the Edgemere Community at any time from November 2, 2022 to the Closing Date (as defined in the Plan); *provided, however*, Lifespace shall not be prohibited from hiring any individual that responds to a general public solicitation made by Lifespace regarding employment opportunities that is not specifically targeted at such persons, and (ii) shall not solicit by direct contact (as opposed to marketing to the public generally) any individuals that are or were Residents of the Edgemere Community at any time from November 2, 2022 to the Closing Date for movement or relocation to any other senior living community located in Texas; *provided, however*, Lifespace shall not be prohibited from responding to any direct inquiry from a Resident regarding potential movement or relocation to such other senior living community in Texas.

6.3 Conditions to Obligations of Seller. The obligations of Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Seller’s waiver, at or prior to the Closing, of each of the following conditions:

(a) The representations and warranties of Purchaser contained in this Agreement, the other Related Agreements and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality) or in all material respects (in the case of any representation or warranty not qualified by materiality or) on and as of the Execution Date and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects).

(b) Purchaser shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other

Related Agreements to be performed or complied with by it prior to or on the Closing Date; provided, with respect to agreements, covenants and conditions that are qualified by materiality, Purchaser shall have performed such agreements, covenants, and conditions, as so qualified, in all respects.

(c) No injunction or restraining Order shall have been issued by any governmental authority, and be in effect, which restrains or prohibits any material transaction contemplated hereby.

(d) Purchaser shall have delivered to Seller duly executed counterparts to the Related Agreements (other than this Agreement) and such other documents and deliveries set forth in Section 2.8(b).

(e) Seller shall have received a certificate, dated the Closing Date, and signed by a duly authorized officer of Purchaser, that each of the conditions set forth in Section 6.3(a) and Section 6.3(b) have been satisfied (the “**Purchaser Closing Certificate**”).

(f) Seller shall have received a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of Purchaser certifying that attached thereto are true and complete copies of all resolutions adopted by the officers of Purchaser authorizing the execution, delivery and performance of this Agreement and the other Related Agreements and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby.

(g) Seller shall have received a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of Purchaser certifying the names and signatures of the officers of Purchaser authorized to sign this Agreement, the Related Agreements, and the other documents to be delivered hereunder and thereunder.

(h) Purchaser shall have delivered to Seller such other documents or instruments as Seller reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

ARTICLE 7

TERMINATION

7.1 Termination. This Agreement may be terminated, or enforced in accordance with Section 7.2(c), at any time before the Closing by written notice to the applicable Party:

- (a) by mutual written agreement of Purchaser and Seller;
- (b) by Purchaser upon written notice to Seller of Seller’s material breach or default of any provision of this Agreement, which breach or default is not cured (only if capable of curing) within ten (10) Business Days after written notice thereof is received, provided, however, that the Purchaser is not then in material breach or default of this Agreement;

(c) by Seller with consent of the Trustee and DIP Lender, upon written notice to Purchaser of Purchaser's material breach or default of any provision of this Agreement, which breach or default is not cured within ten (10) Business Days after written notice thereof is received, provided, however, that the Seller is not then in material breach or default of this Agreement;

(d) by either Purchaser, or Seller with consent of the Trustee and DIP Lender, if the sale is not approved by the Bankruptcy Court, or there is an Alternative Transaction;

(e) by Purchaser, or Seller with consent of the Trustee and DIP Lender, if the Closing has not occurred by the Outside Closing Date by no fault of the Party terminating; and

(f) by either Purchaser with consent of the Trustee and DIP Lender, or Seller, if, prior to Closing, the Confirmation Order, after being entered by the Bankruptcy Court, has subsequently been reversed, revoked, or voided by an order of a court of competent jurisdiction.

(g) by Purchaser if any of the conditions set forth in Section 6.1(c) or 6.2 shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by the Outside Closing Date, unless such failure shall be due to the failure of Purchaser to perform with any of the covenants, agreements or conditions hereof to be performed or complied with prior to the Closing; or

(h) by Seller if any of the conditions set forth in Section 6.3 shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by the Outside Closing Date, unless such failure shall be due to the failure of Seller to perform with any of the covenants, agreements or conditions hereof to be performed or complied with prior to the Closing;

(i) If Seller sells, transfers, leases or otherwise disposes of, directly or indirectly, including through an asset sale, stock sale, merger or other similar transaction, all or substantially all of the Business or the Purchased Assets in a transaction or a series of transactions with one or more Persons other than Purchaser in any circumstance, including in accordance with the Sale Transaction Procedures (such event being an "**Alternative Transaction**"), Seller shall pay to Purchaser, within two (2) Business Days after the consummation of the Alternative Transaction, an amount in cash equal to (i) three percent (3%) of the Purchase Price (the "**Break-Up Fee**") and (ii) Purchaser's actual, out of pocket costs and expenses, not to exceed \$200,000 (the "**Expense Reimbursement**");

(j) by Purchaser if Seller fails to comply with Section 5.1(a), (c) or (d) of the DIP Credit Agreement [ECF #72] or paragraph 21(ii) of the Final Order approving entry into the DIP Credit Agreement [ECF #421] or if there is an Event of Default under Section 8.1 (k), or (l) under the DIP Credit Agreement; or

(k) by Purchaser if the Bidding Procedures Order is not in form and substance acceptable to the Purchaser, which order must include approval of the Break-Up Fee and Expense Reimbursement.

7.2 Remedies.

(a) If the Closing does not occur as a result of an Alternative Transaction, the payment of the Break-Up Fee and the Expense Reimbursement as set forth in Section 7.1(f) shall be Purchaser's sole and exclusive remedy.

(b) Upon termination by Seller in accordance with Section 7.1 due to Purchaser's default or breach, provided the Seller has not defaulted under or breached this Agreement, Purchaser will be deemed to have forfeited the Deposit as liquidated damages. The Parties intend that the remedy in Section 7.2(b) constitutes compensation, and not a penalty and shall be the sole and exclusive remedy to Seller for any such default or breach by Purchaser of this Agreement. The Parties acknowledge and agree that Seller's harm caused by Purchaser's default or breach of this Agreement would be impossible or very difficult to accurately estimate as of the date of this Agreement, and that upon termination due to Purchaser's breach or default pursuant to Section 7.1, the Deposit is a reasonable estimate of the anticipated or actual harm that might arise from such a default or breach.

(c) Upon default or breach by Seller in accordance with Section 7.1, provided the Purchaser has not defaulted under or breached this Agreement, Purchaser shall elect (1) and only one (1) of the following remedies:

(i) Purchaser may terminate this Agreement by written notice given to Plan Sponsors, in which event the Deposit will be refunded to Purchaser; or

(ii) Purchaser may demand specific performance of this Agreement (but not damages) by Seller and, if necessary, have a right to entry of an order enforcing the terms hereunder.

If the Closing does not occur as a result of a default or breach of the Seller in accordance with Section 7.1, the remedies under Sections 7.2(a) and (c) shall be the sole and exclusive remedies to Purchaser.

(d) Effect of Termination. In the event of the termination of this Agreement in accordance with this Article, this Agreement shall forthwith become void and there shall be no liability on the part of any party hereto except as set forth in Section 7.2 hereof.

Article 7 shall survive any termination of this Agreement.

ARTICLE 8

MISCELLANEOUS

8.1 Reporting to Resident Trust Trustee. The Purchaser agrees to provide quarterly reports within forty five (45) days after the end of each quarterly period to the Resident Trust Trustee (as defined in the Plan) identifying (a) the name of any Resident that resided at the Edgemere Community as of the Closing Date, such Residents corresponding independent living unit number, and the date such Resident ceased to reside within the Edgemere Community (including assisted living, memory care and skilled nursing units), and (b) the date

such former Resident's independent living unit was leased to a new Resident of the Edgemere Community

8.2 Reserved.

8.3 Confirmation Order. The Agreement shall be authorized pursuant to the Confirmation Order, which must be in form and substance reasonably acceptable to Purchaser regarding issues related to the sale. Seller or the Initial Plan Sponsors shall provide Purchaser with a draft of the Confirmation Order as soon as practicable but in no event less than three (3) Business Days¹ prior to filing same with the Bankruptcy Court. If any conflict arises between the terms of this Agreement or any Related Agreements, on the one hand, and the Confirmation Order, on the other, the terms of the Confirmation Order shall control in all respects.

8.4 Survival. The following provisions shall survive Closing of this Agreement: Sections 2.5(e), 2.5(h), 2.6, 2.9, 5.1(b)-(d), 5.3, 5.4(b), Article 7, and Article 8. For the avoidance of doubt, other than further assurances, matters that expressly survive Closing, and matters that are clearly intended to be performed post-Closing, claims against the Closing Escrow shall be the sole remedy of Purchaser for any claims related to this Agreement or the Related Agreements following the Closing.

8.5 Expenses. Except as specifically set forth in this Agreement, the Parties shall bear their own expenses, including, without limitation, fees, disbursements and other costs of any attorneys, accountants and other advisors, in connection with this Agreement, the Related Agreements, and the transactions contemplated hereby and thereby. This Section shall not apply, if the Closing does not occur, to any existing or future litigation, if a right to attorneys' fees and expenses otherwise exists.

8.6 Notices. All notices, requests, demands and other communications made in connection with this Agreement shall be in writing and shall be (a) mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, (b) transmitted by hand delivery, (c) sent by electronic means, or (d) sent by nationally recognized overnight courier for next Business Day delivery, addressed as follows:

Seller:

John Falldine, Executive Director
Edgemere
8523 Thackery Street
Dallas, Texas 75225

With a simultaneous copy to:

Jeremy R. Johnson & Trinitee G. Green
POLSINELLI PC
2950 N. Harwood, Suite 2100

¹ POL Note: If UMB/Mintz fine with 3 days, we will be also.

Dallas, Texas 75201
jeremy.johnson@polsinelli.com
tggreen@polsinelli.com

Purchaser:

Bay 9 Holdings LLC
265 Magnolia Avenue
Suite 100
Larkspur, CA 94939

With a simultaneous copy to:

Adrienne K. Walker
Chelsey Rosenbloom List
Locke Lord LLP
111 Huntington Avenue
9th Floor
Boston, MA 02199-7613
awalker@lockelord.com
chelsey.list@lockelord.com

And in the case of Seller or Purchaser, with a simultaneous copy to counsel for the
Trustee and DIP Lender:

Daniel S. Bleck
Eric Blythe
Kaitlin R. Walsh
Mintz Levin Cohn Ferris Glovsky
and Popeo, PC
One Financial Center
Boston, Massachusetts 02111
dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

or, in each case, such other address as may be specified in writing to the other Party. All such notices, requests, demands, waivers and other communications shall be deemed to have been received (w) if by first-class, registered or certified mail, on the fifth Business Day after the mailing thereof, (x) if by hand delivery, on the day after such delivery, (y) if by electronic means and the transmitting Party receives a transmission receipt dated the day of transmission, on the same day as the transmission, and (z) if by nationally recognized overnight courier, on the next Business Day after deposit with such courier.

8.7 Amendment; Waivers, Etc. No amendment, modification or discharge of this Agreement, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the Party against whom enforcement of the amendment, modification, discharge or waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter

described in such writing and shall in no way impair the rights of the Party granting such waiver in any other respect or at any other time.

8.8 Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

8.9 Assignment. Neither this Agreement nor any of the rights or obligations under this Agreement may be assigned by either Party without the prior written consent of the other Party, except that Purchaser may assign its rights under this Agreement to an Affiliate.

8.10 Parties in Interest. This Agreement and the Related Agreements shall be binding upon and inure solely to the benefit of the Parties and their successors and permitted assigns, and nothing in this Agreement or any Related Agreement, expressed or implied, is intended to confer upon any other Person any rights or remedies of any nature under or by reason of this Agreement or any Related Agreement.

8.11 No Personal Liability. No individual officer, director, employee, manager, agent, or representative shall have personal liability for any of the obligations hereunder or Claims of any kind in connection herewith or any Related Agreements, and this Section shall survive termination or Closing.

8.12 Counterparts; Facsimile Signature. This Agreement may be executed in one or more counterparts, each of which shall be deemed to constitute an original, but all of which shall constitute one and the same instrument, and shall become effective when one or more counterparts have been signed by each of the Parties. Any Party may execute this Agreement by facsimile (or .pdf copy) signature and the other Parties will be entitled to rely upon such facsimile (or .pdf copy) signature as conclusive evidence that this Agreement has been duly executed by such Party.

8.13 Governing Law. Except to the extent inconsistent with the Bankruptcy Code, this Agreement and the Related Agreements shall be governed by and construed and enforced in accordance with the laws of the State of Texas, without regard to its conflicts of law rules.

8.14 Jurisdiction. Each of the Parties agrees that any proceeding brought to enforce the rights or obligations of any Party under this Agreement or any Related Agreement shall be commenced and maintained in the Bankruptcy Court, and the Bankruptcy Court shall have exclusive jurisdiction over any such proceeding. Each of the Parties consents to the exercise of jurisdiction over it and its properties, in accordance with the terms of this Section, with respect to any proceeding arising out of or in connection with this Agreement, any Related Agreement or the transactions contemplated hereby or thereby, or the enforcement of any rights under this Agreement or any Related Agreement. EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY IN ANY PROCEEDINGS BROUGHT BY ANY OTHER PARTY IN CONNECTION WITH ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, THE PROPERTY OR THE RELATIONSHIP OF THE PARTIES HEREUNDER. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING OR EARLIER TERMINATION OF THIS AGREEMENT.

8.15 Severability. If any provision of this Agreement is inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatsoever, so long as this Agreement, taken as a whole, still expresses the material intent of the Parties. The invalidity of any one or more phrases, sentences, clauses, sections or subsections of this Agreement shall not affect the remaining portions of this Agreement.

8.16 Entire Agreement. This Agreement and the Related Agreements constitute the entire agreement between the Parties with respect to the subject matter hereof, and supersede all prior agreements and understandings, both written and oral, between the Parties with respect to the subject matter hereof. There are no warranties, representations or other agreements between the Parties in connection with the subject matter hereof except as set forth specifically herein.

8.17 Employees Not Third-Party Beneficiaries. Nothing in this Agreement or the Related Agreements is intended to confer upon any past, present or future employee of Seller or its Affiliates or his or her legal representatives or heirs any rights as a third-party beneficiary or otherwise or any other rights or remedies of any nature or kind whatsoever under or by reason of the transactions contemplated by this Agreement or by the Related Agreements, including, without limitation, any rights of employment, continued employment or any rights under or with respect to any employee benefit, welfare benefit, pension or other fringe benefit plan, fund, program or arrangement.

8.18 Bulk Sales or Transfer Laws. Purchaser hereby waives compliance by Seller with the provisions of the bulk sales or transfer laws of all applicable jurisdictions; it being understood that any Liabilities arising out of the failure of Seller to comply with the requirements and provisions of any bulk sales, bulk transfer or similar laws of any jurisdiction which would not otherwise constitute Assumed Liabilities shall be treated as Excluded Liabilities.

8.19 No Inferences. Inasmuch as this Agreement is the result of negotiations between sophisticated parties of equal bargaining power represented by counsel, no inference in favor of, or against, either party shall be drawn from the fact that any portion of this Agreement has been drafted by or on behalf of such party.

8.20 Interpretation. In this Agreement, unless the context otherwise requires: (a) references to this Agreement are references to this Agreement and to the Schedules and Exhibits hereto; (b) references to Articles and Sections are references to articles and sections of this Agreement; (c) references to any party to this Agreement shall include references to its respective successors, its designees, and permitted assigns; (d) references to a judgment shall include references to any order, writ, injunction, decree, determination or award of any court or tribunal; (e) the terms “hereof,” “herein,” “hereby,” and any derivative or similar words will refer to this entire Agreement; (f) references to any document (including this Agreement) are references to that document as amended, consolidated, supplemented, novated or replaced by the parties thereof from time to time; (g) references to any law are references to that law as of the Closing Date, unless the context requires otherwise, and shall also refer to all rules and regulations promulgated thereunder, unless the context requires otherwise; (h) the word “including” shall mean including without limitation; and (i) references to time are references to Central Standard or Daylight time

(as in effect on the applicable day) unless otherwise specified herein. The representations, warranties, and schedules will be deemed supplemented and amended by any Disclosure Update in order to cause the representations and warranties of Seller to be true as of the Closing.

8.21 WAIVER OF JURY TRIAL. EACH PARTY TO THIS AGREEMENT HEREBY UNCONDITIONALLY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, ANY OF THE DOCUMENTS RELATED HERETO, ANY DEALINGS BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT OR ANY RELATED TRANSACTIONS.

8.22 Time of the Essence. Time is of the essence for purposes of this Agreement and the rights and obligations of the Parties hereunder.

[Signatures Follow on Next Page]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered as of the date first above written.

NORTHWEST SENIOR HOUSING CORPORATION:

David K. Stewart

By: _____

Name: David K. Stewart

Title: Director and Chairman of the Restructuring Committee of the Board of Directors of Northwest Senior Housing Corporation

BAY 9 HOLDINGS LLC:

By: _____

Name: _____


Title: _____

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered as of the date first above written.

NORTHWEST SENIOR HOUSING CORPORATION:

By: _____
Name: _____
Title: _____

BAY 9 HOLDINGS LLC:

By:  _____
Name: Korstin Hatch
Title: President

SCHEDULE 1(w) – EQUIPMENT

1. See Attached.

SCHEDULE 5.5(b)(i) – ASSUMED CONTRACTS

SCHEDULE 5.5(b)(ii) – EXCLUDED CONTRACTS

EXHIBIT A

FORM OF BILL OF SALE

BILL OF SALE

Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“**Seller**”), for good and valuable consideration received from Bay 9 Holdings LLC, a Delaware limited liability company, or its designee (“**Purchaser**”), except as limited by that certain Asset Purchase Agreement, dated as of December [•], 2022 between Seller and Purchaser (as modified, amended, or supplemented, the “**Asset Purchase Agreement**”) and the Confirmation Order (as defined in the Asset Purchase Agreement), does hereby sell, convey, transfer, assign and deliver the Purchased Assets (as defined in the Asset Purchase Agreement) “AS-IS”, “WHERE-IS”, “WITH ALL FAULTS”, and Seller does not make any express or implied representations, statements, warranties or conditions of any kind or nature whatsoever concerning the Purchased Assets being sold, conveyed, transferred, assigned and delivered hereunder.

Seller hereby covenants that it will, from time to time upon written request therefor, execute and deliver to Purchaser, its nominees, successors and/or assigns, any new or confirmatory instruments which Purchaser, its nominees, successors and/or assigns, may reasonably request in order to assign and transfer to Purchaser its rights, title and interest in, such Purchased Assets.

IN WITNESS WHEREOF, the undersigned, being duly authorized, has executed and delivered this instrument effective as of January [•], 2023.

NORTHWEST SENIOR HOUSING CORPORATION,
a Texas not-for-profit corporation

By: _____
Name:
Title:

EXHIBIT B

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (“**Assignment**”), dated as of January [•], 2023, is between Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“**Assignor**”), and Bay 9 Holdings LLC, a Delaware limited liability company, or its designee (“**Assignee**”). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Asset Purchase Agreement (as defined below).

RECITALS

A. This Assignment is executed pursuant to that certain Asset Purchase Agreement dated as of December [•], 2022, by and between Assignor as Seller and Assignee as Purchaser (as modified, amended, and supplemented the “**Purchase Agreement**”), and the Confirmation Order (as defined in the Asset Purchase Agreement).

B. Subject to the terms and conditions set forth in the Purchase Agreement, and the Confirmation Order, Assignor has agreed to assign to Assignee the Assumed Contracts, and Assignee has agreed to assume the Assumed Liabilities.

AGREEMENT

NOW, THEREFORE, in consideration of the above promises and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Assignor does hereby assign transfer, convey, and deliver to Assignee, as of the Effective Time, all of its right, title, and interest in all Assumed Contracts.

2. Assignee, as of the Effective Time, hereby assumes and agrees to pay and perform in due course the Assumed Liabilities. For avoidance of doubt, Assignee is not assuming any of the Excluded Liabilities set forth in Section 2.4 of the Purchase Agreement.

3. This Assignment is binding upon and shall inure to the benefit of the parties and their respective successors and assigns.

4. This Assignment may be executed in any number of counterparts (including by facsimile, .PDF, or email), each of which will be deemed to be an original and all of which, together, will constitute one and the same instrument.

5. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH FEDERAL BANKRUPTCY LAW, TO THE EXTENT APPLICABLE, AND WHERE STATE LAW IS IMPLICATED THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO THE CHOICE OF LAW PRINCIPLES THEREOF, INCLUDING AS TO MATTERS OF CONSTRUCTION, VALIDITY, AND PERFORMANCE.

6. THE PARTIES AGREE THAT THE BANKRUPTCY COURT SHALL HAVE JURISDICTION OVER ALL DISPUTES AND OTHER MATTERS RELATING TO (i) THE INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT TO THIS AGREEMENT; OR (ii) THE ASSUMED CONTRACTS AND TRANSFERRED RIGHTS ASSIGNED PURSUANT TO OR ARISING OUT OF THIS AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT TO THIS AGREEMENT, AND THE PARTIES EXPRESSLY CONSENT TO AND AGREE NOT TO CONTEST SUCH EXCLUSIVE JURISDICTION; PROVIDED THAT IF THE BANKRUPTCY COURT IS UNWILLING OR UNABLE TO HEAR ANY SUCH DISPUTES AND OTHER MATTERS, THEN THE COURTS OF THE STATE OF TEXAS AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA SITTING IN THE STATE OF TEXAS SHALL HAVE JURISDICTION OVER SUCH DISPUTES AND OTHER MATTERS EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

7. Nothing in this Assignment, express or implied, is intended to or shall be construed to modify, expand, or limit in any way the terms and conditions of the Purchase Agreement. In the event of a conflict between the terms and conditions of this Assignment and the terms and conditions of the Purchase Agreement, the terms and conditions of the Purchase Agreement shall govern, supersede, and prevail.

8. None of the provisions of this Assignment may be amended or waived unless such amendment or waiver is in writing and is signed, in the case of an amendment, by both parties, or in the case of a waiver, by the party against whom the waiver is to be effective.

[Signature page follows.]

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

ASSIGNOR

**NORTHWEST SENIOR HOUSING
CORPORATION**

By: _____

ASSIGNEE

BAY 9 HOLDINGS LLC

By: _____

EXHIBIT C

FORM OF GROUND LEASE ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT AND ASSUMPTION OF LEASE (this “Assignment Agreement”) is made and entered into this [•] day of January, 2023 (the “Effective Date”) by and among Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“Assignor”), and Bay 9 Holdings LLC, a Delaware limited liability company, or its designee (“Assignee”). Assignor and Assignee may be referred to individually herein as a “Party” and, collectively, as the “Parties” to this Assignment Agreement.

WHEREAS, Assignor is a party to the Ground Lease (as it may be amended, the “Lease Agreement”) dated as of November 1999 by and between Intercity Investment Properties, Inc., a Texas corporation (“Landlord”) and Assignor with respect to certain real property in the City and County of Dallas more specifically described in the Lease Agreement (the “Premises”); and

WHEREAS, pursuant to that certain Asset Purchase Agreement dated as of December [•], 2022 (the “Purchase Agreement”) and the Confirmation Order (as defined in the Purchase Agreement), Assignor desires to assign the Lease Agreement to Assignee effective as of the Closing Date (as defined in the Purchase Agreement) and Assignee desires to assume the Lease Agreement in accordance with, and subject to the terms hereof.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the Parties agree as follows:

Effective as of the Effective Date, Assignor hereby irrevocably contributes, assigns, transfers, conveys and delivers to Assignee, and Assignee hereby accepts from Assignor, the entire right, title, and interest of Assignor in, to and under the Lease Agreement.

Notwithstanding anything to the contrary contained in the Lease Agreement and subject to the terms and conditions of the Purchase Agreement and Confirmation Order (as defined in the Purchase Agreement), effective as of the Effective Date, Assignee hereby assumes and agrees to be bound by the terms and conditions, pay, defend, discharge, and perform all of the liabilities and obligations of the tenant arising under the Lease Agreement on and after the Effective Date as if Assignee were the tenant named therein. Assignor shall remain responsible for all of the liabilities and obligations of the tenant arising under the Lease Agreement prior to the Effective Date subject to any limitations in the Purchase Agreement and the Confirmation Order.

Effective as of the Effective Date, notice is hereby given that all notices and other communications to Assignor and Assignee under the Lease Agreement should be delivered to the addresses set forth below in lieu of (or, with respect to Assignee, in addition to) the addresses for notices set forth in the Lease Agreement. Notice to Landlord shall be given to the address set forth in the Lease Agreement. Any notice, demand, request, consent, approval or communication that a Party desires or is required to give to any other Party related to this Assignment Agreement shall be in writing and either served personally or sent by prepaid, certified or registered mail, return receipt requested, and addressed to such Party at the address set forth below. A Party may change its address by notifying the other Parties of the change of address. Notice shall be deemed communicated on the date shown on the receipt card (or if no date is shown, on the date of the postmark) if mailed as provided in this paragraph, and upon receipt if served personally.

Assignor:

John Falldine, Executive Director
Edgemere
8523 Thackery Street
Dallas, Texas 75225

With a simultaneous copy to:

Jeremy R. Johnson & Trinitee G. Green
POLSINELLI PC
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
jeremy.johnson@polsinelli.com
tggreen@polsinelli.com

Assignee:

Bay 9 Holdings LLC
265 Magnolia Avenue
Suite 100
Larkspur, CA 94939

With a simultaneous copy to:

Adrienne K. Walker
Chelsey Rosenbloom List
Locke Lord LLP
111 Huntington Avenue
9th Floor
Boston, MA 02199-7613
awalker@lockelord.com
chelsey.list@lockelord.com

Except as specifically amended or modified by this Assignment Agreement, the Lease Agreement shall remain unchanged and in full force and effect.

Assignee warrants and represents it has not contacted any broker regarding the Premises or this Assignment Agreement.

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

This Assignment Agreement shall be governed by and construed in accordance with federal bankruptcy law, to the extent applicable, and where state law is implicated this Assignment Agreement, shall be governed by and construed in accordance with the laws of the State of Texas

without giving effect to any choice or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction).

THE PARTIES AGREE THAT THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS (THE "BANKRUPTCY COURT") SHALL HAVE JURISDICTION OVER ALL DISPUTES AND OTHER MATTERS RELATING TO THE INTERPRETATION AND ENFORCEMENT OF THIS ASSIGNMENT AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT TO THIS ASSIGNMENT AGREEMENT AND THE PARTIES EXPRESSLY CONSENT TO AND AGREE NOT TO CONTEST SUCH EXCLUSIVE JURISDICTION; PROVIDED THAT IF THE BANKRUPTCY COURT IS UNWILLING OR UNABLE TO HEAR ANY SUCH DISPUTES AND OTHER MATTERS, THEN THE COURTS OF THE STATE OF TEXAS AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA SITTING IN THE STATE OF TEXAS SHALL HAVE JURISDICTION OVER SUCH DISPUTES AND OTHER MATTERS EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

This Assignment Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which counterparts when taken together will constitute one and the same agreement. The exchange of copies of this Assignment Agreement and of signature pages by facsimile transmission or electronic mail transmission (e.g., in .PDF format) will constitute effective execution and delivery of this Assignment Agreement as to the parties and may be used in lieu of the original Assignment Agreement for all purposes. Signatures of the parties transmitted by facsimile or electronic mail (e.g., in .PDF format) will be deemed to be their original signatures for any purpose whatsoever. Without limiting the foregoing, the words "execution," "execute," "signed," "signature," and words of like import in or related to this Assignment Agreement and the transactions contemplated hereby shall be deemed to include electronic signatures (e.g., through DocuSign or other similar electronic e-signature application), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act.

[Signature Page Follows]

EXECUTED under seal as of the date first above written.

ASSIGNOR:

Northwest Senior Housing Corporation

By: _____

Name: []

Title: []

Hereunto Duly Authorized

ASSIGNEE:

Bay 9 Holdings, LLC

By: _____

Name: []

Title: []

Hereunto Duly Authorized

EXHIBIT D

**FORM OF INTELLECTUAL PROPERTY
ASSIGNMENT AND ASSUMPTION AGREEMENT**

INTELLECTUAL PROPERTY ASSIGNMENT

This INTELLECTUAL PROPERTY ASSIGNMENT (this “**Agreement**”), is executed and delivered as of January [•], 2023, by and among Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“**Assignor**”) and Bay 9 Holdings LLC, a Delaware limited liability company, or its designee (“**Assignee**”) pursuant to the Asset Purchase Agreement (as hereinafter defined). Assignor and Assignee are each referred to individually as a “**Party**,” and collectively as the “**Parties**.”

WHEREAS, on the terms and subject to the conditions of the Asset Purchase Agreement, dated as of December [•], 2022, by and between Assignor (the “**Seller**”), and Assignee (the “**Purchaser**”) (as modified, amended, or supplemented, the “**Asset Purchase Agreement**”), Seller agreed to, on the Closing Date and at the Closing, sell, convey, transfer, assign, and deliver to Purchaser the Purchased Assets free and clear of all Claims and Encumbrances (other than Permitted Liens).

WHEREAS, Assignor is the owner of the Intellectual Property Assets as defined in the Asset Purchase Agreement, including as set forth on **Schedule 1** hereto; and

NOW, THEREFORE, for the consideration set forth in the Asset Purchase Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. **Defined Terms**. All initially capitalized terms used but not defined herein have the meaning given them in the Asset Purchase Agreement.

2. **Assignment**. On the terms and subject to the conditions set forth in the Asset Purchase Agreement and the Confirmation Order, Assignor hereby sells, conveys, transfers, assigns, and delivers to Assignee, and Assignee’s successors and assigns,

i) all right, title and interest in and to the Intellectual Property Assets, including all rights therein provided by international conventions and treaties, and the right to sue for past, present and future infringement thereof (“**Transferred Rights**”);

ii) any and all rights to sue at law or in equity for any infringement, imitation, impairment, distortion, dilution or other unauthorized use or conduct in derogation of the Transferred Rights occurring prior to the Closing, including the right to receive all proceeds and damages therefrom;

iii) any and all rights to royalties, profits, compensation, license fees or other payments or remuneration of any kind relating to the Transferred Rights arising from and after the date of this Agreement;

iv) any and all rights to obtain renewals, reissues, and extensions of registrations or other legal protections pertaining to the Transferred Rights; and

v) all goodwill and other intangible assets associated with the Intellectual Property Assets.

Assignee, its successors and assigns, shall hold the rights to the foregoing for and during the existence of such Transferred Rights, and all renewals, reissues and extensions thereof, as fully and as entirely as the same would have been held and enjoyed by Assignor had this Agreement not been made.

3. Asset Purchase Agreement. This Agreement is in accordance with and is subject to the terms of the Asset Purchase Agreement and Confirmation Order. Nothing contained herein shall be deemed to supersede, enlarge on, limit or modify any of the obligations, agreements, covenants or warranties of Seller contained in the Asset Purchase Agreement and Confirmation Order. If any conflict or other difference exists between the terms of this Agreement and the Asset Purchase Agreement or Confirmation Order, then the terms of the Asset Purchase Agreement and Confirmation Order shall govern and control. Except as set forth in the Asset Purchase Agreement and Confirmation Order, the Transferred Rights are being sold, conveyed, transferred, assigned and delivered hereunder “AS-IS”, “WHERE-IS”, “WITH ALL FAULTS”, and Seller does not make any express or implied representations, statements, warranties or conditions of any kind or nature whatsoever concerning the Transferred Rights being sold, conveyed, transferred, assigned and delivered hereunder.

4. Further Assurances. At the request and cost (if any) of Assignee, Assignor shall timely execute and deliver any additional documents and perform such additional acts reasonably necessary or desirable to record and perfect the interest of Assignee in and to the Intellectual Property Assets (including, without limitation, the Transferred Rights), and shall not enter into any agreement in conflict with this Agreement.

5. Binding on Successors; No Third Party Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and the respective successors in interest and permitted assigns of such parties. This Agreement is not intended to confer any rights or remedies upon any Person or entity other than the Parties hereto.

6. Counterparts. This Agreement may be executed in two (2) or more counterparts (including by DocuSign, or other electronic delivery by electronic mail), each of which shall be deemed an original but all of which together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party hereto and delivered to the other parties, it being understood that each party need not sign the same counterpart. No Party shall assert that the use of an electronic transmission to deliver a signature or the fact that any signature was transmitted or communicated through the use of an electronic transmission, constitutes a defense to the formation or delivery of a contract or a document, and each party hereto forever waives any such defenses.

7. Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

8. Amendments, Etc. Any amendment, modification or waiver of any term or provision of this Agreement must be in writing and signed by Assignor and Assignee. Any waiver will be effective only in the specific instance and for the specific purpose for which it is given.

9. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH FEDERAL BANKRUPTCY LAW, TO THE EXTENT APPLICABLE, AND WHERE STATE LAW IS IMPLICATED THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO THE CHOICE OF LAW PRINCIPLES THEREOF, INCLUDING AS TO MATTERS OF CONSTRUCTION, VALIDITY, AND PERFORMANCE.

10. Bankruptcy Court Jurisdiction. THE PARTIES AGREE THAT THE BANKRUPTCY COURT SHALL HAVE JURISDICTION OVER ALL DISPUTES AND OTHER MATTERS RELATING TO (i) THE INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT TO THIS AGREEMENT; OR (ii) THE INTELLECTUAL PROPERTY ASSETS, AND TRANSFERRED RIGHTS ASSIGNED PURSUANT TO OR ARISING OUT OF THIS AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT TO THIS AGREEMENT, AND THE PARTIES EXPRESSLY CONSENT TO AND AGREE NOT TO CONTEST SUCH EXCLUSIVE JURISDICTION; PROVIDED THAT IF THE BANKRUPTCY COURT IS UNWILLING OR UNABLE TO HEAR ANY SUCH DISPUTES AND OTHER MATTERS, THEN THE COURTS OF THE STATE OF TEXAS AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA SITTING IN THE STATE OF TEXAS SHALL HAVE JURISDICTION OVER SUCH DISPUTES AND OTHER MATTERS EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

[Signature Page Follows]

IN WITNESS WHEREOF, the party hereto has executed this Agreement as of the day and year first above written.

ASSIGNEE:

ASSIGNOR:

BAY 9 HOLDINGS LLC

NORTHWEST SENIOR HOUSING
CORPORATION

By: _____
Name:
Its:

By: _____
Name:
Its:

Schedule 1 - Intellectual Property Assets

EXHIBIT E

FORM OF SELLER CLOSING CERTIFICATE

SELLER CLOSING CERTIFICATE

Pursuant to Section 6.2(e) of the Asset Purchase Agreement (the “**Agreement**”), dated as of December [•], 2022 between Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“**Seller**”) and Bay 9 Holdings LLC, a Delaware limited liability company, or its designee (“**Purchaser**”), and subject to all the terms of the Agreement, the undersigned, being a duly authorized executive officer of Seller, does hereby certify that (i) all the covenants and obligations of the Agreement to be complied with and performed by Seller at or before the Closing Date (as defined in the Agreement) have been complied with and performed in all material respects, and (ii) the representations and warranties made by Seller in the Agreement (other than those that speak as of a specified date or time) are true and correct in all respects, as of the Closing Date, with the same force and effect as though such representations and warranties had been made on and as of the Closing Date, except to the extent such failure to be true and correct has not had, and would not reasonably be expected to have, a material effect.

Northwest Senior Housing Corporation,
a Texas not-for-profit corporation

By: _____
Name:
Title:

EXHIBIT F

FORM OF PURCHASER CLOSING CERTIFICATE

PURCHASER CLOSING CERTIFICATE

Pursuant to Section 6.3(e) of the Asset Purchase Agreement (the “**Agreement**”), dated as of December [•], 2022 between Northwest Senior Housing Corporation, a Texas not-for-profit company (“**Seller**”) and Bay 9 Holdings LLC, a Delaware limited liability company or its designee (“**Purchaser**”), and subject to all the terms of the Agreement, the undersigned, being a duly authorized executive officer of Purchaser, does hereby certify that (i) all of the covenants and obligations of the Agreement to be complied with and performed by Purchaser at or before the Closing Date (as defined in the Agreement) have been complied with and performed in all material respects, and (ii) the representations and warranties made by Purchaser in the Agreement (other than those that speak as of a specified date or time) are true and correct in all respects, as of the Closing Date, with the same force and effect as though such representations and warranties had been made on and as of the Closing Date, except to the extent such failure to be true and correct has not had, and would not reasonably be expected to have, a material effect.

Bay 9 Holdings LLC
a Delaware limited liability company

By: _____
Name:
Title:

EXHIBIT G

FORM OF ESCROW DEPOSIT AGREEMENT

ESCROW AGREEMENT

THIS Escrow Agreement (this “**Agreement**”) made and entered into as of this [•] day of December, 2022 by and among Northwest Senior Housing Corporation, a Texas not-for-profit corporation (“**Seller**”), Bay 9 Holdings LLC, a Delaware limited liability company or its designee (“**Purchaser**”), and UMB Bank, N.A., as Escrow Agent, a national banking association organized and existing under the laws of the United States of America (the “**Escrow Agent**”).

RECITALS

A. Seller has filed a voluntary petition for relief under the Bankruptcy Code as Case Number 22-30659 with the United States Bankruptcy Court for the Northern District of Texas;

B. Seller is a not-for-profit corporation that owns and operates a best-in-class continuing care retirement community located at 8523 Thackery St, Dallas, Texas 75225 (the “**Edgemere Community**”) on land owned by Intercity Investment Properties, Inc. pursuant to that certain Ground Lease dated November 5, 1999 (the “**Ground Lease**”). The Edgemere Community offers residents a continuum of care in a campus-style setting, providing living accommodations and related health care and support services to persons aged 62 or older.

C. UMB Bank, N.A., as the Bond Trustee under the 2015 Bond Indenture and the 2017 Bond Indenture, and successor Master Trustee under the Original Master Indenture (the “**Trustee**”) and in its capacity as DIP Lender, together with the Seller and its affiliated debtor, have filed a proposed a Plan of Reorganization under Chapter 11 of the Bankruptcy Code (the “**Plan**”) that contemplates the sale of the Edgemere Community and related assets to Purchaser, or another purchaser that submits a higher and better offer for the assets in accordance with the Sale Transaction Procedures;

D. Purchaser desires to acquire the Edgemere Community, including Edgemere’s leasehold interest in the Premises created by the Ground Lease, and the assets owned by Seller and used or useful to Seller’s operation of the Edgemere Community (the “**Business**”, and, together with Seller’s interests in the Ground Lease, the “**Assets**”) on the terms and conditions contained in this Agreement, subject to higher and better bids, as well as confirmation of the Plan;

E. Seller and Purchaser have entered into that certain Asset Purchase Agreement dated December [•], 2022 (the “**APA**”)².

F. Seller and Purchaser desire that UMB Bank, N.A. act as Escrow Agent to hold the Deposit for the Sale described in the APA, and Escrow Agent is willing to act in such capacity. Seller and Purchaser acknowledge that UMB Bank, N.A. also serves as Bond Trustee and DIP Lender. Seller and Purchaser assert that no conflict exists, nor does Seller or Purchaser assert any objection thereto.

² Terms not defined herein shall have the meanings ascribed to them in the APA.

AGREEMENT

NOW, THEREFORE, Seller, Purchaser, and Escrow Agent agree to the terms of this Agreement as follows:

1. Commencement of Duties. Purchaser, subject to entry of the Bidding Procedures Order, simultaneously with the execution and delivery of this Agreement, shall transfer to the Escrow Agent the aggregate sum of Two Million and Four Hundred Thousand Dollars (\$2,425,000) (the “**Escrowed Funds**”). Upon receipt of the Escrowed Funds and after the parties’ submission of all documentation required by the Escrow Agent to comply with the Bank Secrecy Act, the duties and obligations of each of the parties to this Agreement will commence.

2. Operation of the Escrow. With respect to any requested disbursement, Seller and Purchaser (i) certify they have reviewed any wire instructions set forth in such written disbursement direction to confirm such wire instructions are accurate, (ii) agree to indemnify and hold harmless the Escrow Agent from and against any and all Claims, demand, losses, liabilities, or expenses sustained, including but not limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement requested up to the amount of the Escrowed Funds, and (iii) agree they will not seek recourse from the Escrow Agent as a result of losses incurred by it for making the disbursement in accordance with the disbursement direction.

3. Escrowed Funds. Upon receipt of the Escrowed Funds, the Escrow Agent shall hold the Escrowed Funds in escrow pursuant to the terms of this Agreement. Until such time as the Escrowed Funds shall be distributed by the Escrow Agent as provided herein, unless the Escrow Agent is otherwise directed in writing in a joint written investment direction signed by the Seller and the Purchaser, the Escrowed Funds shall be invested and reinvested by the Escrow Agent in the an interest-bearing money market deposit account. The parties hereto acknowledge that the Escrow Agent does not have a duty nor will it undertake any duty to provide investment advice.

(a) The Escrow Agent shall be entitled to sell or redeem any such investment as necessary to make any distributions required under this Agreement and shall not be liable or responsible for any loss resulting from any such sale or redemption.

(b) Income, if any, resulting from the investment of the Escrowed Funds shall be retained by the Escrow Agent and shall be considered, for all purposes of this Agreement, to be part of the Escrowed Funds and shall be disbursed in accordance with Section 4 and/or Section 18 of this Agreement, as applicable.

4. Disbursement of the Escrowed Funds. The Parties shall act in accordance with, and the Escrow Agent shall hold and release the Escrowed Funds as provided in this Section:

(a) Upon receipt of a joint written instruction executed by each of Seller and Purchaser with respect to the Escrowed Funds, the Escrow Agent shall promptly, but in any event within two (2) business days after receipt of such joint written instruction, disburse all or part of the Escrowed Funds in accordance with such joint written instruction;

(b) Upon receipt by the Escrow Agent of a copy of a final, non-appealable order of any court of competent jurisdiction which may be issued, together with

(i) a certificate executed by an authorized representative of the prevailing party, to the effect that such order is final and non-appealable and from a court of competent jurisdiction having proper authority and (ii) the written payment instructions executed by an authorized representative of the prevailing party to effectuate such order (a “Final Determination”) (a copy of which shall be delivered simultaneously to the Escrow Agent and the no-presenting party), the Escrow Agent shall, on the fifth (5th) business day following receipt of such Final Determination, disburse as directed, part of all, as the case may be, of the Escrowed Funds in accordance with such Final Determination; or

(c) the Escrow Agent shall release the Escrowed Funds in a manner consistent with the terms of the Bidding Procedures Order.

5. Duties of the Escrow Agent. The Escrow Agent shall have no duties or responsibilities other than those expressly set forth in this Agreement, and no implied duties or obligations shall be read into this Agreement against the Escrow Agent. The Escrow Agent has no fiduciary or discretionary duties of any kind. The Escrow Agent is not a party to, or bound by, the Purchase Agreement or any other agreement among the other parties hereto, and the Escrow Agent’s duties shall be determined solely by reference to this Agreement. The Escrow Agent shall have no duty to enforce any obligation of any person, other than as provided herein. The Escrow Agent shall be under no liability to anyone by reason of any failure on the part of any party hereto or any maker, endorser or other signatory of any document or any other person to perform such person’s obligations under any such document.

6. Liability of the Escrow Agent; Indemnification. The Escrow Agent acts hereunder as a depository only. The Escrow Agent is not responsible or liable in any manner for the sufficiency, correctness, genuineness or validity of this Escrow Agreement or with respect to the form of execution of the same. The Escrow Agent shall not be liable for any action taken or omitted by it, or any action suffered by it to be taken or omitted, in good faith, and in the exercise of its own best judgment, and may rely conclusively and shall be protected in acting upon any order, notice, demand, certificate, opinion or advice of counsel (including counsel chosen by the Escrow Agent), statement, instrument, report or other paper or document (not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and acceptability of any information therein contained) which is believed by the Escrow Agent to be genuine and to be signed or presented by the proper person(s). The Escrow Agent shall not be held liable for any error in judgment made in good faith by an officer or employee of the Escrow Agent unless it shall be proved that the Escrow Agent was grossly negligent in carrying out its duties or acted intentionally in bad faith. The Escrow Agent shall not be bound by any notice of demand, or any waiver, modification, termination or rescission of this Agreement or any of the terms hereof, unless evidenced by a writing delivered to the Escrow Agent signed by the proper party or parties and, if the duties or rights of the Escrow Agent are materially affected, unless it shall give its prior written consent thereto. In no event shall the Escrow Agent be liable for incidental, indirect, special, consequential or punitive damages or penalties (including, but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such damages or penalty. The Escrow Agent shall not be responsible for delays or failures in performance resulting from acts beyond its control, including without limitation acts of God, strikes, lockouts, riots, acts of war or terror, epidemics, pandemics, governmental regulations, fire, communication line failures, computer viruses, power failures, earthquakes or other disasters. The Escrow Agent shall not be obligated to

take any legal action or commence any proceeding in connection with the Escrowed Funds, any account in which Escrowed Funds are deposited, this Agreement or any other agreement, or to appear in, prosecute or defend any such legal action or proceeding.

The Escrow Agent may consult legal counsel in the event of any dispute or question as to the construction of any provisions hereof or its duties hereunder, and it shall incur no liability in acting in accordance with the opinion or instructions of such counsel.

The Escrow Agent shall not be responsible, may conclusively rely upon and shall be protected, indemnified and held harmless by Seller and Purchaser, acting jointly and severally, for the sufficiency or accuracy of the form of, or the execution, validity, value or genuineness of any document or property received, held or delivered by it hereunder, or of the signature or endorsement thereon, or for any description therein; nor shall the Escrow Agent be responsible or liable in any respect on account of the identity, authority or rights of the persons executing or delivering or purporting to execute or deliver any document, property or this Agreement.

In the event that the Escrow Agent shall become involved in any arbitration or litigation relating to the Escrowed Funds, the Escrow Agent is authorized to comply with any final decision reached through such arbitration or litigation.

Seller and Purchaser, jointly and severally, hereby agree to indemnify the Escrow Agent and each director, officer, and agent of the Escrow Agent for, and to hold it harmless against any loss, liability or expense incurred in connection herewith up to the amount of the Escrowed Funds without gross negligence or willful misconduct on the part of the Escrow Agent, including without limitation legal or other fees arising out of or in connection with its entering into this Agreement and carrying out its duties hereunder, including without limitation the reasonable costs and expenses of defending itself against any Claim of liability in the premises or any action for interpleader. The Escrow Agent shall be under no obligation to institute or defend any action, suit, or legal proceeding in connection herewith, unless first indemnified and held harmless to its satisfaction in accordance with the foregoing, except that the Escrow Agent shall not be indemnified against any loss, liability or expense arising out of its own gross negligence or willful misconduct as finally determined by a court of competent jurisdiction, subject to no further appeal. Such indemnity shall survive the termination or discharge of this Agreement or resignation of the Escrow Agent.

7. The Escrow Agent's Fee. Escrow Agent shall be entitled to fees and expenses for its regular services as Escrow Agent as set forth in Exhibit A. Additionally, Escrow Agent is entitled to fees for extraordinary services and reimbursement of any out of pocket and extraordinary costs and expenses, including, but not limited to, reasonable attorneys' fees. Escrow Agent shall have a first lien upon all Escrowed Funds for the purposes of paying its fees and expenses. All of the Escrow Agent's reasonable compensation, costs and expenses shall be paid by Seller. Any fees and expenses shall be payable from and may be deducted by Escrow Agent from interest and/or principal of any monies held in Escrowed Funds by Escrow Agent.

8. Security Interests. No party to this Escrow Agreement shall grant a security interest in any monies or other property deposited with the Escrow Agent under this Escrow Agreement, or

otherwise create a lien, encumbrance or other Claim against such monies or borrow against the same.

9. Dispute. In the event of any disagreement between the undersigned or the person or persons named in the instructions contained in this Agreement, or any other person, resulting in adverse Claims and demands being made in connection with or for any papers, money or property involved herein, or affected hereby, the Escrow Agent shall be entitled to refuse to comply with any demand or Claim, as long as such disagreement shall continue, and in so refusing to make any delivery or other disposition of any money, papers or property involved or affected hereby, the Escrow Agent shall not be or become liable to the undersigned or to any person named in such instructions for its refusal to comply with such conflicting or adverse demands, and the Escrow Agent shall be entitled to refuse and refrain to act until: (a) The rights of the adverse claimants shall have been adjudicated in a Court assuming and having jurisdiction of the parties and money, papers and property involved herein or affected hereby, or (b) All differences shall have been adjusted by agreement and the Escrow Agent shall have been notified thereof in writing, signed by all the interested parties.

10. Resignation of Escrow Agent. Escrow Agent may resign or be removed, at any time, for any reason, by written notice of its resignation or removal to the proper parties at their respective addresses as set forth herein, at least 30 days before the date specified for such resignation or removal to take effect; upon the effective date of such resignation or removal:

(a) All cash and other payments and all other property then held by the Escrow Agent hereunder shall be delivered by it to such successor Escrow Agent as may be designated in writing by the Seller and the Purchaser, whereupon the Escrow Agent's obligations hereunder shall cease and terminate;

(b) If no such successor Escrow Agent has been designated by such date, all obligations of the Escrow Agent hereunder shall, nevertheless, cease and terminate, and the Escrow Agent's sole responsibility thereafter shall be to keep all property then held by it and to deliver the same to a person designated in writing by the Seller and the Purchaser or in accordance with the directions of a final order or judgment of a court of competent jurisdiction.

(c) Further, if no such successor Escrow Agent has been designated by such date, the resigning or removed Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor agent. In such instance, the resigning or removed Escrow Agent may pay into court all monies and property deposited with Escrow Agent under this Agreement.

11. Notices. All notices, demands and requests required or permitted to be given under the provisions hereof must be in writing and shall be deemed to have been sufficiently given, upon receipt, if (i) personally delivered, (ii) sent by telecopy or electronic mail and confirmed by phone or (iii) mailed by registered or certified mail, with return receipt requested, delivered as follows:

(1) If to Seller: John Falldine, Executive Director
Edgemere

8523 Thackery Street
Dallas, Texas 75225
John.Falldine@lifespacecommunities.com

with a copy to:

Jeremy Johnson & Trinitee Green
POLSINELLI PC
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
jeremy.johnson@polsinelli.com
tggreen@polsinelli.com

(2) If to Purchaser:

Bay 9 Holdings LLC
265 Magnolia Avenue
Suite 100
Larkspur, CA 94939

with a copy to:

Adrienne K. Walker
Chelsey Rosenbloom List
Locke Lord LLP
111 Huntington Avenue, 9th Floor
Boston, MA 02199-7613
awalker@lockelord.com
chelsey.list@lockelord.com

(3) If to Escrow Agent:

Irina Palchuk, Senior Vice President
UMB Bank, N.A.
100 William Street, Suite 1850
New York, NY 10038
Irina.Palchuk@umb.com

with a copy to:

Daniel S. Bleck
Eric Blythe
Kaitlin R. Walsh
Mintz Levin Cohn Ferris Glovsky
and Popeo, PC
One Financial Center
Boston, Massachusetts 02111
dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

12. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Missouri without regard to the principles of conflicts of law.

13. Binding Effect; Benefit. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties hereto.

14. Modification. This Agreement may be amended, modified or terminated at any time by a writing executed by Seller, Purchaser, and the Escrow Agent; provided the party making such assignment provides written notice to the other parties hereto.

15. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any Claim, action or suit in the appropriate court of law. The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means.

16. Headings. The section headings contained in this Agreement are inserted for convenience only, and shall not affect in any way, the meaning or interpretation of this Agreement.

17. Severability. This Agreement constitutes the entire agreement among the parties and supersedes all prior and contemporaneous agreements and undertakings of the parties in connection herewith. No failure or delay of the Escrow Agent in exercising any right, power or remedy may be, or may be deemed to be, a waiver thereof; nor may any single or partial exercise of any right, power or remedy preclude any other or further exercise of any right, power or remedy. In the event that any one or more of the provisions contained in this Agreement, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement.

18. Earnings Allocation; Tax Matters; Regulatory Compliance. The parties hereto agree that, for tax reporting purposes, all interest or other income, if any, attributable to the Escrowed Funds or any other amount held in escrow by the Escrow Agent pursuant to this Agreement shall be allocable pursuant to the terms of the APA and reported by Escrow Agent to the Internal Revenue Service ("IRS") or any other taxing authority, on IRS Form 1099 or 1042S (or other appropriate form). The Seller agrees to provide the Escrow Agent completed Forms W-9 (or Forms W-8, in the case of non-U.S. persons) and other forms and documents that the Escrow Agent may reasonably request (collectively, "Tax Reporting Documentation") at the time of execution of this Agreement. Additionally, the parties hereto agree that they will provide any information reasonably requested by the Escrow Agent to comply with the USA Patriot Act of 2001, as amended from time to time, and the Bank Secrecy Act of 1970, as amended from time to time (together the "Acts"), which information will be used to verify the identities of the parties to ensure compliance with the terms of such Acts. The parties hereto understand that if such Tax Reporting Documentation is not so certified to the Escrow Agent, the Escrow Agent may be required by the Internal Revenue Code, as it may be amended from time to time, to withhold a portion of any interest or other income earned on the investment of monies or other property held by the Escrow Agent pursuant to this Escrow Agreement.

[SIGNATURE PAGES FOLLOW]

SELLER:

Northwest Senior Housing Corporation,
a Texas not-for-profit corporation

By: _____
Name: David K. Stewart
Title: Director and Chairman of the Restructuring
Committee of the Board of Northwest Senior Housing
Corporation

PURCHASER:

Bay 9 Holdings LLC,
a Delaware limited liability company

By: _____
Name:
Title:

ESCROW AGENT:

UMB BANK, N.A., solely as Escrow Agent

By: _____
Name: Irina Palchuk
Title: Senior Vice President

EXHIBIT A

ESCROW FEES AND EXPENSES

Acceptance Fee

Review escrow agreement and establish account \$1,250.00

Annual Fee (per year or part thereof)

Maintain account \$1,250.00

Fees specified are for the regular, routine services contemplated by the Escrow Agreement, and any additional or extraordinary services, including, but not limited to disbursements involving a dispute or arbitration, or administration while a dispute, controversy or adverse Claim is in existence, will be charged based upon time required at the then standard hourly rate. In addition to the specified fees, all expenses related to the administration of the Escrow Agreement (other than normal overhead expenses of the regular staff) such as, but not limited to, travel, postage, shipping, courier, telephone, facsimile, supplies, legal fees, accounting fees, etc., will be reimbursable. Acceptance and first year annual fees will be payable at the initiation of the escrow and annual fees will be payable in advance thereafter. Other fees and expenses will be billed as incurred.

1.

Exhibit 3

Sale Notice

HAYNES AND BOONE, LLP

J. Frasher Murphy
State Bar No. 24013214
Thomas J. Zavala
State Bar No. 24116265
2323 Victory Avenue, Suite 700
Dallas, TX 75219
Telephone: (214) 651-5000
frasher.murphy@haynesboone.com
tom.zavala@haynesboone.com

**MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY AND POPEO, PC**

Daniel S. Bleck (Admitted *Pro Hac Vice*)
Eric Blythe (Admitted *Pro Hac Vice*)
Kaitlin R. Walsh (Admitted *Pro Hac Vice*)
One Financial Center
Boston, MA 02111
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dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

Counsel to the Trustee and DIP Lender

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

NOTICE OF SALE

PLEASE TAKE NOTICE THAT:

1. Pursuant to the *Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation And Sale Hearing; and (V) Granting Related Relief* [Docket No. __] (the “**Bidding Procedures Order**”) entered by the United States Bankruptcy Court for the Northern District of Texas (the “**Bankruptcy Court**”) on [____], 2022, the Bankruptcy Court approved entry into that certain Asset Purchase Agreement, dated as of December [•], 2022 (the “**Stalking Horse APA**”) with Bay 9 Holdings LLC or its designee (the “**Stalking Horse Bidder**”) for the sale of substantially all of the Debtors’ assets subject to a competitive bidding process as set forth in the Bidding Procedures Order. Capitalized terms used but not otherwise

¹ The Debtors in the Chapter 11 Cases (the “**Chapter 11 Cases**”), along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

defined in this notice have the meanings ascribed to them in the Bidding Procedures Order or the Stalking Horse APA, as applicable.

2. Copies of (i) the Stalking Horse APA, (ii) the Bidding Procedures, and (iii) the Bidding Procedures Order can be obtained by contacting the Trustee and DIP Lender's financial advisor, RBC Capital Advisors ("**RBC**"), Attn: David B. Fields, Telephone: 610-729-3658, E-mail: david.fields@rbccm.com or by download from the Debtors' claims and noticing agent KCC website at: <https://www.kccllc.net/edgemere>.

3. Once filed with the Bankruptcy Court, which will be at least [_____] () days prior to the Confirmation and Sale Hearing, copies of the proposed order approving the Plan, which order will effectuate the sale of the Debtors' assets (the "**Confirmation Order**") may be obtained by contacting RBC or KCC as set forth in paragraph 2 above.

4. All interested parties are invited to make an offer to purchase the Purchased Assets in accordance with the terms and conditions approved by the Bankruptcy Court (the "**Bidding Procedures**") by **JANUARY 13, 2023 at 4:00 P.M. (prevailing Central Time)**. Pursuant to the Bidding Procedures, the Trustee and DIP Lender may conduct an auction for the Purchased Assets (the "**Auction**") on **JANUARY 17, 2023 BEGINNING PROMPTLY AT 10:00 A.M. (prevailing Central Time)** at the offices of the Trustee and DIP Lender's counsel, Haynes & Boone LLP, 2323 Victory Avenue, Suite 700 Dallas, TX 75219 or such other location as may be announced prior to the Auction to the Auction Participants. Contact RBC, Attn: David B. Fields, Telephone: 610-729-3658, E-mail: david.fields@rbccm.com for further information regarding the Debtors' assets and/or making a bid.

5. Participation at the Auction is subject to the Bidding Procedures and the Bidding Procedures Order.

6. A hearing to approve the sale of the Purchased Assets to the highest and best bidder will be held on **JANUARY 26, 2023 at 9:30 A.M. (prevailing Central Time)** at the Bankruptcy Court. The hearing on the sale may be adjourned without notice other than an adjournment in open court.

7. Objections, if any, to the proposed sale must be filed and served in accordance with the Bidding Procedures Order, and **actually received** no later **JANUARY 20, 2023 AT 4:00 P.M. (prevailing Central Time)**.

8. This notice is qualified in its entirety by the Bidding Procedures Order.

[Remainder of page intentionally left blank.]

Dated: [_____], 2022

HAYNES AND BOONE, LLP

/s/ DRAFT

J. Frasher Murphy
State Bar No. 24013214
Thomas J. Zavala
State Bar No. 24116265
2323 Victory Avenue, Suite 700
Dallas, TX 75219
Telephone: (214) 651-5000
frasher.murphy@haynesboone.com
tom.zavala@haynesboone.com

– and –

**MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY AND POPEO, PC**

Daniel S. Bleck (Admitted *Pro Hac Vice*)
Eric Blythe (Admitted *Pro Hac Vice*)
Kaitlin R. Walsh (Admitted *Pro Hac Vice*)
One Financial Center
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dsbleck@mintz.com
erblythe@mintz.com
krwalsh@mintz.com

Counsel to the Trustee and DIP Lender

/s/ DRAFT

POLSINELLI PC

Trinitee G. Green (SBN 24081320)
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
Telephone: (214) 397-0030
Facsimile: (214) 397-0033
tggreen@polsinelli.com
Jeremy R. Johnson (Admitted *Pro Hac Vice*)
600 3rd Avenue, 42nd Floor
New York, New York 10016
Telephone: (212) 684-0199
Facsimile: (212) 684-0197
jeremy.johnson@polsinelli.com

*Counsel to the Debtors and Debtors in
Possession*

Exhibit 4

Cure and Possible Assumption and Assignment Notice

HAYNES AND BOONE, LLP

J. Frasher Murphy
State Bar No. 24013214
Thomas J. Zavala
State Bar No. 24116265
2323 Victory Avenue, Suite 700
Dallas, TX 75219
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krwalsh@mintz.com

Counsel to the Trustee and DIP Lender

Trinitee G. Green (SBN 24081320)
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jeremy.johnson@polsinelli.com

*Counsel to the Debtors and Debtors in
Possession*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:
Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11
Case No. 22-30659 (MVL)

(Jointly Administered)

NOTICE OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

¹ The Debtors in the Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors' mailing address is 8523 Thackery Street, Dallas, Texas 75225.

**THAT MAY BE ASSUMED, PURSUANT TO SECTIONS 365 AND 1123 OF THE
BANKRUPTCY CODE, IN CONNECTION WITH THE PLAN AND THE
PROPOSED CURE AMOUNTS WITH RESPECT THERETO**

PLEASE TAKE NOTICE THAT:

1. On April 14, 2022 (the “**Petition Date**”), Northwest Senior Housing Corporation and Senior Quality Lifestyles Corporation (collectively, the “**Debtors**”) commenced bankruptcy cases (the “**Chapter 11 Cases**”) in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division, by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”).

2. On November 2, 2022, UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”) and in its capacity as a lender under the DIP Credit Agreement (the “**DIP Lender**,” and collectively with the Trustee, the “**Initial Plan Sponsors**”) filed, among other things, the *Motion of Trustee and DIP Lender for Entry of an Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation And Sale Hearing; and (V) Granting Related Relief* [Docket No. 755] (the “**Motion**”). On [_____], 2022, the Bankruptcy Court entered an order granting the relief requested in the Motion [Docket No. __] (the “**Bidding Procedures Order**”).²

3. On December 15, 2022, the Debtors, the Trustee and the DIP Lender (collectively, the “**Plan Sponsors**”) filed the (i) *Second Amended Plan of Reorganization of the Plan Sponsors Dated December 12, 2022* [Docket No. 898] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Plan**”) and (ii) *Second*

² All capitalized terms not defined herein shall have the meaning ascribed to them in the Bidding Procedures Order.

Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 12, 2022 [Docket No. 899] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Disclosure Statement**”). The Plan is supported by the Plan Sponsors, Lifespace Communities, Inc. (“**Lifespace**”), and the official committee of unsecured creditors (the “**Committee**”).

4. Pursuant to the Bidding Procedures Order, the Plan Sponsors are delivering this notice (the “**Cure and Possible Assumption and Assignment Notice**”) identifying (a) those executory contracts and unexpired leases which may be assumed on the Effective Date and assigned to a Purchaser (the “**Executory Contracts and Unexpired Leases**”); and (b) the proposed cure amount for each Executory Contract and Unexpired Lease identified herein. For the avoidance of doubt, this Cure and Possible Assumption and Assignment Notice shall not apply to the Residency Agreements, which are contemplated to be rejected pursuant to the Plan.

5. An Executory Contract and/or Unexpired Lease with respect to which you have been identified as a counterparty, and the corresponding proposed cure amount, if any, is set forth on the attached **Exhibit A**.

Objections

6. Any objections to the assumption and/or assumption and assignment of any Executory Contract or Unexpired Lease, including any objection to a proposed cure amount and any objection to the Stalking Horse Bidder’s adequate assurance of future performance (each a “**Cure Objection**”), must (a) be in writing; (b) state with specificity the nature of such objection; and (c) comply with the Bankruptcy Rules.

7. Additionally, any Cure Objection must be filed with the Court no later than **JANUARY 10, 2023 at 4:00 P.M. (prevailing Central Time)**.

8. UNLESS YOU FILE A CURE OBJECTION AND SERVE SUCH OBJECTION IN ACCORDANCE WITH THE INSTRUCTIONS AND DEADLINES SET FORTH HEREIN, YOU SHALL BE FOREVER BARRED FROM (A) OBJECTING TO THE DEBTORS' ASSUMPTION, ASSIGNMENT AND/OR THE CURE AMOUNT SET FORTH ON EXHIBIT A; AND (B) ASSERTING OR CLAIMING ANY CURE AMOUNT AGAINST THE DEBTORS, THE PURCHASER, OR ANY OTHER ASSIGNEE OF THE RELEVANT EXECUTORY CONTRACT OR UNEXPIRED LEASE; PROVIDED, HOWEVER, THAT IF THE SUCCESSFUL BIDDER IS NOT THE STALKING HORSE BIDDER, ANY COUNTERPARTY TO AN EXECUTORY CONTRACT OR UNEXPIRED LEASE SUBJECT TO ASSUMPTION MAY RAISE AN OBJECTION TO THE ASSUMPTION AND ASSIGNMENT THEREOF SOLELY WITH RESPECT TO THE ABILITY OF THE SUCCESSFUL BIDDER TO PROVIDE ADEQUATE ASSURANCE OF FUTURE PERFORMANCE UNDER THE ASSUMED CONTRACT AT THE CONFIRMATION AND SALE HEARING, OR AT ANY TIME BEFORE THE CONFIRMATION AND SALE HEARING.

Confirmation and Sale Hearing

9. Any Cure Objection that is timely filed and served regarding any Executory Contract or Unexpired Lease listed on Exhibit A, shall be heard at a hearing to be held before the Honorable Michelle V. Larson, United States Bankruptcy Court for the Northern District of Texas, 1100 Commerce Street, 14th Floor, Courtroom No. 2, Dallas, Texas 75242 on January 26, 2023 at 9:30 a.m. (prevailing Central Time) or such other date and time as may be fixed by the Court.

Reservation of Rights

10. The presence of an Executory Contract or Unexpired Lease on **Exhibit A** does not constitute an admission that such any listed Executory Contract or Unexpired Lease is an executory contract or unexpired lease within the meaning of section 365 of the Bankruptcy Code, or that such Executory Contract or Unexpired Lease will be assumed by the Debtors and assigned to the Purchaser. The Plan Sponsors reserve all of their rights to send out additional notices concerning additional or other Executory Contracts and Unexpired Leases subject to the provisions of any order by the Court.

[Remainder of page intentionally left blank.]

DATED: _____, 2022
Dallas, Texas

HAYNES AND BOONE, LLP

By: /s/ Draft

J. Frasher Murphy
State Bar No. 24013214
Thomas J. Zavala
State Bar No. 24116265
2323 Victory Avenue, Suite 700
Dallas, TX 75219
Telephone: (214) 651-5000
frasher.murphy@haynesboone.com
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– and –

**MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY AND POPEO, PC**

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Counsel to the Trustee and DIP Lender

/s/ DRAFT

POLSINELLI PC

Trinitee G. Green (SBN 24081320)
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600 3rd Avenue, 42nd Floor
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Telephone: (212) 684-0199

Facsimile: (212) 684-0197
jeremy.johnson@polsinelli.com

*Counsel to the Debtors and Debtors in
Possession*

Exhibit 7



CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed January 17, 2023

United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:)	
)	Chapter 11
)	
NORTHWEST SENIOR HOUSING)	Case No. 22-30659 (MVL)
CORPORATION, <i>et al.</i> ¹)	
)	
Debtors.)	

AMENDED PLAN AND SALE DEADLINES

Category	Current Date	Proposed Dates
Meet and Confer on Scheduling and Other Issues	January 9, 2023	January 9, 2023 12:00 p.m. CT (complete)
Status Hearing on Scheduling and Other Issues	January 10, 2023 at 9:30 a.m.	January 10, 2023 at 9:30 a.m. (complete)

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors' mailing address is 8523 Thackery Street, Dallas, Texas 75225.



Category	Current Date	Proposed Dates
Deadline for all parties to Supplement Expert Designations and Deadline to Provide Expert Reports Pertaining to Property Condition Cure Amount		January 10, 2023 (complete)
Landlord to file Amendment to the Cure Statement as to Property Conditions		January 10, 2023 (complete)
Landlord to serve any amended production in connection with its response to Plan Sponsor's Requests for Production of Documents		January 13, 2023
Property Condition Cure Depositions (fact and expert)		January 11-18, 2023, based on availability Parties to advise Court during hearing on January 12, 2023 of status of deposition scheduling
Status Conference		January 19, 2023 at 3:00 p.m. CST
Plan Sponsors' Deadline to Object to Amended Cure Statement as to Property Conditions Witness and Exhibit List for January 23, 2023 hearing		January 19, 2023 at 4:00 p.m. CST by EOD
Deadline for the Landlord to respond to Cure Claim objections All depositions regarding Pecuniary Loss Cure (fact and expert) to be scheduled		January 20, 2023 at 4:00 p.m. CST by EOD
Hearing on Property Condition Cure		January 23, 2023 at 9:30 a.m. CST
Deadline to Produce Expert Reports Pertaining to Pecuniary Loss Cure		January 25, 2023

Category	Current Date	Proposed Dates
Depositions - Pecuniary Loss Cure (fact and expert)	January 11-12, 2023	January 26-February 3, 2023
Deadline to Submit Competing Bids Deadline for competing bidders, if any, to provide adequate assurance materials Deadline for Landlord to designate rebuttal expert(s) on adequate assurance and to deliver any expert report regarding adequate assurance to Plan Sponsors and Stalking Horse Bidder; Plan Sponsors to deliver same to all qualified bidders	January 13, 2023 at 4:00 p.m.	February 3, 2023 at 4:00 p.m. CST
Auction Date (if necessary) Deadline for Plan Sponsors' pre-trial briefing on pecuniary cure claim	January 17, 2023	February 7, 2023
Deadline for Stalking Horse and Landlord to identify up to 4 witnesses each for depositions (depositions to occur between February 9-16, 2023, limit to 20 hours total per side (§)) ²		February 8, 2023
Deadline for Landlord's pre-trial briefing on pecuniary cure claim Deadline for Plan Sponsors and Stalking Horse to respond to Landlord's adequate assurance objections (§) Deadline for Winning Bidder to provide its adequate assurance materials to Landlord that were submitted prior to auction to be deemed a qualified bidder (*) ³ Deadline for Landlord to serve adequate assurance discovery on Winning Bidder, and		February 9, 2023

² (§) indicates that the event and its corresponding deadline occur if, and only if, the Stalking Horse is the designated auction winner.

³ (*) indicates that the event and its corresponding deadline occur if, and only if, the Stalking Horse is not the designated auction winner.

Category	Current Date	Proposed Dates
provide 2 business days for the Winning Bidder to respond (*)		
Results of Auction	January 19, 2023 (2 business days after auction is concluded)	February 9, 2023 (2 business days after auction is concluded)
Meet and confer on Adequate Assurance Materials (*) Deadline for Landlord to designate rebuttal expert(s) on adequate assurance (*)		February 10, 2023
Adequate Assurance Depositions (fact and expert) (*) ⁴	January 18-19, 2023	February 10-17, 2023
Evidentiary Hearing on Pecuniary Damages, Status Hearing on Adequate Assurance Disputes Deadline for Winning Bidder to provide supplemental adequate assurance materials in response to Landlord's requests (*)		February 13, 2023 at 9:30 a.m. By EOD
Plan and Sale Objection Deadline Deadline for Landlord to File Supplemental Objection to Winning Bidder Adequate Assurance (*)	January 20, 2023 at 4:00 p.m.	February 14, 2023 at 4:00 p.m. By EOD
Deadline to File Confirmation Brief and Reply to Plan Objection(s)	January 24, 2023	February 17, 2023
Confirmation and Sale Hearing Date	January 26, 2023 at 9:30 a.m.	February 21, 2023 at 9:30 a.m. (and Feb 22 and 23)

###End of Order###

⁴ If Stalking Horse is the winner of the auction, adequate assurance depositions will occur February 9-16, 2023, as provided above in the February 8, 2023 deadline category.

Exhibit 8

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re:

Northwest Senior Housing Corporation, *et al.*¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

CERTIFICATE OF SERVICE

1. I, Andres Estrada, depose and say that I am employed by Kurtzman Carson Consultants LLC (“KCC”), the claims, noticing, and voting agent for the Debtors in the above-captioned case. I submit this Certificate in connection with the service of solicitation materials for the *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (the “Plan”). I am over the age of 18 and not a party to this action. Except as otherwise noted, I could and would testify to the following based upon my personal knowledge.

2. On April 20, 2022, the Court entered the *Order Granting Debtors’ Application for Entry of an Order (A) Authorizing the Retention and Employment of Kurtzman Carson Consultants LLC as Claims, Noticing and Solicitation Agent, Nunc Pro Tunc to the Petition Date and (B) Granting Related Relief* [Docket No. 110].

3. Consistent with its retention as claims, noticing, and solicitation agent, KCC is charged with, among other things, printing and distributing Solicitation Packages² to creditors and other interested parties pursuant to the solicitation and voting procedures included in the *Order (I) Establishing Voting Record Date and Other Deadlines; (II) Authorizing Kurtzman Carson Consultants LLC to Act as the Voting Agent with Respect to the Plan; (III) Approving Solicitation and Notice Procedures; (IV) Approving Manner and Forms of Ballots, Notices and Related Documents; and (V) Granting Related Relief* [Docket No. 947] (the “Solicitation Procedures Order”) on December 20, 2022.

4. The Solicitation Package consists of the following materials (the “Solicitation Package”):

- a. if applicable, a Flash Drive (the “Flash Drive”) containing the following documents:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.

² Capitalized terms not defined herein shall have the same meanings ascribed to them in the Solicitation Procedures Order, as applicable.

- i. the *Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* (including exhibits attached thereto, including the Plan) (the “Disclosure Statement”);
 - ii. *Order Approving Disclosure Statement and Granting Related Relief* [Docket No. 936] (the “Disclosure Statement Order”);
 - iii. the Solicitation Procedures Order (excluding exhibits attached thereto);
- b. either a copy of the appropriate Ballot(s) and voting instructions for the voting class in which the creditor is entitled to vote (with a pre-addressed, postage prepaid return envelope, if applicable (the “Return Envelope”):
 - i. *Ballot and Release Opt Out Form for Accepting or Rejecting Chapter 11 Plan (General Unsecured Claims (Class 4))* (the “General Unsecured Claims Ballot”) (substantially in the form attached as Exhibit Group 2-B to the Solicitation Procedures Order);
 - ii. *Beneficial Owner Ballot for Accepting or Rejecting Chapter 11 Plan (Bond Claims (Class 2); General Unsecured Claims (Class 4))* (the “Beneficial Owner Ballot”) (substantially in the form attached as Exhibit Group 2-B to the Solicitation Procedures Order);
 - iii. *Master Ballot for Accepting or Rejecting Chapter 11 Plan (Bond Claims (Class 2); General Unsecured Claims (Class 4))* (the “Master Ballot”) (substantially in the form attached as Exhibit Group 2-B to the Solicitation Procedures Order);
 - iv. *Ballot and Release Opt Out Form for Accepting or Rejecting Chapter 11 Plan (Former Resident Claims (Class 5) and Current Resident Claims (Class 6))* (the “Resident Claims Ballot”) (substantially in the form attached as Exhibit Group 2-B to the Solicitation Procedures Order);

(Continued on Next Page)

- c. or in lieu of a Ballot, the following notices and forms, as appropriate, based on the treatment under the Plan of any Claim or Interest held by the party to whom the notice is provided:
- i. *Notice to Holders or Potential Holders of Unimpaired Claims Not Entitled to Vote on the Plan of (I) Non-Voting Status; (II) Confirmation Hearing; (III) Confirmation Objection Deadline; and (IV) Opportunity to Opt Out of Third-Party Releases* (the “Unimpaired Claims Notice”) (substantially in the form attached as Exhibit 4-B to the Solicitation Procedures Order);
 - ii. *Notice to Holders or Potential Holders of Unclassified Claims Not Entitled to Vote on the Plan of (I) Non-Voting Status; (II) Confirmation Hearing; (III) Confirmation Objection Deadline; and (IV) Opportunity to Opt Out of Third-Party Releases* (the “Unclassified Claims Notice”) (substantially in the form attached as Exhibit 4-C to the Solicitation Procedures Order);
 - iii. *Opt Out Election Form for Non-Voting Claims* (the “Opt Out Form”) (substantially in the form attached as Exhibit 6-B to the Solicitation Procedures Order);
- d. if applicable, a Resident Claim Cover Letter (the “Resident Claim Cover Letter”) (substantially in the form attached as Exhibit 9 to the Solicitation Procedures Order);
- e. if applicable, the Committee Solicitation Letter (substantially in the form attached as Exhibit 10 to the Solicitation Procedures Order); and
- f. *Notice of Hearing Regarding (I) Confirmation of the Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022; (II) Approval of the Sale Transaction; and (III) Related Voting and Objection Deadlines* (the “Confirmation and Sale Hearing Notice”) (substantially in the form attached as Exhibit 7 to the Solicitation Procedures Order).

5. On December 22, 2022, at my direction and under my supervision, employees of KCC caused the Flash Drive, General Unsecured Claims Ballot, Confirmation and Sale Hearing Notice, and Return Envelope to be served via First Class Mail to the parties on the service list attached hereto as Exhibit A.

6. On December 22, 2022, at my direction and under my supervision, employees of KCC caused the Flash Drive and Confirmation and Sale Hearing Notice to be served via First Class Mail to the parties on the service lists attached hereto as Exhibit B.

7. On December 22, 2022, at my direction and under my supervision, employees of KCC caused the Flash Drive, Resident Claims Ballot, Resident Claim Cover Letter, Committee Solicitation Letter, Confirmation and Sale Hearing Notice, and Return Envelope to be served via First Class Mail to the parties on the service lists attached hereto as Exhibit C and Exhibit D.

8. On December 22, 2022, at my direction and under my supervision, employees of KCC caused the Flash Drive, Beneficial Owner Ballot, and Confirmation and Sale Hearing Notice to be served via Overnight Mail to the parties on the service list attached hereto as Exhibit E for subsequent distribution to beneficial holders of the securities listed on the attached hereto as Exhibit E; via First Class Mail to the parties on the service list attached hereto as Exhibit G; and via Electronic Mail to the parties on the service list attached hereto as Exhibit H.

9. On December 22, 2022, at my direction and under my supervision, employees of KCC caused the Master Ballot to be served via First Class Mail to the parties on the service list attached hereto as Exhibit G; and via Electronic Mail to the parties on the service list attached hereto as Exhibit H.

10. On December 22, 2022, at my direction and under my supervision, employees of KCC caused the Unimpaired Claims Notice, Opt Out Form, Confirmation and Sale Hearing Notice, and Return Envelope to be served via First Class Mail to the parties on the service list attached hereto as Exhibit I.

11. On December 22, 2022, at my direction and under my supervision, employees of KCC caused the Unimpaired Claims Notice and Confirmation and Sale Hearing Notice to be served via First Class Mail to the parties on the service list attached hereto as Exhibit J.

12. On December 22, 2022, at my direction and under my supervision, employees of KCC caused the Unclassified Claims Notice, Opt Out Form, Confirmation and Sale Hearing Notice, and Return Envelope to be served via First Class Mail to the parties on the service list attached hereto as Exhibit K.

13. On December 22, 2022, at my direction and under my supervision, employees of KCC caused the Unclassified Claims Notice, and Confirmation and Sale Hearing Notice to be served via First Class Mail to the parties on the service list attached hereto as Exhibit L.

14. On December 22, 2022, at my direction and under my supervision, employees of KCC caused the Flash Drive and Confirmation and Sale Hearing Notice to be served via First Class Mail to the parties on the service list attached hereto as Exhibit M.

15. On December 22, 2022, at my direction and under my supervision, employees of KCC caused the Disclosure Statement, Disclosure Statement Order, Solicitation Procedures Order, and Confirmation and Sale Hearing Notice to be served via Electronic Mail to the parties on the service list attached hereto as Exhibit N.

16. On December 22, 2022, at my direction and under my supervision, employees of KCC caused the Confirmation and Sale Hearing Notice to be served via First Class Mail to the parties on the service list attached hereto as Exhibit O.

17. On December 27, 2022, at my direction and under my supervision, employees of KCC caused the Opt Out Form and Return Envelope to be served via First Class Mail to the parties on the service list attached hereto as Exhibit P.

18. On December 27, 2022, at my direction and under my supervision, employees of KCC caused the Opt Out Form to be served via First Class Mail to the parties on the service list attached hereto as Exhibit Q.

Dated: December 30, 2022

/s/ Andres Estrada
Andres Estrada
KCC
222 N Pacific Coast Highway,
3rd Floor
El Segundo, CA 90245
Tel 310.823.9000

Exhibit A

Exhibit A

Class 4 Voting Parties
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	City	State	Zip
Ability Network Inc		PO Box 856015		Minneapolis	MN	55485-6015
ACADIAN AMBULANCE SERVICE INC		P.O. BOX 92970		Lafayette	LA	70509-2970
Accurate Employment Screening LLC		PO BOX 7410110		CHICAGO	IL	60674-0110
Accushield LLC		2030 POWERS FERRY RD SE	SUITE 360	ATLANTA	GA	30339
ADP Inc		1851 Resler Dr		El Paso	TX	79912
Airgas USA, LLC		110 West 7th Street, Suite 1300		Tulsa	OK	74119
ALLEGIANCE MOBILE HEALTH		P.O.Box 4320		Houston	TX	77210-4320
Ambius	Bankruptcy Team, Tara Conard	1125 Berkshire Blvd, Suite 150		Reading	PA	19610
AMC Construction		2931 Ridge Road Ste 101 PMB 52		Rockwall	TX	75032
Andrew Corridori		600 Independence Pkwy, Apt 2215		Plano	TX	75075
ANTHONY A. WALSH JR.		5208 GEODE LANE		MCKINNEY	TX	75072
ARC Waterproofing Sealant LLC	c/o Buffey E. Klein	Husch Blackwell LLP	1900 N. Pearl Street, Suite 1800	Dallas	TX	75201
Arjo Huntleigh Inc		P.O. BOX 640799		PITTSBURG	PA	15264-0799
Atmos Energy Corporation	Attn Bankruptcy	PO Box 650205		Dallas	TX	75265
Barbara Loest		10410 High Hollows, 129		Dallas	TX	75230
Caremerge Inc		PO BOX 95302		Chicago	IL	60694
CHEMSEARCH		23261 NETWORK PLACE		CHICAGO	IL	60673-1232
CINTAS CORPORATION NO 2		Cintas Loc #085	P.O. Box 650838	Dallas	TX	75265-0838
Cintas Fire		PO Box 636525		Cincinnati	OH	45263-6525
City of Dallas	COA c/o Asst City Attorney Mark Baggett	1500 Marilla St 7BN		Dallas	TX	75201
City of Dallas Inspection and Life Safety Education Permit Services	CAO - c/o Mark Baggett	City of Dallas	1500 Marilla, Ste. 7BN	Dallas	TX	75201
Cleys Williams		3040 Kinkaid Dr		Dallas	TX	75220
Clinical Resources LLC		3338 Peachtree NE	Ste 102	Atlanta	GA	30326-1495
Contemporary, Inc.	The Cawley Company	PO Box 2110		Manitowoc	WI	54221-2110
COOKING EQUIPMENT SPECIALIST, LLC		3100 EAST MEADOWS BOULEVARD		MESQUITE	TX	75150
D.B.M. Services, LP		3111 Executive Blvd		Mesquite	TX	75149
D.H. Pace Company, Inc.		1901 E. 119th St.		Olathe	KS	66061
DALLAS AQUARIUM KINGS		4975 THUNDER DR		DALLAS	TX	75244
Dallas Tap Dazzlers		3512 Brookline Lane		Dallas	TX	75234
DATA SHREDDING SERVICES OF TEXAS		615 W 38th St		Houston	TX	77018
Dave Tanner Inc		PO Box 142424		Irving	TX	75014-2424
David Stephen Donosky	Steve Donosky	c/o Craig A. Albert	8350 N. Central Expy., Suite 1500	Dallas	TX	75206
DIAGNOSTEX LLC		8913 Mid Cities Blvd Ste 100		N Richland Hills	TX	76182
DICEY SUMLIN		P.O.BOX 397675		DALLAS	TX	75339
Direct Energy Business, LLC	Attn Nick R. Lawson	McDowell Hetherington LLP	1001 Fannin, Suite 2700	Houston	TX	77002
Direct Supply Inc		PO Box 88201		Milwaukee	WI	53288
Diversified First Aid & Safety		708 Whitetail Deer Lane		Crowley	TX	76036-3946
DJs Dance		6712 Green Briar Lane		Flower Mound	TX	75022-5825
E SAM JONES		P.O. Box 536794		Atlanta	GA	30353-6794
ECOLAB INC		PO Box 70343		Chicago	IL	60673
EDWARD DON & CO		2562 Paysphere Circle		Chicago	IL	60674
Emerald Irish Dance and Cultural Society	EIDCS, Inc	2705 Cape Brett Dr		Flower Mound	TX	75022

Exhibit A
 Class 4 Voting Parties
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	City	State	Zip
FedEx		PO Box 660481		Dallas	TX	75266
FILTER SYSTEMS, INC		9000 Sovereign Row		Dallas	TX	75247
FIT TO PRINT		6102 Black Swan Circle		Garland	TX	75044
FLORAL IMAGE DALLAS		605 Sherman Dr # D		Richardson	TX	75081
For Love & Art		4848 Lemmon Avenue 100-623		Dallas	TX	75219
FullCount		1555 SE Delaware Ave	Suite A	Ankeny	IA	50021-4011
GERRIE OWEN		915 S Market St		Grapeland	TX	75844
GLEN L. ROTHSTEIN		1513 Fowler		Irving	TX	75061
Grapevine Designs, LLC	Holly Robertson	8406 Melrose Ave		Lenexa	KS	66214
GreatAmerica Financial Services Corporation	Attn Peggy Upton	PO Box 609		Cedar Rapids	IA	52406
Green Planet, Inc.	Virginia Belmore	6371 State Highway 276 W		Royse City	TX	75189-5227
Haier US Appliance Solutions, Inc. d/b/a GE Appliances	c/o Elizabeth B. Noland	Fultz Maddox Dickens PLC	101 S. Fifth Street, 27th Floor	Louisville	KY	40202
HD Supply Facilities Maintenance		101 Riverview Parkway		Santee	CA	92071
HEAVENS HEARTSTRINGS MINISTRIES		P.O.Box 1313		Cedar Hill	TX	75106
Integrity Medical Transportation, LLC		5700 Tennyson Pkwy		Plano	TX	75024
Intercity Investment Properties, Inc.		2 N LaSalle Street, Suite 1300		Chicago	IL	60602
IRJ Glass & Mirrors		1607 Garza Avenue		Dallas	TX	75216
James Clark		3756 West Buckingham Rd # 119		Garland	TX	75042-4725
Jessie Daniel Romo		633 Haverhill Lane		Dallas	TX	75217
JESSIE L FRANK		10221 Concord Dr.		Frisco	TX	75035
JILL A. BEAM		16601 SCENIC CIRCLE		FORNEY	TX	75126
Kci USA		P.O. Box 301557		Dallas	TX	75303-1557
Keith Schmorrr		9351 Angora St		Dallas	TX	75218
KIM-NGAN P. FELLMAN M.D PA		4931 WEST AMHERST AVE		DALLAS	TX	75209
Lagniappe National Construction LLC		1526 E Pass Road		Gulfport	MS	39507
LESLIES POOLMART INC		Leslies Swimming Pool Supplies	P.O. Box 501162	St. Louis	MO	63150-1162
LONGHORN MECHANICAL INC		P.O.Box 909		Van Alstyne	TX	75495
LYNN MOON SCHELLENBERG DTR	Lynn Schellenberg	5646 Winton St		Dallas	TX	75206
MAINTENANCE SUPPLY HEADQUARTERS		P.O. BOX 301451		DALLAS	TX	75303-1451
Management and Network Services, LLC	Gene Kneisley	6500 Emerald Parkway Suite 310		Baltimore	OH	43105
Marek Leszczynski		1636 Savage Dr		Plano	TX	75023
Marilyn Jefferson	Dustin Brown	Stanley and Associates, PLLC	2600 K Avenue, Suite 180	Plano	TX	75074
MARTY RUIZ		6451 Patrick Dr		Dallas	TX	75214
MCKESSON MEDICAL-SURGICAL		PO BOX 630693		Cincinnati	OH	45263-0693
MediLogix LLC		PO Box 677224		DALLAS	TX	75267-7224
Medline Industries Inc		Dept 1080	PO Box 121080	Dallas	TX	75312-1080
MIKE L. FRANKEL		6940 MOSSVINE DR		DALLAS	TX	75254
Moving Station LLC		135 S LaSalle Street Ste 2000		Chicago	IL	60603
Mr. AC Heating & Cooling LLC		5016 Eastcreek Dr		Arlington	TX	76018-1328
National Utilities Refund LLC		660 Delaware Ave #351		Hellertown	PA	18055
Net Health Systems Inc		PO Box 72046		Cleveland	OH	44192
Omnicare of Fort Worth		DEPT 781668	PO BOX 78000	DETROIT	MI	48278-1668
ON DEMAND STAFFING		P.O. BOX 59307		DALLAS	TX	75229

Exhibit A

Class 4 Voting Parties
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	City	State	Zip
OnSite Fitness Service LLC		3341 Regent Blvd Suite 130355		Irving	TX	75063
PAUL G ANDERSON	Paul Anderson	P.O. BOX 2793		WYLIE	TX	75098
PERFORMANCE HEALTH SUPPLY INC		P.O. BOX 93040		CHICAGO	IL	60673-3040
PETALS AND STEMS FLORIST		13319 MONTFORT DR		DALLAS	TX	75240
PHILLIPS LIFELINE SYSTEMS INC		PO Box 403109		Atlanta	GA	30384-3109
PointClickCare Technologies Inc		PO Box 674802		Detroit	MI	48267-4802
POOL BUTLER PARTNERS		P.O. BOX 2015		LAKE DALLAS	TX	75065
POWER SECURE SERVICE INC		PO box 150939		ALTAMONTE SPRINGS	FL	32715
Precision Reprographics, Inc.		3102 Benton St.		Garland	TX	75042
Psi Premier Specialties Inc		8800 Shoal Creek Blvd #B		AUSTIN	TX	78757
Q Physician Group		3306 Wendover Ct		Richardson	TX	75082
QUENCH USA INC		PO Box 735777		Dallas	TX	75373
REDAWAY LLC.		990 SECURITY ROW STE 102		Richardson	TX	75081
Resident ID 244		Address Redacted				
Resident ID 354		Address Redacted				
Resident ID 1387		Address Redacted				
Resident ID 1387		Address Redacted				
Robert Ackerman		5923 Reiger Ave.		Dallas	TX	75214
Royal Cup Inc		160 Cleage Dr		Birmingham	AL	35217
Sand Trap Service Company Inc		1300 Cold Springs Rd		Fort Worth	TX	76102
Schindler Elevator Corporation		PO Box 93050		Chicago	IL	60673-3050
Select Rehabilitation LLC		PO BOX 71985		CHICAGO	IL	60694-1985
Sentry Insurance Company	Randy Rabe - Associate Counsel	1800 North Point Drive		Stevens Point	WI	54481
SHERRY S. HAMILTON		1004 NORTHLAKE DR		DESOTO	TX	75115
Sherwin Williams co		Sherwin Williams ETF Remit	101 Prospect Ave NW 820 Midland	Cleveland	OH	44115
Sigels Beverages, LP	Stacey Dannebrink	2960 Anode Lane		Dallas	TX	75220
SmartLab Partners, LLC		7920 Belt Line Rd., Ste 280		Dallas	TX	75254
Southwest Mobile Imaging Inc	Teresa	472 Farm Road 2297		Sulphur Springs	TX	75482
Spectrum		1600 Dublin Rd		Columbus	OH	43215
Spectrum		PO Box 94188		Palatine	IL	60094-4188
Spinutech, LLC TIN 84-1687048	Kevin Hourigan	600 N. Westshore Blvd #700		Tampa	FL	33609
Staples Advantage		PO Box 660409		Dallas	TX	75266-0410
Staples, Inc.	Tom Riggelman	Staples	7 Technology Circle	Columbia	SC	29203
STEWART WIEGAND & OWENS PC		325 North St Paul Street	Suite 3750	Dallas	TX	75201
TechScape, Inc.		9800 Brockbank Drive		Dallas	TX	75220
Texas Joint Institute		PO Box 741867		Atlanta	GA	30374-1867
Texas Winds Musical Outreach		6211 W Northwest Hwy		Dallas	TX	75225
THOMAS NATHAN SMITH		9418 TIMBERLEAF DR		DALLAS	TX	75243
TK Elevator Corp.	Law Office of D. Park Smith	250 Cherry Springs Road, Suite 200		Hunt	TX	78024
Tom Gilchrist		3216 Marquette		Dallas	TX	75225-4835
Tonya Adams		11112 Joaquin Drive		Dallas	TX	75228
Unidine Corporation	Attn John Haney, Credit Manager	4721 Morrison Dr., Suite 300		Mobile	AL	36609
United Protective Services LP		4455 Sigma Road		Dallas	TX	75244
Urgent Health Staffing Solutions	Aman Grewal	3411 Texas Dr		Sachse	TX	75048-1902
VERSACOR ENTERPRISES LLC		P.O. Box 93809		Southlake	TX	76092
VINTAGE WASHES LTD		6310 Lemmon Ave Ste 200		DALLAS	TX	75209

Exhibit A
Class 4 Voting Parties
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	City	State	Zip
Warren E. Koch		3621 Diamond Ranch Rd		Roanoke	TX	76262-4579
Warren Williams		11719 Neering Drive		Dallas	TX	75218
Wellsky Corporation		PO Box 200086		Dallas	TX	75320

Exhibit B

Exhibit B

Class 4 Notice Parties
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
ARC Waterproofing Sealant LLC	c/o Roicio Cardozo	1819 Brook Terrace Trail			Dallas	TX	75232
City of Dallas	Dallas Water Utilities	Nartarsha Jones, Utility Billing Specialist III	1500 Marilla St CS		Dallas	TX	75201
City of Dallas Inspection and Life Safety Education Permit Services	City of Dallas - Dallas Fire Rescue Department	Sean McGrew, Acting Assistant Director	1500 Marilla St., 7AS		Dallas	TX	75201
Contemporary, Inc.	Contemporary, Inc. dba The Cawley Company	Robert Petri, Director of Finance	1544 N 8th Street	PO Box 2110	Manitowoc	WI	54220
David Stephen Donosky		4324 Amherst			Dallas	TX	75225
Direct Energy Business, LLC	NRG Energy, Inc.	Joe Reeves	910 Louisiana Street		Houston	TX	77002
GreatAmerica Financial Services Corporation		PO Box 660831			Dallas	TX	75266-0831
HD Supply Facilities Maintenance		PO Box 509058			San Diego	CA	92150
Intercity Investment Properties, Inc.		Nick Hannon	4301 Westside #100		Dallas	TX	75209
Marilyn Jefferson	Will Bassham	3333 Lee Parkway, 8th Floor			Dallas	TX	75219
Royal Cup Inc		PO Box 841000			Dallas	TX	75284
Spinutech, LLC TIN 84-1687048	Spinutech	115 East 2nd St.			Cedar Falls	IA	50613
Staples, Inc.		PO Box 105748			Atlanta	GA	30348
Unidine Corporation	Sills Cummis Gross P.C.	Attn Lucas F. Hammonds	One Riverfront Plaza		Newark	NJ	07102

Exhibit C

Exhibit C
Class 5 Voting and Notice Parties
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 12		Address Redacted					
Resident ID 23		Address Redacted					
Resident ID 55		Address Redacted					
Resident ID 55		Address Redacted					
Resident ID 61		Address Redacted					
Resident ID 61		Address Redacted					
Resident ID 74		Address Redacted					
Resident ID 83		Address Redacted					
Resident ID 86		Address Redacted					
Resident ID 89		Address Redacted					
Resident ID 89		Address Redacted					
Resident ID 202		Address Redacted					
Resident ID 203		Address Redacted					
Resident ID 220		Address Redacted					
Resident ID 284		Address Redacted					
Resident ID 284		Address Redacted					
Resident ID 1387		Address Redacted					
Resident ID 1387		Address Redacted					
Resident ID 1387		Address Redacted					
Resident ID 1390		Address Redacted					
Resident ID 1391		Address Redacted					
Resident ID 1391		Address Redacted					
Resident ID 1391		Address Redacted					
Resident ID 1391		Address Redacted					
Resident ID 1391		Address Redacted					
Resident ID 1393		Address Redacted					
Resident ID 1394		Address Redacted					
Resident ID 1394		Address Redacted					
Resident ID 1394		Address Redacted					
Resident ID 1398		Address Redacted					
Resident ID 1398		Address Redacted					
Resident ID 1398		Address Redacted					
Resident ID 1398		Address Redacted					
Resident ID 1398		Address Redacted					
Resident ID 1400		Address Redacted					
Resident ID 1400		Address Redacted					
Resident ID 1401		Address Redacted					

Exhibit C

**Class 5 Voting and Notice Parties
 Served via First Class Mail**

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 1402		Address Redacted					
Resident ID 1402		Address Redacted					
Resident ID 1403		Address Redacted					
Resident ID 1403		Address Redacted					
Resident ID 1403		Address Redacted					
Resident ID 1406		Address Redacted					
Resident ID 1406		Address Redacted					
Resident ID 1407		Address Redacted					
Resident ID 1407		Address Redacted					
Resident ID 1408		Address Redacted					
Resident ID 1408		Address Redacted					
Resident ID 1409		Address Redacted					
Resident ID 1409		Address Redacted					
Resident ID 1410		Address Redacted					
Resident ID 1411		Address Redacted					
Resident ID 1411		Address Redacted					
Resident ID 1411		Address Redacted					
Resident ID 1412		Address Redacted					
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Resident ID 1412		Address Redacted					
Resident ID 1414		Address Redacted					
Resident ID 1416		Address Redacted					
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Resident ID 1417		Address Redacted					
Resident ID 1418		Address Redacted					
Resident ID 1418		Address Redacted					
Resident ID 1418		Address Redacted					
Resident ID 1418		Address Redacted					
Resident ID 1418		Address Redacted					
Resident ID 1419		Address Redacted					
Resident ID 1420		Address Redacted					
Resident ID 1420		Address Redacted					
Resident ID 1420		Address Redacted					
Resident ID 1420		Address Redacted					

Exhibit C
Class 5 Voting and Notice Parties
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 1421		Address Redacted					
Resident ID 1422		Address Redacted					
Resident ID 1422		Address Redacted					
Resident ID 1424		Address Redacted					
Resident ID 1424		Address Redacted					
Resident ID 1424		Address Redacted					
Resident ID 1425		Address Redacted					
Resident ID 1425		Address Redacted					
Resident ID 1426		Address Redacted					
Resident ID 1427		Address Redacted					
Resident ID 1427		Address Redacted					
Resident ID 1428		Address Redacted					
Resident ID 1428		Address Redacted					
Resident ID 1431		Address Redacted					
Resident ID 1431		Address Redacted					
Resident ID 1431		Address Redacted					
Resident ID 1432		Address Redacted					
Resident ID 1432		Address Redacted					
Resident ID 1433		Address Redacted					
Resident ID 1433		Address Redacted					
Resident ID 1434		Address Redacted					
Resident ID 1434		Address Redacted					
Resident ID 1434		Address Redacted					
Resident ID 1434		Address Redacted					
Resident ID 1436		Address Redacted					
Resident ID 1436		Address Redacted					
Resident ID 1437		Address Redacted					
Resident ID 1437		Address Redacted					
Resident ID 1438		Address Redacted					
Resident ID 1438		Address Redacted					
Resident ID 1438		Address Redacted					
Resident ID 1438		Address Redacted					
Resident ID 1438		Address Redacted					
Resident ID 1438		Address Redacted					
Resident ID 1439		Address Redacted					
Resident ID 1440		Address Redacted					

Exhibit C
Class 5 Voting and Notice Parties
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 1441		Address Redacted					
Resident ID 1442		Address Redacted					
Resident ID 1442		Address Redacted					
Resident ID 1443		Address Redacted					
Resident ID 1443		Address Redacted					
Resident ID 1443		Address Redacted					
Resident ID 1443		Address Redacted					
Resident ID 1444		Address Redacted					
Resident ID 1445		Address Redacted					
Resident ID 1445		Address Redacted					
Resident ID 1446		Address Redacted					
Resident ID 1446		Address Redacted					
Resident ID 1446		Address Redacted					
Resident ID 1446		Address Redacted					
Resident ID 1447		Address Redacted					
Resident ID 1447		Address Redacted					
Resident ID 1449		Address Redacted					
Resident ID 1452		Address Redacted					
Resident ID 1453		Address Redacted					
Resident ID 1455		Address Redacted					
Resident ID 1455		Address Redacted					
Resident ID 1455		Address Redacted					
Resident ID 1455		Address Redacted					
Resident ID 1456		Address Redacted					
Resident ID 1456		Address Redacted					
Resident ID 1457		Address Redacted					
Resident ID 1457		Address Redacted					
Resident ID 1458		Address Redacted					
Resident ID 1459		Address Redacted					
Resident ID 1460		Address Redacted					
Resident ID 1460		Address Redacted					
Resident ID 1460		Address Redacted					
Resident ID 1461		Address Redacted					
Resident ID 1462		Address Redacted					
Resident ID 1464		Address Redacted					
Resident ID 1464		Address Redacted					

Exhibit C

**Class 5 Voting and Notice Parties
 Served via First Class Mail**

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 1465		Address Redacted					
Resident ID 1465		Address Redacted					
Resident ID 1466		Address Redacted					
Resident ID 1468		Address Redacted					
Resident ID 1470		Address Redacted					
Resident ID 1470		Address Redacted					
Resident ID 1470		Address Redacted					
Resident ID 1470		Address Redacted					
Resident ID 1514		Address Redacted					
Resident ID 1514		Address Redacted					
Resident ID 1516		Address Redacted					
Resident ID 1517		Address Redacted					
Resident ID 1518		Address Redacted					
Resident ID 1521		Address Redacted					
Resident ID 1521		Address Redacted					
Resident ID 1521		Address Redacted					
Resident ID 1522		Address Redacted					
Resident ID 1522		Address Redacted					
Resident ID 1522		Address Redacted					
Resident ID 1522		Address Redacted					
Resident ID 1523		Address Redacted					
Resident ID 1523		Address Redacted					
Resident ID 1719		Address Redacted					
Resident ID 1719		Address Redacted					
Resident ID 1719		Address Redacted					
Resident ID 1719		Address Redacted					
Resident ID 1719		Address Redacted					
Resident ID 1719		Address Redacted					
Resident ID 1719		Address Redacted					
Resident ID 1719		Address Redacted					
Resident ID 1901		Address Redacted					
Resident ID 2039		Address Redacted					
Resident ID 2040		Address Redacted					
Resident ID 2040		Address Redacted					
Resident ID 19820		Address Redacted					
Resident ID 19820		Address Redacted					
Resident ID 19820		Address Redacted					

Exhibit D

Exhibit D

**Class 6 Voting and Notice Parties
 Served via First Class Mail**

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 2		Address Redacted					
Resident ID 2		Address Redacted					
Resident ID 3		Address Redacted					
Resident ID 3		Address Redacted					
Resident ID 17		Address Redacted					
Resident ID 17		Address Redacted					
Resident ID 32		Address Redacted					
Resident ID 32		Address Redacted					
Resident ID 34		Address Redacted					
Resident ID 34		Address Redacted					
Resident ID 34		Address Redacted					
Resident ID 38		Address Redacted					
Resident ID 38		Address Redacted					
Resident ID 38		Address Redacted					
Resident ID 52		Address Redacted					
Resident ID 52		Address Redacted					
Resident ID 52		Address Redacted					
Resident ID 53		Address Redacted					
Resident ID 53		Address Redacted					
Resident ID 54		Address Redacted					
Resident ID 54		Address Redacted					
Resident ID 59		Address Redacted					
Resident ID 59		Address Redacted					
Resident ID 60		Address Redacted					
Resident ID 60		Address Redacted					
Resident ID 64		Address Redacted					
Resident ID 64		Address Redacted					
Resident ID 79		Address Redacted					
Resident ID 79		Address Redacted					
Resident ID 81		Address Redacted					
Resident ID 81		Address Redacted					
Resident ID 84		Address Redacted					
Resident ID 84		Address Redacted					
Resident ID 84		Address Redacted					
Resident ID 90		Address Redacted					
Resident ID 90		Address Redacted					

Exhibit D

**Class 6 Voting and Notice Parties
 Served via First Class Mail**

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 90		Address Redacted					
Resident ID 95		Address Redacted					
Resident ID 95		Address Redacted					
Resident ID 96		Address Redacted					
Resident ID 96		Address Redacted					
Resident ID 99		Address Redacted					
Resident ID 99		Address Redacted					
Resident ID 109		Address Redacted					
Resident ID 109		Address Redacted					
Resident ID 113		Address Redacted					
Resident ID 114		Address Redacted					
Resident ID 115		Address Redacted					
Resident ID 115		Address Redacted					
Resident ID 116		Address Redacted					
Resident ID 117		Address Redacted					
Resident ID 117		Address Redacted					
Resident ID 117		Address Redacted					
Resident ID 119		Address Redacted					
Resident ID 120		Address Redacted					
Resident ID 121		Address Redacted					
Resident ID 122		Address Redacted					
Resident ID 123		Address Redacted					
Resident ID 125		Address Redacted					
Resident ID 126		Address Redacted					
Resident ID 127		Address Redacted					
Resident ID 127		Address Redacted					
Resident ID 127		Address Redacted					
Resident ID 128		Address Redacted					
Resident ID 130		Address Redacted					
Resident ID 131		Address Redacted					
Resident ID 132		Address Redacted					
Resident ID 133		Address Redacted					
Resident ID 134		Address Redacted					
Resident ID 136		Address Redacted					
Resident ID 138		Address Redacted					
Resident ID 140		Address Redacted					

Exhibit D

**Class 6 Voting and Notice Parties
 Served via First Class Mail**

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 142		Address Redacted					
Resident ID 143		Address Redacted					
Resident ID 144		Address Redacted					
Resident ID 144		Address Redacted					
Resident ID 144		Address Redacted					
Resident ID 144		Address Redacted					
Resident ID 144		Address Redacted					
Resident ID 144		Address Redacted					
Resident ID 144		Address Redacted					
Resident ID 145		Address Redacted					
Resident ID 146		Address Redacted					
Resident ID 148		Address Redacted					
Resident ID 149		Address Redacted					
Resident ID 151		Address Redacted					
Resident ID 152		Address Redacted					
Resident ID 154		Address Redacted					
Resident ID 156		Address Redacted					
Resident ID 159		Address Redacted					
Resident ID 160		Address Redacted					
Resident ID 161		Address Redacted					
Resident ID 162		Address Redacted					
Resident ID 163		Address Redacted					
Resident ID 165		Address Redacted					
Resident ID 166		Address Redacted					
Resident ID 168		Address Redacted					
Resident ID 169		Address Redacted					
Resident ID 170		Address Redacted					
Resident ID 171		Address Redacted					
Resident ID 172		Address Redacted					
Resident ID 172		Address Redacted					
Resident ID 174		Address Redacted					
Resident ID 175		Address Redacted					
Resident ID 176		Address Redacted					
Resident ID 177		Address Redacted					
Resident ID 178		Address Redacted					
Resident ID 179		Address Redacted					
Resident ID 180		Address Redacted					

Exhibit D
Class 6 Voting and Notice Parties
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 181		Address Redacted					
Resident ID 181		Address Redacted					
Resident ID 182		Address Redacted					
Resident ID 183		Address Redacted					
Resident ID 184		Address Redacted					
Resident ID 184		Address Redacted					
Resident ID 185		Address Redacted					
Resident ID 188		Address Redacted					
Resident ID 189		Address Redacted					
Resident ID 190		Address Redacted					
Resident ID 191		Address Redacted					
Resident ID 192		Address Redacted					
Resident ID 192		Address Redacted					
Resident ID 194		Address Redacted					
Resident ID 196		Address Redacted					
Resident ID 196		Address Redacted					
Resident ID 197		Address Redacted					
Resident ID 198		Address Redacted					
Resident ID 199		Address Redacted					
Resident ID 200		Address Redacted					
Resident ID 201		Address Redacted					
Resident ID 204		Address Redacted					
Resident ID 205		Address Redacted					
Resident ID 205		Address Redacted					
Resident ID 206		Address Redacted					
Resident ID 207		Address Redacted					
Resident ID 208		Address Redacted					
Resident ID 208		Address Redacted					
Resident ID 210		Address Redacted					
Resident ID 211		Address Redacted					
Resident ID 212		Address Redacted					
Resident ID 212		Address Redacted					
Resident ID 212		Address Redacted					
Resident ID 214		Address Redacted					
Resident ID 215		Address Redacted					
Resident ID 216		Address Redacted					

Exhibit D
Class 6 Voting and Notice Parties
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 217		Address Redacted					
Resident ID 217		Address Redacted					
Resident ID 218		Address Redacted					
Resident ID 219		Address Redacted					
Resident ID 221		Address Redacted					
Resident ID 222		Address Redacted					
Resident ID 222		Address Redacted					
Resident ID 224		Address Redacted					
Resident ID 225		Address Redacted					
Resident ID 227		Address Redacted					
Resident ID 228		Address Redacted					
Resident ID 229		Address Redacted					
Resident ID 229		Address Redacted					
Resident ID 229		Address Redacted					
Resident ID 230		Address Redacted					
Resident ID 230		Address Redacted					
Resident ID 231		Address Redacted					
Resident ID 232		Address Redacted					
Resident ID 233		Address Redacted					
Resident ID 235		Address Redacted					
Resident ID 236		Address Redacted					
Resident ID 237		Address Redacted					
Resident ID 237		Address Redacted					
Resident ID 237		Address Redacted					
Resident ID 238		Address Redacted					
Resident ID 239		Address Redacted					
Resident ID 240		Address Redacted					
Resident ID 241		Address Redacted					
Resident ID 242		Address Redacted					
Resident ID 244		Address Redacted					
Resident ID 245		Address Redacted					
Resident ID 245		Address Redacted					
Resident ID 246		Address Redacted					
Resident ID 247		Address Redacted					
Resident ID 248		Address Redacted					
Resident ID 249		Address Redacted					

Exhibit D

**Class 6 Voting and Notice Parties
 Served via First Class Mail**

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 250		Address Redacted					
Resident ID 251		Address Redacted					
Resident ID 252		Address Redacted					
Resident ID 253		Address Redacted					
Resident ID 253		Address Redacted					
Resident ID 253		Address Redacted					
Resident ID 254		Address Redacted					
Resident ID 254		Address Redacted					
Resident ID 255		Address Redacted					
Resident ID 256		Address Redacted					
Resident ID 257		Address Redacted					
Resident ID 259		Address Redacted					
Resident ID 259		Address Redacted					
Resident ID 260		Address Redacted					
Resident ID 260		Address Redacted					
Resident ID 261		Address Redacted					
Resident ID 261		Address Redacted					
Resident ID 261		Address Redacted					
Resident ID 263		Address Redacted					
Resident ID 264		Address Redacted					
Resident ID 265		Address Redacted					
Resident ID 266		Address Redacted					
Resident ID 268		Address Redacted					
Resident ID 269		Address Redacted					
Resident ID 270		Address Redacted					
Resident ID 270		Address Redacted					
Resident ID 271		Address Redacted					
Resident ID 272		Address Redacted					
Resident ID 273		Address Redacted					
Resident ID 274		Address Redacted					
Resident ID 275		Address Redacted					
Resident ID 276		Address Redacted					
Resident ID 276		Address Redacted					
Resident ID 278		Address Redacted					
Resident ID 279		Address Redacted					
Resident ID 280		Address Redacted					

Exhibit D
Class 6 Voting and Notice Parties
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 281		Address Redacted					
Resident ID 282		Address Redacted					
Resident ID 283		Address Redacted					
Resident ID 285		Address Redacted					
Resident ID 286		Address Redacted					
Resident ID 287		Address Redacted					
Resident ID 288		Address Redacted					
Resident ID 290		Address Redacted					
Resident ID 291		Address Redacted					
Resident ID 292		Address Redacted					
Resident ID 292		Address Redacted					
Resident ID 293		Address Redacted					
Resident ID 294		Address Redacted					
Resident ID 295		Address Redacted					
Resident ID 296		Address Redacted					
Resident ID 298		Address Redacted					
Resident ID 298		Address Redacted					
Resident ID 299		Address Redacted					
Resident ID 300		Address Redacted					
Resident ID 301		Address Redacted					
Resident ID 302		Address Redacted					
Resident ID 303		Address Redacted					
Resident ID 304		Address Redacted					
Resident ID 305		Address Redacted					
Resident ID 307		Address Redacted					
Resident ID 308		Address Redacted					
Resident ID 309		Address Redacted					
Resident ID 310		Address Redacted					
Resident ID 311		Address Redacted					
Resident ID 312		Address Redacted					
Resident ID 313		Address Redacted					
Resident ID 314		Address Redacted					
Resident ID 315		Address Redacted					
Resident ID 316		Address Redacted					
Resident ID 317		Address Redacted					
Resident ID 318		Address Redacted					

Exhibit D
Class 6 Voting and Notice Parties
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 319		Address Redacted					
Resident ID 321		Address Redacted					
Resident ID 322		Address Redacted					
Resident ID 324		Address Redacted					
Resident ID 325		Address Redacted					
Resident ID 326		Address Redacted					
Resident ID 327		Address Redacted					
Resident ID 328		Address Redacted					
Resident ID 329		Address Redacted					
Resident ID 330		Address Redacted					
Resident ID 331		Address Redacted					
Resident ID 332		Address Redacted					
Resident ID 334		Address Redacted					
Resident ID 336		Address Redacted					
Resident ID 337		Address Redacted					
Resident ID 339		Address Redacted					
Resident ID 340		Address Redacted					
Resident ID 341		Address Redacted					
Resident ID 342		Address Redacted					
Resident ID 343		Address Redacted					
Resident ID 344		Address Redacted					
Resident ID 345		Address Redacted					
Resident ID 347		Address Redacted					
Resident ID 348		Address Redacted					
Resident ID 348		Address Redacted					
Resident ID 349		Address Redacted					
Resident ID 351		Address Redacted					
Resident ID 353		Address Redacted					
Resident ID 353		Address Redacted					
Resident ID 354		Address Redacted					
Resident ID 354		Address Redacted					
Resident ID 355		Address Redacted					
Resident ID 357		Address Redacted					
Resident ID 360		Address Redacted					
Resident ID 360		Address Redacted					
Resident ID 360		Address Redacted					

Exhibit D

**Class 6 Voting and Notice Parties
 Served via First Class Mail**

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 361		Address Redacted					
Resident ID 361		Address Redacted					
Resident ID 363		Address Redacted					
Resident ID 365		Address Redacted					
Resident ID 366		Address Redacted					
Resident ID 366		Address Redacted					
Resident ID 367		Address Redacted					
Resident ID 368		Address Redacted					
Resident ID 370		Address Redacted					
Resident ID 371		Address Redacted					
Resident ID 372		Address Redacted					
Resident ID 373		Address Redacted					
Resident ID 374		Address Redacted					
Resident ID 1471		Address Redacted					
Resident ID 1472		Address Redacted					
Resident ID 1472		Address Redacted					
Resident ID 1473		Address Redacted					
Resident ID 1474		Address Redacted					
Resident ID 1476		Address Redacted					
Resident ID 1477		Address Redacted					
Resident ID 1477		Address Redacted					
Resident ID 1480		Address Redacted					
Resident ID 1480		Address Redacted					
Resident ID 1482		Address Redacted					
Resident ID 1482		Address Redacted					
Resident ID 1482		Address Redacted					
Resident ID 1482		Address Redacted					
Resident ID 1484		Address Redacted					
Resident ID 1488		Address Redacted					
Resident ID 1490		Address Redacted					
Resident ID 1492		Address Redacted					
Resident ID 1492		Address Redacted					
Resident ID 1495		Address Redacted					
Resident ID 1836		Address Redacted					
Resident ID 1836		Address Redacted					
Resident ID 2078		Address Redacted					

Exhibit D

**Class 6 Voting and Notice Parties
Served via First Class Mail**

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 2078		Address Redacted					

Exhibit E

Exhibit E
Nominee Agents
Served via Overnight Mail

CreditorName	CreditorNoticeName	Address1	City	State	Zip
Broadridge	Receiving Department	51 Mercedes Way	Edgewood	NY	11717
Mediant Communications	Stephany Hernandez	100 Demarest Dr	Wayne	NJ	07470

Exhibit F

**Exhibit F
 Securities**

Name	CUSIP
Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation Edgemere Project) Series 2015A (TX)	87638R EJ2
Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation Edgemere Project) Series 2015A (TX)	87638R EK9
Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation Edgemere Project) Series 2015A (TX)	87638R EL7
Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation Edgemere Project) Series 2015A (TX)	87638R EM5
Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation Edgemere Project) Series 2015A (TX)	87638R EN3
Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation Edgemere Project) Series 2015B (TX)	87638R ET0
Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation Edgemere Project) Series 2015B (TX)	87638R EU7
Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation Edgemere Project) Series 2015B (TX)	87638R EV5
Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation Edgemere Project) Series 2015B (TX)	87638R EW3
Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Northwest Senior Housing Corporation Edgemere Project) Series 2017 (TX)	87638R HV2

Exhibit G

Exhibit G

Nominees

Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
AEIS	Penny Zalesky	2178 Ameriprise Financial Center	Routing S6/2178		Minneapolis	MN	55474
Baird Robert W & Co Incorporated	Actions Corporate	777 E Wisconsin Ave			Milwaukee	WI	53202
BNY Mellon	Enis Suljic	One BNY Mellon Center	500 Grant Street		Pittsburgh	PA	15281-0001
Brown Brothers Harriman & Co	Jerry Travers	525 Washington Blvd	Newport Towers		Jersey City	NJ	07310
Charles Schwab & Co Inc	Benjamin Gibson	2423 E Lincoln Dr	Corp Actions Dept 01-1B572		Phoenix	AZ	85016
Citibank NA	Sandra Hernandez	3800 Citibank Center B3 12			Tampa	FL	33610
Edward D Jones & Co	Kennique Meals	12555 Manchester Rd	Corp Actions Dept		St Louis	MO	63131
ETrade Clearing LLC	Matt Freifeld	1981 Marcus Ave	Ste 100		Lake Success	NY	11042
Fifth Third Bank	Daniel Wilson	5001 Kingsly Dr	Mail Drop 1M0B2D		Cincinnati	OH	45263
Hilltop Securities	Virginia Allwardt	1201 Elm St	Ste 3700		Dallas	TX	75270
Interactive Broker Retail Equity Clearing	Karin McCarthy	2 Pickwick Plz	2nd Fl		Greenwich	CT	06830
LPL Financial Corporation	Christine Stawinsky	Corporate Actions	1055 LPL Financial Way		Fort Mill	SC	29715
Merrill Lynch, Pierce, Fenner & Smith	Earl Weeks	4804 Deerlake Dr. East			Jacksonville	FL	32246
Morgan Stanley Smith Barney	John Rogan	Corporate Actions Dept	One New York Plaza		New York	NY	10004
National Financial Services	Lou Trezza	200 Liberty St			New York	NY	10281
Northern Trust Co	Stella Castaneda	801 S Canal St	Attn Capital Structures C1N		Chicago	IL	60607
Oppenheimer & Co Inc	Oscar Mazario	125 Broad St	15th Fl		New York	NY	10004
Pershing LLC Securities Corporation	Scott Reifer	1 Pershing Plaza			Jersey City	NJ	07399-0000
Raymond James & Associates Inc	Tracey Goodwin	880 Carillion Pkwy			St Petersburg	FL	33733
RBC Capital Markets Corporation	Steve Schafer Jr	60 South Sixth St	9th Fl		Minneapolis	MN	55402-4400
SSB SPDRs	Joseph J Callahan	Global Corp Action Dept. JAB5W	PO Box 1631		Boston	MA	02105-1631
State Street Bank and Trust Co	Corporate Action	Corp Actions JAB5E	1776 Heritage Dr		North Quincy	MA	02171-0000
Stifel Nicolaus & Co Inc	Michelle Snipes	501 N Broadway	7th Fl		St. Louis	MO	63102
TD Ameritrade Clearing Inc	Mandi Foster	PO Box 2155			Omaha	NE	68103-2155
UBS Financial Services LLC	Jane Flood	1000 Harbor Blvd			Weehawken	NJ	07086-0000
US Bank NA	Andy Becker	1555 N Rivercenter Dr Ste 302	Attn Securities Control		Milwaukee	WI	53212
Vanguard Marketing Corporation	Corporate Actions	455 Devon Park Dr	Attn Corporate Actions	Mailstop 924	Wayne	PA	19087-1815
Wells Fargo Advisors	Carrie Mitchell	2801 Market St			St Louis	MO	63103

Exhibit H

Exhibit H
Served via Electronic Mail

Company	Email
AEIS	penny.l.zalesky@ampf.com
Baird Robert W & Co Incorporated	reorg@rwbaird.com
Bank of America	tss.corporate.actions@bankofamerica.com
Bank of America	cpactionslitigation@ml.com
Bank of America	bascorporatactions@bofasecurities.com
Bank of America	corpactionsproxy@ml.com
Barclays	nyvoluntary@barclays.com
Bloomberg	release@bloomberg.net
BMO Nesbitt Burns Inc.	phuthorn.penikett@bmonb.com
BMO Nesbitt Burns Inc.	wmpoclass.actions@bmo.com
BNY Mellon	pgheventcreation@bnymellon.com
BNY Mellon	enis.suljic@bnymellon.com
BNY Mellon	theresa.stanton@bnymellon.com
Broadridge	specialprocessing@broadridge.com
Brown Brothers	evan.knutzen@bbh.com
Brown Brothers	michael.salvatore@bbh.com
Brown Brothers	emily.fan@bbh.com
Brown Brothers	jerry.travers@bbh.com
Brown Brothers	paul.nonnon@bbh.com
Brown Brothers	nj.mandatory.inbox@bbh.com
Brown Brothers	mavis.luque@bbh.com
Charles Schwab	voluntarysetup@schwab.com
Charles Schwab & Co Inc	phxmcb@schwab.com
Charles Schwab & Co Inc	benjamin.gibson@schwab.com
Citibank NA	corpactmaterial@citi.com
Citibank NA	gts.caec.tpa@citi.com
Citibank NA	cfsc.ca.custody.ist.americas@citi.com
Citibank NA	sandra.hernandez@citi.com
Clearstream International SA	ca_mandatory.events@clearstream.com
Clearstream International SA	ca_general.events@clearstream.com
Credit Agricole Secs USA Inc.	csicorpactions@ca-cib.com
Credit Suisse Securities (USA) LLC	list.nyevtintgrp@credit-suisse.com
Credit Suisse Securities (USA) LLC	asset.servnotification@credit-suisse.com
Deutsche Bank Securities Inc	jaxca.notifications@db.com
Edward D Jones & Co	kennique.meals@edwardjones.com
ETrade Clearing LLC	matthew.freifeld@ridgeclearing.com
Euroclear Bank S.A./N.V.	eb.ca@euroclear.com
Euroclear Bank S.A./N.V.	ca.omk@euroclear.com
Fifth Third Bank	corporateactioninquiry.bancorp@53.com
Fifth Third Bank	daniel.wilson2@53.com
Financial Industry Regulatory Authority	otc.bankruptcies@finra.org
Financial Information Inc.	reorgnotificationlist@fiinet.com
Foliofn Investments	proxyservices@folioinvesting.com
Goldman Sachs & Co	gs-as-ny-proxy@ny.email.gs.com
Goldman Sachs & Co	newyorkannchub@gs.com
Hilltop Securities	virginia.allwardt@hilltopsecurities.com
Hilltop Securities	brenda.west@hilltopsecurities.com
Interactive Broker Retail Equity Clearing	bankruptcy@ibkr.com
Interactive Broker Retail Equity Clearing	kmccarthy@interactivebrokers.com
Jefferies	mhardiman@jefferies.com

Exhibit H
Served via Electronic Mail

Company	Email
Jefferies	corporate_actions_reorg@jefferies.com
JPMorgan Chase Bank	jpmorganinformation.services@jpmchase.com
JPMorgan Clearing	ib_domestic_voluntary_corporate_actions@jpmorgan.com
LPL Financial Corporation	corporateaction.mailbox@lplfinancial.com
LPL Financial Corporation	christine.stawinsky@lpl.com
Mediant Communications	corporateactions@mediantonline.com
Merrill Lynch, Pierce, Fenner & Smith	earl.weeks@bamf.com
Mitsubishi UFJ Trust & Banking Corp	corporateactions-dl@us.tr.mufg.jp
Morgan Stanley	dealsetup@morganstanley.com
Morgan Stanley	voluntary_processing@morganstanley.com
Morgan Stanley	john.rogan@morganstanley.com
Morgan Stanley	jodancy.mackensy@morganstanley.com
Morgan Stanley	carol.sorhaindo-charlemagne@morganstanley.com
Morgan Stanley	usproxies@morganstanley.com
Morgan Stanley	proxy.balt@morganstanley.com
Morgan Stanley	cavsdome@morganstanley.com
Morgan Stanley	raquel.del.monte@morganstanley.com
Morgan Stanley	john.falco@morganstanley.com
Morgan Stanley	robert.cregan@morganstanley.com
Morgan Stanley	im-classact@morganstanley.com
National Financial Services	reorganization@fmr.com
Northern Trust Co	cs_notifications@ntrs.com
Northern Trust Co	mec15@ntrs.com
Oppenheimer & Co Inc	reorg@opco.com
Pershing LLC Securities Corporation	voluntaryprocessing@pershing.com
Pershing LLC Securities Corporation	sreifer@pershing.com
PNC Bank NA	caspr@pnc.com
Raymond James & Associates Inc	corporateactions@raymondjames.com
Raymond James & Associates Inc	tracey.goodwin@raymondjames.com
RBC Capital Markets Corporation	mn_reorg_liaison@rbc.com
RBC Capital Markets Corporation	rbcwmreorganization@rbc.com
RBC Capital Markets Corporation	steve.schafer@rbc.com
Royal Bank of Canada	donald.garcia@rbc.com
SEI PV/GWP	gwsusopsincome@seic.com
SIS SegalInterSettle AG	ca.notices@six-securities-services.com
Southwest Securities	proxy@swst.com
Southwest Securities	vallwardt@swst.com
SSB SPDRs	jvparrilla@statestreet.com
State Street Bank and Trust Co	uscaresearch@statestreet.com
State Street Bank and Trust Co	rjray@statestreet.com
Stifel Nicolaus & Co Inc	snipesm@stifel.com
TD Ameritrade Clearing Inc	tdnotice@td.com
TD Ameritrade Clearing Inc	mandi.foster@tdameritrade.com
The Bank of New York Mellon	justin.whitehouse@bnymellon.com
The Canadian Depository	sies-cainfo@cds.ca
The Canadian Depository	fabrahim@cds.ca
The Depository Trust Co	mandatoryreorgannouncements@dtcc.com
The Depository Trust Co	mk-corporateactionsannouncements@markit.com
The Depository Trust Co	joseph.pozolante@markit.com
The Depository Trust Co	david.boggs@markit.com

Exhibit H
Served via Electronic Mail

Company	Email
The Depository Trust Co	kevin.jefferson@markit.com
The Depository Trust Co	cscotto@dtcc.com
The Depository Trust Co	legalandtaxnotices@dtcc.com
The Depository Trust Co	consentannouncements@dtcc.com
UBS	ol-stamfordcorpactions@ubs.com
UBS	sh-vol-caip-na@ubs.com
UBS	ol-wma-ca-proxy@ubs.com
UBS	sh-wma-caproxyclassactions@ubs.com
UBS Financial Services LLC	ol-wma-volcorpactions@ubs.com
UBS Financial Services LLC	ol-wma-vol-caip@ubs.com
UBS Financial Services LLC	jane.flood@ubs.com
UBS Securities LLC	ol-eventmanagement@ubs.com
US Bank NA	trustcorporateactions@usbank.com
US Bank NA	andy.becker@usbank.com
Vanguard Marketing Corporation	vbs_corporate_actions@vanguard.com
Vision Financial Markets	reorgs@visionfinancialmarkets.com
Wells Fargo Advisors	ops@firstclearing.com
Wells Fargo Advisors	carrie.mitchell@firstclearing.com
Wells Fargo Advisors	corpactionsvoluntary.ops@firstclearing.com

Exhibit I

**Unimpaired Non-Voting Parties
 Served via First Class Mail**

CreditorName	CreditorNoticeName	Address1	Address2	City	State	Zip
A+ Staffing		4100 Harry Hines Blvd Ste 350		Dallas	TX	75219
Dallas County	c/o Sherrel K. Knighton	Linebarger Goggan Blair Sampson, LLP	2777 N. Stemmons Fwy, Ste. 1000	Dallas	TX	75207
Dallas MD Associates	Dr. Muhammad Kahn	13853 Myatt Avenue		Frisco	TX	75035
Douglas W Cox dba Lets Roll Promo		6940 Lakeview Circle		Rowlett	TX	75089
Interior Design Associates, Inc	Scott Diehl, Director of Finance	618 Church Street, Suite 400		Nashville	TN	37219
John Costantini		2650 Encina		Irving	TX	75038
John OSullivan		1120 Belmont Ct		Bedford	TX	76022
Laura Irrgang		7263 CR 3207		Lone Oak	TX	75453-6059
MUSIC THERAPY SOLUTIONS	TIFFANY ANN WYNDHAM HUNT, MA, MT-BC, CEO	PO BOX 2551		FORNEY	TX	75126
Sweet Steel		3617 Doubletree Court		Plano	TX	75023
US Department of Health and Human Services, Centers for Medicare and Medicaid Services	c/o Lisa Steele, Assistant Regional Counsel, Office of General Counsel	CMS	1301 Young Street, Suite 1138	Dallas	TX	75202

Exhibit J

**Unimpaired Non-Voting Notice Parties
 Served via First Class Mail**

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
US Department of Health and Human Services, Centers for Medicare and Medicaid Services	Centers for Medicare & Medicaid Services	Veronica Moore	Division of Accounting Operations	PO Box 7520	Baltimore	MD	21207
US Department of Health and Human Services, Centers for Medicare and Medicaid Services	Centers for Medicare and Medicaid Services, Region III	Kristen Pennamon, Group Director, Philadelphia and Atlanta IFMG, OPOLE	801 Market Street, Suite 9400		Philadelphia	PA	19107

Exhibit K

**Unclassified Non-Voting Parties
 Served via First Class Mail**

CreditorName	CreditorNoticeName	Address1	Address2	City	State	Zip
A+ Staffing		4100 Harry Hines Blvd Ste 350		Dallas	TX	75219
Assessment Technologies, Ltd. d/b/a A.T. Tax Advisory	Attn John Lammert, Executive Vice President	40 N.E. Loop 410, Ste. 607		San Antonio	TX	78216
Certified First Aid of Texas	Marva Ditmore	511 E Cash Street		Iowa Park	TX	76367
Community Waste Disposal LP		2010 California Crossing Road		Dallas	TX	75220-2310
COOKING EQUIPMENT SPECIALIST, LLC		3100 EAST MEADOWS BOULEVARD		MESQUITE	TX	75150
Dallas County	c/o Sherrel K. Knighton	Linebarger Goggan Blair Sampson, LLP	2777 N. Stemmons Fwy, Ste. 1000	Dallas	TX	75207
MasVida Health Care Solutions, LLC fka JMeds		133 Nursery Ln		Fort Worth	TX	76114
Vataquest, LLC	Terry McGuirt	10609 Sedalia		McKinney	TX	75070-2943

Exhibit L

**Unclassified Non-Voting Notice Parties
Served via First Class Mail**

CreditorName	CreditorNoticeName	Address1	City	State	Zip
Community Waste Disposal LP	Community Waste Disposal LP	PO Box 208939	Dallas	TX	75320-8939

Exhibit M

Exhibit M
 Limited Service List
 Served via First Class Mail

Description	CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Counsel for Marjorie Jones	Abernathy, Roeder, Boyd & Hullett, P.C.	Paul M. Lopez & Larry R. Boyd	1700 Redbud Blvd, Ste. 300			McKinney	TX	75069
Top 30 / Official Unsecured Creditors' Committee	Alice & Erle Nye	Alice Nye	8523 Thackery Apartment # 9114			Dallas	TX	75225
Counsel for Pamela Siviglia and Andrew L. Adams, Individually and on Behalf of the Estate of Patricia Adams	Benton Williams PLLC	T. Benton Williams II	100 Crescent Court, Suite 700			Dallas	TX	75201
Counsel for Richard Trubitt Trustee, Victor Trubitt Living Trust	Brousseau Naftis & Massingill, A Professional Corporation	Cynthia G. Dooley	300 Knox Place	4645 North Central Expressway		Dallas	TX	75205
Counsel for Creditor TechScape, Inc.	Brown Fox PLLC	Eric C. Wood	6303 Cowboys Way, Suite 450			Frisco	TX	75034
Counsel for McKesson Corporation, on behalf of itself and certain corporate affiliates	Buchalter, a Professional Corporation	Jeffrey K. Garfinkle	18400 Von Karman Avenue, Suite 800			Irvine	CA	92612
Counsel for David Webb and Tucean Webb	Byman & Associates, PLLC	C. Alexander Higginbotham	7924 Broadway, Suite 104			Pearland	TX	77581
Counsel for Brad B. Blumenthal, Independent Executor for the Estate of Beverly B. Blumenthal	Carrington, Coleman, Sloman & Blumenthal, L.L.P.	J. Michael Sutherland	901 Main Street, Suite 5500			Dallas	TX	75202
Counsel for Virginia Walton	Carrington, Coleman, Sloman & Blumenthal, L.L.P.	Jason M. Katz	901 Main Street, Suite 5500			Dallas	TX	75202
Counsel for Marilyn B. Calloway, Christopher C. Calloway, and R.W. Calloway, Jr.	Cherry Petersen Landry Albert LLP	Craig A. Albert	8350 N. Central Expressway, Suite 1500			Dallas	TX	75206
Counsel for The Estate of Margareta Sudbrink	Cinclair Law, PLLC	Richard J. Sinclair, Jr.	2221 Stanmore Lane			Plano	TX	75025
Counsel for Lifespace, Inc.	Cooley LLP	Eric E. Walker, Esq.	110 North Wacker Drive, Suite 4200			Chicago	IL	60606-1511
Counsel for Joel E. Brickell	Cowles & Thompson, P.C.	William L. Siegel	901 Main Street, Suite 3900			Dallas	TX	75202
Top 30 / Official Unsecured Creditors' Committee	Donald & Lorraine Trice	Donald Trice	48 Kasten Run			Dahlonega	GA	30533
Counsel for Lifespace, Inc.	Dorsey & Whitney LLP	David D. Grossklaus, Esq. & Adam J. Freed, Esq.	801 Grand Avenue, Suite 4100			Des Moines	IA	50309
Counsel for Howard Schultz	Dykema Gossett PLLC	Jeffrey R. Fine and Alexandria Rahn	1717 Main Street, Suite 4200			Dallas	TX	75201
Counsel for Phillimore Family Holdings LP and Richard M. and Jean Huff; Clay Estes as Executor of the Estate of John L. Estes	Ferguson Braswell Fraser Kubasta PC	Rachael L. Smiley	2500 Dallas Parkway, Suite 600			Plano	TX	75093
Counsel for the Official Committee of Unsecured Creditors	Foley & Lardner LLP	Stephen A. McCartin, Thomas C. Scannell, Mark C. Moore	2021 McKinney Avenue, Ste. 1600			Dallas	TX	75201
Counsel for the Resident Council of the Resident Association of The Tarrant County Senior Living Center, Inc. d/b/a The Stayton at Museum Way (Stayton Resident Council)	Forshey & Prostok, LLP	J. Robert Forshey, Suzanne K. Rosen	777 Main Street, Suite 1550			Fort Worth	TX	76102
Counsel for BancorpSouth Bank, a Division of Cadence Bank	Haley & Olson, P.C.	Blake Rasner	100 N. Ritchie Road, Suite 200			Waco	TX	76712
Counsel for UMB Bank, N.A.	Haynes and Boone LLP	J. Frasher Murphy and Thomas J. Zavala	2323 Victory Ave, Suite 700			Dallas	TX	75219
Internal Revenue Service	Internal Revenue Service	Centralized Insolvency Operation	PO Box 7346			Philadelphia	PA	19101-7346
Counsel for Intercity Investment Properties, Inc.	Jackson Walker LLP	Michael S. Held, J. Machir Stull, Jennifer F. Wertz	2323 Ross Avenue, Suite 600			Dallas	TX	75201
Top 30 / Official Unsecured Creditors' Committee	James & Jane Smith	James Smith	8523 Thackery, Apartment 9116			Dallas	TX	75225
Top 30 / Official Unsecured Creditors' Committee	James & Kathleen Eckelberger	James Eckelberger	8523 Thackery, Apartment # 9112			Dallas	TX	75225
Top 30 / Official Unsecured Creditors' Committee	Jane Sommerhalder Wilson	Trustee for the Joy A. Sommerhalder Trust	6935 Oak Manor Drive			Dallas	TX	75230

Exhibit M
 Limited Service List
 Served via First Class Mail

Description	CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Counsel for the Estate of Pauline Carp	K&L Gates LLP	David Weitman	1717 Main Street, Suite 2800			Dallas	TX	75201
Counsel for Bank of America, N.A., in its capacity as Trustee to the Estate of Joan Gantt	Kean Miller LLP	Lloyd A. Lim and Rachel T. Kubanda	711 Louisiana Street, Suite 1800			Houston	TX	77002
Counsel for Bonnielyn Francis	Kemp Smith LLP	James W. Brewer	PO Drawer 2800			El Paso	TX	79999-2800
Counsel for The Dallas Foundation, a Texas nonprofit corporation, Assignee of the Estate of Robert J. Melvin	Law Office of Claire Collins	Claire Collins	PO Box 800873			Dallas	TX	75380
Counsel for Intercity Investment Properties, Inc.	Levenfeld Pearlstein, LLC	Elizabeth B. Vandesteeg, Harold D. Israel, Eileen M. Sethna	2 North LaSalle Street, Suite 1300			Chicago	IL	60602
Lifespace, Inc.	Lifespace Communities, Inc	Attn President, CEO, SVP & General Counsel	3501 Olympus Blvd., Suite 300			Dallas	TX	75019
Lifespace, Inc.	Lifespace Communities, Inc	Attn President, CEO, SVP & General Counsel	4201 Corporate Drive			West Des Moines	IA	50266
Counsel for Dallas County	Linebarger Goggan Blair & Sampson LLP	Laurie A. Spindler and John Kendrick Turner	2777 N. Stemmons Freeway Suite 1000			Dallas	TX	75207
Counsel for UMB Bank, N.A. as Trustee	Mintz Levin Cohn Ferris Glovsky & Popeo, PC	Daniel S. Bleck Poonam Patidar and Eric R. Blythe	One Financial Center			Boston	MA	02111
Counsel for Estate of Carol Randolph Crosthwait	Naman, Howell, Smith & Lee, PLLC	Kerry L. Haliburton	PO Box 1470			Waco	TX	76703-1470
Counsel for the Texas Department of Insurance; the Texan Health and Human Services Commission	Office of the Attorney General of Texas Bankruptcy & Collections Division	Jason B. Binford, Abigail R. Ryan Assistant Attorneys General	P. O. Box 12548- MC 008			Austin	TX	78711-2548
U.S. Trustee	Office of The United States Trustee	Lisa L. Lambert, Assistant United States Trustee and Asher Bublick	Earle Cabell Federal Building	1100 Commerce Street, Room 976		Dallas	TX	75242
Counsel for Ankura Consulting Group, LLC	O'Melveny & Myers, LLP	Louis R. Strubeck, Jr., Gregory M. Wilkes, Laura L. Smith	2501 North Harwood Street, Suite 1700			Dallas	TX	75201-1663
Top 30 / Official Unsecured Creditors' Committee	Pamela Siviglia	Estate of Patricia Adams	5226 Isleworth Country Club Drive			Windemere	FL	34786
Counsel for Lifespace Communities, Inc.	Perkins Coie LLP	John D. Penn	500 N. Akard Street, Suite 3300			Dallas	TX	75201
Patient Care Ombudsman (PCO)	Pivot Health Law, LLC	Susan N. Goodman	P.O. Box 69734			Oro Valley	AZ	85737
Counsel for Robert C. Pearson	Quilling, Selander, Lownds, Winslett & Moser, P.C.	Christopher J. Moser	2001 Bryan Street, Suite 1800			Dallas	TX	75201
Counsel for Julia J. Peavy	Scheef & Stone, LLP	Peter C. Lewis	500 N. Akard, 27th Floor			Dallas	TX	75201
United States Securities and Exchange Commission	SEC Fort Worth Regional Office	Regional Director	801 Cherry Street, Suite 1900, Unit 18			Fort Worth	TX	76102
United States Securities and Exchange Commission	SEC Headquarters		100 F St NE			Washington	DC	20549
Counsel for Marilyn Jefferson	SettlePou	Will G. Bassham, Michael P. Menton, Charles R. Curran	3333 Lee Parkway, Eighth Floor			Dallas	TX	75219
Counsel for Lynda Legge and Lynda Legge Trust UW Jeanne Marie Lancaster Cunningham	Sheils Winnubst, P.C.	Mark D. Winnubst	1701 N. Collins Boulevard, Suite 1100			Richardson	TX	75080
Counsel for Allan Metz and Gloria M Simon; VD Management Trust, Assignee of Virginia Chandler Dykes; Amy H. Bouton and Ira Hollander and/or Estate of Sondra F. Hollander; Betty W. Sherrill	Spector & Cox, PLLC	Howard Marc Spector	12770 Coit Road, Suite 850			Dallas	TX	75251
Texas State Attorney General	State of Texas Attorney General	Attn Ken Paxton	PO Box 13528	Bankruptcy and Collections, 8th Floor, WPC Bldg	Capitol Station	Austin	TX	78711-3528
Texas State Attorney General - Franchise	State of Texas Attorney General	Franchise	PO Box 13528	Bankruptcy and Collections, 8th Floor, WPC Bldg	Capitol Station	Austin	TX	78711-3528
Top 30 / Official Unsecured Creditors' Committee	Steve Helbing	Independent Executor to the Estate of Ellen S. Helbing	2958 Carriage Manor Point			Colorado Springs	CO	80906

Exhibit M
 Limited Service List
 Served via First Class Mail

Description	CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Texas State Attorney General	Texas Attorney General	Attn Bankruptcy Department, Ken Paxton	300 W. 15th St			Austin	TX	78701
United States Attorney's Office for the Northern District of Texas	Texas Northern District US Attorneys Office	Attn Bankruptcy Division	1100 Commerce St Third Fl			Dallas	TX	75242-1699
Attorneys for Martha Box	The Wortham Law Firm	Michael P. Wortham, Esq.	CBS Television Tower	12001 N. Central Expy., Ste. 650		Dallas	TX	75243
United States Department of Justice	U.S. Department of Justice	Attorney General	950 Pennsylvania Avenue, NW			Washington	DC	20530-0001
UMB Bank, N.A. as Trustee	UMB Bank, N.A.	Irina Palchuck	100 William Street Ste 1850			New York	NY	10038
Counsel for Edward C. Cerny III, Suzan Kumarm, and Gal Swanson, Trustees, Martha P. Cerny Trust	Waddell Serafino Geary Rechner Jenevein, PC	Beverly Cahill	1717 Main Street, 25th floor			Dallas	TX	75201

Exhibit N

Exhibit N
 Limited Service List
 Served via Electronic Mail

Description	CreditorName	CreditorNoticeName	Email
Counsel for Marjorie Jones	Abernathy, Roeder, Boyd & Hullett, P.C.	Paul M. Lopez & Larry R. Boyd	plopez@abernathy-law.com; bankruptcy@abernathy-law.com
Top 30 / Official Unsecured Creditors' Committee	Alice & Erle Nye	Alice Nye	erlenye@txu.com
Counsel for Pamela Siviglia and Andrew L. Adams, Individually and on Behalf of the Estate of Patricia Adams	Benton Williams PLLC	T. Benton Williams II	BW@bentonwilliamspllc.com
Counsel for Richard Trubitt Trustee, Victor Trubitt Living Trust	Brousseau Naftis & Massingill, A Professional Corporation	Cynthia G. Dooley	cynthia@bnmdallas.com
Counsel for Creditor TechScape, Inc.	Brown Fox PLLC	Eric C. Wood	eric@brownfoxlaw.com
Counsel for McKesson Corporation, on behalf of itself and certain corporate affiliates	Buchalter, a Professional Corporation	Jeffrey K. Garfinkle	jgarfinkle@buchalter.com
Counsel for David Webb and Tucean Webb	Byman & Associates, PLLC	C. Alexander Higginbotham	cah@bymanlaw.com
Counsel for Brad B. Blumenthal, Independent Executor for the Estate of Beverly B. Blumenthal	Carrington, Coleman, Sloman & Blumenthal, L.L.P.	J. Michael Sutherland	msutherland@ccsb.com
Counsel for Virginia Walton	Carrington, Coleman, Sloman & Blumenthal, L.L.P.	Jason M. Katz	jkatz@ccsb.com
Counsel for Marlyn B. Calloway, Christopher C. Calloway, and R.W. Calloway, Jr.	Cherry Petersen Landry Albert LLP	Craig A. Albert	calbert@cplalaw.com
Counsel for The Estate of Margareta Sudbrink	Cinclair Law, PLLC	Richard J. Sinclair, Jr.	rick@cinclairlaw.com
Counsel for Lifespace, Inc.	Cooley LLP	Eric E. Walker, Esq.	ewalker@cooley.com
Counsel for Joel E. Brickell	Cowles & Thompson, P.C.	William L. Siegel	bsiegel@cowlesthompson.com
Top 30 / Official Unsecured Creditors' Committee	Donald & Lorraine Trice	Donald Trice	dontrice39@gmail.com
Counsel for Lifespace, Inc.	Dorsey & Whitney LLP	David D. Grossklaus, Esq. & Adam J. Freed, Esq.	grossklaus.david@dorsey.com; freed.adam@dorsey.com
Counsel for Howard Schultz	Dykema Gossett PLLC	Jeffrey R. Fine and Alexandria Rahn	jfine@dykema.com; arah@dykema.com
Counsel for Phillimore Family Holdings LP and Richard M. and Jean Huff, Clay Estes as Executor of the Estate of John L. Estes	Ferguson Braswell Fraser Kubasta PC	Rachael L. Smiley	rsmiley@fbfk.law smccartin@foley.com;
Counsel for the Official Committee of Unsecured Creditors	Foley & Lardner LLP	Stephen A. McCartin, Thomas C. Scannell, Mark C. Moore	tscannell@foley.com; mmoore@foley.com
Counsel for the Resident Council of the Resident Association of The Tarrant County Senior Living Center, Inc. d/b/a The Stayton at Museum Way (Stayton Resident Council)	Forshey & Prostok, LLP	J. Robert Forshey, Suzanne K. Rosen	bforshey@forsheyprostok.com; srosen@forsheyprostok.com
Counsel for BancorpSouth Bank, a Division of Cadence Bank	Haley & Olson, P.C.	Blake Rasner	brasner@haleyolson.com
Counsel for UMB Bank, N.A.	Haynes and Boone LLP	J. Frasher Murphy and Thomas J. Zavala	frasher.murphy@haynesboone.com; tom.zavala@haynesboone.com
Counsel for Intercity Investment Properties, Inc.	Jackson Walker LLP	Michael S. Held, J. Machir Stull, Jennifer F. Wertz	mheld@jw.com; mstull@jw.com; jwertz@jw.com
Top 30 / Official Unsecured Creditors' Committee	James & Jane Smith	James Smith	jamesas1023@mac.com
Top 30 / Official Unsecured Creditors' Committee	James & Kathleen Eckelberger	James Eckelberger	jimeckelberger@outlook.com
Top 30 / Official Unsecured Creditors' Committee	Jane Sommerhalder Wilson	Trustee for the Joy A. Sommerhalder Trust	janddwilson8278@gmail.com
Counsel for the Estate of Pauline Carp	K&L Gates LLP	David Weitman	david.weitman@klgates.com
Counsel for Bank of America, N.A., in its capacity as Trustee to the Estate of Joan Gant	Kean Miller LLP	Lloyd A. Lim and Rachel T. Kubanda	lloyd.lim@keanmiller.com; rachel.kubanda@keanmiller.com
Counsel for Bonnielyn Francis	Kemp Smith LLP	James W. Brewer	jbrewer@kempsmith.com
Counsel for The Dallas Foundation, a Texas nonprofit corporation, Assignee of the Estate of Robert J. Melvin	Law Office of Claire Collins	Claire Collins	claire.schwarz@sbcglobal.net
Counsel for Intercity Investment Properties, Inc.	Levenfeld Pearlstein, LLC	Elizabeth B. Vandesteeg, Harold D. Israel, Eileen M. Sethna	evandesteeg@lplegal.com; hisrael@lplegal.com; esethna@lplegal.com
Counsel for Dallas County	Linebarger Goggan Blair & Sampson LLP	Laurie A. Spindler and John Kendrick Turner	dallas.bankruptcy@lgb.com

Exhibit N
 Limited Service List
 Served via Electronic Mail

Description	CreditorName	CreditorNoticeName	Email
Counsel for UMB Bank, N.A. as Trustee	Mintz Levin Cohn Ferris Glovsky & Popeo, PC	Daniel S. Bleck Poonam Patidar and Eric R. Blythe	DSBleck@mintz.com; ERBlythe@mintz.com; Ppatidar@mintz.com
Counsel for Estate of Carol Randolph Crosthwait	Naman, Howell, Smith & Lee, PLLC	Kerry L. Haliburton	haliburton@namanhowell.com
Counsel for the Texas Department of Insurance; the Texan Health and Human Services Commission	Office of the Attorney General of Texas Bankruptcy & Collections Division	Jason B. Binford, Abigail R. Ryan Assistant Attorneys General	jason.binford@oag.texas.gov; abigail.ryan@oag.texas.gov
U.S. Trustee	Office of The United States Trustee	Lisa L. Lambert, Assistant United States Trustee and Asher Bublick	Lisa.l.lambert@usdoj.gov; Asher.bublick@usdoj.gov
Counsel for Ankura Consulting Group, LLC	O'Melveny & Myers, LLP	Louis R. Strubeck, Jr., Gregory M. Wilkes, Laura L. Smith	lstrubeck@omm.com; gwilkes@omm.com; lsmith@omm.com
Top 30 / Official Unsecured Creditors' Committee	Pamela Siviglia	Estate of Patricia Adams	pamsiviglia@gmail.com
Counsel for Lifespace Communities, Inc.	Perkins Coie LLP	John D. Penn	jpenn@perkinscoie.com
Patient Care Ombudsman (PCO)	Pivot Health Law, LLC	Susan N. Goodman	sgoodman@pivotoalthaz.com; pivotoalthaz@gmail.com
Counsel for Robert C. Pearson	Quilling, Selander, Lownds, Winslett & Moser, P.C.	Christopher J. Moser	cmoser@qslwm.com
Counsel for Julia J. Peavy	Scheef & Stone, LLP	Peter C. Lewis	peter.lewis@solidcounsel.com; kevin.flynn@solidcounsel.com
United States Securities and Exchange Commission	SEC Fort Worth Regional Office	Regional Director	dfw@sec.gov
United States Securities and Exchange Commission	SEC Headquarters		SECBankruptcy-OGC-ADO@SEC.GOV
Counsel for Marilyn Jefferson	SettlePou	Will G. Bassham, Michael P. Menton, Charles R. Curran	wbassham@settlepou.com; mmenton@settlepou.com; ccurran@settlepou.com
Counsel for Lynda Legge and Lynda Legge Trust UW Jeanne Marie Lancaster Cunningham	Sheils Winnubst, P.C.	Mark D. Winnubst	mark@sheilswinnubst.com
Counsel for Allan Metz and Gloria M Simon; VD Management Trust, Assignee of Virginia Chandler Dykes; Amy H. Bouton and Ira Hollander and/or Estate of Sondra F. Hollander; Betty W. Sherrill	Spector & Cox, PLLC	Howard Marc Spector	hspector@spectorcox.com
Top 30 / Official Unsecured Creditors' Committee	Steve Helbing	Independent Executor to the Estate of Ellen S. Helbing	stevehelbing@comcast.net
Texas State Attorney General	Texas Attorney General	Attn Bankruptcy Department, Ken Paxton	bankruptcytax@oag.texas.gov; communications@oag.texas.gov
Attorneys for Martha Box	The Wortham Law Firm	Michael P. Wortham, Esq.	mike@worthamlaw.com
UMB Bank, N.A. as Trustee	UMB Bank, N.A.	Irina Palchuck	Irina.palchuck@umb.com
Counsel for Edward C. Cenry III, Suzan Kumarm, and Gal Swanson, Trustees, Martha P. Cenry Trust	Waddell Serafino Geary Rechner Jenevein, PC	Beverly Cahill	bcahill@wslawpc.com; rdafoe@wslawpc.com

Exhibit O

Exhibit O
Creditor Matrix
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
A PLACE FOR MOM		PO BOX 913241			DENVER	CO	80291-3241	
A+ Student Staffing		4100 Harry Hines Blvd., Suite 350			Dallas	TX	75219	
AAA NURSING CARE		2217 MARTIN DR #100			BEDFORD	TX	76021	
AAVantage Laundry Services		2510 National Dr			Garland	TX	75041-2329	
Abdul Shakoor		4201 Corporate Drive			West Des Moines	IA	50266	
Abigail M Sarinana		2822 Emerald Dr			Mesquite	TX	75150	
ACCELERATED CARE PLUS		13828 Collections Center Dr			Chicago	IL	60693	
Access Systems		955 SE Olson Dr.			Waukeee	IA	50263-8455	
Access Systems		PO Box 8366			Des Moines	IA	50301	
ACCESS SYSTEMS LEASING		PO BOX 609			CEDAR RAPIDS	IA	52406	
Adan Acuna		7229 Holly Hill Drive Apt 102			Dallas	TX	75231	
Addis H Bayu		2301 Performance Dr Apt 271			Richardson	TX	75082-4545	
Adebayo T Kolawole		13030 Audelia Road	Apt 2201		Dallas	TX	75243	
Adeola O Adebayo		14350 Dallas Pkwy	Apt 2147		Dallas	TX	75254-8321	
adeteju o patrick		3006 Dusty Oak Drive			Dallas	TX	75227	
ADP, LLC		One ADP Boulevard			Roseland	NJ	07068	
Adrian A Perez		9767 Larga Drive			Dallas	TX	75220	
Advanced Answers On Demand, Inc.		8100 N University Drive	3rd Fl		Fort Lauderdale	FL	33321	
Aggie A Namwinga		15550 Knoll Trail Drive			Dallas	TX	75248	
Ahlstedt Family Trust UAD 4/15/92, Donnalais Ahlstedt & Donnarae Bahr TTEEs	Donnalais Ahlstedt & Donnarae Bahr	938 S Alamo Rd, Unit 131			Alamo	TX	78516	
Aina Odunaiya		11700 Luna Road	Apt 17208		Farmers Branch	TX	75234	
AIRGAS INC		P.O.BOX 734671			Dallas	TX	75373-4671	
Akinkunmi Coker		8201 Fair Oaks Crossing	3063		Dallas	TX	75231	
Alan K. Walling		PO Box 765			Allen	TX	75013-0013	
ALBERT LUTTRELL JR		767 NORTH VALLEY PARKWAY			LEWISVILLE	TX	75077	
Alberto Labra		Flamingo Lane			Dallas	TX	75218	
Alejandra Barrera		4812 Victor Street			Dallas	TX	75246	
Alejandro Gonzalez		664 Adrian Dr.			Fate	TX	75087	
Alejandro Ramos		1034 Rose Garden Avenue			Dallas	TX	75217	
Alex M Viceral		6623 Lovington Drive			Dallas	TX	75252	
Alexia Rodriguez		2420 Catalina Way			Irving	TX	75060	
Alexis Taylor		2825 Lucas Drive	#33		Dallas	TX	75219	
Alfred Kosgey		1042 White Porch Ave			Forney	TX	75126	
Alicia Flores		317 Wildbriar Dr			Garland	TX	75043-2921	
Alicia Gibbs		3102 Marble Falls Drive			Forney	TX	75126	
ALL FLOOR MACHINE		115 COLE STREET	STEWART GREGORY MORGAN		DALLAS	TX	75207-7101	
Allan R Kelly MD		929 College Avenue			Fort Worth	TX	76104-3011	
Allison Hoon		1605 Sutters Mill Drive			Carrollton	TX	75007	
Alma G Gallegos		1000 W Yellow Jacket Lane	Apt 1001		Rockwall	TX	75087-4658	
ALPHAGRAPHS 54		3001 KNOX ST STE 102			DALLAS	TX	75205	
Alyssa Jackson		10075 Royal Lane apt 2028			Dallas	TX	75238	
Alyssa V Morales		901 Airport Drive			Wichita Falls	TX	76305	
Alzheimers Association		3001 Knox Street, STE 200			Dallas	TX	75205	
Amanda L Arredondo		1805 E timberview ln			arlington	TX	76014	
Ambius		PO Box 14086			Reading	PA	19612	
AMERICAN HEALTH CARE ASSOCIATION		1201 L. STREET, NW			WASHINGTON	DC	20005	
Ami Roberson		9519 Forest Lane	Apt 3032		Dallas	TX	75243	
Aminata Sumah		8109 Skillman St. Unit 1019			Dallas	TX	75231	
AMTEC		90 AVON MEADOW LANE, 2ND FLOOR			AVON	CT	06001	
Amy M Reyes		1439 Vanderbilt Ln			Mesquite	TX	75181	
Ana L Gaona Juarez		7434 Greenville Ave #208			Dallas	TX	75231	

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CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Ana L Saldana		2714 Country Club Pkwy			Garland	TX	75043	
Ana M Rivera		5846 Preston View Blvd # 1116			Dallas	TX	75240	
Ana Sacramento		14708 dallas parkway			Dallas	TX	75254	
anakaren villar		3333 Webb Chapel Extension	Apt 109		Dallas	TX	75220	
Anchestanique Rand		2808 N. ST. Augustine Dr. #722			Dallas	TX	75237	
Andrea Cornwall		7601 Churchill Way	Apt 1415		Dallas	TX	75251	
Andrea L Mosley		5214 ROYAL BAY DRIVE			ROWLETT	TX	75089	
ANDREA L PERRY		15916 Windy Meadow Drive			Dallas	TX	75248-2919	
Andrea Mitchell		1568 North Galloway Avenue	APT 727		Mesquite	TX	75149	
Andrea Scott		716 N Merrill Ave	117		DUNCANVILLE	TX	75116	
Andrea Sunga		3013 Green Vista Court			Grand Prairie	TX	75052	
Andrew Croom Custom Builders LLC		13747 Montfort Dr Ste 344			Dallas	TX	75240-4454	
Andrew Else		4246 University Boulevard			Dallas	TX	75205	
Angela M Grover		10128 Rita Road			Dallas	TX	75243	
Anita H Rao		605 Haggard Way			Flower Mound	TX	75028	
Anja Naylor		129 Cimarron Trail	Apt # 2182		Irving	TX	75063	
Ann Agbor		1416 Summerdale Lane			Wylie	TX	75098	
Ann Joyce		4201 Corporate Drive			West Des Moines	IA	50266	
Antanisha King		3917 Rowlett Road	apt 1206		Rowlett	TX	75088	
Anthonia okobi		312 Gene Autry Ln			Murphy	TX	75094	
ANTHONY A. WALSH JR.		5208 Geode Lane			MCKINNEY	TX	75070	
ANTHONY PASSACANTANDO		1305 BAXTER DR			PLANO	TX	75025	
Antonazhia Dickson		7510 East Grand Avenue	Apt# 5302		Dallas	TX	75214	
Antonio Byrd		Ivy Glen Drive			Winston-Salem	NC	27127	
Antonio Herrera-Rodriguez		3825 Kynard Street			Dallas	TX	75215	
Antwain j Perkins		7229 Ferguson Road	#2404		Dallas	TX	75228	
Antwoinette Johnson		101 Henderson Street			Waxahachie	TX	75165	
Apples to Zinnias		4024 Villanova			Dallas	TX	75225	
April N Frost		9904 Gulf Palms Dr			Dallas	TX	75227	
ARC Waterproofing Sealant LLC		1819 Brook Terrace Trl			Dallas	TX	75232	
Aretha Paris		928 Fairwood Dr			Dallas	TX	75232	
Argonaut Insurance Company	Jan Belcher	c/o Marsh McLennan Agency, LLC Bouchard Region	101 N Starcrest Dr.		Clearwater	FL	33765	
Ariel Johnson		8780 Park Lane	#3020		Dallas	TX	75231	
Armando Briones Guzman		1311 East 8Th			Dallas	TX	75203	
Arneesha Mitchell		4753 Burma Road			Dallas	TX	75216	
Arthur J Gallagher Risk Mgmt Services		39735 Treasury Center			Chicago	IL	60694-9700	
Aryas Lewis		1241 Summerside Drive			DeSoto	TX	75115	
Asantie M Williams		3912 West Walnut Street 224			Garland	TX	75042	
Ascot Insurance Company	Jan Belcher	c/o Marsh McLennan Agency, LLC Bouchard Region	101 N Starcrest Dr.		Clearwater	FL	33765	
Ashley Carcamo		2140 Medical District Drive	Apt# 379		Dallas	TX	75235	
Ashley D Hampton		2626 Frankford Road #5302			Dallas	TX	75287	
Ashley J Overturf		4001 Holland Avenue			Dallas	TX	75219	
Ashley Martinez		4357 Chestnut Drive			Mesquite	TX	75150	
Ashlie McGill		9050 Markville Drive	Apt 1312		Dallas	TX	75243	
Asia Belton		11991 Audelia Road			Dallas	TX	75243	
ASSA ABLOY HOSPITALITY INC		PO BOX 676947			DALLAS	TX	75081	
Assembly		One World Trade Center 67th Fl			New York	NY	10007	
Asset Protection Unit Inc		PO Box 30969			Amarillo	TX	79120	
aster s bayu		928 Meadowcove Circle			Garland	TX	75043	
AT&T		208 S. Akard St.			Dallas	TX	75202	
AT&T		P.O. Box 105414			Atlanta	GA	30348-5414	
AT&T		P.O. Box 5001			Carol Springs	IL	60197	
Atmos Energy		P.O Box 790311			St. Louis	MO	63179	

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CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Atmos Energy Corporation		PO Box 650205	Headquarters		Dallas	TX	75265-0205	
AUGUSTINE		P.O. Box 2058			Garner	NC	27529	
Augustine Home Health Care Inc.	David Mainguy, President	PO Box 2058			Garner	NC	27529	
Augustine Management Texas, Inc.	c/o David Mainguy	8161 Teal Dr., Ste 201			Easton	MD	21601	
Augustine Management Texas, Inc.	c/o John Falldine	8523 Thackery Street			Dallas	TX	75225	
Aundrea M Dorsey		10062 Royal Lane	Apt#132		Dallas	TX	75238	
Aurora Pena		3050 Remond Drive	Apt#1109		Dallas	TX	75211	
Avant Garden		4254A Oak Lawn			Dallas	TX	75219	
AVI Systems		NW8393 PO BOX 1450			MINNEAPOLIS	MN	55485-8393	
Avit Enoh		906 Sapphire Road			Princeton	TX	75407	
B3 Entertainment Productions, Inc		1509 Schooner Bay Dr			Wylie	TX	75098-7845	
Bamidele A Balogun		8025 Forest Lane	#1124		Dallas	TX	75243	
Bankers Life and Casualty Company		PO Box 1935			Carmel	IN	46082-1935	
Bankers Trust	Aldin Hodzic, CTP, VP, Treasury Management Sales Manager	453 7th Street			Des Moines	IA	50309	
Barbara A Bonner		4029 Heavenly Way			Forney	TX	75126	
Barbara Sidney		11333 Amanda Lane	Apt# 923		Dallas	TX	75238	
Bay 9 Holdings LLC	Locke Lord LLP	Adrienne K. Walker	111 Huntington Avenue, 9th Floor		Boston	MA	02199-7613	
Bay 9 Holdings LLC	Matthew H. Davis	Locke Lord LLP	2200 Ross Avenue, Suite 2800		Dallas	TX	75201	
Beazley Insurance Company	Jan Belcher	c/o Marsh McLennan Agency, LLC Bouchard Region	101 N Starcrest Dr.		Clearwater	FL	33765	
Beazley plc		22 Bishopsgate			London		EC2N 4BQ	United Kingdom
Benchmark Inc		6065 Huntington Court NE			Cedar Rapids	IA	52402-1272	
Berenesh Mesmer		2929 Creek Meadow			Garland	TX	75040	
Bernestean Hammond		10379 White Elm Rd.			Dallas	TX	75243	
Bessie Martin		6000 Ohio Drive			Plano	TX	75093	
Bill Cobb Ministries Inc		PO Box 3061			Grapevine	TX	76099	
Billy Jackson		6462 Cristo Lane			McKinney	TX	75070	
Binswanger Glass#139		PO Box 679331			Dallas	TX	75267-9331	
Blanca L Ramos		3535 Demaret Drive			Mesquite	TX	75150	
Blanca N Ramos		8620 Park Ln Apt.1804			Dallas	TX	75231	
BLUE BELL CREAMERIES LP		P.O. BOX 674272			DALLAS	TX	75267-4272	
Brandee Love		9696 Walnut Street #716			Dallas	TX	75243	
Brandi Hardison		4009 Towne Crossing Boulevard	apt 1203		Mesquite	TX	75150	
Brandon Bachman		8820 Southwestern Blvd #204			Dallas	TX	75206	
Brenda C Chama		10000 Walnut St	Apt 1001		Dallas	TX	75243	
Brenda C Hernandez		5734 Preston View Blvd 2025			Dallas	TX	75240	
brennan bradley		1700 Hillside Drive			Balch Springs	TX	75180	
Bridget MacFoy		7810 Lindsey Dr			Rowlett	TX	75088	
Britney Ross		6031 Pineland Drive apt 715			Dallas	TX	75231	
Brittani Blair		6126 North Shiloh Road #112			Garland	TX	75044	
Brittany Sholes		7720 McCallum Boulevard	Apt 2059		Dallas	TX	75252	
Brittney N Johnson		1809 Jasmine Dr			Lancaster	TX	75146	
Brizza Ramos		1447 celeste dr dallas			dallas	TX	75217	
Broderick Evans		2019 Shortal			Dallas	TX	75217	
Brooke and Andrew Russell		1466 Garden Lakes Dr			Friendswood	TX	77546-4461	
Camillia Brazile		9727 Whitehurst Drive	Apt# 118		Dallas	TX	75243	
Campbell Saustad		2941 Fondren Drive			Dallas	TX	75205	
Camri N McCoy		1431 Springwood Drive			Mesquite	TX	75181	
CARDIONET LLC		P.O. BOX 417704			BOSTON	MA	02241-7704	
CARESTAF OF DALLAS LP		4325 WINDSOR CENTRE TRAIL Ste 400			FLOWER MOUND	TX	75028	
Caring Communities, a Reciprocal Risk Retention Group	Laura Lally	1850 West Winchester Road, Suite 109			Libertyville	IL	60048	
Caring.com		PO Box 7689			San Francisco	CA	94120-7689	

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Carlos Hernandez		5734 Preston View blvd 2025			Dallas	TX	75240	
Carlos Hernandez		9994 Chireno St			Dallas	TX	75220	
Carlos R Hernandez		9994 Chireno Street			Dallas	TX	75220	
Carlos Vasquez		805 w 8th st			Dallas	TX	75208	
CAROL BRANDON		2211 Jamie Drive			Garland	TX	75040	
Caroline Cooper		5840 Springvalley Rd Apt 606			Dallas	TX	75254	
Carolyn Bell		5225 Verde Valley Lane	385		Dallas	TX	75254	
Carter r Thrash		3442 Shenandoah Street			Dallas	TX	75205	
Casie Barnett		1915 Sandy Lake Road	59		Carrollton	TX	75006	
Cassandra Francis		9922 Chilmark Way			Dallas	TX	75227	
Catherine Thorogood		210 Tulane Street			Garland	TX	75043	
Celeste A Colon		14500 Dallas Parkway	Apt. 165		Dallas	TX	75254	
Celeste C Minnieweather		9350 Skillman Street	Apt#3116		Dallas	TX	75243	
Celina Borjon		2841 Lipscomb Street			Fort Worth	TX	76110	
Center Stage Band	Launa Stoutmeyer	200 Chisholm Trail			Highland Village	TX	75077-2752	
Centers for Medicare & Medicaid Services		7500 Security Blvd			Windsor Mill	MD	21244	
Centers for Medicare and Medicaid Services		1301 Young Street, Room 714			Dallas	TX	75202	
Centers for Medicare and Medicaid Services		7500 Security Boulevard			Baltimore	MD	21244	
CENTRE TECHNOLOGIES INC	C/O Texas Capital Bank	P.O. Box 679069			DALLAS	TX	75267-9069	
CENTURY GLASS INC OF DALLAS		1417 N. Washington			Dallas	TX	75204	
CERTIFIED FIRST AID OF TEXAS		P.O. Box 10007			Fort Worth	TX	76114	
Chad T Canfield		2521 Rochelle Rd			Rockwall	TX	75032	
Chadwick J Schmidt		5841 E. University Blvd.	Apt A		Dallas	TX	75206	
Charese Walker		1636 Hickory Tree Road	APT# 150		Mesquite	TX	75149	
Charles A Plafcan		5969 East Northwest Highway	Apt # 1092		Dallas	TX	75231	
Charles Iheme		3100 Summer Star Lane			Mesquite	TX	75181	
Charles Ondeck		3137 Purdue Avenue			Dallas	TX	75225	
Chawaine Allen		9701 W Ferris Branch Blvd#1514			dallas	TX	75243	
CHEM AQUA INC		23261 NETWORK PLACE			CHICAGO	IL	60673-1232	
Chernario Crockett		2665 Franklin Dr apt 1312			Mesquite	TX	75150	
Cherry Benford		1001 East Centerville Road	Apt 102		Garland	TX	75041	
Cherrys Casino Parties		469 Tubbs Rd			Rockwall	TX	75032	
CHIDINMA IMHANREDON		11991 AUDELIA ROAD			DALLAS	TX	75243	
Chineme E Ndukwe		5353 Keller Springs Road #2425			Dallas	TX	75248	
Chinenye G Nwanedo		8300 Skillman Street			Dallas	TX	75231	
Chizoba L Nwani		8025 Ohio Drive Apt. 3301			Plano	TX	75024-2341	
Chris Hutfless		4201 Corporate Drive			West Des Moines	IA	50266	
Chris Williams		299 Stoneport Drive	APT# 149		Dallas	TX	75217	
Christina Perales		411 Broadway Avenue	Apt 5243		Dallas	TX	75212	
Christina Ramirez		908 Mount Auburn Avenue			Dallas	TX	75223	
Christopher Barnett		1004 Bradford Lane			Forney	TX	75126	
Christopher D Johnson		2901 East Mayfield Road			Grand Prairie	TX	75052	
Christopher Santuae		4201 Corporate Drive			West Des Moines	IA	50266	
Ciearra Anderson		4202 Esters Road			Irving	TX	75038	
Cindy Pacheco		503 Dean Ct			Duncanville	TX	75137	
CIT FINANCE LLC		10201 CENTURION PARKWAY NORTH, SUITE 100			JACKSONVILLE	FL	32256	
City of Dallas	Building Inspection Offices Oak Cliff Municipal Center	320 E. Jefferson Blvd.			Dallas	TX	75203	
City of Dallas		1500 Marillas Street, Room 4A			North Dallas	TX	75201	
City of Dallas		Dept of Code Compliance Health Division	7901 Goforth Rd		Dallas	TX	75238	
City of Dallas		908 Monroe St			Fort Worth	TX	76102	

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City of Dallas		P.O. Box 870			Ft. Worth	TX	76101	
Clarence F Hayes		937 Trailwood Drive			DeSoto	TX	75115	
Clarence Okojie		9455 Skillman Street			Dallas	TX	75243	
Classic Refinishing		PO Box 117451			Carrollton	TX	75011-7451	
Claudia K Patrick		15820 Knoll Trail Drive	#126		Dallas	TX	75248	
Claudine Jonkam		5104 Stonecrest Drive			McKinney	TX	75071	
CLEVELAND-MENU PRINTING INC		1441 E. 17TH STREET			CLEVELAND	OH	44114	
CLIA LABORATORY PROGRAM		P.O. BOX 3056			PORTLAND	OR	97208-3056	
CLOWNING AROUND		1416 Stagecoach Dr			Richardson	TX	75080	
CNA Surety		PO Box 957312			St. Louis	MO	63195-7312	
Compligent		120 E 3rd St #202			Long Beach	CA	90802-3138	
Concrete Gel Injections Texas Inc		4800 Greenville Ave ste 288			Dallas	TX	75206	
Constance Newhouse		1440 Carrollton Parkway	APT# 31204		Carrollton	TX	75010	
Covenant Players		PO BOX 2900			OXNARD	CA	93034-2900	
Craig Howard		12009 Coit Road	Apt#4224M		Dallas	TX	75251	
Crislyn L Wren		313 Joplin Drive			McKinney	TX	75071	
Crown Imaging		7515 Greenville Ave Ste 200			Dallas	TX	75231-3826	
Cruz Gomez		2503 West Amherst Avenue			Dallas	TX	75235	
Crystal Hendricks		11111 Woodmeadow Parkway	#2227		Dallas	TX	75228	
Crystal L Barnett		1004 Bradford Lane			Forney	TX	75126	
CSI Global Deposition Services		4950 N. OConnor Road	Suite 152		Irving	TX	75062-2778	
CURA LABORATORY SERVICES		4122 GUS THOMASSON RD			MESQUITE	TX	75150	
Curaspan Health Group, Inc		PO Box 744204			Atlanta	GA	30374-4204	
CURBELL MEDICAL PRODUCTS INC.		62882 COLLECTION CENTER DR			CHICAGO	IL	60693-0628	
Curtis Moore		1507 McArthur Drive			Duncanville	TX	75137	
Cynthia A Barfield		8902 Park Lane	Apt. 148		Dallas	TX	75231	
Cynthia Y Parnell		5414 Kirkridge Place			Garland	TX	75044	
D H PACE INC		1901 E 119th St			OLATHE	KS	66061	
Daisy Fuentes		5909 Frontier Boulevard	Apt. 258		Mesquite	TX	75150	
Dallas County Tax Office, John R. Ames, CTA Tax Assessor/Collector		500 Elm St Ste 3300			Dallas	TX	75270-3330	
Dallas Ear Institute		7777 Forest Ln Ste A103			Dallas	TX	75230-6800	
Dallas MD Associates, LLC		PO BOX 250788			Plano	TX	75025	
Damien Watson		13250 Emily Road Apt. 1115			Dallas	TX	75240	
Daniel B Amare		8620 Park Lane			Dallas	TX	75231	
Daniel Stilwell		13833 Indian Wells Road			Dallas	TX	75253	
Dany J Salgado		7112 Holly Hill Drive			Dallas	TX	75231	
Danyell Williams		12904 Mitchell Drive			Balch Springs	TX	75180	
Darnisha D Hobson		1616 Hickory Tree Road	120		Mesquite	TX	75149	
Darren Sanders		3337 West Pentagon Pkwy #1069			Dallas	TX	75233	
Darwill, Inc		PO Box 6243			Carol Stream	IL	60197	
Darwill, Inc.		11900 West Roosevelt Road			Hillside	IL	60162	
Dasia Davis		14311 Skyfrost Drive	TRLR# 159A		Dallas	TX	75253	
David Cherry, Trustee of Charles Q. Cherry and Jane B. Cherry Family Trust		2828 Hood Street, Apt. 802			Dallas	TX	75219	
David Jones		3919 Mullings Ln			Dallas	TX	75227	
David Lovrien		1912 Gansett Dr			Plano	TX	75075-6768	
David Steve Donosky d/b/a Steve Donosky Company	c/o Craig A. Albert, Esq.	Cherry Petersen Landry Albert, LLP	8350 North Central Expressway, Suite 1500		Dallas	TX	75206	
DAVID WASHBURN		110 HAMILTON DRIVE			TERRELL	TX	75160	
Debi Smith		535 Buckingham Rd Apt 6307			Richardson	TX	75081-5183	
Deborah Castro		6134 North Shiloh Road			Garland	TX	75044	
Debra J Burchett		110 Palo Duro Pass			Holly Lake Ranch	TX	75765	

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Debra R Hourrutinier		2411 Mallory Ln.			Lancaster	TX	75134	
Debra Thomas		1720 John West Road #1232			Dallas	TX	75228	
DeeAnne S Willis		7775 Firefall Way	#1142		Dallas	TX	75230	
Deja Kent		8250 Meadow Road	Apt# 5420		Dallas	TX	75231	
Della Johnson		248 E Oates Rd Apt 103			Garland	TX	75043-3495	
Denise E Davis		6466 Ridgecrest Road	Apt# 2107		Dallas	TX	75231	
Denise Shoulders		7974 Chariot Drive Apt173			Dallas	TX	75227	
Department of the Treasury		George Hyde (G.H.) Fallon Federal Building	31 Hopkins Plaza		Baltimore	MD	21201	
Derek a Gaytan		3728 Modlin Street			Mesquite	TX	75150	
Derrick Jones		4242 Wilshire Boulevard			Dallas	TX	75241	
Desiree Tarrant		9901 Saint James Lane			Dallas	TX	75238	
Destiny F Guzman		3604 Poteet Dr Apt 215			Mesquite	TX	75150-7650	
Devin Martin		9633 Sophora Circle			Dallas	TX	75249	
Diagnostex Consultants PLLC		8913 Mid Cities Blvd Ste 100			N Richland Hills	TX	76182	
Dianne Sutton		9959 Adleta Blvd Apt 217			Dallas	TX	75243	
Dina Acuna		14041 Preston Road			Dallas	TX	75254	
Direct Energy	Attn Bankruptcy	1001 Liberty Avenue, Suite 1200			Pittsburgh	PA	15222	
Direct Energy		P.O. Box 1532			Houston	TX	77251	
Direct Supply		6767 North Industrial Road			Milwaukee	WI	53223	
DLA Piper LLP		PO Box 75190			Baltimore	MD	21275	
DMI Technologies Inc		14900 Grand River Road	Suite 100		Fort Worth	TX	76155-2749	
Domonique L. Bowen		350 Vista Court Dr	3206		Plano	TX	75074	
Don Gibson		9955 County Road 2440			Royce City	TX	75189	
Don S. Weitz		10133 Kilarney Dr			Dallas	TX	75218	
Donna K Son		3600 Windhaven Parkway	Apt 4117		Lewisville	TX	75056	
Donna S Turner		5317 Garland Ave			Dallas	TX	75223	
Donovan Dorman		3624 Cross Bend Rd			Plano	TX	75023	
Door Control Services Inc		PO Box 675067			Dallas	TX	75267	
Dorothy Taylor		9709 Starlight Road	#2-230		Dallas	TX	75220	
Dorsey & Whitney LLP		PO Box 1680			Minneapolis	MN	55480	
Dude Solutions		P.O. BOX 936580			ATLANTA	GA	31193-6580	
Dynae S Claxton		4101 Delafield Lane			Dallas	TX	75227	
ECOLAB FOOD SAFETY SPECIALTIES		24198 NETWORK PL			CHICAGO	IL	60673-1241	
ED BROWN DISTRIBUTORS	Cynthia Barron	3236 IRVING BLVD			Dallas	TX	75247	
Eddie Fenoglio		4201 Corporate Drive			West Des Moines	IA	50266	
Eddie White		160 E Vista Ridge Mall Dr	Apt 932		Lewisville	TX	75067	
Edith C Ibeke		907 E Grubb Drive			Mesquite	TX	75149	
Edith Granger		5050 Pear Ridge Drive	Apt# 3802		Dallas	TX	75287	
Edith Laganas		3229 Caribbean Dr			Mesquite	TX	75150-1815	
Edna Efa-Aboagye		14632 Briarcrest Dr.			Balch Springs	TX	75180	
Edwar De La Cruz		5846 Preston View Blvd 1116			Dallas	TX	75240	
Edward Adjaho		9842 Audelia Road	Apt 154		Dallas	TX	75238	
Efrain Guzman Romero		3328 Cedarplaza Lane	APT#148		Dallas	TX	75209	
EIDCS, Inc	Leslie Middleton	2705 Cape Brett Dr			Flower Mound	TX	75022	
eight twenty 8 Design LLC	Kelisa Nelson	10422 Menchaca Rd			Austin	TX	78748-2276	
Elite Pro GC LLC		PO Box 803624			Dallas	TX	75380	
Elizabeth A McKee		5542 Winston Court			Dallas	TX	75220	
Elizabeth I Koroma		12516 Audelia Rd #1405			Dallas	TX	75243	
Elizabeth White		4201 Corporate Drive			West Des Moines	IA	50266	
Elizabeth White		2706 Saint Andrews Cir			Ennis	TX	75119	
Elnora Como		572 East Avenue J	Apt D		Grand Prairie	TX	75050	
Elsa T Bekuretsion		5121 Cedar Springs Road	unit#214		Dallas	TX	75235	
Emily K Johnson		3615 Rosedale Avenue			Dallas	TX	75205	
Emma R Jackson		7502 Bryn Mawr Drive			Rowlett	TX	75089	

Exhibit O
Creditor Matrix
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CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Employee Test		15601 Dallas Parkway Suite 200			Addison	TX	75001	
Emso Romero		4030 Salem Drive			Garland	TX	75043	
ENTERPRISE MEDICAL STAFFING AGENCY		P.O. BOX 679943			DALLAS	TX	75267	
Entertainment Crazy		PO Box 174176			Arlington	TX	76003-4176	
Enyonam GBEMU ADOUKONOU BAGAN		5555 spring valley road#1003			Dallas	TX	75254	
Eric Hanson Artwork		4320 Travis Street # 105			Dallas	TX	75205-4431	
Eric U Okoro		4304 Narberth Dr			Plano	TX	75024	
Erica S Graham		8150 North Stemmons Freeway	Apt# F1071		Dallas	TX	75247	
Erica Spearman		13100 Pandora Drive			Dallas	TX	75238	
Erica Wilcox		7112 Chase Oak Dr	#1308		Plano	TX	75025	
Erica Williams		811 South Morrell Ave Apt#	1601		Dallas	TX	75203	
Erin Spence		118 Wagon Wheel Dr			Waxahachie	TX	75167	
Ernest W. Reselein Liv Trust	Ernest W. Reselein	N374 County Rd N			Whitewater	WI	53190	
Esemfon O Edet		10062 Royal Lane			Dallas	TX	75238	
Esther N Mbonchom		3500 E McKinney St Apt 3102			Denton	TX	76209-7568	
Esther W Munyenye		1617 Indian School Road			Garland	TX	75044	
Eva Lynn Dunn, John S Dunn Jr, Brunelda R Lopez, Ramon Lopez, Mary W Miller, Buford Thomas Miller and Eleanor M Smith	Chris Reynolds and Henry Y Wells	1100 Louisiana Ste 3500	Reynolds Frizzell LLP		Houston	TX	77002	
Evangelina Rodriguez		2099 Soman Ln			Kaufman	TX	75142	
Evelyn Hodge		3911 Cauthorn Drive			Dallas	TX	75210	
Evelyn Y Luna Livas		8846 Clearwater Drive			Dallas	TX	75243	
Evette Hernandez		3614 Anthony Dr #1A			Mesquite	TX	75150	
Evon T Johnson		3813 Easton Meadows Drive			Garland	TX	75043	
FACILICOM INCORPORATED		P.O. BOX 578			LOWELL	AR	72745	
Faiz C Kalenga		14332 Montfort Dr #3108			Dallas	TX	75254	
FastSigns		1555 Prudential Dr			Dallas	TX	75235-4111	
Fatemeh P Afshar		9251 Church Rd Apt 202			Dallas	TX	75231	
Fatimah M Delgado		9860 Scyene Rd	Apt.1416		Dallas	TX	75227	
Federico Hernandez		1439 Vanderbilt Lane			Mesquite	TX	75181	
Felica Nathan		10533 N. MacArthur Blvd	apt 2071		Irving	TX	75063	
Felicia N Boyefio		402 Amara Crescent Apt E			Wylie	TX	75098	
Felipa Borjas		4001 Amherst Dr			Garland	TX	75042	
FERGUSON FACILITIES SUPPLY		P.O. BOX 100286			ATLANTA	GA	30384-0286	
FILGO OIL COMPANY		P.O. Box 565421			Dallas	TX	75356-5421	
First Floors Carpet One		10771 Estate Lane			Dallas	TX	75238-2338	
FITCH RATINGS INC		PO BOX 14580			Des Moines	IA	50306	
Flor De Maria Marquina Cuadra		8906 Clearwater Drive			Dallas	TX	75243	
Florence A Sonwa		12862 Noel Rd.	Apt 2061		dallas	TX	75230	
Florence F Ajayi		925 Hannah Way			Dallas	TX	75253	
Florina Lupu		7113 Brentdale Lane			Plano	TX	75025	
Ford Audio-Video Systems, LLC		4800 West I-40 Service Rd			Oklahoma City	OK	73128-1208	
FOUNDATION BUILDING MATERIALS		P.O. Box 744398			ATLANTA	GA	30374-4398	
FP MAILING SOLUTIONS		PO BOX 157			BEDFORD PARK	IL	60499-0157	
Francisco Andrade		1409 North Jim Miller Road			Dallas	TX	75217	
Frederick R Gollay		6305 Topaz Way			Plano	TX	75023	
Frida Garcia		324 Las Brisas Drive			Arlington	TX	76006	
Frisco Spine PA		PO Box 6020			Frisco	TX	75034-0225	
FTI Consulting Inc		PO Box 418178			Boston	MA	02241-8178	
Full Circle Technologies		7411 HINES PL STE 100			Dallas	TX	75235	
Funmilade Oyatomi		12250 Abrams Road	A# 2138		Dallas	TX	75243	
Furguson Enterprises LLC		PO Box 847411			Dallas	TX	75284-7411	

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CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Fusion Connect		210 Interstate North Parkway, Suite 200	Headquarters		Atlanta	GA	30339	
Fusion LLC		PO BOX 51341			Los Angeles	CA	90051	
G F HEALTH PRODUCTS INC		P.O. BOX 47510			DORAVILLE	GA	30362-0510	
Gabriela Juarez		313 Fieldside Dr			Garland	TX	75043-2911	
Gabriela T Vega		1311 East 8Th			Dallas	TX	75203	
Galls LLC		PO Box 71628			Chicago	IL	60694-1628	
GE Appliance Co		PO Box 840136			Dallas	TX	75284-0136	
GE Appliances		PO Box 733572			Dallas	TX	75373-3572	
Genevieve Nze		9000 vantage point dr	Apt#535		Dallas	TX	75243	
Geoffrey Kiriama		5631 Spring Valley Road	Apt 118		Dallas	TX	75254	
George Anderson		2344 Highlands Creek Road			Carrollton	TX	75007	
GEORGE ERWIN III		2423 Cliff Teen Court			Dallas	TX	75233	
George K Wingbah		3117 HOLSTEIN DRIVE			FORNEY	TX	75126	
Gerardo Galvan		551 Harrison Dr	Allen		Allen	TX	75002	
Getnet Astatke		5350 Amesbury Dr 802			Dallas	TX	75206	
Ghenet Habte		1213 Kenshire Ln			Richardson	TX	75081	
Gilbert Mediation Group		12001 N. Central Expressway	Suite 650		Dallas	TX	75243-3795	
Giselle Joseph		p.o.box 833154			Richardson	TX	75083	
Gislason and Hunter LLP	Michael S. Dove	2700 S Broadway St	PO Box 458		New Ulm	MN	56073	
GITTINGS		1645 N. Stemmons Frwy STE D			Dallas	TX	75207	
Glen Kawazoye		2808 Flamingo Lane			Plano	TX	75074	
GLENVIEW PROFESSIONAL PHARMACY		7640 Glenview Drive, Suite B			Fort Worth	TX	76180	
Gloria J Johnson		1920 Crooked Lane			Fort Worth	TX	76112	
godfrey N Onsongo		8025 Muddy Creek Dr			Fort Worth	TX	76131-1763	
Godwin O Amen		Po Box 12462			Dallas	TX	75225	
GOLD CROWN VALET AND PARKING INC		901 Waterfall Way, Ste. 107			Richardson	TX	75080	
Grapevine Design		PO Box 9475			Shawnee	KS	66201	
Gregory Williams		324 North Jim Miller Road	APT#2023		Dallas	TX	75217	
H2O SUPPLY INC	Cheryl Schellenberg	2535 B E.HWY 121 Ste 200			LEWISVILLE	TX	75056	
Haier US Appliance Solutions, Inc. dba GE Appliances		Appliance Park	AP4-105		Louisville	KY	40225	
Hajamarie Kamara		12610 Jupiter Rd	apt 932		DALLAS	TX	75238	
Hall Communications		322 Manana Dr			Grand Prairie	TX	75050	
Hanna Asemahegn		2276 Torch Lake Drive			Forney	TX	75126	
Hannah W Williams		1711 Windcastle Drive			Mansfield	TX	76063	
Harriet M Wamae		6909 Custer rd	apt 3108		Plano	TX	75023	
Harriet Nantambi		3233 Interstate 30	Apt# 204		Mesquite	TX	75150	
Hazem Othman		7605 Paddock Trail			Sachse	TX	75048	
HEALTHPRO MANAGEMENT SERVICES		PO BOX 69268			BALTIMORE	MD	21264	
HealthTexas Provider Network		PO Box 844128			Dallas	TX	75284-4128	
Heather Macchietto		9009 Elbe Trail			Fort Worth	TX	76118	
Hector M Perez		5990 Arapaho Road	APT 14L		Dallas	TX	75248	
Helen N Ottih		5216 Wyndham Ct			Garland	TX	75043	
Henrietta Asiamah		2423 Rosharon Drive			Forney	TX	75126	
Henrietta Novotny		113 N. Main Suite D			Ennis	TX	75225	
HERBET SCHMITT	Herbert Schmitt	3104 Kristin Court			Garland	TX	75044	
HEWLETT-PACKARD FINANCIAL SERVICES COMPANY		200 CONNELL DRIVE			BERKELEY HEIGHTS	NJ	07922	
HICO		2642 Andjon Dr			Dallas	TX	75220	
HIGHER GROUND-LAWN CARE & LIGHTING		709 W Church St			GRAND PRAIRIE	TX	75050	
Hiwot Desibelew		542 Lakeside Drive			Rockwall	TX	75032	

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CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
HOBART SERVICE		ITW Food Equipment Group LLC	P.O. Box 2517		Carol Stream	IL	60132-2517	
HOME DEPOT CREDIT SERVICES		Dept 32-2503219440	PO Box 9001043		LOUISVILLE	KY	40290-1043	
Hood Boss		2511 Merrell Rd			Dallas	TX	75229-4615	
Hope E Oates		7401 Alma Drive			Plano	TX	75025	
Iantha Bynum		440 Coit Road	Apt# 17104		Plano	TX	75075	
Idevior C Sherman		3600 Wheeler Street	Apt. 2349		Dallas	TX	75209	
Ike I Eziagwu		7409 Wilhire Dr.			Rowlett	TX	75089	
India Bell		6646 East Lovers Lane	Unit 1806		Dallas	TX	75214	
Innovation Group Electric Inc		3210 Saint Faustina Cir			Dallas	TX	75233-1436	
Integrity Medical Transportation, LLC		5700 Tennyson Pkwy Ste 300			Plano	TX	75024-3595	
Intercity Investment Properties, Inc.		4301 Westside Drive	Suite 100		Dallas	TX	75209-6546	
INTERCOM INC		440 WRANGLER DR SUITE 300			COPPELL	TX	75019	
Interior Design Associates		618 Church Street Ste 400			Nashville	TN	37219	
Internal Revenue Service Department of the Treasury		Internal Revenue Service Center			Ogden	UT	84201	
Internal Revenue Service Department of Treasury		PO Box 7346			Philadelphia	PA	19101-7346	
Internal Revenue Service Special Procedures Insolvency		PO Box 7346			Philadelphia	PA	19101-7346	
Intrepid Technologies Inc		3204 Shackleford Pass Ste A			Little Rock	AR	72205-6938	
Ioan L Lasc Necsca		1000 Nickerson Ln			Plano	TX	75094	
Irene Lee		PO Box 202			Keller	TX	76244-0202	
Ironshore Speciality Insurance Company	c/o Liberty Mutual Insurance	175 Berkeley Street			Boston	MA	02116	
Ironshore Speciality Insurance Company	Jan Belcher	c/o Marsh McLennan Agency, LLC Bouchard Region	101 N Starcrest Dr.		Clearwater	FL	33765	
Isabella Dancer		3825 Mapleshade Ln	apt 6106		Plano	TX	75075	
ITS NEVER 2 LATE LLC		P.O. BOX 8500			Pasadena	CA	91109	
Itzel Hernandez		9994 Chireno Street			Dallas	TX	75220	
Ivan Pogue		5811 Savoy Place #413			Garland	TX	75040	
Jackie Lewis		2421 Opaline Drive			Aubrey	TX	76227	
Jackqulene Moss		7878 Marvin D. Love Freeway	Apt.2119		Dallas	TX	75237	
Jacquelyne Porcayo		1009 Woodbrook Street			Arlington	TX	76011	
Jada Brown		2106 Bennett Avenue	Apt# 202		Dallas	TX	75206	
Jahna Luckey		1616 Hickory Tree Road	Apt#. 120		Mesquite	TX	75149	
Jaime Rodriguez		1457 Nash St			Garland	TX	75042	
JAIMYRA MCDONALD		6309 Duck creek drive apt 2401			Garland	TX	75043	
James Humphrey		1214 Diana Drive			Arlington	TX	76011	
James K Machuma		6117 vineyard lane			mckinney	TX	75070	
JAMES MICHAEL		21 LEAHY DRIVE			TAUNTON	MA	02780	
James Oates		104 Duranta Ct			Royse City	TX	75189	
James Seaborne		2130 Gus Thomasson Road			Mesquite	TX	75150	
Jamie Brown		2729 Franklin Drive	1321P		Mesquite	TX	75150	
Jamie Price		11511 Ferguson Rd Apt 2633			Dallas	TX	75228	
Janell Robinson		4101 Delafield Ln # 1109			Dallas	TX	75227	
Janet Correira		631 Southwood Court			Duncanville	TX	75137	
Janet W Kamau		5908 York River Dr			Arlington	TX	76018	
Janet Wachu		3921 Kirby Drive	APT # 726		Fort Worth	TX	76155	
Janice A Hogg		904 Gross Road Apt 332			Mesquite	TX	75149	
Jaquisha K Robinson		3131 Kingbridge St Apt204			Dallas	TX	75212	
Jarin Simpson		3748 Gus Thomasson Rd			Mesquite	TX	75150	
Jarred G Richardson		5117 Bartlett Drive			The Colony	TX	75056	
Jarvis D Smith		739 West Lane			Duncanville	TX	75116	
Jasmine D Myles		324 N Jim Miller rd apt 2023			Dallas	TX	75217	
Jason Uche		283 Dogwood Place			Plano	TX	75075	
Jazzmekia Hopkins		11760 Ferguson Rd	apt 2017		Dallas	TX	75228	

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CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
JEANNE M GAY		408 PEBBLEWAY #154			ARLINGTON	TX	76006	
Jecarey Knight		800 Lake Carolyn Pkwy	Apt 358		Irving	TX	75039	
Jennifer Alexander		8438 Foxwood Lane			Dallas	TX	75217	
Jennifer Clark		924 Gross Road	Apt#928		Mesquite	TX	75149	
Jennifer L Wilson		10112 Parkford Dr			Dallas	TX	75238	
Jenny S Carlson		6457 Dunstan Ln			Dallas	TX	75214	
Jeremiah J Smith		9821 Summerwood Cir	Apt. 808		Dallas	TX	75243	
Jerry and Janie Falls		9817 Chapmans Blvd.			Fort Wayne	IN	46835-9194	
Jerry Pyle & Associates		2121 Saber Lane			Weatherford	OK	73096	
Jerry W Brown		4645 Dolphin Road	APT# 352		Dallas	TX	75223	
Jerusha Litalanga		2847 Prado			Grand Prairie	TX	75054	
Jesse Jantzen		4201 Corporate Drive			West Des Moines	IA	50266	
Jesse Wilkins		10951 Stone Canyon Road	Apt# 106		Dallas	TX	75230	
Jessica Murillo		10182 San Juan Avenue			Dallas	TX	75228	
Jesus A Cervera		11314 Crescendo Drive			Dallas	TX	75238	
Jesus Cervera		11314 Crescendo Drive			Dallas	TX	75238	
Jimecia Edwards		9600 Forest lane	173		Dallas	TX	75243	
J-MEDS INC		133 Nursey Ln			FORT WORTH	TX	76114	
Joan Haye		1607 Cedar Ave			Moncks Corner	SC	29461	
Jocelyn Willis		2929 West Pentagon Parkway	Apt# 221		Dallas	TX	75233	
Joel D Soetenga		7520 W Northwest Hwy #3			Dallas	TX	75225	
Joel Hernandez		2816 Turtle Dove Lane			Mesquite	TX	75181	
John H Slate		9522 Viewside Drive			Dallas	TX	75231-1506	
John L Tanzy		Druid Lane			Dallas	TX	75205	
John M Weatherford		513 Amelia Court			Garland	TX	75040	
John N Muia		10 Heritage Way			Allen	TX	75002	
Johnson Supply		PO BOX676656			Dallas	TX	75267-6656	
JOHNSTONE SUPPLY		2505 Willowbrook Rd #203			Dallas	TX	75220	
JonTerrion D Davis		2314 N St Augustine Dr #4103			Dallas	TX	75227	
Jorge Barrera		4812 Victor Street			Dallas	TX	75246	
Jorge Pascual Garcia		3424 Statler Dr			Mesquite	TX	75150	
jose a cifuentes		1904 Foxwood Drive			Mesquite	TX	75181	
Jose A Hurtado		2221 Reagan Blvd			Carrollton	TX	75006	
Jose A Tanon		4000 Bighorn Dr.			Heartland	TX	75126	
Jose Arias		1125 Burns Avenue			Dallas	TX	75211	
Jose Fuentes		713 Cottonwood Way			Josephine	TX	75189	
Jose I I Rodriguez		1921 East Crosby Road			Carrollton	TX	75006	
Jose L Morales		2906 Materhorn Dr			Dallas	TX	75228	
Jose Luis Cervera		9354 Beck Avenue	Apt. 188		Dallas	TX	75228	
Jose M Gutierrez		6034 Overlook Drive			Dallas	TX	75227	
Jose R Hurtado		3708 Matador Rd			Dallas	TX	75220	
Joseph I. Binford		3827 Gilbert Ave # 203			Dallas	TX	75219	
Joseph Igbinoba		1709 Baylor Drive			Richardson	TX	75081	
Joseph Lauder		1504 River Oaks Cir Apt 134			Wylie	TX	75098-7895	
Joshua Bass		10640 Steppington Drive	APT# 2142		Dallas	TX	75230	
Joshua Bradford		2701 Lawrence Rd # 376			Arlington	TX	76006-3759	
Joune S Hames		719 Hawthorn Drive			Cedar Hill	TX	75104	
JOY EKI		8884 Park LN Apt 220			Dallas	TX	75231	
Joyce D Bonds		7128 Hillshire Ln			Sachse	TX	75048	
joycelyn A smith		8054 Rothington Road	apt 2090		Dallas	TX	75227	
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, AS MASTER TRUSTEE		600 TRAVIS ST STE 1150			HOUSTON	TX	77002	
Juana Luna		9505 Royal Lane			Dallas	TX	75243	
Juana V Raysor		524 Canterbury Park Lane			Ponder	TX	76259	
Judith Gaytan		3728 Modlin St			Mesquite	TX	75150	

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JUDY WASHBON		203 S Daisy St			SALMON	ID	83467	
Julia D Smith		700 North Jj Lemmon	Apt. 722		Hutchins	TX	75141	
Julian Hernandez		9994 Chireno Street			Dallas	TX	75220	
Juliana U Dire		2325 Valley Falls Avenue			Mesquite	TX	75181	
Juliana Norris		4336 Merrell Rd			Dallas	TX	75229	
Juliette F Mofor Tatang		1002 Springton St			Forney	TX	75126	
Jumoke F Bassina		2032 avondown road			forney	TX	75126	
Kacey L McDowra		6601 West Plano Pkwy Apt 1722			Plano	TX	75093	
Kacy Melton		11333 Amanda Ln Apt 1107			Dallas	TX	75238-4028	
Kamaria Davis		732 Rock Hill Dr.			Red Oak	TX	75154	
Kandee R Smith		4604 Saturn Rd #209			Garland	TX	75041	
KARCHER FLOOR CARE INC.		Dept CH19244			Palatine	IL	60055-9244	
Karcher North America		DEPT CH 19244			PALATINE	IL	60055-9244	
Karen Joy Sholander		3202 Lemmontree Lane			Plano	TX	75074-3148	
Kasonde Chinukwe		7777 Glen America Drive	APT 309		Dallas	TX	75225	
Kathelyn Lee		7127 Lake June Rd			Dallas	TX	75217	
Katherine Gardner		2316 Becard Dr.			Mesquite	TX	75181	
Katherine Vargas		214 Collins Drive			Irving	TX	75060	
Kavon Neal		7324 Skillman Street	Apt#1418		Dallas	TX	75231	
KeeAndra Dozier		5922 Stretch Dr			Dallas	TX	75211-6876	
Kehinde Oni		900 Callalily Dr			Desoto	TX	75115	
Kelelaw Habtemariam		8620 Park Lane	Apt# 1012		Dallas	TX	75231	
Kelleigh D Thomas		9076 Stone Creek Place			Dallas	TX	75243	
Kelsi S Smith		6832 Elm Street			Rowlett	TX	75089	
Ken C Chinaka		Po Box 742902			Dallas	TX	75374	
Kendre D Walker		4518 underwood st			Dallas	TX	75216	
Kenitra Davis		4748 Saint Francis Avenue 2303			Dallas	TX	75227	
Kennietra W Roberts		2815 Clydedale Dr	Apartment 224		Dallas	TX	75220	
Kenyetta L Wilson		3931 Leeds Court			Garland	TX	75043	
Kenyta Taborn		322 Naples Drive			Duncanville	TX	75116	
Keri Mcanally		4201 Corporate Drive			West Des Moines	IA	50266	
Kevin W Hunter		Po Box 763154			Dallas	TX	75376	
Khadya Bility		10555 Barrywood Dr			Dallas	TX	75230	
Kimberly A Adair-Williams		1525 Sessom Dr.			Mesquite	TX	75149	
Kimberly Fitzjames		801 Hebron Parkway	#10311		Lewisville	TX	75057	
Kimberly M Elliott		1803 Bonner Dr			Monroe	LA	71202-4925	
Kimberly Reyes		5411 Columbia Avenue	Apt#D37		Dallas	TX	75214	
Kings III of America LLC		751 Canyon Dr Ste 100			Coppell	TX	75019-3857	
Kiyann Pierson		1800 Main	Apt# 552		Dallas	TX	75201	
Kizza Owens		12108 Bishop Drive			Balch Springs	TX	75180	
Kristin Forester		2205 Anna Dr			McKinney	TX	75071	
Kristin Poston		901 Whisper Lane			McKinney	TX	75072	
Kyle J Mead		1536 Holly Avenue	105		Dallas	TX	75204	
La Chandra E Cooper		4618 Reiger Avenue apt.110			Dallas	TX	75246	
LaBresha S Salone		1220 Thrasher Dr.			Little elm	TX	75068	
Lajoyce Jackson		3027 Beachchamp Street			Dallas	TX	75216	
Lakeshia m Traylor		17708 Dickerson St. #105			Dallas	TX	75252	
Lana Helm		2410 Clark Ln			Paris	TX	75460-6218	
LaQuetta D Smith		1472 Englewood Drive			Rockwall	TX	75032	
Laquida Smith		Courtside Drive	Apt.#137		Irving	TX	75038	
Laronda D Davis		2314 N St. Augustine Dr #4103			Dallas	TX	75227	
Larry Smith		4201 Corporate Drive			West Des Moines	IA	50266	
LaShanna Love		5520 Gaston Ave #108			Dallas	TX	75214	
LaTerrell V Ashley		2122 Kirby Street Apt 410			Dallas	TX	75204	
Latoya C Sukhnandan		3910 W. Walnut Street Apt 217			Garland	TX	75042	
Latoya Harris		5833 Blackwell Street	#270		Dallas	TX	75231	

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LaToya R Payne		2018 Samantha Lane			Forney	TX	75126	
Latriece Y Jackson		1409 Hawk Valley			Little Elm	TX	75068	
Laura Baker		4610 Victor St	Apt 3		Dallas	TX	75246	
Laura Cruz		3538 Mayhew Dr.			Dallas	TX	75228	
Laura E Garcia		1917 Oldgate Lane			Garland	TX	75042	
Laura E Gonzalez		664 Adrian Drive			Rockwall	TX	75087	
Laura Herrera		501 West Gilmer Street	Apt 5		Ennis	TX	75119	
Laurel McConkey		2524 Sidwin St			Dallas	TX	75228-4170	
Layla Barron		9633 West Ferris Branch Boulev	316		Dallas	TX	75243	
LEADING AGE TEXAS		2205 HANCOCK DRIVE			AUSTIN	TX	78756	
LeadingCare Network Texas, LLC (Aetna)		2205 Hancock DR			Austin	TX	78756	
Ledum Family Trust	Dorothy Ledum	8700 Post Oak Lane, Apt. 203			San Antonio	TX	78217	
Leonila Soto		5005 Gaston Ave Apt. 103			Dallas	TX	75214	
Leopoldo Aguirre		10621 Channel Dr.	Dallas		Dallas	TX	75229	
Leslie Brownlee		4201 Corporate Drive			West Des Moines	IA	50266	
Leslie Doran-Sparacino		3209 Stanford Drive			Plano	TX	75075	
LETS ROLL PROMO		6940 LAKEVIEW CIRCLE			ROWLETT	TX	75089	
LEVEL (3) COMMUNICATION, LLC		P.O. BOX 910182			DENVER	CO	80291-0182	
Leward Moore		9000 Vantage Point Drive			Dallas	TX	75243	
Liberty Mutual Insurance		175 Berkeley Street			Boston	MA	02116	
Liberty Mutual Insurance Company	Jan Belcher	c/o Marsh McLennan Agency, LLC Bouchard Region	101 N Starcrest Dr.		Clearwater	FL	33765	
Lifespace Communities, Inc.	Nicholas Harshfield	4201 Corporate Drive			West Des Moines	IA	50266	
Lifespace Communities, Inc.		4201 Corporate Drive			West Des Moines	IA	50266	
LILIAN HUNT		8819 LANARKSHIRE DR			DALLAS	TX	75238	
Lillian Mikesell		2817 Franklin Drive			Mesquite	TX	75150	
Lillie M Gordon		724 Lakewood Dr	Texas		Kennedale	TX	76060	
Lilly Y Gonzalez		2128 Tradewind Dr	Apt 42		Mesquite	TX	75150	
Lino Garcia-Torres		4616 Motley Dr.	Apt 4616		Mesquite	TX	75150	
Lisa Freetime		9000 Vantage Point Drive	600		Dallas	TX	75243	
Lisa M Stang		3333 Harry Hines Boulevard	Apt 5123		Dallas	TX	75201	
Lisa Marie Ellis		2007 BLACKHEATH LN			Roseville	CA	95678	
Lisa Paynes		11611 Ferguson Road			Dallas	TX	75228	
Lixsel Vega		253 County Road 3910			Jacksonville	TX	75766	
LLANO NATIONAL BANK		1001 FORD STREET P O BOX 190			LLANO	TX	78643	
Low Cost RX LLC		7940 N. Lilley Rd Suite A-110			Canton	MI	48187	
Lucas A Jackowski		5607 Bell Avenue Apt. 1			Dallas	TX	75206	
Lucas Guevara		4322 Williamsburg Rd			Dallas	TX	75220-1932	
Lucinda S Gray		804 Betty Court			Hurst	TX	76053	
Luiggi Troncoso		2103 Brook Mount Court			Carrollton	TX	75006	
Luis A Ku		3016 Leahy Drive			Dallas	TX	75229	
Luis A Mendoza		1506 Monica Ln			Mesquite	TX	75149	
Luis Arroyo		1909 Glenwick Lane			Irving	TX	75060	
Luis Rivera		18909 Lloyd Circle			Dallas	TX	75252	
Mabel Akyamamah		7920 Country Club Dr #10207			Sachse	TX	75048	
Mabel Geffie		6211 Melody Lane			Dallas	TX	75231	
Machelle I Blackmon		2514 Perryton Drive #4205			Dallas	TX	75224	
Mahikan Sanoe		632 Woodhaven Place			Richardson	TX	75081	
Makayla Bryant		9030 Markville Drive			Dallas	TX	75243	
Makecia Johnson		3007 Utah Avenue			Dallas	TX	75216	
Makrubo y Momolu		4940 Shorthorn Court Apt.538			Grand Prairie	TX	75052	
MANAGEMENT & NETWORK SERVICES		P.O. Box 373996			Cleveland	OH	44193	

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Management and Network Services, LLC		6500 Emerald Parkway Suite 310			Dublin	OH	43016	
Manner Omorogbe		128 Iris Dr			Wylie	TX	75098-1020	
Marcela N Marquez		8906 Clearwater Dr			Dallas	TX	75243	
Marco Hernandez		9994 Chireno Street			Dallas	TX	75220	
Marco Rodriguez		1510 Jamestown Drive			Irving	TX	75061	
Marcos Segovia		3210 Mayhew Dr			Dallas	TX	75228	
marcus d moseley		208 Crystal Lake Drive			DeSoto	TX	75115	
Marcus D Williams		1757 Oates Drive			Mesquite	TX	75150	
MAREK ENETI		PO BOX 542016			Dallas	TX	75354	
Margarita Arreola		3550 East Overton Road	Apt1278		Dallas	TX	75216	
MARGARITA JOE		PO Box 181692			Arlington	TX	76096	
Maria D Martinez		5128 Eastside Ave			Dallas	TX	75214	
Maria De Santiago		417 North Peak St.			Dallas	TX	75246	
Maria F Monsivais		11318 Joaquin Drive			Dallas	TX	75228	
Maria G Martinez		1011 S Beacon			Dallas	TX	75223	
Maria Guel		3715 Metropolitan Ave.			Dallas	TX	75210	
Maria I Vazquez		4710 Colgate Lnn			Garland	TX	75042	
Maria Livas		704 Via Barcelona			Mesquite	TX	75150	
Maria O Manqueros		3236 Mayhew Dr			Dallas	TX	75228	
Maria P Balderas		1000 Yukon Blvd			Waxahachie	TX	75167	
Maria Rodarte		9354 Beck Avenue	apt 188		Dallas	TX	75228	
Maria S Martinez		1626 East Shore Drive			Dallas	TX	75217	
Maricela Lara		200 Stanford Street			Forney	TX	75126	
Marie B Igwe		10075 Royal Lane	Apt 1061		Dallas	TX	75238	
Marilyn S Jefferson		1111 North High Hill Place	Apt#8		Dallas	TX	75203	
Marina Mantooth		2722 Rivera Dr			Garland	TX	75040	
Marinela Lasc Necsa		1000 Nickerson Ln			Plano	TX	75094	
Marissa Aguilar		3840 Scarsdale Lane			Dallas	TX	75227	
Marissa Glenn		2601 McKinney Ranch Parkway			McKinney	TX	75070	
Mark & Carol Philantropic Fund	Mark Kreditor	12700 Hillcrest	Suite 201		Dallas	TX	75230-7135	
Mark Hoesel		18708 Hunter Creek Drive			Edmond	OK	73012	
Mark Parker		1506 North Binkley Street			Sherman	TX	75092	
Markel American Insuarncce Company	Jan Belcher	c/o Marsh McLennan Agency, LLC	101 N Starcrest Dr.		Clearwater	FL	33765	
MARLIN BUSINESS BANK		Bouchard Region			PHILADELPHIA	PA	19101-3604	
MARONA HEWITT		P.O. BOX 13604			GARLAND	TX	75087	
Marquita Ewins		820 PEBBLE BEACH RD			Cathage	TX	75633	
Marquita Green		495 county road 104			Dallas	TX	75216	
Martha Armenta		1706 East Lakeview Drive			Dallas	TX	75216	
Martha Holloway		1439 Vanderbilt Lane			Mesquite	TX	75181	
Martha Holloway		6807 Summer Meadow Ln			Dallas	TX	75252	
Martha Holloway		4201 Corporate Drive			West Des Moines	IA	50266	
Martina Contreras		11321 Prelude Dr			Dallas	TX	75238	
Mary Ancona		7833 Cozy Cove Rd			Branson	MO	65616-8773	
Mary C. Cate		1556 North Gravel Circle			Southlake	TX	76092	
Mary E Roberts		12239 Treeview Lane			Farmers Branch	TX	75234	
Mary J Booty		1521 Redwood Crest Ln			Flower Mound	TX	75028-1448	
Mary L Roberson		7650 LaManga			Dallas	TX	75248-3129	
Mary Odira		9959 Adleta Boulevard			Dallas	TX	75243	
Mashaunda L Stanley		3523 Apple Valley Way			Dallas	TX	75227	
Matias Avila		8734 Wadlington Avenue			Dallas	TX	75217	
MATRIXCARE AOD INC		BIN # 32 PO BOX 1414			Minneapolis	MN	55480	
MatrixCare, Inc.		10900 Hampshire Avenue South	Suite 100		Bloomington	MN	55438	
MATTHEW KARIMI		4003 TWIN FALLS ST.			IRVING	TX	75062	
Maureen Osadolor		10814 Stone Canyon Road			Dallas	TX	75230	
Max Franco		8200 Southwestern Boulevard	615		Dallas	TX	75206	

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 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Maxina Patterson		3601 Bobbie Ln			Garland	TX	75042-5407	
Maye Alberty		9590 Forest LN Apt 112			Dallas	TX	75243	
McKesson		PO Box 204786			Dallas	TX	75320-4786	
McKesson Medical-Surgical Minnesota Supply Inc.		8121 Tenth Avenue North			Golden Valley	MN	55427	
MedHealth		3400 W. Wheatland Rd Bldg 3			Dallas	TX	75237-4408	
MediaLawn LLC		2906 Central St # 274			Evanston	IL	60201-1283	
Medilogix, LLC		1512 Larimer Street	Suite 400		Denver	CO	80202	
Melissa Johnson		2608 Country Lake Drive			Carrollton	TX	75006	
Melissa r Coleman		3009 Franciscan Drive 432			Arlington	TX	76015	
Melissa Velazquez		1977 Passion Dr			Dallas	TX	75217-1248	
Melody Harper		11460 Audelia Road	Apt#284		Dallas	TX	75243	
Mercedes Candela		5146 Lahoma Street			Dallas	TX	75235	
Mercedes Gibbs		10800 Woodmeadow Parkway			Dallas	TX	75228	
Mercy Clinic Joplin LLC		100 Mercy Way	Suites 320 AND		Joplin	MO	64804-4524	
Meredith M Kirkscey		6355 Shady Brook Lane Apt 2133			Dallas	TX	75206	
Merema W Ahmed		14319 Haymeadow Cir #14319			Dallas	TX	75254-8205	
Meron Tefera		2505 Pecan Meadow Drive			Garland	TX	75040	
Merritt Robinson		909 Clove Glen Court			Allen	TX	75002	
Meseret A Amente		14500 Dallas Parkway			Dallas	TX	75254	
Metro Scale Co LLC		1915 Peters Rd Ste 212			Irving	TX	75061	
Michael Kenny		PO Box 181588			Dallas	TX	75218-8588	
Michael M Nwoke		10640 Steppington Drive #2112			Dallas	TX	75230	
Michaels Keys Inc		206 W Bedford Euless Rd			Hurt	TX	76053-4009	
Miguel A Gallegos		4508 Alamosa Dr			Dallas	TX	75216	
Miguel Rocha		10336 Cricket Drive			Dallas	TX	75217	
Miguel Serrano		318 S Houston School Rd			Lancaster	TX	75146	
Mikalah Brooks		2122 Kirby Street			Dallas	TX	75204	
Milton Mahuwe		2517 Downing Drive			Plano	TX	75023	
Mintz Levin, Cohn, Ferris, Glovsky, and Popoe, P.C.		One Financial Center			Boston	MA	02111	
Misty Lee		3029 Old Orchard Lane			Bedford	TX	76021	
Misty Sanchez		3050 Remond Drive	Apt#1109		Dallas	TX	75211	
Mohammed S Mohammed		5980 Arapaho Road	APT 33F		DALLAS	TX	75248-3701	
Mona De La Torre		2517 Pecan Grove Ct.			Irving	TX	75060	
Mono Advertising, LLC		1350 Lagoon Avenue	Suite 1000		Minneapolis	MN	55408	
Mono Advertising, LLC		1350 Lagoon Ave	Mozaic West 1000		Minneapolis	MN	55408	
Morah Muganyi		925 W Brand Rd Apt 117			Garland	TX	75040-1022	
Motunrayo A Omolewa		17671 Addison Road	APT 1402		Dallas	TX	75287	
MOVESTAR INC		P.O. Box 800908			Dallas	TX	75380	
Nadia P Dues		5108 Meadowcreek Drive			Dallas	TX	75248	
Nakishatamic C Phillips		221 Stoneport Drive	2206		Dallas	TX	75217	
Nancy L. Ashley		3816 Southwestern Blvd			Dallas	TX	75225-7120	
Nancy Stanford		2025 Centerville Road			Dallas	TX	75228	
Natalia Melo		3026 Bamboo Street			Mesquite	TX	75150	
Natalie M Mata		7919 Trojan Street			Dallas	TX	75216	
Natasha Brown		2729 Franklin Drive	1321P		Mesquite	TX	75150	
Nathaly Hernandez		3809 Plymouth Drive			Garland	TX	75043	
National Casualty Company	Jan Belcher	c/o Marsh McLennan Agency, LLC Bouchard Region	101 N Starcrest Dr.		Clearwater	FL	33765	
National Fit Testing Services		5428 Trails Bend Court			Sarasota	FL	34238	
National Union Fire Insurance Company of Pittsburgh, PA	c/o Marsh McLennan Agency, LLC Bouchard Region	101 N Starcrest Dr.			Clearwater	FL	33765	
National Union Fire Insurance Company of Pittsburgh, PA		70 Pine St Fl 50			New York	NY	10005-1522	
Naydelin P Gabrioto		3728 Modlin St.			Mesquite	TX	75150	

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 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Nayely S Arreola		1301 Kinglet Drive			Ennis	TX	75119	
Neka Ezenagu		4402 Mayflower Drive			Garland	TX	75043	
Neketa D Buckley		1620 Hickory Tree Rd Apt 231			Mesquite	TX	75149-6307	
Nella Phillips		13205 Roaring Springs			Dallas	TX	75240-5644	
Nereida Reyes		883 Union Station Parkway	Apt 20112		Lewisville	TX	75057	
Nestor M Morel		7802 Creekview Dr			Rowlett	TX	75089	
Nicholas Harshfield		4201 Corporate Drive			West Des Moines	IA	50266	
Nicholas Harshfield		4201 Corporate Drive			West Des Moin	IA	50266	
Nick Hannon		4301 Westside #100			Dallas	TX	75209	
Nick Harshfield		4201 Corporate Drive			West Des Moines	IA	50266	
Nicolas M Torres		4118 Mayflower Drive			Garland	TX	75043	
Nida Valani		2703 Navarro Trail			Euless	TX	76039	
Nikita Tapiawala		3717 Burning Tree Ln			Garland	TX	75042	
Nikki L Waites McCoy		3150 Cliff Creek Crossing Driv	apt #1601		Dallas	TX	75237	
Nkanyezi Tshuma		11564 Barcelona Lane			Frisco	TX	75035	
Nkeba Berryman		6417 Ridgecrest Road			Dallas	TX	75231	
Noel Nyamakura		240 Chapel Hill Drive			Prosper	TX	75078	
Noelle E Idongesit		12480 Abrams Road			Dallas	TX	75243	
Norma Ambriz		11708 Rupley Ln			Dallas	TX	75218	
NORRIS PERRY		106 SHASTA DR			HICKORY CREEK	TX	75065	
NORTH TEXAS ELEVATOR AND INSPECTIONS INC		P.O. Box #114			Royse City	TX	75189	
Novitas Solutions, LLC		2020 Technology Parkway Suite 100			Mechanicsburg	PA	17050	
NuStep LLC		PO BOX 772486			Detroit	MI	48277	
Nuway Carpet Dyeing & Repair		9019 Greene Dr			Aubrey	TX	76227-5790	
Obioma Madubuikwe		1531 South State Highway 121	Apt. 235		Lewisville	TX	75067	
Octavia Baylock		4019 Bear Brook Dr			Lancaster	TX	75146	
Office Depot		PO Box 660113			Dallas	TX	75266	
OgletreeDeakinsNashSmoak & Stewart P.C		PO Box 89			Columbia	SC	29202	
Okwuchukwu s Okorom		7101 Andover Court			Rowlett	TX	75089	
Oluchi Ojiako		850 W Centerville Rd			Garland	TX	75041	
Oluwatoyin O Adeniran		1001 Lampassas Trail			Mckinney	TX	75072	
Oluyemisi Makinde		5665 Arapaho Road			Dallas	TX	75248	
Omali Sisto		905 US Highway 80 E Apt 2307			Mesquite	TX	75150-5782	
Omobola E Olaleye		1285 Palmetto Dr			Forney	TX	75126-3463	
ON SHIFT SOFTWARE INC		P.O. BOX 207856			DALLAS	TX	75320-7856	
Onikepe Burgman		3990 Spring Valley Road	Apt.# 422		Farmers Branch	TX	75244	
Onita Gabriel		Chalet Lane			Dallas	TX	75232	
OpenTable, Inc		PO Box 101861			Pasadena	CA	91189-1861	
Orlando Osorio		1002 Mount Auburn Avenue			Dallas	TX	75223	
Ortholonestar, PLLC		PO Box 26498			Belfast	ME	04915-2015	
Osamudiamen V Ogiemwonyi		10062 Royal Lane apt 286			Dallas	TX	75238	
Otekah Wright		5225 Fleetwood Oaks Ave. #622			Dallas	TX	75235	
Oyinola Oladeinde-Martins		6031 Pineland Drive			Dallas	TX	75231	
Pablo Toledo		2419 Wentworth Street			Dallas	TX	75211	
PADIC INC		1609 East Broadway Street			Gainesville	TX	76240-4407	
Paige J Fancher		4640 Hedgcoxe Road	Apt 1112		Plano	TX	75024	
Paige S Dickson		2363 Little Pocket Rd #B			Dallas	TX	75228	
Paolina Garcia		5209 Miller Cir			The Colony	TX	75056-2114	
Park Cities Power Wash LLC		3026 Mockingbird Ln ste 160			Dallas	TX	75205	
Patricia M Barnes		12240 High Point Circle			Dallas	TX	75243	
Patricia Ndundat Epse Yumo		1743 Cordova Drive			Mesquite	TX	75150	
Patricia R Gregory		11330 Amanda Lane	Apt 727		Dallas	TX	75238	
Patricia Williams		9901 Scyene Road	APT# 27104		Dallas	TX	75227	

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 Creditor Matrix
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CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Paul C Silasavage		908 Rock Falls Drive			Mckinney	TX	75071	
Paul J. & Suzanne M. Ferr	Paul & Suzanne Ferr	12102 West Holt Ave			West Allis	WI	53227	
Paul M. Amrhein and Christine Amrhein		6644 Cabbage Drive			Colorado Springs	CO	80924	
Pauline W Mbugua		14500 Dallas Pkway Apt 2107			Dallas	TX	75254	
Pedro Encinia Obregon		2929 acacia dr			Heartland	TX	75126	
Penelope E McGee		2233 Hollybush Drive#158			Dallas	TX	75228	
Perri Lieberman		3515 Brown St #121			Dallas	TX	75219	
Peter Langlois		1110 Candlewood Dr			Allen	TX	75002	
Pharmacy Entities (primarily Omnicare pharmacies)		DEPT 781668	PO BOX 78000		Detroit	MI	48278-1668	
Phil Alford		11124 Magic Lane			Forney	TX	75126-5660	
Philip W Ozanne		2600 Preston Road Apt 1710			Plano	TX	75093	
Phillip Johnson		6349 Duck Creek Drive			Garland	TX	75043	
Pilly Rodriguez		4636 N Josey Ln	Apt. 2525 Building 25		Carrollton	TX	75010	
Pinetha Haley		7051 Clarkridge Dr Apt 10306			Dallas	TX	75236	
PITNEY BOWES		P.O. BOX 223648			PITTSBURGH	PA	15250-2648	
PITNEY BOWES GLOBAL FINANCIAL SEV.LLC		P.O. BOX 371887			PITTSBURGH	PA	15250-7887	
PointRight Inc		PO Box 4110 Dept 5290			Woburn	MA	01888-4110	
Polaris Group		PO Box 772409			Detroit	MI	48277-2409	
Pomille W Fanfair		3912 West Walnut Street			Garland	TX	75042	
Powers Taylor IOLTA		5445 La Sierra Dr Ste 300			Dallas	TX	75231	
Prachi P Kapadia		301 Las Colinas Blvd W	APT 130		Irving	TX	75039	
PRDG LLC		3535 Travis	Suite 265		Dallas	TX	75204	
Prime Painting		8508 Kenning Ct			Plano	TX	75024-7301	
ProSource of Dallas Market Center		PO BOX 105525			Atlanta	GA	30348	
PS Design & Procurement LLC		55 Public Square	Suite 1180		Cleveland	OH	44113	
Purchase Power		P.O. Box 371874			Pittsburgh	PA	15250-7874	
QUEST DIAGNOSTIC.		P.O. BOX 822510			PHILADELPHIA	PA	19182	
Quinnysia Bell		3720 Gus Thomasson Road			Mesquite	TX	75150	
R & D ELECTRICAL LLC		17521 Matany Rd Bldg 6200			Justin	TX	76247	
Rachael Sikanena		817 Rowdy Drive			Royse City	TX	75189	
Ramon Villar		3333 Webb Chapel Extension			Dallas	TX	75220	
Randi D Armstrong		838 Lexington Drive			LANCASTER	TX	75134	
Rasheda Hicks		9911 Whitehurst Drive Apt 217			Dallas	TX	75243	
Raven Jackson		11700 Audelia Road	Apt#1736		Dallas	TX	75243	
Raven L Mason		11258 Sinclair Ave			Dallas	TX	75218-1944	
Ray C Hildreth		4915 Gaston Avenue #203			Dallas	TX	75214	
Ray Castro		601 West Renner Road	Apt# 101		Richardson	TX	75080	
Rebecca A McGaha		Po Box 851853			Richardson	TX	75085	
REDLINE INTEGRATION LLC		1028 COUNTY ROAD 3314			GREENVILLE	TX	75402-5232	
Regions Bank		Corporate Trust Operations	250 Riverchase Parkway E		Birmingham	AL	35244	
RehabCare Group		PO Box 503534			St Louis	MO	63150-3534	
RehabCare Group East, LLC		680 South Fourth Street			Louisville	KY	40202	
Reliant Energy Services		P.O. Box 1532			Houston	TX	77251	
Reliant Energy Solutions	RELIANT DEPT 0954	P.O.Box 120954			Dallas	TX	75312-0954	
Rene Garcia		9350 Skillman Street			Dallas	TX	75243	
renita rembert		4614 West Pioneer Drive	apt 311		Irving	TX	75061	
Resident ID 1		Address Redacted						
Resident ID 1		Address Redacted						
Resident ID 1		Address Redacted						
Resident ID 4		Address Redacted						
Resident ID 4		Address Redacted						
Resident ID 5		Address Redacted						
Resident ID 6		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 6		Address Redacted						
Resident ID 7		Address Redacted						
Resident ID 7		Address Redacted						
Resident ID 8		Address Redacted						
Resident ID 8		Address Redacted						
Resident ID 9		Address Redacted						
Resident ID 9		Address Redacted						
Resident ID 10		Address Redacted						
Resident ID 13		Address Redacted						
Resident ID 13		Address Redacted						
Resident ID 14		Address Redacted						
Resident ID 16		Address Redacted						
Resident ID 16		Address Redacted						
Resident ID 18		Address Redacted						
Resident ID 18		Address Redacted						
Resident ID 19		Address Redacted						
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Resident ID 50		Address Redacted						
Resident ID 50		Address Redacted						
Resident ID 57		Address Redacted						
Resident ID 62		Address Redacted						
Resident ID 62		Address Redacted						
Resident ID 63		Address Redacted						

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 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 63		Address Redacted						
Resident ID 65		Address Redacted						
Resident ID 68		Address Redacted						
Resident ID 70		Address Redacted						
Resident ID 70		Address Redacted						
Resident ID 72		Address Redacted						
Resident ID 75		Address Redacted						
Resident ID 76		Address Redacted						
Resident ID 77		Address Redacted						
Resident ID 78		Address Redacted						
Resident ID 80		Address Redacted						
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Resident ID 80		Address Redacted						
Resident ID 82		Address Redacted						
Resident ID 85		Address Redacted						
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Resident ID 87		Address Redacted						
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Resident ID 97		Address Redacted						
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Resident ID 144		Address Redacted						
Resident ID 158		Address Redacted						
Resident ID 187		Address Redacted						
Resident ID 187		Address Redacted						
Resident ID 258		Address Redacted						
Resident ID 375		Address Redacted						
Resident ID 375		Address Redacted						
Resident ID 1431		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 1431		Address Redacted						
Resident ID 1431		Address Redacted						
Resident ID 1493		Address Redacted						
Resident ID 1497		Address Redacted						
Resident ID 1498		Address Redacted						
Resident ID 1499		Address Redacted						
Resident ID 1501		Address Redacted						
Resident ID 1505		Address Redacted						
Resident ID 1505		Address Redacted						
Resident ID 1511		Address Redacted						
Resident ID 1511		Address Redacted						
Resident ID 1512		Address Redacted						
Resident ID 1513		Address Redacted						
Resident ID 1513		Address Redacted						
Resident ID 1515		Address Redacted						
Resident ID 1600		Address Redacted						
Resident ID 1601		Address Redacted						
Resident ID 1601		Address Redacted						
Resident ID 1602		Address Redacted						
Resident ID 1602		Address Redacted						
Resident ID 1603		Address Redacted						
Resident ID 1604		Address Redacted						
Resident ID 1607		Address Redacted						
Resident ID 1608		Address Redacted						
Resident ID 1609		Address Redacted						
Resident ID 1610		Address Redacted						
Resident ID 1610		Address Redacted						
Resident ID 1611		Address Redacted						
Resident ID 1612		Address Redacted						
Resident ID 1613		Address Redacted						
Resident ID 1614		Address Redacted						
Resident ID 1616		Address Redacted						
Resident ID 1618		Address Redacted						
Resident ID 1620		Address Redacted						
Resident ID 1622		Address Redacted						
Resident ID 1624		Address Redacted						
Resident ID 1626		Address Redacted						
Resident ID 1632		Address Redacted						
Resident ID 1633		Address Redacted						
Resident ID 1634		Address Redacted						
Resident ID 1636		Address Redacted						
Resident ID 1637		Address Redacted						
Resident ID 1644		Address Redacted						
Resident ID 1648		Address Redacted						
Resident ID 1651		Address Redacted						
Resident ID 1652		Address Redacted						
Resident ID 1654		Address Redacted						
Resident ID 1657		Address Redacted						
Resident ID 1658		Address Redacted						
Resident ID 1659		Address Redacted						
Resident ID 1660		Address Redacted						
Resident ID 1661		Address Redacted						
Resident ID 1662		Address Redacted						
Resident ID 1664		Address Redacted						
Resident ID 1665		Address Redacted						
Resident ID 1666		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 1667		Address Redacted						
Resident ID 1668		Address Redacted						
Resident ID 1669		Address Redacted						
Resident ID 1671		Address Redacted						
Resident ID 1673		Address Redacted						
Resident ID 1674		Address Redacted						
Resident ID 1675		Address Redacted						
Resident ID 1676		Address Redacted						
Resident ID 1677		Address Redacted						
Resident ID 1679		Address Redacted						
Resident ID 1680		Address Redacted						
Resident ID 1682		Address Redacted						
Resident ID 1683		Address Redacted						
Resident ID 1684		Address Redacted						
Resident ID 1685		Address Redacted						
Resident ID 1686		Address Redacted						
Resident ID 1687		Address Redacted						
Resident ID 1688		Address Redacted						
Resident ID 1689		Address Redacted						
Resident ID 1690		Address Redacted						
Resident ID 1690		Address Redacted						
Resident ID 1692		Address Redacted						
Resident ID 1693		Address Redacted						
Resident ID 1694		Address Redacted						
Resident ID 1695		Address Redacted						
Resident ID 1695		Address Redacted						
Resident ID 1696		Address Redacted						
Resident ID 1697		Address Redacted						
Resident ID 1698		Address Redacted						
Resident ID 1699		Address Redacted						
Resident ID 1700		Address Redacted						
Resident ID 1702		Address Redacted						
Resident ID 1702		Address Redacted						
Resident ID 1703		Address Redacted						
Resident ID 1704		Address Redacted						
Resident ID 1704		Address Redacted						
Resident ID 1705		Address Redacted						
Resident ID 1706		Address Redacted						
Resident ID 1707		Address Redacted						
Resident ID 1708		Address Redacted						
Resident ID 1709		Address Redacted						
Resident ID 1710		Address Redacted						
Resident ID 1710		Address Redacted						
Resident ID 1711		Address Redacted						
Resident ID 1713		Address Redacted						
Resident ID 1714		Address Redacted						
Resident ID 1715		Address Redacted						
Resident ID 1716		Address Redacted						
Resident ID 1717		Address Redacted						
Resident ID 1720		Address Redacted						
Resident ID 1721		Address Redacted						
Resident ID 1721		Address Redacted						
Resident ID 1722		Address Redacted						
Resident ID 1723		Address Redacted						
Resident ID 1724		Address Redacted						
Resident ID 1726		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 1728		Address Redacted						
Resident ID 1728		Address Redacted						
Resident ID 1729		Address Redacted						
Resident ID 1730		Address Redacted						
Resident ID 1731		Address Redacted						
Resident ID 1732		Address Redacted						
Resident ID 1733		Address Redacted						
Resident ID 1734		Address Redacted						
Resident ID 1735		Address Redacted						
Resident ID 1736		Address Redacted						
Resident ID 1737		Address Redacted						
Resident ID 1738		Address Redacted						
Resident ID 1739		Address Redacted						
Resident ID 1740		Address Redacted						
Resident ID 1741		Address Redacted						
Resident ID 1742		Address Redacted						
Resident ID 1743		Address Redacted						
Resident ID 1744		Address Redacted						
Resident ID 1745		Address Redacted						
Resident ID 1745		Address Redacted						
Resident ID 1746		Address Redacted						
Resident ID 1746		Address Redacted						
Resident ID 1747		Address Redacted						
Resident ID 1748		Address Redacted						
Resident ID 1749		Address Redacted						
Resident ID 1749		Address Redacted						
Resident ID 1750		Address Redacted						
Resident ID 1751		Address Redacted						
Resident ID 1753		Address Redacted						
Resident ID 1754		Address Redacted						
Resident ID 1754		Address Redacted						
Resident ID 1755		Address Redacted						
Resident ID 1756		Address Redacted						
Resident ID 1758		Address Redacted						
Resident ID 1759		Address Redacted						
Resident ID 1759		Address Redacted						
Resident ID 1760		Address Redacted						
Resident ID 1761		Address Redacted						
Resident ID 1762		Address Redacted						
Resident ID 1762		Address Redacted						
Resident ID 1763		Address Redacted						
Resident ID 1763		Address Redacted						
Resident ID 1764		Address Redacted						
Resident ID 1765		Address Redacted						
Resident ID 1766		Address Redacted						
Resident ID 1767		Address Redacted						
Resident ID 1768		Address Redacted						
Resident ID 1769		Address Redacted						
Resident ID 1771		Address Redacted						
Resident ID 1772		Address Redacted						
Resident ID 1773		Address Redacted						
Resident ID 1774		Address Redacted						
Resident ID 1775		Address Redacted						
Resident ID 1775		Address Redacted						
Resident ID 1776		Address Redacted						
Resident ID 1777		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 1777		Address Redacted						
Resident ID 1778		Address Redacted						
Resident ID 1779		Address Redacted						
Resident ID 1781		Address Redacted						
Resident ID 1782		Address Redacted						
Resident ID 1783		Address Redacted						
Resident ID 1784		Address Redacted						
Resident ID 1786		Address Redacted						
Resident ID 1787		Address Redacted						
Resident ID 1788		Address Redacted						
Resident ID 1789		Address Redacted						
Resident ID 1790		Address Redacted						
Resident ID 1791		Address Redacted						
Resident ID 1792		Address Redacted						
Resident ID 1793		Address Redacted						
Resident ID 1795		Address Redacted						
Resident ID 1797		Address Redacted						
Resident ID 1798		Address Redacted						
Resident ID 1799		Address Redacted						
Resident ID 1800		Address Redacted						
Resident ID 1801		Address Redacted						
Resident ID 1802		Address Redacted						
Resident ID 1803		Address Redacted						
Resident ID 1805		Address Redacted						
Resident ID 1806		Address Redacted						
Resident ID 1807		Address Redacted						
Resident ID 1808		Address Redacted						
Resident ID 1809		Address Redacted						
Resident ID 1810		Address Redacted						
Resident ID 1811		Address Redacted						
Resident ID 1812		Address Redacted						
Resident ID 1812		Address Redacted						
Resident ID 1815		Address Redacted						
Resident ID 1816		Address Redacted						
Resident ID 1817		Address Redacted						
Resident ID 1817		Address Redacted						
Resident ID 1819		Address Redacted						
Resident ID 1820		Address Redacted						
Resident ID 1821		Address Redacted						
Resident ID 1823		Address Redacted						
Resident ID 1824		Address Redacted						
Resident ID 1825		Address Redacted						
Resident ID 1826		Address Redacted						
Resident ID 1827		Address Redacted						
Resident ID 1828		Address Redacted						
Resident ID 1828		Address Redacted						
Resident ID 1829		Address Redacted						
Resident ID 1830		Address Redacted						
Resident ID 1831		Address Redacted						
Resident ID 1832		Address Redacted						
Resident ID 1834		Address Redacted						
Resident ID 1835		Address Redacted						
Resident ID 1837		Address Redacted						
Resident ID 1839		Address Redacted						
Resident ID 1840		Address Redacted						
Resident ID 1840		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 1841		Address Redacted						
Resident ID 1842		Address Redacted						
Resident ID 1843		Address Redacted						
Resident ID 1845		Address Redacted						
Resident ID 1845		Address Redacted						
Resident ID 1846		Address Redacted						
Resident ID 1848		Address Redacted						
Resident ID 1848		Address Redacted						
Resident ID 1850		Address Redacted						
Resident ID 1851		Address Redacted						
Resident ID 1852		Address Redacted						
Resident ID 1853		Address Redacted						
Resident ID 1854		Address Redacted						
Resident ID 1855		Address Redacted						
Resident ID 1856		Address Redacted						
Resident ID 1857		Address Redacted						
Resident ID 1859		Address Redacted						
Resident ID 1861		Address Redacted						
Resident ID 1861		Address Redacted						
Resident ID 1862		Address Redacted						
Resident ID 1862		Address Redacted						
Resident ID 1863		Address Redacted						
Resident ID 1864		Address Redacted						
Resident ID 1865		Address Redacted						
Resident ID 1866		Address Redacted						
Resident ID 1866		Address Redacted						
Resident ID 1867		Address Redacted						
Resident ID 1868		Address Redacted						
Resident ID 1870		Address Redacted						
Resident ID 1871		Address Redacted						
Resident ID 1872		Address Redacted						
Resident ID 1873		Address Redacted						
Resident ID 1874		Address Redacted						
Resident ID 1874		Address Redacted						
Resident ID 1875		Address Redacted						
Resident ID 1875		Address Redacted						
Resident ID 1876		Address Redacted						
Resident ID 1877		Address Redacted						
Resident ID 1878		Address Redacted						
Resident ID 1879		Address Redacted						
Resident ID 1879		Address Redacted						
Resident ID 1880		Address Redacted						
Resident ID 1881		Address Redacted						
Resident ID 1882		Address Redacted						
Resident ID 1883		Address Redacted						
Resident ID 1884		Address Redacted						
Resident ID 1884		Address Redacted						
Resident ID 1885		Address Redacted						
Resident ID 1886		Address Redacted						
Resident ID 1887		Address Redacted						
Resident ID 1888		Address Redacted						
Resident ID 1889		Address Redacted						
Resident ID 1890		Address Redacted						
Resident ID 1891		Address Redacted						
Resident ID 1891		Address Redacted						
Resident ID 1892		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 1893		Address Redacted						
Resident ID 1894		Address Redacted						
Resident ID 1894		Address Redacted						
Resident ID 1895		Address Redacted						
Resident ID 1896		Address Redacted						
Resident ID 1897		Address Redacted						
Resident ID 1898		Address Redacted						
Resident ID 1899		Address Redacted						
Resident ID 1900		Address Redacted						
Resident ID 1900		Address Redacted						
Resident ID 1905		Address Redacted						
Resident ID 1906		Address Redacted						
Resident ID 1907		Address Redacted						
Resident ID 1907		Address Redacted						
Resident ID 1908		Address Redacted						
Resident ID 1908		Address Redacted						
Resident ID 1909		Address Redacted						
Resident ID 1911		Address Redacted						
Resident ID 1912		Address Redacted						
Resident ID 1913		Address Redacted						
Resident ID 1914		Address Redacted						
Resident ID 1915		Address Redacted						
Resident ID 1916		Address Redacted						
Resident ID 1917		Address Redacted						
Resident ID 1918		Address Redacted						
Resident ID 1919		Address Redacted						
Resident ID 1921		Address Redacted						
Resident ID 1922		Address Redacted						
Resident ID 1922		Address Redacted						
Resident ID 1923		Address Redacted						
Resident ID 1924		Address Redacted						
Resident ID 1925		Address Redacted						
Resident ID 1925		Address Redacted						
Resident ID 1927		Address Redacted						
Resident ID 1928		Address Redacted						
Resident ID 1929		Address Redacted						
Resident ID 1933		Address Redacted						
Resident ID 1934		Address Redacted						
Resident ID 1934		Address Redacted						
Resident ID 1935		Address Redacted						
Resident ID 1935		Address Redacted						
Resident ID 1936		Address Redacted						
Resident ID 1938		Address Redacted						
Resident ID 1938		Address Redacted						
Resident ID 1938		Address Redacted						
Resident ID 1938		Address Redacted						
Resident ID 1939		Address Redacted						
Resident ID 1940		Address Redacted						
Resident ID 1941		Address Redacted						
Resident ID 1942		Address Redacted						
Resident ID 1942		Address Redacted						
Resident ID 1943		Address Redacted						
Resident ID 1944		Address Redacted						
Resident ID 1946		Address Redacted						
Resident ID 1948		Address Redacted						
Resident ID 1950		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 1951		Address Redacted						
Resident ID 1953		Address Redacted						
Resident ID 1954		Address Redacted						
Resident ID 1957		Address Redacted						
Resident ID 1957		Address Redacted						
Resident ID 1958		Address Redacted						
Resident ID 1959		Address Redacted						
Resident ID 1960		Address Redacted						
Resident ID 1961		Address Redacted						
Resident ID 1962		Address Redacted						
Resident ID 1963		Address Redacted						
Resident ID 1964		Address Redacted						
Resident ID 1965		Address Redacted						
Resident ID 1966		Address Redacted						
Resident ID 1967		Address Redacted						
Resident ID 1967		Address Redacted						
Resident ID 1968		Address Redacted						
Resident ID 1970		Address Redacted						
Resident ID 1970		Address Redacted						
Resident ID 1972		Address Redacted						
Resident ID 1972		Address Redacted						
Resident ID 1973		Address Redacted						
Resident ID 1973		Address Redacted						
Resident ID 1974		Address Redacted						
Resident ID 1975		Address Redacted						
Resident ID 1976		Address Redacted						
Resident ID 1977		Address Redacted						
Resident ID 1978		Address Redacted						
Resident ID 1979		Address Redacted						
Resident ID 1980		Address Redacted						
Resident ID 1981		Address Redacted						
Resident ID 1982		Address Redacted						
Resident ID 1983		Address Redacted						
Resident ID 1983		Address Redacted						
Resident ID 1984		Address Redacted						
Resident ID 1986		Address Redacted						
Resident ID 1987		Address Redacted						
Resident ID 1988		Address Redacted						
Resident ID 1989		Address Redacted						
Resident ID 1993		Address Redacted						
Resident ID 1994		Address Redacted						
Resident ID 1995		Address Redacted						
Resident ID 1996		Address Redacted						
Resident ID 1997		Address Redacted						
Resident ID 1998		Address Redacted						
Resident ID 2000		Address Redacted						
Resident ID 2001		Address Redacted						
Resident ID 2002		Address Redacted						
Resident ID 2002		Address Redacted						
Resident ID 2003		Address Redacted						
Resident ID 2003		Address Redacted						
Resident ID 2004		Address Redacted						
Resident ID 2005		Address Redacted						
Resident ID 2006		Address Redacted						
Resident ID 2008		Address Redacted						
Resident ID 2009		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 2010		Address Redacted						
Resident ID 2010		Address Redacted						
Resident ID 2010		Address Redacted						
Resident ID 2011		Address Redacted						
Resident ID 2012		Address Redacted						
Resident ID 2013		Address Redacted						
Resident ID 2014		Address Redacted						
Resident ID 2014		Address Redacted						
Resident ID 2016		Address Redacted						
Resident ID 2017		Address Redacted						
Resident ID 2017		Address Redacted						
Resident ID 2018		Address Redacted						
Resident ID 2019		Address Redacted						
Resident ID 2020		Address Redacted						
Resident ID 2020		Address Redacted						
Resident ID 2020		Address Redacted						
Resident ID 2021		Address Redacted						
Resident ID 2022		Address Redacted						
Resident ID 2023		Address Redacted						
Resident ID 2025		Address Redacted						
Resident ID 2026		Address Redacted						
Resident ID 2027		Address Redacted						
Resident ID 2027		Address Redacted						
Resident ID 2028		Address Redacted						
Resident ID 2029		Address Redacted						
Resident ID 2030		Address Redacted						
Resident ID 2031		Address Redacted						
Resident ID 2032		Address Redacted						
Resident ID 2033		Address Redacted						
Resident ID 2033		Address Redacted						
Resident ID 2033		Address Redacted						
Resident ID 2035		Address Redacted						
Resident ID 2036		Address Redacted						
Resident ID 2038		Address Redacted						
Resident ID 2041		Address Redacted						
Resident ID 2042		Address Redacted						
Resident ID 2042		Address Redacted						
Resident ID 2043		Address Redacted						
Resident ID 2044		Address Redacted						
Resident ID 2045		Address Redacted						
Resident ID 2047		Address Redacted						
Resident ID 2048		Address Redacted						
Resident ID 2049		Address Redacted						
Resident ID 2050		Address Redacted						
Resident ID 2050		Address Redacted						
Resident ID 2051		Address Redacted						
Resident ID 2052		Address Redacted						
Resident ID 2053		Address Redacted						
Resident ID 2054		Address Redacted						
Resident ID 2056		Address Redacted						
Resident ID 2057		Address Redacted						
Resident ID 2059		Address Redacted						
Resident ID 2060		Address Redacted						
Resident ID 2061		Address Redacted						
Resident ID 2062		Address Redacted						
Resident ID 2063		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 2064		Address Redacted						
Resident ID 2065		Address Redacted						
Resident ID 2067		Address Redacted						
Resident ID 2068		Address Redacted						
Resident ID 2068		Address Redacted						
Resident ID 2070		Address Redacted						
Resident ID 2070		Address Redacted						
Resident ID 2072		Address Redacted						
Resident ID 2073		Address Redacted						
Resident ID 2074		Address Redacted						
Resident ID 2074		Address Redacted						
Resident ID 2076		Address Redacted						
Resident ID 2077		Address Redacted						
Resident ID 16997		Address Redacted						
Resident ID 16999		Address Redacted						
Resident ID 17003		Address Redacted						
Resident ID 17004		Address Redacted						
Resident ID 17005		Address Redacted						
Resident ID 17007		Address Redacted						
Resident ID 17008		Address Redacted						
Resident ID 17582		Address Redacted						
Resident ID 17583		Address Redacted						
Resident ID 17584		Address Redacted						
Resident ID 17585		Address Redacted						
Resident ID 17699		Address Redacted						
Resident ID 17700		Address Redacted						
Resident ID 17701		Address Redacted						
Resident ID 17702		Address Redacted						
Resident ID 17763		Address Redacted						
Resident ID 17764		Address Redacted						
Resident ID 17821		Address Redacted						
Resident ID 17832		Address Redacted						
Resident ID 17895		Address Redacted						
Resident ID 17935		Address Redacted						
Resident ID 17936		Address Redacted						
Resident ID 17937		Address Redacted						
Resident ID 17938		Address Redacted						
Resident ID 18045		Address Redacted						
Resident ID 18092		Address Redacted						
Resident ID 18094		Address Redacted						
Resident ID 18122		Address Redacted						
Resident ID 18134		Address Redacted						
Resident ID 18137		Address Redacted						
Resident ID 18138		Address Redacted						
Resident ID 18139		Address Redacted						
Resident ID 18148		Address Redacted						
Resident ID 18149		Address Redacted						
Resident ID 18150		Address Redacted						
Resident ID 18365		Address Redacted						
Resident ID 18365		Address Redacted						
Resident ID 18366		Address Redacted						
Resident ID 18367		Address Redacted						
Resident ID 18368		Address Redacted						
Resident ID 18369		Address Redacted						
Resident ID 18431		Address Redacted						
Resident ID 18432		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 18434		Address Redacted						
Resident ID 18436		Address Redacted						
Resident ID 18496		Address Redacted						
Resident ID 18497		Address Redacted						
Resident ID 18498		Address Redacted						
Resident ID 18506		Address Redacted						
Resident ID 18556		Address Redacted						
Resident ID 18678		Address Redacted						
Resident ID 18762		Address Redacted						
Resident ID 18765		Address Redacted						
Resident ID 18779		Address Redacted						
Resident ID 18786		Address Redacted						
Resident ID 18826		Address Redacted						
Resident ID 18827		Address Redacted						
Resident ID 18827		Address Redacted						
Resident ID 18843		Address Redacted						
Resident ID 18857		Address Redacted						
Resident ID 18880		Address Redacted						
Resident ID 18881		Address Redacted						
Resident ID 18899		Address Redacted						
Resident ID 18899		Address Redacted						
Resident ID 18901		Address Redacted						
Resident ID 18930		Address Redacted						
Resident ID 19025		Address Redacted						
Resident ID 19042		Address Redacted						
Resident ID 19042		Address Redacted						
Resident ID 19042		Address Redacted						
Resident ID 19078		Address Redacted						
Resident ID 19079		Address Redacted						
Resident ID 19116		Address Redacted						
Resident ID 19146		Address Redacted						
Resident ID 19146		Address Redacted						
Resident ID 19147		Address Redacted						
Resident ID 19147		Address Redacted						
Resident ID 19147		Address Redacted						
Resident ID 19175		Address Redacted						
Resident ID 19175		Address Redacted						
Resident ID 19187		Address Redacted						
Resident ID 19187		Address Redacted						
Resident ID 19195		Address Redacted						
Resident ID 19226		Address Redacted						
Resident ID 19227		Address Redacted						
Resident ID 19228		Address Redacted						
Resident ID 19273		Address Redacted						
Resident ID 19298		Address Redacted						
Resident ID 19298		Address Redacted						
Resident ID 19320		Address Redacted						
Resident ID 19403		Address Redacted						
Resident ID 19425		Address Redacted						
Resident ID 19464		Address Redacted						
Resident ID 19473		Address Redacted						
Resident ID 19474		Address Redacted						
Resident ID 19478		Address Redacted						
Resident ID 19478		Address Redacted						
Resident ID 19532		Address Redacted						
Resident ID 19533		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 19533		Address Redacted						
Resident ID 19569		Address Redacted						
Resident ID 19569		Address Redacted						
Resident ID 19613		Address Redacted						
Resident ID 19639		Address Redacted						
Resident ID 19640		Address Redacted						
Resident ID 19640		Address Redacted						
Resident ID 19666		Address Redacted						
Resident ID 19681		Address Redacted						
Resident ID 19702		Address Redacted						
Resident ID 19706		Address Redacted						
Resident ID 19707		Address Redacted						
Resident ID 19714		Address Redacted						
Resident ID 19716		Address Redacted						
Resident ID 19745		Address Redacted						
Resident ID 19765		Address Redacted						
Resident ID 19766		Address Redacted						
Resident ID 19767		Address Redacted						
Resident ID 19768		Address Redacted						
Resident ID 19801		Address Redacted						
Resident ID 19810		Address Redacted						
Resident ID 19822		Address Redacted						
Resident ID 19823		Address Redacted						
Resident ID 19885		Address Redacted						
Resident ID 19897		Address Redacted						
Resident ID 19897		Address Redacted						
Resident ID 19901		Address Redacted						
Resident ID 19928		Address Redacted						
Resident ID 19953		Address Redacted						
Resident ID 19954		Address Redacted						
Resident ID 19977		Address Redacted						
Resident ID 19985		Address Redacted						
Resident ID 110011		Address Redacted						
Resident ID 110011		Address Redacted						
Resident ID 110037		Address Redacted						
Resident ID 110042		Address Redacted						
Resident ID 110045		Address Redacted						
Resident ID 110045		Address Redacted						
Resident ID 110112		Address Redacted						
Resident ID 110154		Address Redacted						
Resident ID 110174		Address Redacted						
Resident ID 110175		Address Redacted						
Resident ID 110176		Address Redacted						
Resident ID 110192		Address Redacted						
Resident ID 110192		Address Redacted						
Resident ID 110192		Address Redacted						
Resident ID 110197		Address Redacted						
Resident ID 110199		Address Redacted						
Resident ID 110241		Address Redacted						
Resident ID 110271		Address Redacted						
Resident ID 110277		Address Redacted						
Resident ID 110282		Address Redacted						
Resident ID 110340		Address Redacted						
Resident ID 110340		Address Redacted						
Resident ID 110407		Address Redacted						
Resident ID 110408		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 110409		Address Redacted						
Resident ID 110415		Address Redacted						
Resident ID 110416		Address Redacted						
Resident ID 110454		Address Redacted						
Resident ID 110454		Address Redacted						
Resident ID 110483		Address Redacted						
Resident ID 110485		Address Redacted						
Resident ID 110503		Address Redacted						
Resident ID 110514		Address Redacted						
Resident ID 110522		Address Redacted						
Resident ID 110523		Address Redacted						
Resident ID 110600		Address Redacted						
Resident ID 110602		Address Redacted						
Resident ID 110603		Address Redacted						
Resident ID 110604		Address Redacted						
Resident ID 110604		Address Redacted						
Resident ID 110604		Address Redacted						
Resident ID 110604		Address Redacted						
Resident ID 110604		Address Redacted						
Resident ID 110605		Address Redacted						
Resident ID 110633		Address Redacted						
Resident ID 110646		Address Redacted						
Resident ID 110809		Address Redacted						
Resident ID 110813		Address Redacted						
Resident ID 110846		Address Redacted						
Resident ID 110876		Address Redacted						
Resident ID 110886		Address Redacted						
Resident ID 111031		Address Redacted						
Resident ID 111032		Address Redacted						
Resident ID 111033		Address Redacted						
Resident ID 111034		Address Redacted						
Resident ID 111108		Address Redacted						
Resident ID 111109		Address Redacted						
Resident ID 111109		Address Redacted						
Resident ID 111110		Address Redacted						
Resident ID 111214		Address Redacted						
Resident ID 111214		Address Redacted						
Resident ID 111215		Address Redacted						
Resident ID 111219		Address Redacted						
Resident ID 111220		Address Redacted						
Resident ID 111607		Address Redacted						
Resident ID 111624		Address Redacted						
Resident ID 111641		Address Redacted						
Resident ID 111642		Address Redacted						
Resident ID 111646		Address Redacted						
Resident ID 111653		Address Redacted						
Resident ID 111653		Address Redacted						
Resident ID 111653		Address Redacted						
Resident ID 111653		Address Redacted						
Resident ID 111653		Address Redacted						
Resident ID 111658		Address Redacted						
Resident ID 111719		Address Redacted						
Resident ID 111740		Address Redacted						
Resident ID 111740		Address Redacted						
Resident ID 111756		Address Redacted						
Resident ID 111843		Address Redacted						
Resident ID 111844		Address Redacted						

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Resident ID 111844		Address Redacted						
Resident ID 111844		Address Redacted						
Resident ID 111946		Address Redacted						
Resident ID 111964		Address Redacted						
Resident ID 111964		Address Redacted						
Resident ID 112033		Address Redacted						
Resident ID 112127		Address Redacted						
Resident ID 112179		Address Redacted						
Resident ID 112179		Address Redacted						
Resident ID 112195		Address Redacted						
Resident ID 112196		Address Redacted						
Resident ID 112197		Address Redacted						
Resident ID 112200		Address Redacted						
Resident ID 112200		Address Redacted						
Resident ID 112258		Address Redacted						
Resident ID 112323		Address Redacted						
Resident ID 112445		Address Redacted						
Resident ID 112594		Address Redacted						
Resident ID 112647		Address Redacted						
Resident ID 112647		Address Redacted						
Resident ID 112648		Address Redacted						
Resident ID 112648		Address Redacted						
Resident ID 112811		Address Redacted						
Resident ID 112901		Address Redacted						
Resident ID 112903		Address Redacted						
Resident ID 112987		Address Redacted						
Resident ID 113113		Address Redacted						
Resident ID 113113		Address Redacted						
Resident ID 113136		Address Redacted						
Resident ID 113138		Address Redacted						
Resident ID 113138		Address Redacted						
Resident ID 113141		Address Redacted						
Resident ID 113283		Address Redacted						
Resident ID 113339		Address Redacted						
Resident ID 113339		Address Redacted						
Resident ID 113340		Address Redacted						
Resident ID 15035064		Address Redacted						
Resident ID 15064840		Address Redacted						
Rex M Smith		5316 Rolling Rock Drive			McKinney	TX	75070	
Reynaldo Tirado		3253 High Lark Dr.			Dallas	TX	75234	
Rhonda R Gibson		6310 South State Highway 360	apt 1021		grand prairie	TX	75052	
Richard Louis		232 Five K Ranch Dr			Van Alstyne	TX	75495	
Richard M Olujordan		9821 Summerwood Cir	Apt 2704		Dallas	TX	75243-7744	
Richard P Evans		15151 Berry Trail Apt 906			Dallas	TX	75248	
Rita B Kais		1240 Ridley Street			Fort Worth	TX	76131	
Robert D Brown		18625 Midway Road apt 902			Dallas	TX	75287	
Robert Misch		3939 Teasley Lane	Lot 308		Denton	TX	76210	
Robert Walker		1447 Celeste Drive			Dallas	TX	75217	
Robert Y. Putnam		315 Polo Trail			Colleyville	TX	76034-7580	
Roderica Polk		6808 Skillman Street	Apt 1104		Dallas	TX	75231	
Ronald Molnar		8733 Montreal Mews Drive			North Richland Hills	TX	76180	
Rosa F Gallegos		12417 Sunland Street			Dallas	TX	75218	
Rosa Maria Pedemonte, Guardian Ad Litem for Frank LaNotte	c/o Paul J. Pimental, Esq.	Tomassian, Pimentel & Shapazian	3419 W. Shaw Ave.		Fresno	CA	93711	
Rosalinda San Miguel Behrend		10712 Dunaway Drive			Dallas	TX	75228	

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Creditor Matrix
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CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Rose Kinyua		3789 Towne Crossing Boulevard	Apt 606		Mesquite	TX	75150	
Rosemary M Mbugua		8744 Yosemite Trail			Cross Roads	TX	76227	
ROSEMARY RUMBLEY		5438 Vanderbilt			Dallas	TX	75206	
Roxana N Perez		6415 Melody Ln #305			Dallas	TX	75231	
RSUI Indemnity Company	Jan Belcher	c/o Marsh McLennan Agency, LLC Bouchard Region	101 N Starcrest Dr.		Clearwater	FL	33765	
RUBY CARE, LLC		5960 W.PARKER RD Ste 278-215			PLANO	TX	75093	
Ruby Funez		15480 Dallas Pkwy	Apt#1132		Dallas	TX	75248	
RUBY WESTON		PO BOX 171481			DALLAS	TX	75217	
Rudo L Talley		2032 Shawnee Trail			Heath	TX	75126	
Rudolph Ruelas Torres		350 Windsor Ave apt 161			Terrell	TX	75160-4862	
Russell E. Warman		1028 Clinton Street			Carrollton	TX	75007-4891	
Rusty Williams		10455 N. Central #109-224			Dallas	TX	75231	
Ryan J Cavanagh		7714 Lemmonwood dr			Dallas	TX	75231	
Samantha Rabb		4001 Samuell Blvd.	Apt 204		Mesquite	TX	75149	
Samantha Tinker		9000 Vantage Point Dr Apt 714			Dallas	TX	75243-0524	
Samuel I Nzeakor		5445 Preston Oaks Road	Apt 1036		Dallas	TX	75254	
Samuel Vazquez Gutierrez		4035 Pampas Street			Dallas	TX	75211	
Sandra E Dickerson		3535 Munger Avenue	Apt. 184		Dallas	TX	75204	
Sandra Franco		1214 Newport Avenue			Dallas	TX	75224	
Sandra Guillen		514 Walnut Street			Duncanville	TX	75116	
Sandra I Alegria		2714 Country Club Parkway			Garland	TX	75043	
Sandra L. Gausin		1717 Independence Parkway	Apt 160		Plano	TX	75075	
saniyah r nunley		506 Amber Lane			DeSoto	TX	75115	
Santos Bernal		11131 East lake highlands dr	Apt 226		Dallas	TX	75218	
Sara Hernandez		951 Gardenview Drive			Dallas	TX	75217	
Sarah M Wainscott		364 VALLEY PARK			GARLAND	TX	75043	
Sarah Porter		7077 Watercrest Parkway	1115		Dallas	TX	75231	
Sarina M Vasquez		1508 Grantbrook Ln			Dallas	TX	75228	
Schcoby Mallory		331 East Center St			Duncanville	TX	75116	
Scott Collier		4201 Corporate Drive			West Des Moines	IA	50266	
SECURITAS SECURITY SERVICES USA INC		12672 COLLECTIONS CENTER DR			CHICAGO	IL	60693	
Security 101-Dallas		8708 N Royal Lane			Irving	TX	75063-2539	
Selamawit T Aschalew		208 Colgate			Forney	TX	75126	
Selena A Garcia		1321 Greencove Drive			Garland	TX	75040	
Selena Mendoza		6854 Larmanda Street			Dallas	TX	75231	
Senior By Design		2603 Oak Lawn Ave Ste 500			Dallas	TX	75219-4064	
SENIOR MOVING COMPANY		3221 GARDEN BROOK			FARMERS BRANCH	TX	75234	
Senior TV		975 East Tallmadge Ave			Akron	OH	44310-3547	
Seniors Blue Book		2220 Coit Rd Ste 480-216			Plano	TX	75075-3797	
Senola Chisum		2270 Hollybush Drive			Dallas	TX	75228	
Sentry Casualty Company	Jan Belcher	c/o Marsh McLennan Agency, LLC Bouchard Region	101 N Starcrest Dr.		Clearwater	FL	33765	
Sentry Insurance	Jan Belcher	c/o Marsh McLennan Agency, LLC Bouchard Region	101 N Starcrest Dr.		Clearwater	FL	33765	
Sentry Insurance		1800 North Point Drive			Stevens Point	WI	54481	
SERVPRO OF NORTH IRVING		8777 GOVERNORS ROW			DALLAS	TX	75247	
SEWELL		7474 LEMMON AVE			DALLAS	TX	75209	
Shamberia Berry		8918 Park Lane	Apt# 293		Dallas	TX	75231	
Shamsen O Hameed		9637 Forest Ln #412			Dallas	TX	75243	
Shangarica Drummer		4520 Ambassador Way	Apt# 414		Balch Springs	TX	75180	
Shaniece Kenebrew		6207 Denham Drive			Dallas	TX	75217	
Shanika Brown		1851 Brinker Rd Apt 2239			Denton	TX	76208-1272	
Shannon Schaffler		7343 Mimosa Ln			Dallas	TX	75230	

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 Creditor Matrix
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CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
ShanTarius Hobson		3624 Agnes Street			Dallas	TX	75210	
Shantele S Gaines		980 Lazybrook Lane	1159		Grand Prairie	TX	75050	
Shaquala Carter		801 Oak Drive			Ennis	TX	75119	
Shareka Mitchell		1539 Cover Drive			Dallas	TX	75241	
Sharmaine A Samuels		511 Lowell Lane			Richardson	TX	75080	
Sharnia Vaughans		10062 Royal LN apt 141			dallas	TX	75238	
Shawn Miller		212 Aspenwood Trail			Forney	TX	75126	
Shebeshe Haile		4665 Walnut St.	Apt 1016		Garland	TX	75042	
Sheila A Jones		3011 Park Row Avenue apt 2115			Dallas	TX	75215	
Sherica S Gilliam		18625 Midway Road apt A1011			Dallas	TX	75287	
Sherri McClain-Akbar		9291 Crimson Court			Dallas	TX	75217	
Sherronda L Goodson		500 Rolling Hills Pl Apt 1511			Lancaster	TX	75146-1081	
Sherry Walker		405 Gold Pond CT			Desoto	TX	75115	
Sherry Watkins		8901 Vantage Point Dr #1721			Dallas	TX	75243	
Sherwin Williams		3555 W. Walnut	#201B		Garland	TX	75042-6277	
Sheryl Braxton		4109 S. COCKRELL HILL RD			Dallas	TX	75236	
Shimond Bradley		1511 Oak Tree Road			Allen	TX	75002	
Shirley N Jackson		PO Box 850684			Mesquite	TX	75185-0684	
ShiTerkera M Sykes		7324 Skillman street apt 1418			Dallas	TX	75231	
Shivani Patel		2115 Hampton Court			Carrollton	TX	75006	
SHOES FOR CREWS LLC		PO BOX 734176			CHICAGO	IL	60673-4176	
Shontovia S Easter		3023 Maryland Ave.			Dallas	TX	75216	
Shrirang V Yawalkar		4917 Kingswood Dr			Flower Mound	TX	75028	
Sidley Austin LLP		PO Box 0642			Chicago	IL	60690	
SIGELS BEVERAGES, LP		2960 ANODE LANE			Dallas	TX	75220	
SIMPLYSTYLE INTERIOR REDESIGNS		P.O. BOX 143277			Irving	TX	75014	
Smart Care Equipment Solutions		EEC Acquisition, LLC	PO Box 74008980		Chicago	IL	60674-8980	
SMITH PIANO SERVICING		3068 COOMBS CREEK DR			DALLAS	TX	75233	
Smooth Brew		7103 Oaklawn			Sachse	TX	75048-2023	
Solo M Sangaray		6237 Melody Ln Ap2203			Dallas	TX	75231	
Sompro International	Jan Belcher	c/o Marsh McLennan Agency, LLC Bouchard Region	101 N Starcrest Dr.		Clearwater	FL	33765	
Sonia Kraus		5210 Daytona Drive			Garland	TX	75043	
sophia a gyasi		520 Robinwood Drive			Wylie	TX	75098	
Soul Chikopa		2329 W. Buckingham Rd			Garland	TX	75042	
Southwest Mobile Imaging Inc		472 FM2297			Sulphur Springs	TX	75482	
Sowande Coker		4355 Elderberry Street			Forney	TX	75126	
Spectrum		400 Atlantic St			Stamford	CT	06901	
Spectrum (f/k/a Time Warner Cable)		PO BOX 94188			Palatine	IL	60094-4188	
Spectrum Consultants Inc		1552 Union Road STE A			Gastonia	NC	28054	
SPEEDEE OIL CHANGE		4620 Aylesbury Ct			McKinney	TX	75070	
Spinutech Inc		115 E 2nd St			Cedar Falls	IA	50613	
Spinutech, LLC	Attn Marc Reifenrath	115 E 2nd St			Cedar Falls	IA	50613-3357	
Stacie Keller		302 Lake Park Drive			Grand Prairie	TX	75052	
Stanley Access Technology LLC		PO Box 0371595			Pittsburgh	PA	15251-7595	
Staples		PO Box 95230			Chicago	IL	60694	
Staples Promotional Products		Bin# 150003	PO Box 88003		Milwaukee	WI	53288-8003	
Starr Indemnity & Liability Company	c/o Marsh McLennan Agency, LLC Bouchard Region	101 N Starcrest Dr.			Clearwater	FL	33765	
Starr Insurance Companies		399 Park Avenue 2nd Floor			New York	NY	10022	
Stat X-Ray of Texas Inc	Mark Noel	PO Box 870427			Mesquite	TX	75187	
State Bank of Taunton	Duane Peterson	101 N Main St	PO Box 398		Taunton	MN	56291	
State Bank of Taunton	Gislason and Hunter LLP	Michael S. Dove	2700 S Broadway St	PO Box 458	New Ulm	MN	56073	
State of Texas Attorney General	Attn Ken Paxton	300 W. 15th Street			Austin	TX	78701	
State of Texas Attorney General	Attn Ken Paxton	PO Box 12548	W. 15th Street		Austin	TX	78701	

Exhibit O
Creditor Matrix
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CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
State of Texas Attorney General	Attn Ken Paxton	PO Box 13528, Bankruptcy and Collections, 8th Floor, WPC Bldg	Capitol Station		Austin	TX	78711-3528	
Stella I Clark		6217 Looms Ct			Celina	TX	76227	
Stephen Dunn Designs		8828 McCraw Dr			Dallas	TX	75209	
Steve Donosky Company	Louis N. Lee, III	McCue & Lee, P.C.	Three Lincoln Centre	5430 LBJ Freeway, Suite 1050	Dallas	TX	75240	
Steven A Barnes Jr.		2359 Highland Road			Dallas	TX	75228	
Stevens Upholstery	Esteban Gonzalez	924 Slate Ln			Celina	TX	75009	
Structure Orthopaedics PLLC		PO Box 250388			Plano	TX	75025-0388	
Suha Jaffer		12000 N. Gateway Blvd.	Apt. 1113		Forney	TX	75126	
SUSAN BRISCOE		3825 FRONTIER LANE			DALLAS	TX	75214	
Susan Carter		4201 Corporate Drive			West Des Moines	IA	50266	
Susy M Zambrano		9920 Crystal Valley Way			Dallas	TX	75227	
Sweet Steel		1613 Cherbourg Drive			Plano	TX	75075-2111	
Swingtown Music LLC		7601 Kimberly Court			North Richland Hills	TX	76182-4642	
Sylvia Benjamin		1835 Parker Rd			Carrollton	TX	75010	
Syntiche K Kabeya		5200 Meadowcreek Dr	Apt 2086		Dallas	TX	75248	
Taffe Gill		2131 Southmoor Dr			Carrollton	TX	75006	
Tamaka S Graham		1110 East Wintergreen Road	Apt 501 building 5		DeSoto	TX	75115	
Tamara Murphy		12202 Kennedale Drive			Frisco	TX	75033	
Tambra Mason		1091 East Sharpshire Drive			Waxahachie	TX	75165	
Tamyah N Wells		929 West Cartwright Road			Mesquite	TX	75149	
Tashai Mccuin		9600 Forest Lane	Apt# 2160		Dallas	TX	75243	
Tawanda D Murel		3737 Timberglen Road Apt 404			Dallas	TX	75287	
Taylor Communications Inc		PO Box 840655			Dallas	TX	75284	
TBC RETAIL GROUP INC		P.O. BOX 205245			DALLAS	TX	75320-5245	
TECHSCAPE INC	Amanda Hall	9800 Brockbank Dr			Dallas	TX	75220	
Teena S McCurdy		5602 Maple Avenue	#2413		Dallas	TX	75235	
TELECALM INC		P.O. BOX 118221			CARROLLTON	TX	75011	
Teresa Sotelo		7222 Fair Oaks Avenue			Dallas	TX	75231	
Teresita Amwayi		2512 Hidden Springs Dr.			Mesquite	TX	75181	
Terrance Davis		7601 Churchill Way	APT 814		Dallas	TX	75251	
TETERS FAUCET PARTS CENTER		P.O. Box 141075			Dallas	TX	75214	
Texas Comptroller of Public Accounts		PO Box 13528, Bankruptcy and Collections, 8th Floor, WPC Bldg	Capitol Station		Austin	TX	78711-3528	
Texas Department of Insurance		333 Guadalupe			Austin	TX	78701	
Texas Department of Insurance		PO Box 149104			Austin	TX	78714-9104	
Texas Department of Labor		117 Trinity Street, 516t			Austin	TX	78701	
Texas Department of Licensing & Regulation		PO Box 1157			Austin	TX	78711	
Texas Department of Licensing & Regulation		PO Box 12157			Austin	TX	78711	
Texas Department of State Health Services		1100 West 49th St			Austin	TX	78756-3199	
Texas Department of State Health Services		PO Box 149347			Austin	TX	78714-9347	
TEXAS HEALTH CARE ASSOCIATION		1108 LAVACA STREET	SUITE 500		AUSTIN	TX	78701	
Texas Health Physician Group		PO Box 975341			Dallas	TX	75397-5341	
Texas Health Resources		PO Box 733546			Dallas	TX	75373	
TEXAS ONCOLOGY		P.O. Box 911230			Dallas	TX	75391-1230	
Texas Secretary of State		1019 Brazos ST			Austin	TX	78701	
TEXAS STAR BANK		P O BOX 608			VAN ALSTYNE	TX	75495	
Texas Workforce Commission		101 E 15TH St.			Austin	TX	78778	
Teyauna Dallas		1408 North Riverfront Boulevar			Dallas	TX	75207	
Thandiwe Matsokotere		7112 Napa Valley Drive			Frisco	TX	75035	

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
THE BANK OF NEW YORK MELLON TRUST COMPANY, NATIONAL ASSOCIATION, AS MASTER TRUSTEE		2001 BRYAN ST FLOOR 11			DALLAS	TX	75201	
The Bridge Group Construction	CJ Oliver	PO Box 270394			Flower Mound	TX	75027	
The Building Consultant		7195 NW 54th Ave			Urbandale	IA	50322-6915	
THE CAWLEY COMPANY		P.O. Box 2110			Manitowoc	WI	54221-2110	
The Dallas Morning News, Inc. and Natalie Walters	Vassar, McCown, Dear & Scotte, L.L.P.	James M. McCown	15851 Dallas Parkway, Suite 525		Addison	TX	75001	
The Lifespace Foundation		4201 Corporate Drive			West Des Moines	IA	50266	
The Sherwin Williams Co		10909 Webbs Chapel RD STE			Dallas	TX	75229-3734	
The university of texas southwestern medical center		PO Box 845347			Dallas	TX	75284-5347	
Theresia A Tatang		8518 Royal Montreal Drive			Rowlett	TX	75089	
Thomas Brod		4201 Corporate Drive			West Des Moines	IA	50266	
Thomas C Weekes		10634 Greyfriars Lane			Dallas	TX	75238	
Thomas Management LLC		700 E Franklin Road			Meridian	ID	83642	
ThyssenKrupp Elevator		2220 Chemsearch Blvd			Irving	TX	75062	
THYSSENKRUPP ELEVATOR CO		PO BOX 3796			CAROL STEAM	IL	60132-3796	
Tiandra Luckey		525 Oxbow Street			Mesquite	TX	75149	
Tiffany Bruce		9519 Forest Lane	Apt# G1083		Dallas	TX	75243	
Tiffany Evans		3636 W Redbird Lane	Apt 508		Dallas	TX	75237	
Time Warner Cable		PO Box 223085			Pittsburgh	PA	15251-2085	
TIME WARNER CABLE LLC		P.O. Box 60074			CITY OF INDUSTRY	CA	91716-0074	
Timothy W Koch		600 S Lincoln St			Tremont	IL	61568	
TITAN CONTRACTORS		207 E AVE EAST			MIDLOTHIAN	TX	76065	
Titan Elevator Inspection, LLC		6805 Battle Creek Dr			Rowlett	TX	75089-2666	
Tonya D Watkins		2359 Highland Rd	Apt 233		Dallas	TX	75228	
TOTAL FIRE AND SAFETY INC		7909 Carr Street			Dallas	TX	75227	
TOUCHTOWN INC.		PO Box 7410299			Chicago	IL	60674	
Tove K Fjordholm		2617 Grandview Drive			Plano	TX	75075	
tracey D reed		2777 North Buckner Boulevard	Apt. 104		Dallas	TX	75228	
Tracy F Gose		1517 Forest Park Circle	unit 219		Bedford	TX	76021	
Transcend Integrated Healthcare		3306 Wendover Ct			Richardson	TX	75082-3248	
Tre Cooking Concepts		8200 Preston Rd Ste 135			Plano	TX	75024	
Trey & the Tritones		PO Box 101542			Ft. Worth	TX	76185	
Tywana Menefee		422 North Jim Miller Road	Apt#2040		Dallas	TX	75217	
U.S. BANK EQUIPMENT FINANCE		1310 MADRID STREET			MARSHALL	MN	56258	
Uchenna Nnawuihe		2311 Brookside drive			Royse city	TX	75189	
ULINE		PO Box 88741			Chicago	IL	60680-1741	
Ulises Salgado		6101 Melody Ln	#2016		Dallas	TX	75231	
UMB BANK NA		P.O. BOX 414589			KANSAS CITY	MO	64141-4589	
UMB Bank, N.A.	Attn Irina Palchuk	100 William Street, Suite 1850			New York	NY	10038	
UMB Bank, N.A., as Bond Trustee and Master Trustee	UMB Bank, N.A.	Attn Irina Palchuk	100 William Street, Suite 1850		New York	NY	10038	
UMB BANK, N.A., AS MASTER TRUSTEE	Mintz Levin, Cohn, Ferris, Glovsky, and Popoe, P.C.	One Financial Center			Boston	MA	02111	
UMB BANK, N.A., AS MASTER TRUSTEE		120 SIXTH STREET SOUTH, SUITE 1400			MINNEAPOLIS	MN	55402	
Underwriters at Lloyds, London		One Lime Street			London		EC3M 7HA	United Kingdom
Underwriters at Lloyds, London (Hiscox)	Jan Belcher	c/o Marsh McLennan Agency, LLC Bouchard Region	101 N Starcrest Dr.		Clearwater	FL	33765	
Underwriters at Lloyds, London (Hiscox)		1 Great St Helens			London		EC3A 6HX	United Kingdom
Unidine Corporation		PO BOX 102289			Atlanta	GA	30368-2289	

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 Creditor Matrix
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CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
United Healthcare		PO Box 740800			Atlanta	GA	30374-0800	
United States Treasury	Internal Revenue Service	1500 Pennsylvania Avenue, NW			Washington	DC	20220	
UnitedHealthcare Insurance Company		1301 West President George Bush Hwy	Suite 200		Richardson	TX	75080	
UNIVERSAL VENT HOOD SERVICES LLC		3900 RELEIGH CT			MCKINNEY	TX	75070	
University of Texas Southwestern University		PO Box 849928			Dallas	TX	75284-9928	
Urban Elevator Services TX LLC		PO BOX 70			Berwyn	IL	60402	
Uriel Hernandez		9994 Chireno St			Dallas	TX	75220	
V O Ale		6073 Trident Lane			Woodbridge	VA	22193	
Valentine Umoche		13100 Pandora Dr #709			Dallas	TX	75238	
Vanessa Villanueva		3218 Wild Ivy Way			Eules	TX	76040	
Velva McKinney		1105 Americana Lane # 12302			Mesquite	TX	75150	
Verizon		1095 Avenue of the Americas	Corporate Headquarters		New York	NY	10036	
Verizon		P.O. Box 660108			Dallas	TX	75266-0108	
Veronica D Wainwright		6081 Naaman Forest Blvd Apt 7301			Garland	TX	75044-5724	
Veronica Hill Winston		2777 N Buckner Blvd Apt 1301			Dallas	TX	75228	
Vickie Watson		218 Cornell Dr			Forney	TX	75126	
Victor M Bolanos		9612 Windridge Way			Dallas	TX	75217	
Victoria C Ramos		13331 Deercreek Trl			Frisco	TX	75035	
Victoria Enwere		743 Brick row drive	Apt 1460		Richardson	TX	75081	
Victoria McCoy		1707 Creekview Drive			Red Oak	TX	75154	
Victoria Shanklin		9533 Wickersham Road	Apt# 1060		Dallas	TX	75238	
Victoria Williams		2010 Haddock Drive			Mesquite	TX	75149	
Vida Debrah		2237 Partridge Drive			Mesquite	TX	75181	
Vincent Jackowski		5607 Bell Ave.	Apt A		Dallas	TX	75206	
Vincent Moore		5151 Village Fair Drive	Apt# 2101		Dallas	TX	75224	
Viola Charless		5829 Melville lane			forney	TX	75126	
Virginia Bryant		1945 Indian Lilac Dr			Lancaster	TX	75146	
Wanda J Johnson-Yusufu		P.O. Box 172451			Dallas	TX	75217	
Warren William Williams	Warren Williams	11719 Neering Drive			Dallas	TX	75218	
Wayne Hessler and Teresa Hessler	Wayne Hessler	5685 Barna Ave			Titusville	FL	32780	
Weddy Mowoh		919 Saint Paul Dr #243			Richardson	TX	75080	
Wendy Brinkman		11967 Eden Lane			Frisco	TX	75033	
Wendy M Nierman		708 Kindred Ln			Richardson	TX	75080	
Westport One		11701 Borman Dr Ste 245			St. Louis	MO	63146-4142	
Willies Musonda		14675 Oriental Drive			Frisco	TX	75035	
Willy D Castro		2503 W Amherst Ave			Dallas	TX	75235	
Workenesh M Andarge		3809 HILLSDALE LANE			Garland	TX	75042	
WW GRAINGER INC		Dept 852429950	PO Box419267		Kansas City	MO	64141-6267	
Xavier L Phillips		2619 Burger av			Dallas	TX	75215	
Xochilt G Platero		1613 S Sam Houston Rd			Mesquite	TX	75149	
Yadira Gonzalez		2945 Housley Dr.			Dallas	TX	75228	
Yaneli Garcia		209 Lane St.			Mesquite	TX	75149	
Yanice Brown		7575 Chaucer Place	1601		Dallas	TX	75237	
Yankee Cowboy Publishing		PO Box 123			Keller	TX	76244-0123	
yoko a villar		7920 Skillman Street			Dallas	TX	75231	
Yolanda Y Lovely		10010 Whitehurst Dr Apt 1120			Dallas	TX	75243-0608	
Youlanda K Bradford		4608 Saturn Rd Apt 402	126 Brazos		Garland	TX	75041	
Yulonda F Mitchell		1857 Place One			Garland	TX	75042	
Yvette D Copeland		8327 Dawnridge Dr.			Dallas	TX	75249	
Yvette D Petry		2720 Cottonwood Ln			Balch Springs	TX	75180-1462	
Zachary Oates		104 Duranta Ct			Royse City	TX	75189-7059	
Zainab Fornah		126sbarnes dr apt h			Garland	TX	75042	

Exhibit O
 Creditor Matrix
 Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country
Zakkiyyiah Davis		715 S Patrick st			Jonesboro	AR	72401	
Zelora Clark		9248 Marilyn Place			Dallas	TX	75227	
Zeno Digital Solutions LLC		14320 Midway Rd ste 100			Farmers Branch	TX	75244-3519	
Zufan T Mehreteab		12484 Abrams Road	1821		Dallas	TX	75243	
Zumill Johnson		9860 Scyene Rd, apt 1416			Dallas	TX	75227	
Zyone T Wilson Hunter		811 Timber Dell Ln			Dallas	TX	75232	

Exhibit P

Exhibit P
Non-Voting Current Residents
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 1		Address Redacted					
Resident ID 1		Address Redacted					
Resident ID 1		Address Redacted					
Resident ID 4		Address Redacted					
Resident ID 4		Address Redacted					
Resident ID 5		Address Redacted					
Resident ID 6		Address Redacted					
Resident ID 6		Address Redacted					
Resident ID 7		Address Redacted					
Resident ID 7		Address Redacted					
Resident ID 8		Address Redacted					
Resident ID 8		Address Redacted					
Resident ID 9		Address Redacted					
Resident ID 9		Address Redacted					
Resident ID 13		Address Redacted					
Resident ID 13		Address Redacted					
Resident ID 14		Address Redacted					
Resident ID 16		Address Redacted					
Resident ID 16		Address Redacted					
Resident ID 18		Address Redacted					
Resident ID 18		Address Redacted					
Resident ID 19		Address Redacted					
Resident ID 19		Address Redacted					
Resident ID 20		Address Redacted					
Resident ID 20		Address Redacted					
Resident ID 21		Address Redacted					
Resident ID 21		Address Redacted					
Resident ID 22		Address Redacted					
Resident ID 22		Address Redacted					
Resident ID 25		Address Redacted					
Resident ID 31		Address Redacted					
Resident ID 31		Address Redacted					
Resident ID 33		Address Redacted					
Resident ID 33		Address Redacted					
Resident ID 35		Address Redacted					
Resident ID 35		Address Redacted					

Exhibit P
Non-Voting Current Residents
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 35		Address Redacted					
Resident ID 36		Address Redacted					
Resident ID 36		Address Redacted					
Resident ID 40		Address Redacted					
Resident ID 40		Address Redacted					
Resident ID 41		Address Redacted					
Resident ID 41		Address Redacted					
Resident ID 42		Address Redacted					
Resident ID 42		Address Redacted					
Resident ID 43		Address Redacted					
Resident ID 43		Address Redacted					
Resident ID 46		Address Redacted					
Resident ID 46		Address Redacted					
Resident ID 47		Address Redacted					
Resident ID 47		Address Redacted					
Resident ID 48		Address Redacted					
Resident ID 48		Address Redacted					
Resident ID 49		Address Redacted					
Resident ID 49		Address Redacted					
Resident ID 50		Address Redacted					
Resident ID 50		Address Redacted					
Resident ID 57		Address Redacted					
Resident ID 62		Address Redacted					
Resident ID 62		Address Redacted					
Resident ID 63		Address Redacted					
Resident ID 63		Address Redacted					
Resident ID 68		Address Redacted					
Resident ID 70		Address Redacted					
Resident ID 70		Address Redacted					
Resident ID 75		Address Redacted					
Resident ID 80		Address Redacted					
Resident ID 80		Address Redacted					
Resident ID 80		Address Redacted					
Resident ID 80		Address Redacted					
Resident ID 82		Address Redacted					
Resident ID 85		Address Redacted					

Exhibit P
Non-Voting Current Residents
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 85		Address Redacted					
Resident ID 87		Address Redacted					
Resident ID 88		Address Redacted					
Resident ID 88		Address Redacted					
Resident ID 92		Address Redacted					
Resident ID 92		Address Redacted					
Resident ID 94		Address Redacted					
Resident ID 98		Address Redacted					
Resident ID 98		Address Redacted					
Resident ID 98		Address Redacted					
Resident ID 98		Address Redacted					
Resident ID 100		Address Redacted					
Resident ID 100		Address Redacted					
Resident ID 103		Address Redacted					
Resident ID 103		Address Redacted					
Resident ID 106		Address Redacted					
Resident ID 106		Address Redacted					
Resident ID 106		Address Redacted					
Resident ID 107		Address Redacted					
Resident ID 107		Address Redacted					
Resident ID 108		Address Redacted					
Resident ID 108		Address Redacted					
Resident ID 110		Address Redacted					
Resident ID 111		Address Redacted					
Resident ID 111		Address Redacted					
Resident ID 111		Address Redacted					
Resident ID 112		Address Redacted					
Resident ID 144		Address Redacted					
Resident ID 144		Address Redacted					
Resident ID 144		Address Redacted					
Resident ID 158		Address Redacted					
Resident ID 258		Address Redacted					
Resident ID 1493		Address Redacted					
Resident ID 1497		Address Redacted					
Resident ID 1505		Address Redacted					
Resident ID 1505		Address Redacted					

Exhibit P
Non-Voting Current Residents
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip
Resident ID 1512		Address Redacted					
Resident ID 1513		Address Redacted					
Resident ID 1513		Address Redacted					
Resident ID 1601		Address Redacted					
Resident ID 1601		Address Redacted					
Resident ID 1602		Address Redacted					
Resident ID 1602		Address Redacted					
Resident ID 1614		Address Redacted					
Resident ID 1648		Address Redacted					
Resident ID 1684		Address Redacted					
Resident ID 1696		Address Redacted					
Resident ID 1720		Address Redacted					
Resident ID 1777		Address Redacted					
Resident ID 1777		Address Redacted					
Resident ID 1811		Address Redacted					
Resident ID 1835		Address Redacted					
Resident ID 1846		Address Redacted					
Resident ID 1871		Address Redacted					
Resident ID 1879		Address Redacted					
Resident ID 1879		Address Redacted					
Resident ID 1905		Address Redacted					
Resident ID 1921		Address Redacted					
Resident ID 1983		Address Redacted					
Resident ID 1983		Address Redacted					
Resident ID 2001		Address Redacted					
Resident ID 2010		Address Redacted					
Resident ID 2010		Address Redacted					
Resident ID 2010		Address Redacted					
Resident ID 2033		Address Redacted					
Resident ID 2033		Address Redacted					
Resident ID 2033		Address Redacted					
Resident ID 2045		Address Redacted					
Resident ID 2052		Address Redacted					
Resident ID 15035064		Address Redacted					

Exhibit Q

Exhibit Q
Impaired Non-Voting Parties
Served via First Class Mail

CreditorName	CreditorNoticeName	Address1	City	State	Zip
Cooley LLP	Eric E. Walker, Esq.	110 North Wacker Drive, Suite 4200	Chicago	IL	60606-1511
Dorsey & Whitney LLP	David D. Grossklaus, Esq. & Adam J. Freed, Esq.	801 Grand Avenue, Suite 4100	Des Moines	IA	50309
Lifespace Communities, Inc	Attn President, CEO, SVP & General Counsel	3501 Olympus Blvd., Suite 300	Dallas	TX	75019
Lifespace Communities, Inc.	Nicholas Harshfield	4201 Corporate Drive	West Des Moines	IA	50266
Perkins Coie LLP	John D. Penn	500 N. Akard Street, Suite 3300	Dallas	TX	75201

Exhibit 9

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re:

Northwest Senior Housing Corporation, *et al.*¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

AFFIDAVIT OF PUBLICATION OF THE NOTICE OF HEARING REGARDING (I) CONFIRMATION OF THE THIRD AMENDED PLAN OF REORGANIZATION OF THE PLAN SPONSORS DATED DECEMBER 19, 2022; (II) APPROVAL OF THE SALE TRANSACTION; AND (III) RELATED VOTING AND OBJECTION DEADLINES

This Affidavit of Publication includes the sworn statement verifying that the *Notice of Hearing Regarding (I) Confirmation of the Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022; (II) Approval of the Sale Transaction; and (III) Related Voting and Objection Deadlines* was published and incorporated by reference herein as follows:

1. In *The New York Times National Edition* on December 28, 2022, attached hereto as **Exhibit A**.
2. In *The Dallas Morning News* on December 29, 2022, attached hereto as **Exhibit B**.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.



Exhibit A



The New York Times Company

620 8th Avenue
New York, NY 10018
nytimes.com

PROOF OF PUBLICATION

December 28, 2022

Sworn to me this 28th day of
December, 2022

Ellen Herb

Notary Public

Ellen Herb
Notary Public, State of New York
No. 01HE6163785
Qualified in New York County
Commission Expires April 2, 2023

I, Larnyce Tabron, in my capacity as a Principal Clerk of the Publisher of The New York Times, a daily newspaper of general circulation printed and published in the City, County, and State of New York, hereby certify that the advertisement annexed hereto was published in the editions of The New York Times on the following date or dates, to wit on.

12/28/2022, NYT, pg B3

Larnyce Tabron

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS, DALLAS DIVISION**
In re: Northwest Senior Housing Corporation, et al. Chapter 11
Debtor(s) (Jointly Administered)

**NOTICE OF HEARING REGARDING (I) CONFIRMATION
OF THE THIRD AMENDED PLAN OF REORGANIZATION
OF THE PLAN SPONSORS DATED DECEMBER 19, 2022;
(II) APPROVAL OF THE SALE TRANSACTION; AND (III)
RELATED VOTING AND OBJECTION DEADLINES**

PLEASE TAKE NOTICE THAT on December 19, 2022, Northwest Senior Housing Corporation and its affiliated debtor (collectively, the "Debtors") in the above-captioned Chapter 11 cases (the "Chapter 11 Cases") and UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the "Trustee") and in its capacity as lender under the DIP Credit Agreement (the "DIP Lender"), together with the Trustee, the "Initial Plan Sponsors" and collectively with the Debtors, the "Plan Sponsors" filed the (i) Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022 (Docket No. 933) (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the "Plan") and (ii) Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022 (Docket No. 934) (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the "Disclosure Statement"). The Plan is supported by the Plan Sponsors, Lifescape Communities, Inc. ("Lifescape"), and the official committee of unsecured creditors (the "Committee").

PLEASE TAKE FURTHER NOTICE THAT on November 2, 2022, the Initial Plan Sponsors filed the Motion to Institute and DIP Lender for Entry of an Order (i) Authorizing and Approving the Bidding Procedures; (ii) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (iii) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (iv) Scheduling Combined Confirmation and Sale Hearing; and (v) Granting Related Relief (Docket No. 755) (the "Sale Motion").

PLEASE TAKE FURTHER NOTICE THAT on December 6, 2022, the Initial Plan Sponsors filed the Notice of Filing Revised and Supplemental Documents in Support of Motion to Institute and DIP Lender for Entry of an Order (i) Authorizing and Approving the Bidding Procedures; (ii) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (iii) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (iv) Scheduling Combined Confirmation and Sale Hearing; and (v) Granting Related Relief (Docket No. 873) (the "Sale Documents").

PLEASE TAKE FURTHER NOTICE THAT on December 19, 2022, the United States Bankruptcy Court for the Northern District of Texas (the "Bankruptcy Court") entered its order (Docket No. 936) (the "Disclosure Statement Order") approving the Disclosure Statement, and on December 28, 2022, the Bankruptcy Court entered its order (Docket No. 946) (the "Bidding Procedures Order") approving the bidding procedures set forth in the Sale Motion and the Sale Documents.

PLEASE TAKE FURTHER NOTICE THAT the hearing at which the Court will consider Confirmation of the Plan, and approval of the sale of substantially all of the Debtors' assets pursuant to the terms of the Plan (the "Confirmation and Sale Hearing") will commence on January 26, 2023 at 9:30 a.m., prevailing Central Time before the Honorable Nicholas V. Larson, in the Bankruptcy Court located at 1100 Commerce St., 14th Fl. Courtroom #2 Dallas, TX 75242. The Confirmation and Sale Hearing will be conducted in a hybrid format. Thus, you may participate in person via WebEx. If you wish to participate remotely, you may do so by video or telephone via the Court's WebEx platform. For WebEx Video Participation/Attendance: Link: <https://us-courts.webex.com/join>. For WebEx Audio Participation/Attendance: Dial-In: 650-479-3207. Access code: 1601356015.

PLEASE BE ADVISED: THE CONFIRMATION AND SALE HEARING MAY BE CONTINUED FROM TIME TO TIME BY THE COURT OR THE PLAN SPONSORS WITHOUT FURTHER NOTICE OTHER THAN BY SUCH ADJOURNMENT BEING ANNOUNCED IN OPEN COURT OR BY A NOTICE OF ADJOURNMENT FILED WITH THE COURT AND SERVED ON ALL PARTIES ENTITLED TO NOTICE.

CRITICAL INFORMATION REGARDING VOTING ON THE PLAN
Voting Record Date. The voting record date is December 15, 2022 (the "Voting Record Date"), which is the date for determining which holders of Claims and Interests are entitled to vote on the Plan.
Voting Deadline. The deadline for voting on the Plan is January 20, 2023, at 4:00 p.m., prevailing Central Time (the "Voting Deadline"). If you received a Solicitation Package including a Ballot and intend to vote on the Plan, you must: (a) follow the instructions carefully; (b) complete all of the required information on the Ballot; and (c) execute and return your completed Ballot according to and as set forth in detail in the voting instructions so that it is actually received by Kartman Carson Consultants LLC (the "Voting Agent") on or before the Voting Deadline. A failure to follow such instructions may disqualify your vote.

CRITICAL INFORMATION REGARDING OBJECTING TO THE PLAN
SECTION 11 OF THE PLAN CONTAINS RELEASE, EXculpATION, AND INDEMNIFICATION PROVISIONS THAT WILL BECOME EFFECTIVE IF THE PLAN IS CONFIRMED. Thus, YOU ARE ADVISED TO REVIEW AND CONSIDER SUCH PROVISIONS UNDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREBY.
IF YOU DO NOT AGREE TO SUCH PROVISIONS AND DO NOT WISH TO BE A RELEASING PARTY, AS DEFINED BY THE PLAN, YOU MUST TAKE ACTION BY FILING OUT OF TIME BY SUBMITTING A FORM TO "OBJECT" OF SUCH RELEASES AND RELATED PLAN PROVISIONS.

THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN OR IF YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, CONTACT THE TRUSTEE AS SET FORTH BELOW.

Plan Objection Deadline. The deadline for filing objections to the Plan is January 20, 2023 at 4:00 p.m., prevailing Central Time (the "Plan Objection Deadline"). All objections to the relief sought at the Confirmation and Sale Hearing must (a) be in writing; (b) comply with the Bankruptcy Rules, the local rules, and any applicable orders of the Court; (c) set forth the name of the objector and the nature and amount of any Claim or interest asserted by the objector against or in the Debtors' Estates; (d) state, with particularity, the legal and factual basis for the objection and, if practicable, a proposed modification to the Plan that would resolve such objection; and (e) be filed with the Court (contemporaneously with a proof of service and served upon the following parties so as to be actually received on or before the Plan Objection Deadline: (i) counsel for the Debtors Polimelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201; Attn: Timothy G. Green and 600 3rd Avenue, 42nd Floor, New York, NY 10016; Attn: Jeremy R. Johnson; (ii) counsel for Lifescape Communities, Inc., Cooley LLP, 110 North Upper Wacker Drive, Suite 4200, Chicago, Illinois 60606; Attn: Eric S. Walker; (iii) counsel for UMB Bank, N.A., Mizzi, Lovis, Lohs, Ferris, Glosky and Poppe, P.C., One Financial Center, Boston, Massachusetts 02111; Attn: Daniel Bleck, Eric Bythe and Kaitlin Walsh; (iv) counsel for the Committee Foley & Lerner, 2017 McKinney Avenue, Ste. 1600, Dallas, Texas 75201; Attn: Stephen A. McCarlin, Thomas C. Scannell, and Mark C. Moore; (v) the Office of the United States Trustee, 1100 Commerce St., Room 915, Dallas, Texas 75242-1609; Attn: Lisa Lambert; and (vi) such other parties as the Court may order.

ADDITIONAL INFORMATION
Obtaining Solicitation Materials. The materials in the Solicitation Package(s) with respect to the Plan are intended to be self-explanatory. If you should have any questions or if you would like to obtain additional solicitation materials (or paper copies of solicitation materials if you received an electronic version), please feel free to contact the Voting Agent by (a) calling (866) 961-4260 (toll free) or (1-817) 751-1649 (international); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kartman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; or (c) emailing objections@kcc.com with a reference to "Edgemoor" in the subject line. You may also obtain such information for free by visiting the case website at <http://www.kccllc.net/edgemoor> or for a fee via PEX at <http://www.tomb.com/secure/gpu>. Please be advised that the Voting Agent is authorized to answer questions about, and provide additional copies of, solicitation materials, but may not advise you as to whether you should vote to accept or reject the Plan.

The Plan Supplement. The Plan Sponsors will file the Plan Supplement (as defined in the Plan) on or before January 13, 2023 and will serve notice on all holders of Claims and Interests entitled to vote on the Plan, which will (a) inform parties of the filing of the Plan Supplement; (b) list the information contained in the Plan Supplement; and (c) explain how parties may obtain copies of the Plan Supplement.

Lifescape's Financial Information. Financial information with respect to Lifescape is available on the bankruptcy case website maintained by KCC. The claims, solicitation and objection agent in these Chapter 11 Cases. The information may be accessed for free by visiting the Debtors' bankruptcy case website at <http://www.kccllc.net/edgemoor> and selecting the "Lifescape Financials" link. In addition, parties in interest may request a copy of the Master Trust Indenture (as defined in the Lifescape Settlement and Contribution Agreement) by contacting the Voting Agent. Additionally, parties may contact the undersigned to request a copy of the Master Trust Indenture.

BINDING NATURE OF THE PLAN: IF CONFIRMED, THE PLAN SHALL BIND ALL HOLDERS OF CLAIMS AND INTERESTS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WHETHER OR NOT SUCH HOLDERS HAVE RECEIVED OR OBTAINED ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE CONFIRMED PLAN, HAS FILED A PROOF OF CLAIM IN THE CHAPTER 11 CASES, FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN, OR VOTED TO REJECT THE PLAN.

Dated: December 20, 2022. Dallas, Texas. **POLIMELLI PC**, c/o Dzhigee G. Gorn, Timothy G. Green (SEN 24081320), 2950 N. Harwood, Suite 2100, Dallas, Texas 75201; Telephone: (214) 397-0030; Facsimile: (214) 397-0033; green@polimelli.com; and **JENNIFER R. JOHNSON** (Admitted Pro Hac Vice), 600 3rd Avenue, 42nd Floor, New York, New York 10016; Telephone: (212) 684-0199; Facsimile: (212) 684-0197; jrohnson@foley.com; **ERIC S. WALKER** (Admitted Pro Hac Vice), 2017 McKinney Avenue, Suite 700, Dallas, TX 75219; Telephone: (214) 651-5000; erwalker@umb.com; **STEPHEN A. MCCARLIN** (Admitted Pro Hac Vice), 24012131-A Thomas, Zanika, State Bar No. 241162652, 2212 Victory Avenue, Suite 700, Dallas, TX 75219; Telephone: (214) 651-5000; smccarlin@foley.com; and **MARK C. MOORE** (Admitted Pro Hac Vice), 1100 Commerce St., Room 915, Dallas, Texas 75242-1609; Telephone: (671) 546-6000; mcmoore@umb.com; **KAITLIN WALSH** (Admitted Pro Hac Vice), 2017 McKinney Avenue, Suite 700, Dallas, Texas 75219; Telephone: (214) 651-5000; kwash@foley.com; and **ISA BELMONT** (Admitted Pro Hac Vice), 2017 McKinney Avenue, Suite 700, Dallas, Texas 75219; Telephone: (214) 651-5000; ibelmont@foley.com.

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's Federal tax identification number, are: Northwest Senior Housing Corporation (1278) and Senior Quality Lifescape Corporation (2669). The Debtors' mailing address is 8523 Thackeray Street, Dallas, Texas 75225.
² Important information and deadlines related to the proposed marketing and sale of the Debtors' assets pursuant to the Plan are set forth in the Sale Motion and the Sale Documents, which should be reviewed together with the Plan by all parties in interest.

ENERGY | FINANCE

Clean Energy Goals Are Pitting Google Against Utilities

FROM FIRST BUSINESS PAGE

Google entered a landmark deal last year to provide clean power to its data centers in Virginia, which is in a sprawling market called PJM.

Now supporters of the approach have an opportunity to usurp the utilities in the Southeast. South Carolina passed a law in 2020 to explore setting up a power market, a move considered remarkable because of the influence the utilities have in state capitals; similar legislation failed to advance in North Carolina last year.

Tom Davis, a Republican state senator in South Carolina who spearheaded the bill, said the current regulatory system financially rewarded utilities even when they messed up. "It's not incentivizing them to go out there and try to find somebody who's built a better mousetrap and can generate power more cheaply," he said.

Setting up a power market within South Carolina is one option, but Caroline Golin, Google's global head of energy market development and policy, went further at a legislative hearing in July, raising the possibility of South Carolina's breaking out of the Southeast utility system and joining PJM.

"We can be a model for the rest of the region, and actually be a model for the rest of the country," she said.

A Revolution Avoided

Most electricity in the United States was long generated and distributed by heavily regulated monopoly utilities in each state. But just before the start of this century, lawmakers and regulators, arguing that competition would bring efficiencies, made it possible to set up power markets and end the dominance of the utilities — a revolution that bypassed the Southeast.

Google and others contend that the markets have brought cost savings, innovation and the capital needed to increase clean power generation from wind and solar. The most recent move toward a form of power market, in a group of Western states, has saved nearly \$3 billion since 2014, according to the market operator.

Self-interest also plays a role: In power markets, large companies can strike deals with independent producers that give them more leeway to bargain on price and secure more clean energy.

Google entered a landmark deal last year to provide clean power to its data centers in Virginia, which is in a sprawling market called PJM.

Now supporters of the approach have an opportunity to usurp the utilities in the Southeast. South Carolina passed a law in 2020 to explore setting up a power market, a move considered remarkable because of the influence the utilities have in state capitals; similar legislation failed to advance in North Carolina last year.

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"We can be a model for the rest of the region, and actually be a model for the rest of the country," she said.

Markets and Renewables

The big utilities in the Southeast are now building more solar projects, but those pushing for a market in the region say it's not enough.

In the region, the proposed solar projects' generating capacity is equivalent to just over a fourth of total capacity, which is far below the 80 percent for PJM, according to an analysis by Tyler Norris, a senior executive at Cypress Creek Renewables, a solar company, and a special adviser in the Energy Department during the Obama administration.

"Project developers are attracted to open wholesale electricity markets with price transparency, independent oversight and the ability to trade with multiple potential customers," Mr. Norris said.

To show how markets can stoke



KENDRICK BRINSON FOR THE NEW YORK TIMES

Google, Meta, Microsoft and Apple have made eliminating their carbon emissions a prominent corporate goal, one that runs up against regional utilities.

the growth of renewables, supporters sometimes point to Texas, whose power market, ERCOT, is one of the least regulated in the country. Last year, wind power accounted for nearly 23 percent of Texas' generation, up from 8 percent in 2011.

Critics say the Texas market system led to much of the fragility that caused power outages during the winter storm that was responsible for over 200 deaths in 2021. But others note that ERCOT was structurally isolated from neighboring power markets, preventing it from drawing power from those areas when plants in the ERCOT market froze up in the storm.

In addition, some experts question the degree to which markets drive the growth of renewables, saying certain states' geography and weather lend themselves to wind and solar power. With its vast and gusty unpopulated spaces, Texas is naturally set up for wind power.

"We happen to have seen more wind and solar in areas where markets have been deregulated," said Severin Borenstein, a professor of business administration and public policy at the University of California, Berkeley, who spe-

cializes in the economics of renewable energy. "But I think that's more of a geographic and political phenomenon than a market phenomenon."

And in the Southeast there is evidence that government mandates can do more than markets to promote the growth of renewables.

In North Carolina, where lawmakers have long pushed the development of solar energy, the power source made up 7.6 percent of net generation last year, according to an analysis of Energy Information Administration data by the Institute for Energy Economics and Financial Analysis, well above the national average and double the share in neighboring Virginia, in a market.

"We expect North Carolina to continue to be a leading state for solar," said Erin Culbert, a spokeswoman for Duke Energy, which is a major utility operator in the Southeast.

A Question of Reliability

One criticism of regulated utilities that lack market competition is that they are rewarded for building unneeded generating capacity because it increases the base on which rates are set. Ms. Golin said

a market would remove that incentive and cut costs without affecting the system's resilience under stress, based on Google's experience in areas with power markets.

But executives at the Southeast utilities say their reserve capacity contributes to their higher scores in a national assessment of reliability — an increasing concern as climate change produces more extreme weather events.

And they say one of the biggest failings of power markets is that they don't support the operation and building of nuclear plants, which, the executives say, will provide uninterrupted carbon-free energy that will shore up the reliability of their grids as more intermittent renewable energy is introduced. The revenue streams in the more regulated system provide the financial stability to support nuclear plants, they contend.

"We're the only utility building a nuclear plant in America," Mr. Fanning, the Southern chief executive, said. "Couldn't have built it in PJM or ERCOT."

There have been cost overruns and delays on Southern's nuclear project, in Georgia, and a South Carolina project was shelved after the two utilities developing it went

far over budget — problems that Mr. Davis, the state senator, said the regulatory system encouraged by allowing utilities to assume that ratepayers would inevitably provide a backstop.

But the nuclear plants in operation are giving the region some of the highest carbon-free scores in the country. Over 60 percent of South Carolina's generation was carbon-free in 2021, most of it from nuclear plants, compared with 35 percent in Texas, according to the analysis by the Institute for Energy Economics and Financial Analysis.

Google includes electricity derived from nuclear plants as clean energy when calculating the carbon-free scores of its data centers, which mostly appear cleaner in the Southeast than in Texas' power market.

"There's a disconnect between Google relying on clean nuclear power for their data centers while pushing for markets that have all but stopped the construction of nuclear everywhere they've been implemented," said Mark W. Nelson, managing director of Radiant Energy Group, an energy consultancy. "What's fastest and cheapest for Google is not necessarily best for society long term."

The Bull-and-Bear Case for 2023: Looking for Optimism in Gloom

By BERNHARD WARNER

Tech stocks, Treasury bills, cryptocurrencies, real estate. The great market sell-off of 2022 has been indiscriminate, wiping trillions off the stock market capitalization of risky and not-so-risky assets, and taking a huge bite out of average investors' retirement plans.

Despite the carnage, many investors are sticking with their beaten-down stock portfolios as they head into the new year. "There doesn't seem to be a lot of people, despite the drawdowns, who are saying, 'Hey, the pain has been awful,'" Lisa Shalett, chief investment officer at Morgan Stanley Wealth Management, told DealBook. "And the reason is, because all things considered, they're still up 50 percent since the start of the pandemic."

Ms. Shalett doesn't see much evidence that the broader stock market is due for a rebound any time soon, but she's not writing off 2023 either.

Morgan Stanley has a 2023 price target of 3,900 for the S&P 500 and expects the benchmark index to flatline over the next 12 months. (The S&P closed at 3,844 on Dec. 23, down roughly 20 percent this year.)

Still, Wall Street as a whole hasn't been so divided about the prospects for the next year since the global financial crisis, reflecting deep uncertainty over U.S. monetary policy, corporate profits and a wider debate about whether the world's biggest economy will fall into recession. The average forecast expects the S&P 500 to end 2023 at 4,009, according to Bloomberg, the most bearish outlook since 1999. But the predictions range from a low of 3,400 to as high as 4,500, representing "the widest dispersion since 2009," Ms. Shalett pointed out.

"There's always uncertainty in forecasts. But you know, many times you have a good gauge of where you are with policy, where you are in the profit cycle, where you are in terms of valuation," she said. "As we head into 2023, it's been our opinion that all of those things are in flux."

The bull case

At the upper end of forecasts is



JUSTIN LANE/EPA VIA SHUTTERSTOCK

Wall Street is divided, reflecting deep uncertainty over monetary policy, corporate profits and whether the U.S. will fall into recession.

DealBook/

DealBook helps you make sense of the day's most important business and policy headlines. Sign up for the newsletter at nytimes.com/dealbook

Bankim Chadha, chief U.S. equity and global strategist at Deutsche Bank, who sees the S&P 500 closing out 2023 17 percent higher than last Friday's market close.

It will be a choppy ride to hit that 4,500 price target, however. Mr. Chadha predicts the market will rally through the first quarter (led by a rebound in tech and financial stocks), followed by a big midyear drop, only for stocks to bounce back and return to their 2023 highs by the end of December.

It's not a completely boldfaced call. Deutsche Bank sees a mild recession arriving by the third quarter of next year. The downturn will affect most consumers, home-sellers and, ultimately, corporate profits — but it will only last a few quarters before some semblance of growth returns.

All eyes on the Fed

What could lift markets next year is a shift by the Fed. If the U.S. central bank starts to tap the brakes on rate increases in 2023, stocks could rally. (Many bulls on Wall Street believe the Fed will

cut rates in the latter half of the year as inflation eases, despite zero indication from Jay Powell, the Fed chair, that it will do any such thing.)

Rob Dent and Aichi Amemiya, economists at Nomura, see another factor influencing Fed policy in 2023: politics. The Biden administration has been largely quiet throughout 2022 as the central bank raised the prime lending rate to a target range of 4.25 to 4.5 percent from essentially zero a year ago. That silence could come to an abrupt end, particularly if aggressive monetary policy forces employers to cut jobs.

"The criticism from Congress will likely intensify next year as job losses start," the economists wrote in a recent investor note. "Powell's hawkish commentary so far has been easier to maintain in an environment with historically low unemployment rates, but that will likely become more difficult once the labor market deteriorates. His semiannual testimony before Congress in February will likely be contentious."

Conflicting signals for the year ahead

For those who believe in holiday miracles, the last trading week of the year has historically been a winner for stocks. "The Santa rally," as Wall Street veterans call it, covers the seven trading days that follow Christmas when the S&P 500 typically outperforms

its historical rolling seven-day average. The most bullish see the Santa rally as an indicator of future returns well into the new year.

The glass-half-full scenario: There are a few whales still buying stocks. Corporations executed a record \$1 trillion worth of share buybacks this year, according to Goldman Sachs.

The glass-half-empty view: Corporations won't keep up that pace next year, Goldman added.

Ms. Shalett of Morgan Stanley also predicts a dud of a year for stocks. But unlike many of her peers, she sees the U.S. avoiding recession, as resilient consumers continue spending and companies reinvest to keep the economy growing just enough to avoid a slowdown. "The implication of that is inflation is higher for longer," she added, which explains why stocks will be under pressure as corporate profits slump by 10 to 15 percent.

But there are cases for optimism. Ms. Shalett is advising clients to consider Treasury bills and value stocks that carry high dividends. She also expects emerging market economies, such as India and Brazil, to outperform, helped by a weaker dollar and a gradual easing of energy and food prices in 2023.

Grading Wall Street's ability to see into the future

How did Wall Street's predictions turn out in 2022? Mixed. At the start of the year, analysts on average saw the S&P 500 climbing to 4,950. They missed badly.

The problem: Almost nobody saw inflation rising to a 40-year-high, and that the Fed, in turn, would respond with a succession of jumbo interest rate increases to raise borrowing costs to their highest level since 2007.

Wall Street did a better job predicting corporate earnings. Analysts saw earnings per share for the S&P 500 as a whole coming in at \$221 at year-end, and it looks like they'll be within 1 to 2 percent of that call.

But even that doesn't tell the full story. Corporations were forced to raise prices this year, and that may be why so many of them achieved their profit target,

or came so close to doing so, Tom Porcelli, chief U.S. economist at RBC Capital Markets, pointed out in a recent investor note. On a real return basis, which takes

inflation into account, corporate profits looked less impressive.

"We just don't see a real catalyst for growth to bounce back," he added.

IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS, DALLAS DIVISION
In re: Northwest Senior Housing Corporation, et al., Chapter 11 Case No. 22-30659 (MVL) (Jointly Administrated)

NOTICE OF HEARING REGARDING (I) CONFIRMATION OF THE THIRD AMENDED PLAN OF REORGANIZATION OF THE PLAN SPONSORS DATED DECEMBER 19, 2022; (II) AUTHORIZING AND APPROVING THE BIDDING PROCEDURES; (III) AUTHORIZING AND APPROVING THE STALKING HORSE ASSET PURCHASE AGREEMENT; (IV) APPROVING PROCEDURES RELATED TO THE ASSUMPTION OF CERTAIN EXECUTORY CONTRACTS AND UNPAID LEASES; (V) SCHEDULING COMBINED CONFIRMATION AND SALE HEARING; AND (VI) GRANTING RELATED RELIEF (DOCKET NO. 755) (THE "SALE MOTION")

PLEASE TAKE FURTHER NOTICE that on December 19, 2022, Northwest Senior Housing Corporation and its affiliated debtor (collectively, the "Debtors") in the above-captioned Chapter 11 case (the "Chapter 11 Cases") and UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the "Trustee") and in its capacity as lender under the DIP Credit Agreement (the "DIP Lender") and together with the Trustee, the "Initial Plan Sponsors" and collectively with the Debtors, the "Plan Sponsors" filed the (i) Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022 (Docket No. 933) (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the "Plan") and (ii) Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022 (Docket No. 934) (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the "Disclosure Statement"). The Plan is supported by the Plan Sponsors, Lifespace Communities, Inc. ("Lifespace"), and the official committee of unsecured creditors (the "Committee").

PLEASE TAKE FURTHER NOTICE that on November 2, 2022, the Initial Plan Sponsors filed the Motion of Trustee and DIP Lender for Entry of an Order (i) Authorizing and Approving the Bidding Procedures; (ii) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (iii) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unpaid Leases; (iv) Scheduling Combined Confirmation and Sale Hearing; and (v) Granting Related Relief (Docket No. 755) (the "Sale Documents").

PLEASE TAKE FURTHER NOTICE that on December 6, 2022, the Initial Plan Sponsors filed the Notice of Filing Revised and Supplemental Documents in Support of Motion of Trustee and DIP Lender for Entry of an Order (i) Authorizing and Approving the Bidding Procedures; (ii) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (iii) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unpaid Leases; (iv) Scheduling Combined Confirmation and Sale Hearing; and (v) Granting Related Relief (Docket No. 872) (the "Sale Documents").

PLEASE TAKE FURTHER NOTICE that on December 19, 2022, the United States Bankruptcy Court for the Northern District of Texas (the "Bankruptcy Court") entered its order (Docket No. 936) (the "Disclosure Statement Order") approving the Disclosure Statement, and on December 20, 2022, the Bankruptcy Court entered its order (Docket No. 946) (the "Bidding Procedures Order") approving the bidding procedures set forth in the Sale Documents and the Sale Documents.

PLEASE TAKE FURTHER NOTICE that the hearing at which the Court will consider Confirmation of the Plan, and approval of the sale of substantially all of the Debtors' assets pursuant to the terms of the Plan (the "Confirmation and Sale Hearing") will commence on **January 26, 2023 at 9:30 a.m. prevailing Central Time** before the Honorable Mitchell V. Larson, in the Bankruptcy Court located at 1100 Commerce St., 14th Fl., Courtroom #2 Dallas, TX 75242. The Confirmation and Sale Hearing will be conducted in a hybrid format. Thus, you may participate in-person or via Webex. If you wish to participate remotely, you may do so by video or telephone via the Court's WebEx platform. For WebEx Video Participation/Audience, Link: <https://us-courts.webex.com/join/>. For WebEx Telephonic Only Participation/Audience: Dial-In: 1.650.479.3207. Access code: 1601356015.

PLEASE BE ADVISED: THE CONFIRMATION AND SALE HEARING MAY BE CONTINUED FROM TIME TO TIME BY THE COURT OR THE PLAN SPONSORS WITHOUT FURTHER NOTICE OTHER THAN BY SUCH ADJOURNMENT BEING ANNOUNCED IN OPEN COURT OR BY A NOTICE OF ADJOURNMENT FILED WITH THE COURT AND SERVED ON ALL PARTIES ENTITLED TO NOTICE.

CRITICAL INFORMATION REGARDING VOTING ON THE PLAN
Voting Record Date. The voting record date is **December 15, 2022** (the "Voting Record Date"), which is the date for determining which holders of Claims and Interests are entitled to vote on the Plan.

Voting Deadline. The deadline for voting on the Plan **January 20, 2023, at 4:00 p.m. prevailing Central Time (the "Voting Deadline")**. If you received a Solicitation Package including a Ballot and intend to vote on the Plan, you must: (a) follow the instructions carefully; (b) complete all of the required information on the Ballot; and (c) execute and return your completed Ballot according to and as set forth in detail in the voting instructions so that it is **actually received** by Kurtzman Carson Consultants LLC (the "Voting Agent") on or before the Voting Deadline.

CRITICAL INFORMATION REGARDING OBJECTING TO THE PLAN
SECTION OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND WAIVER PROVISIONS THAT MAY BE EFFECTIVE IF THE PLAN IS CONFIRMED. THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER SUCH PROVISIONS UNDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.

IF YOU DO NOT AGREE TO SUCH PROVISIONS AND DO NOT WISH TO BE A RELEASING PARTY, AS DEFINED BY THE PLAN, YOU MUST TAKE ACTION BY FILING OUT AND TIMELY SUBMITTING A FORM TO "OPT-OUT" OF SUCH RELEASES AND RELATED PLAN PROVISIONS.

THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN OR IF YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, CONTACT THE VOTING AGENT.

Plan Objection Deadline. The deadline for filing objections to the Plan is **January 20, 2023 at 4:00 p.m. prevailing Central Time** (the "Plan Objection Deadline"). All objections to the relief sought at the Confirmation and Sale Hearing must: (a) be in writing; (b) comply with the Bankruptcy Rules, the Local Rules, and any applicable orders of the Court; (c) set forth the name of the objector and the nature and amount of any Claim or Interest asserted by the objector against or in the Debtors' Estates; (d) state, with particularity, the legal and factual bases for the objection and, if practicable, a proposed modification to the Plan that would resolve such objection; and (e) be filed with the Court (contemporaneously with a proof of service) and served upon the following parties so as to be **actually received** on or before the Plan Objection Deadline: (i) counsel for the Debtors, Polinski LLC, 2350 N. Harwood, Suite 2100, Dallas, TX 75201; Attn: Trinitie G. Green and 600 3rd Avenue, 42nd Floor, New York, NY 10016; Attn: Jeremy R. Johnson; (ii) counsel for Lifespace Communities, Inc., Colley LLP, 110 North Upper Wacker Drive, Suite 4200, Chicago, Illinois 60606; Attn: Eric E. Walker; (iii) counsel for UMB Bank, N.A., Mintz, Levin, Cohn, Ferris, Glovsky and Pappas, P.C., One Financial Center, Boston, Massachusetts 02111; Attn: Daniel Bleck, Eric Elythe and Kadlin Walkly; (iv) counsel for the Committee, Foley & Lardner, 2021 McKinney Avenue, Ste. 1600, Dallas, Texas 75201; Attn: Stephen A. McCartin, Thomas C. Scannell, and Mark C. Moore; (v) the Office of the United States Trustee, 1100 Commerce St., Room 976, Dallas, Texas 75242-1699; Attn: Lisa Lambert; and (vi) such other parties as the Court may direct.

ADDITIONAL INFORMATION:

Obtaining Solicitation Materials. The materials in the Solicitation Package(s) with respect to the Plan are intended to be self-explanatory. If you should have any questions or if you would like to obtain additional solicitation materials (or paper copies of solicitation materials, if you received an electronic version), please feel free to contact the Voting Agent by: (a) calling (866) 967-0269 (toll free) or +1 (310) 751-2669 (International); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; or (c) emailing at Edgenet@kcc.com with a reference to "Edgenet" in the subject line. You may also obtain such information for free by visiting the case website at <http://www.kcc.com/edgenet> or for a fee via PACER at <http://www.tbx.uscourts.gov>. Please be advised that the Voting Agent is authorized to answer questions about, and provide additional copies of, solicitation materials, but may not advise you as to whether you should vote to accept or reject the Plan.

The Plan Supplement. The Plan Sponsors will file the Plan Supplement (as defined in the Plan) on or before **January 13, 2023** and will serve notice on all holders of Claims and Interests entitled to vote on the Plan, which will (a) inform parties of the filing of the Plan Supplement; (b) list the information contained in the Plan Supplement; and (c) explain how parties may obtain copies of the Plan Supplement.

Lifespace's Financial Information. Financial information with respect to Lifespace is available on the bankruptcy case website maintained by KCC, the claim, satisfaction, and valuation agent in these Chapter 11 Cases. The information may be accessed for free by visiting the Debtors' bankruptcy case website at <https://www.kcc.com/edgenet> and selecting the "Lifespace Financials" tab on the home page. In addition, parties in interest may request a copy of the Master Trust Indenture (as defined in the Lifespace Settlement and Contribution Agreement) by contacting the Voting Agent. Additionally, parties may request the UNDISBURSED TO REQUEST A COPY OF THE MASTER TRUST INDENTURE.

BINDING NATURE OF THE PLAN: IF CONFIRMED, THE PLAN SHALL BIND ALL HOLDERS OF CLAIMS AND INTERESTS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WHETHER OR NOT SUCH HOLDER WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE CONFIRMED PLAN. HAS FILED A PROOF OF CLAIM IN THE CHAPTER 11 CASES, FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN, OR VOTED TO REJECT THE PLAN.

Dated: December 20, 2022, Dallas, Texas. **POLINSKI LLC**, c/o Trinitie G. Green, Trinitie G. Green (SBN 24081320), 2950 N. Harwood, Suite 2100, Dallas, Texas 75201, Telephone: (214) 397-0030, Facsimile: (214) 397-0033, tpolinski@kcc.com; and Jeremy R. Johnson (Admitted Pro Hac Vice), 600 3rd Avenue, 42nd Floor, New York, New York 10016, Telephone: (212) 684-0199, Facsimile: (212) 684-0197, jeremy.johnson@psinsllc.com; Counsel to the Debtors and Debtors in Possession - and - **HAYNES AND BOONE, LLP**, c/o **Edgenet@kcc.com**, Frasher Murphy, State Bar No. 24019314, Thomas J. Zavalza, State Bar No. 24116265, 2323 Victory Avenue, Suite 200, Dallas, TX 75219, Telephone: (214) 651-5000, frasher.murphy@haynesboone.com; and - **MINITZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO PC**, Daniel S. Bleck (Admitted Pro Hac Vice), Eric Elythe (Admitted Pro Hac Vice), Kadlin R. Walkly (Admitted Pro Hac Vice), One Financial Center, Boston, MA 02111, Telephone: (617) 546-6000, dbleck@minitz.com, elythe@minitz.com, krwalkly@minitz.com; Counsel to UMB Bank, N.A. as Trustee and DIP Lender

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifesyles Dallas, Texas (2669). The Debtors' mailing address is 8523 Thackeray Street, Dallas, Texas 75225.

² Important information and deadlines related to the proposed marketing and sale of the Debtors' assets pursuant to the Plan are set forth in the Sale Documents and the Plan Supplement, which should be reviewed together with the Motion and all parties in interest.

Exhibit B

AFFIDAVIT OF PUBLICATION

STATE OF TEXAS

COUNTY OF DALLAS

Before me, a Notary Public in and for Dallas County, this day personally appeared Mert Tezkol, advertising Representative for The Dallas Morning News, being duly sworn by oath, states the attached advertisement of

Case No. 22-30659 (MVL) AD# 1840211
was published in The Dallas Morning News

DATE PUBLISHED
December 29, 2022



A handwritten signature in blue ink, appearing to read "Mert Tezkol".

Mert Tezkol

December 29, 2022

A handwritten signature in blue ink, appearing to read "Rebecca E. Tezkol".

(Notary Public)

<p style="text-align: center;">IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS, DALLAS DIVISION</p> <p>In re: Northwest Senior Housing Corporation, et al.,¹ Debtors.</p> <p style="text-align: right;">Chapter 11 Case No. 22-30659 (MVL) (Jointly Administrated)</p> <p>NOTICE OF HEARING REGARDING (I) CONFIRMATION OF THE THIRD AMENDED PLAN OF REORGANIZATION OF THE PLAN SPONSORS DATED DECEMBER 19, 2022; (II) APPROVAL OF THE SALE TRANSACTION; AND (III) RELATED VOTING AND OBJECTION DEADLINES</p> <p>PLEASE TAKE NOTICE THAT on December 19, 2022, Northwest Senior Housing Corporation and its affiliated debtor (collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”) and UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “Trustee”) and in its capacity as lender under the DIP Credit Agreement (the “DIP Lender” and, together with the Trustee, the “Initial Plan Sponsors” and collectively with the Debtors, the “Plan Sponsors”) filed the (i) <i>Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022</i> [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “Plan”) and (ii) <i>Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022</i> [Docket No. 934] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “Disclosure Statement”). The Plan is supported by the Plan Sponsors, Lifespace Communities, Inc. (“Lifespace”), and the official committee of unsecured creditors (the “Committee”).</p> <p>PLEASE TAKE FURTHER NOTICE THAT on November 2, 2022, the Initial Plan Sponsors filed the <i>Motion of Trustee and DIP Lender for Entry of an Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation and Sale Hearing; and (V) Granting Related Relief</i> [Docket No. 755] (the “Sale Motion”);</p> <p>PLEASE TAKE FURTHER NOTICE THAT on December 6, 2022, the Initial Plan Sponsors filed the <i>Notice of Filing Revised and Supplemental Documents in Support of Motion of Trustee and DIP Lender for Entry of an Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation and Sale Hearing; and (V) Granting Related Relief</i> [Docket No. 872] (the “Sale Documents”);</p> <p>PLEASE TAKE FURTHER NOTICE THAT on December 19, 2022, the United States Bankruptcy Court for the Northern District of Texas (the “Bankruptcy Court”) entered its order [Docket No. 936] (the “Disclosure Statement Order”) approving the Disclosure Statement, and on December 20, 2022, the Bankruptcy Court entered its order [Docket No. 946] (the “Bidding Procedures Order”) approving the bidding procedures set forth in the Sale Motion and the Sale Documents;²</p> <p>PLEASE TAKE FURTHER NOTICE THAT the hearing at which the Court will consider Confirmation of the Plan, and approval of the sale of substantially all of the Debtors’ assets pursuant to the terms of the Plan (the “Confirmation and Sale Hearing”) will commence on January 26, 2023 at 9:30 a.m. prevailing Central Time before the Honorable Michelle V. Larson, in the Bankruptcy Court located at 1100 Commerce St., 14th Flr. Courtroom #2 Dallas, TX 75242. The Confirmation and Sale Hearing will be conducted in a hybrid format. Thus, you may participate in-person or via Webex. If you wish to participate remotely, you may do so by video or telephone via the Court’s WebEx platform). For WebEx Video Participation/Attendance: Link: https://us-courts.webex.com/meet/larson. For WebEx Telephonic Only Participation/Attendance: Dial-In: 1.650.479.3207, Access code: 1601356015.</p> <p>PLEASE BE ADVISED: THE CONFIRMATION AND SALE HEARING MAY BE CONTINUED FROM TIME TO TIME BY THE COURT OR THE PLAN SPONSORS WITHOUT FURTHER NOTICE OTHER THAN BY SUCH ADJOURNMENT BEING ANNOUNCED IN OPEN COURT OR BY A NOTICE OF ADJOURNMENT FILED WITH THE COURT AND SERVED ON ALL PARTIES ENTITLED TO NOTICE.</p> <p>CRITICAL INFORMATION REGARDING VOTING ON THE PLAN</p> <p>Voting Record Date. The voting record date is December 15, 2022 (the “Voting Record Date”), which is the date for determining which holders of Claims and Interests are entitled to vote on the Plan.</p> <p>Voting Deadline. The deadline for voting on the Plan January 20, 2023, at 4:00 p.m. prevailing Central Time (the “Voting Deadline”). If you received a Solicitation Package including a Ballot and intend to vote on the Plan, you must: (a) follow the instructions carefully; (b) complete all of the required information on the Ballot; and (c) execute and return your completed Ballot according to and as set forth in detail in the voting instructions so that it is actually received by Kurtzman Carson Consultants LLC (the “Voting Agent”) on or before the Voting Deadline. A failure to follow such instructions may disqualify your vote.</p> <p>CRITICAL INFORMATION REGARDING OBJECTING TO THE PLAN</p> <p>SECTION 8 OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS THAT WILL BECOME EFFECTIVE IF THE PLAN IS CONFIRMED. THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER SUCH PROVISIONS UNDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.</p> <p>IF YOU DO NOT AGREE TO SUCH PROVISIONS AND DO NOT WISH TO BE A RELEASING PARTY, AS DEFINED BY THE PLAN, YOU MUST TAKE ACTION BY</p>	<p>FILLING OUT AND TIMELY SUBMITTING A FORM TO “OPT-OUT” OF SUCH RELEASES AND RELATED PLAN PROVISIONS.</p> <p>THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN OR IF YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, CONTACT THE VOTING AGENT.</p> <p>Plan Objection Deadline. The deadline for filing objections to the Plan is January 20, 2023 at 4:00 p.m. prevailing Central Time (the “Plan Objection Deadline”). All objections to the relief sought at the Confirmation and Sale Hearing must: (a) be in writing; (b) comply with the Bankruptcy Rules, the Local Rules, and any applicable orders of the Court; (c) set forth the name of the objector and the nature and amount of any Claim or Interest asserted by the objector against or in the Debtors’ Estates; (d) state, with particularity, the legal and factual bases for the objection and, if practicable, a proposed modification to the Plan that would resolve such objection; and (e) be filed with the Court (contemporaneously with a proof of service) and served upon the following parties so as to be actually received on or before the Plan Objection Deadline: (i) counsel for the Debtors, Polsinelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201, Attn: Trinitee G. Green and 600 3rd Avenue, 42nd Floor, New York, NY 10016, Attn: Jeremy R. Johnson; (ii) counsel for Lifespace Communities, Inc., Cooley LLP, 110 North Upper Wacker Drive, Suite 4200, Chicago, Illinois 60606, Attn: Eric E. Walker; (iii) counsel for UMB Bank, N.A., Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, Attn: Daniel Bleck, Eric Blythe and Kaitlin Walsh; (iv) counsel for the Committee, Foley & Lardner, 2021 McKinney Avenue, Ste. 1600, Dallas, Texas 75201, Attn: Stephen A. McCartin, Thomas C. Scannell, and Mark C. Moore; (v) the Office of the United States Trustee, 1100 Commerce St, Room 976, Dallas, Texas 75242-1699, Attn: Lisa Lambert; and (vi) such other parties as the Court may order.</p> <p>ADDITIONAL INFORMATION</p> <p>Obtaining Solicitation Materials. The materials in the Solicitation Package(s) with respect to the Plan are intended to be self-explanatory. If you should have any questions or if you would like to obtain additional solicitation materials (or paper copies of solicitation materials if you received an electronic version), please feel free to contact the Voting Agent by: (a) calling (866) 967-0269 (toll free) or +1 (310) 751-2669 (international); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; or (c) emailing at edgemereinfo@kccllc.com with a reference to “Edgemere” in the subject line. You may also obtain such information for free by visiting the case website at http://www.kccllc.net/edgemere or for a fee via PACER at http://www.txb.uscourts.gov. Please be advised that the Voting Agent is authorized to answer questions about, and provide additional copies of, solicitation materials, but may not advise you as to whether you should vote to accept or reject the Plan.</p> <p>The Plan Supplement. The Plan Sponsors will file the Plan Supplement (as defined in the Plan) on or before January 13, 2023 and will serve notice on all holders of Claims and Interests entitled to vote on the Plan, which will: (a) inform parties of the filing of the Plan Supplement; (b) list the information contained in the Plan Supplement; and (c) explain how parties may obtain copies of the Plan Supplement.</p> <p>Lifespace’s Financial Information. Financial information with respect to Lifespace is available on the bankruptcy case website maintained by KCC, the claims, solicitation and tabulation agent in these Chapter 11 Cases. The information may be accessed for free by visiting the Debtors’ bankruptcy case website at https://www.kccllc.net/edgemere and selecting the “Lifespace Financials” tab on the home page. In addition, parties in interest may request a copy of the Master Trust Indenture (as defined in the Lifespace Settlement and Contribution Agreement) by contacting the Voting Agent. Additionally, parties may contact the undersigned to request a copy of the Master Trust Indenture.</p> <p>BINDING NATURE OF THE PLAN: IF CONFIRMED, THE PLAN SHALL BIND ALL HOLDERS OF CLAIMS AND INTERESTS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WHETHER OR NOT SUCH HOLDER WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE CONFIRMED PLAN, HAS FILED A PROOF OF CLAIM IN THE CHAPTER 11 CASES, FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN, OR VOTED TO REJECT THE PLAN.</p> <p>Dated: December 20, 2022, Dallas, Texas. POLSINELLI PC, /s/ Trinitee G. Green, Trinitee G. Green (SBN 24081320), 2950 N. Harwood, Suite 2100, Dallas, Texas 75201, Telephone: (214) 397-0030, Facsimile: (214) 397-0033, tggreen@polsinelli.com -and- Jeremy R. Johnson (Admitted Pro Hac Vice), 600 3rd Avenue, 42nd Floor, New York, New York 10016, Telephone: (212) 684-0199, Facsimile: (212) 684-0197, jeremy.johnson@polsinelli.com, Counsel to the Debtors and Debtors in Possession -and- HAYNES AND BOONE, LLP, /s/ J. Frasher Murphy, J. Frasher Murphy, State Bar No. 24013214, Thomas J. Zavala, State Bar No. 24116265, 2323 Victory Avenue, Suite 700, Dallas, TX 75219, Telephone: (214) 651-5000, frasher.murphy@haynesboone.com, tom.zavala@haynesboone.com -and- MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO PC, Daniel S. Bleck (Admitted Pro Hac Vice), Eric Blythe (Admitted Pro Hac Vice), Kaitlin R. Walsh (Admitted Pro Hac Vice), One Financial Center, Boston, MA 02111, Telephone: (617) 546-6000, dbleck@mintz.com, erbythe@mintz.com, krwalsh@mintz.com, Counsel to UMB Bank, N.A. as Trustee and DIP Lender</p> <p>¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.</p> <p>² Important information and deadlines related to the proposed marketing and sale of the Debtors’ assets pursuant to the Plan are set forth in the Sale Motion and the Sale Documents, which should be reviewed together with the Plan by all parties in interest.</p>
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Real estate advertised in this newspaper is subject to the amended Federal Fair Housing Act of 1968, which makes it illegal to advertise any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin or intention to make such preference, limitation or discrimination. This newspaper will not knowingly accept any advertising for real estate which is in violation of the law. For complaints call the Fair Housing Office in your city or HUD 800-669-9777.

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Locators may advertise apartment units in general terms & all units may not have the same features. The amount of rent quoted in an ad may be the starting rent for a basic unit which does not have all advertised features.

AGREEMENT FOR RENT

NOTICE

Residential rental locators are required to be licensed by the TX Real Estate Commission, Austin **800-250-8732**

Locators may advertise apartment units in general terms & all units may not have the same features. The amount of rent quoted in an ad may be the starting rent for a basic unit which does not have all advertised features.

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LEGAL BIDS & NOTICES

- Bankruptcy, Court Sales
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Bids & Proposals

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CITY OF DALLAS
ADVERTISEMENT REQUEST FOR PROPOSALS

Proposal(s) will be received by the City of Dallas solicitation website at <https://dolascityhall.com> until 1:00 pm on Fridays. All Proposers' company name(s) will be publicly posted on Fridays in the Express Business Center, RM 12E5 of Dallas City Hall, and can be viewed on the City of Dallas website at <https://dolascityhall.com> (see City Meetings). Proposal's titles and dates of public reading are listed below. Proposal packets may be obtained by downloading from <https://dolascityhall.com>.

B123-0002117 Military Parkway Corridor Mobility Plan - Commodity Code - 91800 (Proposals Due on 01/20/2023, Reading on 01/20/2023)

PO# 1233-9677/DO#1024028
CITY OF DALLAS
ADVERTISEMENT REQUEST FOR COMBINED SEALED PROPOSALS

Competitive Sealed Proposal(s) will be received by the City of Dallas solicitation website at <https://dolascityhall.com> until 1:00 pm on Fridays. All Proposers' company name(s) will be publicly posted on Fridays in the Express Business Center, RM 12E5 of City Hall, and can be viewed on the City of Dallas website at <https://dolascityhall.com> (see City Meetings). Proposal's titles and dates of public reading are listed below. Proposal packets may be obtained by downloading from <https://dolascityhall.com>.

B123-0002119 Outfall Closure Devices and Control System - Commodity Codes - 96871, 90990 (Due on 01/27/2023, Reading on 01/27/2023)

B123-0002119 Dallas Accelerator Program - Commodity Codes - 91827, 91889, 92418, 96110, 94649, 94650, 94651 (Due on 01/27/2023, Reading on 01/27/2023)

B123-0002119 Airport Financial and Consulting Services - Commodity Code - 90236 (Due on 01/27/2023, Reading on 01/27/2023)

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LEGAL BIDS & NOTICES

Bids & Proposals

BID NOTICE

Skanska USA Building Inc., Construction Manager-at-Risk for Texas Health and Human Services, will be accepting proposals from qualified subcontractors for the project located at 1200 East Brin Street in Terrell, TX. This solicitation for **Terrell State Hospital Renovation GMP Bid**. Scope of work includes Demolition, Building Construction System Upgrade, and Emergency Generator Replacements. Bids will be due **Thursday, January 19, 2023 at 2:00 PM CST**. All Bids should be submitted via BuildingConnected. Documents are available electronically via address all questions to philip.shin@skanska.com. Skanska USA Building is an equal opportunity (EEO) employer.

NOTICE TO BIDDERS INVITATION TO BID NO. 31-23, ANNUAL REQUIREMENTS CONTRACT FOR PAVEMENT LEVELING SERVICES

The City of Richardson shall accept electronic Bids through Periscop Holdings, LLC at periscopholdings.com or sealed Bids for Invitation to Bid No. 31-23 Annual Requirements Contract for Pavement Leveling Services, until Thursday, January 19, 2023, prior to 2:00 P.M., Central Time. Bids shall be opened and read aloud on Thursday, January 19, 2023, at 2:30 P.M. Bids shall be opened and read aloud on Thursday, January 19, 2023, at 2:30 P.M. Documents are available to be downloaded at no charge through Periscop Holdings, LLC. A voluntary pre-bid meeting will be held on Wednesday, January 6, 2023 at 10:00 A.M. ONLINE via Webex.

LEGAL NOTICES

IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS, DALLAS DIVISION

In re: Northwest Senior Housing Corporation, et al., Debtors.

Chapter 11 (Jointly Administered) (Debtor).

NOTICE OF HEARING REGARDING (I) CONFIRMATION OF THE THIRD AMENDED PLAN OF REORGANIZATION OF THE PLAN SPONSORS DATED DECEMBER 19, 2022; (II) APPROVAL OF THE SALE TRANSACTION; AND (III) RELATED VOTING AND OBJECTION DEADLINES

PLEASE TAKE NOTICE that on December 6, 2022, Northwest Senior Housing Corporation and its affiliated debtor (collectively, the "Debtors") in the above-captioned Chapter 11 case (the "Chapter 11 Case") and UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (the "BIP Lender"), and together with the trustee, the Initial Plan Sponsors and certain other parties, filed the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022 (Docket No. 933) (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the "Plan") and the Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022 (Docket No. 934) (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the "Disclosure Statement"). The Plan is supported by the Plan Sponsors, Lifespace Communities, LLC ("Lifespace"), and the local committee of unsecured creditors (the "Committee").

PLEASE TAKE FURTHER NOTICE that on November 2, 2022, the Initial Plan Sponsors filed the Notice of Filing Revised and Supplemental Documents in Support of Certain Contractual Provisions for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022 (Docket No. 927) (the "Notice of Filing Revised and Supplemental Documents") and the Initial Plan Sponsors filed the Notice of Filing Revised and Supplemental Documents in Support of Certain Contractual Provisions and Unrelated Leases (the "Notice of Filing Revised and Supplemental Documents") on November 2, 2022 (Docket No. 928) (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the "Notice of Filing Revised and Supplemental Documents").

PLEASE TAKE FURTHER NOTICE that on December 6, 2022, the Initial Plan Sponsors filed the Notice of Filing Revised and Supplemental Documents in Support of Certain Contractual Provisions for the Plan of Reorganization of the Plan Sponsors Dated December 19, 2022 (Docket No. 927) (the "Notice of Filing Revised and Supplemental Documents") and the Initial Plan Sponsors filed the Notice of Filing Revised and Supplemental Documents in Support of Certain Contractual Provisions and Unrelated Leases (the "Notice of Filing Revised and Supplemental Documents") on December 6, 2022 (Docket No. 928) (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the "Notice of Filing Revised and Supplemental Documents").

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LEGAL NOTICES

FILING OUT AND TIMELY SUBMITTING A FORM TO "OPT-OUT" OF SUCH RELEASES AND RELATED PLAN PROVISIONS.

THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN OR YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, CONTACT THE VOTING AGENT.

Plan Objection Deadline. The deadline for filing objections to the Plan is January 20, 2023 at 4:00 p.m., prevailing Central Time (the "Plan Objection Deadline"). All objections to the relief sought in the Confirmation and Sale Hearing must: (a) be in writing; (b) comply with the Bankruptcy Rules, the Local Rules, and any applicable orders of the Court; (c) set forth the name of the objector and the nature and amount of any claim of interest asserted by the objector against or for the Debtors' Estates; (d) state, with particularity, the legal and factual bases for the objection, and, if applicable, a proposed modification to the Plan that would resolve such objection; and (e) be filed with the Court (contemporaneously with a proof of service) and served upon the following parties so as to be **actually received** on or before the Plan Objection Deadline: (i) counsel for the Debtors, Polsinelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201, Attn: Trinitis G. Green and 600 3rd Avenue, 42nd Floor, New York, NY 10016, Attn: Jeremy R. Johnson; (ii) counsel for Lifespace Communities, Inc., Cooley LLP, 110 North Upper Wacker Drive, Suite 4200, Chicago, Illinois 60606, Attn: Eric Walker; (iii) counsel for UMB Bank, N.A., Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Centre, Boston, Massachusetts 02111, Attn: Daniel Bloch, Eric Bythe and Kaitlin Walsh; (iv) counsel for the Committee, Foley & Lardner, 2021 McKinney Avenue, Ste. 1600, Dallas, Texas 75201, Attn: Stephen A. McCartin, Thomas S. Scamelli, and Mark C. Moore; (v) the Office of the United States Trustee, 1100 Commerce Street, Room 916, Dallas, Texas 75242-1699, Attn: Lisa Lambert; and (vi) such other parties as the Court may order.

Obtaining Solicitation Materials. The materials in the Solicitation Package(s) with respect to the Plan are intended to be self-explanatory. If you should have any questions or if you would like to obtain additional solicitation materials (or paper copies of solicitation materials) you have received an electronic version, please feel free to contact the Voting Agent by (a) calling (866) 967-0269 (toll free) or +1 (310) 751-2669 (international); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, La Seguna, CA 90245; or (c) emailing at edgenet@kcc.com with a reference to "Edgenet" in the subject line. You may also obtain such information for free by visiting the case website at <http://www.kcccllc.net/edgenet> or for a fee via PACER at <http://www.tx.uscourts.gov>. Please be advised that the Voting Agent is authorized to answer questions about, and provide additional copies of, solicitation materials, but may advise you as to whether you should vote to accept or reject the Plan.

The Plan Supplement. The Plan Sponsors will file the Plan Supplement (as defined in the Plan) on or before January 13, 2023 and will file notice on all holders of Claims and Interests entitled to vote on the Plan, with which (a) inform parties of the filing of the Plan Supplement; (b) list the information contained in the Plan Supplement; and (c) explain how parties may obtain copies of the Plan Supplement.

Lifespace's Financial Information. Financial information with respect to Lifespace is available on the bankruptcy case website maintained by KCC, the claims, solicitation and tabulation agent in these Chapter 11 Cases. The information may be accessed for free by visiting the Debtors' bankruptcy case website at <https://www.kcccllc.net/edgenet> and selecting the "Lifespace Financials" tab on the home page. In addition, parties in interest may request a copy of the Master Trust Indenture (as defined in the Lifespace Settlement and Contribution Agreement) by contacting the Voting Agent. Additionally, parties may contact the undersigned to request a copy of the Master Trust Indenture.

HOLDERS OF CLAIMS AND INTERESTS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WHETHER OR NOT SUCH HOLDER WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE CONFIRMED PLAN, HAS FILED A PROOF OF CLAIM IN THE CHAPTER 11 CASES, FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN, OR VOTED TO REJECT THE PLAN.

DATED: December 20, 2022. Dallas, Texas. **POLSINELLI PC**, */s/ Trinitis G. Green*, Trinitis G. Green (SBN 24081320), 2950 N. Harwood, Suite 2100, Dallas, Texas 75201, telephone: (214) 397-0030, facsimile: (214) 397-0033, trinitis@polsinelli.com; and **JEREMY R. JOHNSON** (Admitted Pro Hac Vice), Jeremy R. Johnson (SBN 24013214), Thomas J. Zavalza, State Bar No. 24116265, 2323 Victoria Avenue, Suite 700, Dallas, TX 75219, telephone: (214) 651-5000, jeremy@kurtzman.com; and **MINITZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO PC**, Daniel S. Bloch (Admitted Pro Hac Vice), Eric Bythe (Admitted Pro Hac Vice), Kaitlin R. Walsh (Admitted Pro Hac Vice), One Financial Centre, Boston, MA 02111, telephone: (617) 546-6000, dbs@kcc.com, erbythe@mintz.com, kwalsh@mintz.com; **Consolidated UMB Bank, N.A.** as Trustee and DIP Lender.

The Debtors and its Chapter 11 Cases, along with the last four digits of each Debtor's federal identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifespace Corporation (2669). The Debtors' mailing address is 6823 Hackberry Street, Dallas, Texas 75225.

Important information and deadlines related to the proposed marketing and sale of the Debtors' assets pursuant to the Plan are set forth in the Sale Motion and the Sale Documents, which should be reviewed together with the Plan by all parties in interest.

IF YOU DO NOT AGREE TO SUCH PROVISIONS AND DO NOT WISH TO BE A RELEASING PARTY, AS DEFINED BY THE PLAN, YOU MUST TAKE ACTION BY

Critical Information Regarding Voting on the Plan

Voting Record Date. The voting record date is December 15, 2022 (the "Voting Record Date"), which is the date for determining which holders of Claims and Interests are entitled to vote on the Plan.

Voting Deadline. The deadline for voting on the Plan is January 20, 2023, at 4:00 p.m., prevailing Central Time (the "Voting Deadline"). If you received a Solicitation Package including a Ballot and intend to vote on the Plan, you must: (a) follow the instructions carefully; (b) complete all of the required information on the Ballot; and (c) execute and return your completed Ballot according to and as set forth in detail in the voting instructions so that it is **actually received** by Kurtzman Carson Consultants LLC (the "Voting Agent") on or before the Voting Deadline. A failure to follow such instructions may disqualify your vote.

Critical Information Regarding Objecting to the Plan

SECTION OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND WAIVER PROVISIONS THAT WILL BECOME EFFECTIVE IF THE PLAN IS CONFIRMED; THEREFORE, YOU ARE ADVISED TO REVIEW AND CONSIDER SUCH PROVISIONS UNDER THE PLAN CAREFULLY BEFORE YOU VOTE. YOUR RIGHTS WILL BE AFFECTED THEREAFTER.

IF YOU DO NOT AGREE TO SUCH PROVISIONS AND DO NOT WISH TO BE A RELEASING PARTY, AS DEFINED BY THE PLAN, YOU MUST TAKE ACTION BY

Public Notice of Change of Name

Tex. Prop. Code § 9.002. Public notice is given that by order of the DALLAS COUNTY DISTRICT COURT, entered on 10/21/2022 (Notary date), in Civil Action DF-22-15549 the name of KENNETH PAUL EASTERLING was changed from KENNETH PAUL EASTERLING to Kenneth Paul Easterling. As of the date of this public notice all disabilities of minority have been removed and no longer attached upon the person or property of Kenneth Paul Easterling. Those who have a claim against the estate of KENNETH PAUL EASTERLING step forward and make your claim known in the DALLAS COUNTY DISTRICT COURT within 30 days of this Publication or 12/02/2022, whichever comes first. Dated 10/21/2022. Affirmed by: Kenneth Paul Easterling, US Affiant Sworn to and subscribed Before this 21st day of October, 2022. Notarized by: ASSANDRA BRAN, a Notary Public in and for the State of Texas. My Commission Expires May 17, 2025

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Business

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JUMBLE

THAT SCRAMBLED WORD GAME
By David L. Hoyt and Jeff Knurek

Unscramble these Jumbles, one letter to each square, to form four ordinary words.

TIFHA
□ □ □ □ □ □

RCEKW
□ □ □ □ □ □

UNCESS
□ □ □ □ □ □

NEFOUD
□ □ □ □ □ □

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Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

(Answers tomorrow)

Yesterday's Jumbles: SPURN FRESH SPRUCE GLOBAL
Answer: Even though rabbits aren't insects, they can be — GRASS HOPPERS

Exhibit 10

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹
Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

NOTICE OF FILING OF PLAN SUPPLEMENT

PLEASE TAKE NOTICE THAT on December 19, 2022, Northwest Senior Housing Corporation and its affiliated debtor (collectively, the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”) and UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”) and in its capacity as lender under the DIP Credit Agreement (the “**DIP Lender**” and, together with the Trustee, the “**Initial Plan Sponsors**” and collectively with the Debtors, the “**Plan Sponsors**”) filed the (i) *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Plan**”) and (ii) *Third Amended Disclosure Statement for the Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 934] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Disclosure Statement**”). The Plan is supported by the Plan Sponsors, Lifespace Communities, Inc. (“**Lifespace**”), and the official committee of unsecured creditors (the “**Committee**”).

PLEASE TAKE FURTHER NOTICE THAT on November 2, 2022, the Initial Plan Sponsors filed the *Motion of Trustee and DIP Lender for Entry of an Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation and Sale Hearing; and (V) Granting Related Relief* [Docket No. 755] (the “**Sale Motion**”).

PLEASE TAKE FURTHER NOTICE THAT on December 6, 2022, the Initial Plan Sponsors filed the *Notice of Filing Revised and Supplemental Documents in Support of Motion of Trustee and DIP Lender for Entry of an Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.



Leases; (IV) Scheduling Combined Confirmation and Sale Hearing; and (V) Granting Related Relief [Docket No. 872] (the “**Sale Documents**”).

PLEASE TAKE FURTHER NOTICE THAT on December 19, 2022 the United States Bankruptcy Court for the Northern District of Texas (the “**Bankruptcy Court**”) entered the *Order Approving Disclosure Statement and Granting Related Relief* [Docket No. 936] (the “**Disclosure Statement Order**”) thereby approving the Disclosure Statement.

PLEASE TAKE FURTHER NOTICE THAT on December 20, 2022, the Bankruptcy Court entered its order [Docket No. 946] (the “**Bidding Procedures Order**”) approving the bidding procedures set forth in the Sale Motion and the Sale Documents.²

PLEASE TAKE FURTHER NOTICE THAT, as contemplated by the Plan, the Plan Sponsors filed the Plan Supplement with the Court on January 13, 2023. The Plan Supplement contains the following documents (as defined in the Plan): (i) the Litigation Trust Agreement; (ii) Residents Trust Agreement; and (iii) a list of Executory Contracts and Unexpired Leases, which includes those certain Insurance Policies to be assumed by the Debtors on the Effective Date of the Plan. A form of monthly rental agreement for Current Residents is forthcoming, and the Plan Sponsors will amend this Plan Supplement therewith. The Plan Sponsors shall have the right to amend the documents contained in, and exhibits to, the Plan Supplement, subject to the terms of the Plan.

PLEASE TAKE FURTHER NOTICE THAT the hearing at which the Court will consider Confirmation of the Plan and approval of the sale of substantially all of the Debtors’ assets pursuant to the terms of the Plan (the “**Confirmation and Sale Hearing**”) will commence on **February 21, 2023 at 9:30 a.m. prevailing Central Time** before the Honorable Michelle V. Larson, in the Bankruptcy Court located at 1100 Commerce St., 14th Flr. Courtroom #2 Dallas, TX 75242. The Confirmation and Sale Hearing will be conducted in a hybrid format. Thus, you may participate in-person or via Webex. If you wish to participate remotely, you may do so by video or telephone via the Court’s WebEx platform). **For WebEx Video Participation/Attendance:** Link: <https://us-courts.webex.com/meet/larson>. **For WebEx Telephonic Only Participation/Attendance:** Dial-In: 1.650.479.3207, Access code: 160 135 6015.

PLEASE BE ADVISED: THE CONFIRMATION AND SALE HEARING MAY BE CONTINUED FROM TIME TO TIME BY THE COURT OR THE PLAN SPONSORS **WITHOUT FURTHER NOTICE** OTHER THAN BY SUCH ADJOURNMENT BEING ANNOUNCED IN OPEN COURT OR BY A NOTICE OF ADJOURNMENT FILED WITH THE COURT AND SERVED ON ALL PARTIES ENTITLED TO NOTICE.

² Important information and deadlines related to the proposed marketing and sale of the Debtors’ assets pursuant to the Plan are set forth in the Sale Motion and the Sale Documents, which should be reviewed together with the Plan by all parties in interest.

CRITICAL INFORMATION REGARDING OBJECTING TO THE PLAN

SECTION 8 OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS THAT WILL BECOME EFFECTIVE IF THE PLAN IS CONFIRMED. THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.

IF YOU DO NOT AGREE TO SUCH PROVISIONS AND DO NOT WISH TO BE A RELEASING PARTY, AS DEFINED BY THE PLAN, YOU MUST TAKE ACTION BY FILLING OUT AND TIMELY SUBMITTING AN “OPT-OUT FORM.”

THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN OR IF YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, CONTACT THE VOTING AGENT.

Plan Objection Deadline. The deadline for filing objections to the Plan is **February 14, 2023 at 4:00 p.m. prevailing Central Time** (the “**Plan Objection Deadline**”). All objections to the relief sought at the Confirmation and Sale Hearing **must**: (a) be in writing; (b) comply with the Bankruptcy Rules, the Local Rules, and any applicable orders of the Court; (c) set forth the name of the objector and the nature and amount of any Claim or Interest asserted by the objector against or in the Debtors’ Estates; (d) state, with particularity, the legal and factual bases for the objection and, if practicable, a proposed modification to the Plan that would resolve such objection; and (e) be filed with the Court (contemporaneously with a proof of service) and served upon the following parties so as to be **actually received** on or before the Plan Objection Deadline: (i) counsel for the Debtors, Polsinelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201, Attn: Trinitee G. Green and 600 3rd Avenue, 42nd Floor, New York, NY 10016, Attn: Jeremy R. Johnson; (ii) counsel for Lifespace Communities, Inc., Cooley LLP, 110 North Upper Wacker Drive, Suite 4200, Chicago, Illinois 60606, Attn: Eric. E. Walker; (iii) counsel for UMB Bank, N.A., Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, Attn: Daniel Bleck, Eric Blythe, and Kaitlin Walsh; (iv) counsel for the Committee, Foley & Lardner, 2021 McKinney Avenue, Ste. 1600, Dallas, Texas 75201, Attn: Stephen A. McCartin, Thomas C. Scannell, and Mark C. Moore; (v) the Office of the United States Trustee, 1100 Commerce St, Room 976, Dallas, Texas 75242-1699, Attn: Lisa Lambert; and (vi) such other parties as the Court may order.

ADDITIONAL INFORMATION

Obtaining Solicitation Materials. The materials in the Solicitation Package are intended to be self-explanatory. If you should have any questions or if you would like to obtain additional solicitation materials (or paper copies of solicitation materials if you received an electronic version) or a copy of the Plan Supplement, please feel free to contact the voting by: (a) calling (866) 967-0269 (toll free) or +1 (917) 281-4800 (international); (b) writing to Northwest Senior Housing Corporation Solicitation, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; (c) emailing at EdgemereInfo@kcellc.com with a reference to “Edgemere” in the subject line; or (d) visiting the case website at <http://www.kcellc.net/edgemere>. You may also obtain such information for a fee via PACER at <http://www.txnb.uscourts.gov>. Please be advised that the Voting Agent is authorized to answer questions about, and provide additional copies of, solicitation materials, but may not advise you as to whether you should vote to accept or reject the Plan.

Lifespace’s Financial Information. Financial information with respect to Lifespace is available on the bankruptcy case website maintained by KCC, the claims, solicitation and tabulation agent in these Chapter 11 Cases. The information may be accessed for free by visiting the Debtors’ bankruptcy case website at <https://www.kcellc.net/edgemere> and selecting the “Lifespace Financials” tab on the home page. In addition, parties in interest may request a copy of the Master Trust Indenture (as defined in the Lifespace Settlement and Contribution Agreement) by contacting the Voting Agent. Additionally, parties may contact the undersigned to request a copy of the Master Trust Indenture.

BINDING NATURE OF THE PLAN:

IF CONFIRMED, THE PLAN SHALL BIND ALL HOLDERS OF CLAIMS AND INTERESTS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WHETHER OR NOT SUCH HOLDER WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE PLAN, HAS FILED A PROOF OF CLAIM IN THE CHAPTER 11 CASES, FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN, OR VOTED TO REJECT THE PLAN.

[Signatures on Following Page]

Dated: January 13, 2023
Dallas, Texas

POLSINELLI PC

/s/ Trinitee G. Green
Trinitee G. Green (SBN 24081320)
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
Telephone: (214) 397-0030
Facsimile: (214) 397-0033
tggreen@polsinelli.com

– and –

Jeremy R. Johnson (Admitted *Pro Hac Vice*)
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Counsel to the Debtors and Debtors in Possession

HAYNES AND BOONE, LLP

/s/J. Frasher Murphy
J. Frasher Murphy
State Bar No. 24013214
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– and –

**MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY AND POPEO, PC**

Daniel S. Bleck (Admitted *Pro Hac Vice*)
Eric Blythe (Admitted *Pro Hac Vice*)
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Counsel to UMB Bank, N.A. as Trustee and DIP Lender

EXHIBIT A

Litigation Trust Agreement

LITIGATION TRUST AGREEMENT

This Litigation Trust Agreement,¹ dated as of January [•], 2023 (as amended, supplemented, or otherwise modified from time to time, this “Litigation Trust Agreement” or this “Agreement”), by and among (i) Northwest Senior Housing Corporation and Senior Quality Lifestyles Corporation, the debtors and debtors in possession (together, the “Debtors”) in the chapter 11 cases (the “Chapter 11 Cases”) currently pending in the United States Bankruptcy Court for the Northern District of Texas (the “Bankruptcy Court”), (ii) the undersigned Members of the Litigation Trust Oversight Committee (as defined herein), and (iii) [•], as trustee of the Litigation Trust referred to herein (in such capacity, the “Litigation Trustee”), creates and establishes the litigation trust (the “Litigation Trust”) for the benefit of the Litigation Trust Beneficiaries (as defined herein) in connection with the Plan (defined below). Each of the parties hereto are referred to herein individually as a “Party” and, collectively, as the “Parties.”

RECITALS

WHEREAS, the Debtors filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) on April 14, 2022 (the “Petition Date”), initiating the Chapter 11 Cases;

WHEREAS, on December 19, 2022, (i) UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “Bond Trustee”), (ii) UMB Bank, N.A., in its capacity as lender under the DIP Credit Agreement (the “DIP Lender” and, together with the Trustee, the “Trustee”), (iii) Northwest Senior Housing Corporation d/b/a Edgemere (“Edgemere”), (iv) Senior Quality Lifestyles Corporation (“SQLC” and together with Edgemere, the “Debtors” and together with the Trustee, the “Plan Sponsors”) filed the *Third Amended Plan of Reorganization of the Plan Sponsors dated December 19, 2022* [Docket No. 933] (as the same may be amended, modified, or supplemented from time to time in accordance with the terms and provisions thereof, the “Plan”), which Plan is supported by Lifespace Communities, Inc. (“Lifespace”) and the Official Committee of Unsecured Creditors (the “Committee”);

WHEREAS, on December 19, 2022, the Plan Sponsors submitted the *Third Amended Disclosure Statement for the Plan of Reorganization of the Plan Sponsors dated December 19, 2022* [Docket No. 934] (as the same may be amended, modified, or supplemented from time to time in accordance with the terms and provisions thereof, the “Disclosure Statement”);

WHEREAS, on December 19, 2022, the Bankruptcy Court entered an order approving the Disclosure Statement [Docket No. 936];

WHEREAS, on January 13, 2023, the Plan Sponsors filed their *Plan Supplement to the Third Amended Plan of Reorganization of the Plan Sponsors* [Docket No. •];

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan or, if not defined therein, in the Disclosure Statement.

WHEREAS, on February [•], 2023, the Bankruptcy Court entered its order confirming the Plan (the “Confirmation Order”) [Docket No. •];

WHEREAS, the Effective Date of the Plan occurred on April [•], 2023;

WHEREAS, pursuant to and as provided in the Plan, as of the Effective Date of the Plan the Parties hereby seek to effectuate (a) the creation and establishment of the Litigation Trust for the benefit of the Litigation Trust Beneficiaries, (b) the transfer to the Litigation Trust of the Litigation Trust Assets, the Litigation Trust Causes of Action (as defined herein), free and clear of all Claims and Interests other than those of the Litigation Trust Beneficiaries, (c) the prosecution and settlement of the Litigation Trust Causes of Action by the Litigation Trustee, and (d) the distribution of the proceeds therefrom or from any of the Litigation Trust Assets (collectively, the “Litigation Trust Proceeds”) to the Litigation Trust Beneficiaries, in each case as set forth in the Plan, the Confirmation Order, and this Agreement;

WHEREAS, pursuant to and as provided in the Plan, the Litigation Trust shall be funded and vested with that certain Litigation Trust Fund² (as defined herein);

WHEREAS, the Litigation Trust is established hereunder for the sole purpose of prosecuting the Litigation Trust Causes of Action and liquidating and distributing the Litigation Trust Assets to or for the benefit of the holders of the Litigation Trust Beneficiaries, with no objective or authority to continue or engage in the conduct of a trade or business;

WHEREAS, the Holders of Allowed General Unsecured Claims under the Plan (collectively referenced herein as the “Litigation Trust Beneficiaries”) are the beneficiaries of the Litigation Trust;

WHEREAS, for the avoidance of any doubt, and pursuant to and consistent with the Plan, only those parties granted interests in the Litigation Trust pursuant to the Plan and Confirmation Order (or any transferee thereof made in accordance with this Agreement) shall be considered Litigation Trust Beneficiaries;

WHEREAS, the Litigation Trust is intended to qualify as a “liquidating trust” pursuant to the Internal Revenue Code of 1986, as amended (the “IRC”), and the regulations promulgated thereunder (“Treasury Regulations”) including Treasury Regulation section 301.7701-4(d), and thus as a “grantor trust” within the meaning of sections 671 through 679 of the IRC, with the Litigation Trust Beneficiaries treated for U.S. federal income tax purposes as the grantors and owners of their respective shares of the Litigation Trust Assets;

WHEREAS, the Litigation Trustee shall have all powers necessary to implement the provisions of the Plan, the Confirmation Order, and this Agreement and to administer the Litigation Trust as provided herein; and

² For the avoidance of doubt, Section 4.2.3 of the Plan provides for the funding of \$500,000, on a Pro Rata basis by the Trustee and Lifespace, into the Litigation Trust Fund for the payment of Litigation Trust Expenses to be incurred by the Litigation Trust.

NOW, THEREFORE, pursuant to the Plan and the Confirmation Order, in consideration of the mutual agreements of the Parties contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and affirmed, the Parties hereby agree as follows:

ARTICLE I

ESTABLISHMENT OF THE LITIGATION TRUST

1.1 Establishment of the Litigation Trust and Appointment of the Litigation Trustee and the Litigation Trust Oversight Committee.

(a) The Parties, pursuant to the Plan and the Confirmation Order, and in accordance with the applicable provisions of the Bankruptcy Code, hereby establish this Litigation Trust on behalf of the Litigation Trust Beneficiaries, which shall be known as the “Edgemere Litigation Trust,” on the terms set forth herein. In connection with the exercise of the Litigation Trustee’s powers hereunder, which powers are only effective as of the Effective Date of the Plan, the Litigation Trustee may use this name or such variation thereof as the Litigation Trustee sees fit.

(b) Litigation Trustee. [•] is hereby appointed as Litigation Trustee of the Litigation Trust effective solely as of the Effective Date of the Plan (such date for purposes hereof, referenced herein as the “Effective Date”) and agrees to accept and hold the assets of the Litigation Trust in trust for the Litigation Trust Beneficiaries subject to the terms of the Plan, the Confirmation Order, and this Agreement. As of the Effective Date of the Plan, the Litigation Trustee (and each successor trustee serving from time to time, as duly appointed hereunder) shall have all the rights, powers and duties set forth herein.

(c) Litigation Trust Oversight Committee. A committee is hereby appointed to oversee the Litigation Trust and the activities of the Litigation Trustee (the “Litigation Trust Oversight Committee”). The Litigation Trust Oversight Committee shall consist of one (1) Person appointed by the Trustee, one (1) Person appointed by Lifespace, and one (1) Person mutually agreeable to the Trustee and Lifespace (each, a “Member”). The initial Members are identified on Exhibit B attached hereto.

(d) Any action(s) undertaken by the Litigation Trustee under this Agreement that require direction by the Litigation Trust Oversight Committee shall be in writing approved by a majority in number of the Members of the Litigation Trust Oversight Committee in accordance with Article V hereof (a “Direction”).

(e) The Litigation Trustee and the Members shall serve without bond and shall have no obligation to file any accountings with any state court.

(f) For the avoidance of doubt, neither the Litigation Trustee nor any Member of the Litigation Trust Oversight Committee is or shall be deemed an officer, director, or fiduciary of any of the Debtors.

1.2 Transfer and Vesting of the Litigation Trust Assets.

(a) On the Effective Date of the Plan, the Debtors shall contribute or otherwise transfer to the Litigation Trust all Claims and Retained Causes of Action, including but not limited to the Landlord Litigation, as provided by the Plan (together with any additional causes of action or Litigation Trust Assets described in the Plan that may be assigned by any party to the Litigation Trust for the benefit of the Litigation Trust Beneficiaries, referenced herein collectively as the “Litigation Trust Causes of Action”). Litigation Trust Causes of Action may also include any additional claims and causes of action that may be assigned by any party to the Litigation Trust for the benefit of the Litigation Trust Beneficiaries. The contribution or transfer of the Litigation Trust Causes of Action to the Litigation Trust shall (i) be deemed to occur automatically on the Effective Date of the Plan, (ii) be deemed to include the rights and powers of each Debtor and Litigation Trust Beneficiary, as applicable, in such Litigation Trust Causes of Action, and (iii) be free and clear of all Claims and Interests other than the interests of the Litigation Trust Beneficiaries.

(b) Pursuant to section 4.2.4 of the Plan, on the Effective Date, the Debtors shall be deemed to transfer all of the Litigation Trust Assets (including the rights and powers of the Debtors’ Estates applicable to the Litigation Trust Assets in accordance with section 1141 of the Bankruptcy Code) and the Litigation Trust Causes of Action, to the Litigation Trust, including all information necessary to investigate, prosecute, protect, and conserve all Litigation Trust Assets, free and clear of all Liens, Claims, encumbrances, and Interests (legal, beneficial, or otherwise) for the benefit of the Litigation Trust Beneficiaries. For the avoidance of doubt, upon the transfer of the Litigation Trust Assets, the Litigation Trust shall succeed to all of the Debtors’ rights, title, and interest in the Litigation Trust Assets, and the Debtors shall have no further interest in or with respect to the Litigation Trust or the Litigation Trust Assets. The Plan shall be considered a motion pursuant to sections 105 and 363 of the Bankruptcy Code for such relief.

(c) Upon the Effective Date of the Plan, the Litigation Trustee shall be authorized to obtain, liquidate, and collect all of the Litigation Trust Assets in the possession of third parties, if any, and commence, litigate, and/or settle all of the Litigation Trust Causes of Action. The Litigation Trust acting through the Litigation Trustee shall serve as the successor-in-interest with respect to any action that was or could have been commenced by any of the Debtors prior to the Effective Date that is a Litigation Trust Asset and shall be deemed and entitled to be substituted for the same as the party in all such litigation. To the extent any of the foregoing does not automatically occur on the Effective Date or is not effectuated through the Plan, the Confirmation Order or this Agreement, the Debtors, as applicable, shall, on and after the Effective Date, cause to be executed such other and further documents as are reasonably necessary to effectuate all of the foregoing in connection with the administration of the Litigation Trust Assets by the Litigation Trustee. In no event shall any part of the Litigation Trust Causes of Action (including, without limitation, Litigation Trust Proceeds) revert to or be distributed to the Debtors or any other third parties other than as expressly provided for herein.

(d) [Reserved.]

(e) As soon as is reasonably practicable on or after the Effective Date (and under no circumstances later than thirty (30) Business Days following the Effective Date), the

Debtors shall have collected and retained and then deliver or cause to be delivered, as necessary and as requested by the Litigation Trustee, to the Litigation Trust any and all books and records and all other documents and communications related to the Litigation Trust Assets, including those maintained in electronic format and original documents, whether held by the Debtors, or their respective current officers, directors, employees, agents, advisors, attorneys, accountants, or any other professionals.

(f) The Litigation Trustee agrees to execute any documents or other instruments and take any other steps as are reasonably necessary to cause title to the Litigation Trust Assets to be transferred to the Litigation Trust on the Effective Date.

(g) The Litigation Trust shall be authorized to use Bankruptcy Rule 2004 and any other bankruptcy or other tools of discovery available to the Debtors and the Debtors' Estates. Any and all such rights in connection with Rule 2004 discovery, examinations, orders, and agreements related thereto concerning the Debtors and the Litigation Trust Assets shall vest in the Litigation Trustee and its representatives, and the Debtors and the Litigation Trustee are authorized to take all necessary actions to effectuate the transfer of such rights and privileges.

(h) The transfer of the Litigation Trust Assets to the Litigation Trust shall be exempt from any stamp, real estate transfer, mortgage reporting, sales, use, or other similar tax, pursuant to section 1146(a) of the Bankruptcy Code.

1.3 Funding of the Litigation Trust. On the Effective Date, pursuant to section 4.2.3 of the Plan, the Litigation Trust shall be funded Pro Rata by the Trustee and Lifespace in an amount of \$500,000 (the "Litigation Trust Fund") which amount shall be used to fund Litigation Trust Expenses to be incurred by the Litigation Trust. The Litigation Trust Fund shall also constitute a Litigation Trust Asset. The Litigation Trust Fund shall be funded in the manner described on Exhibit A attached hereto.

1.4 Acceptance by Litigation Trustee. The Litigation Trustee hereby accepts the trust imposed upon it by this Litigation Trust Agreement and agrees to observe and perform that trust on and subject to the terms and conditions set forth in this Agreement, the Plan, and the Confirmation Order. In connection with and in furtherance of the purposes of the Litigation Trust, the Litigation Trustee hereby accepts the transfer of the Litigation Trust Assets.

1.5 Payment of Litigation Trust Fees and Expenses.

(a) The Litigation Trustee may incur on behalf of the Litigation Trust any reasonable, documented, and necessary fees and expenses in pursuing the Litigation Trust Assets, administering the Litigation Trust, managing the Litigation Trust Assets, and making distributions thereof and of proceeds thereof on account of Litigation Trust Interests. All necessary, reasonable and documented fees, expenses, and costs incurred by the Litigation Trust or the Litigation Trustee on the Litigation Trust's behalf before and after the Effective Date, including fees and expenses incurred by counsel and other professionals retained by the Litigation Trust and/or the Litigation Trustee (all such fees, expenses, and costs, the "Litigation Trust Expenses")³ shall be paid by, and

³ As set forth in the Litigation Trustee's compensation summary attached hereto as Exhibit C, for any anticipated expense to be incurred by the Litigation Trustee that shall exceed ten thousand dollars (\$10,000.00), the Litigation

shall solely be the obligation of, the Litigation Trust. On and after the Effective Date, the Litigation Trust Expenses shall be paid solely from the Litigation Trust Fund. Except as otherwise ordered by the Bankruptcy Court, on or after the Effective Date of the Plan, the Litigation Trust Expenses shall be paid in accordance with this Agreement without the necessity for any further order of the Bankruptcy Court.

(b) The Litigation Trust Oversight Committee may incur reasonable and necessary expenses in connection with the performance of its duties under the Plan, the Confirmation Order, and this Agreement. No fees and expenses incurred by any individual Member of the Litigation Trust Oversight Committee shall be reimbursable as to such Member, unless otherwise provided herein.

(c) Neither the Debtors nor the Litigation Trust Beneficiaries shall have any obligation, nor shall they be required, to pay any of the Litigation Trust Expenses, other than from the Litigation Trust Fund.

(d) The amounts held in the Litigation Trust Fund shall be subject to periodic review by the Litigation Trust Oversight Committee at any time upon reasonable request.

(e) Any failure or inability of the Litigation Trustee to obtain additional funding for the Litigation Trust will not affect the enforceability of this Agreement.

1.6 Title to the Litigation Trust Assets. The transfer of the Litigation Trust Assets to the Litigation Trust pursuant to Section 1.2 hereof is being made for the sole benefit, and on behalf, of the Litigation Trust Beneficiaries. Upon the transfer of the Litigation Trust Assets to the Litigation Trust, the Litigation Trust shall succeed to all of the Debtors' rights, title, and interest in and to the Litigation Trust Assets, and no other Person shall have any interest, legal, beneficial, or otherwise, in the Litigation Trust or the Litigation Trust Assets (other than as provided in the Plan, the Confirmation Order, or this Agreement).

1.7 Nature and Purpose of the Litigation Trust.

(a) Purpose. The Litigation Trust is organized and established as a trust, subject to the terms and conditions contained herein, the Plan and the Confirmation Order, for the sole purpose of liquidating the Litigation Trust Assets in an expeditious but orderly manner for the benefit of the Litigation Trust Beneficiaries, including the investigation and prosecution of the Litigation Trust Causes of Action, with no objective to continue or engage in the conduct of a trade or any other business, except to the extent reasonably necessary to effectuate, and consistent with, the purpose of the Litigation Trust.

(b) Relationship. This Agreement is intended to create a trust and a trust relationship and to be governed and construed in all respects as a trust. The Litigation Trust is not intended to be, and shall not be deemed to be, or be treated as, a general partnership, limited partnership, joint venture, corporation, joint stock company, or association, nor shall the Litigation Trustee, the Litigation Trust Oversight Committee (or any Member thereof), or the Litigation Trust

Trustee is required to first consult with the Litigation Trust Oversight Committee for approval in advance of incurring such expense.

Beneficiaries for any purpose be, or be deemed to be or treated in any way whatsoever to be, liable or responsible hereunder as partners or joint venturers. The relationship of the Litigation Trust Beneficiaries, on the one hand, to the Litigation Trust, the Litigation Trustee and the Litigation Trust Oversight Committee (and each Member thereof), on the other hand, shall be solely that of a beneficiary of a trust and shall not be deemed a principal and agency relationship, and their rights shall be limited to those conferred upon them by the Plan, the Confirmation Order, and this Agreement.

(c) No Waiver of Claims. Except as provided in, and unless expressly released, compromised, or settled in the Plan, the Confirmation Order, or in any contract, instrument, release, or other agreement entered into or delivered in connection with the Plan, the Litigation Trustee, upon the Direction of the Litigation Trust Oversight Committee, shall investigate, pursue and enforce the Litigation Trust Causes of Action, and the Litigation Trustee shall be deemed the representative of the Debtors' Estates with respect to the Litigation Trust Causes of Action in accordance with sections 1123(a)(5)(B) and (D) and 1123(b)(3) of the Bankruptcy Code. No Person or entity may rely on the absence of a specific reference in the Plan to any claim against them as any indication that the Litigation Trustee will not pursue any and all available Litigation Trust Causes of Action against them. No preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise) or laches shall apply to such Litigation Trust Causes of Action as a consequence of the confirmation of the Plan, the occurrence of the Effective Date, or the transfer and vesting of the Litigation Trust Causes of Action in the Litigation Trust. Notwithstanding the foregoing, nothing herein shall permit the Litigation Trustee or Litigation Trust from pursuing claims and causes of action against Released Parties.

(d) Relationship to and Incorporation of the Plan. The principal purpose of this Agreement is to aid in the implementation of the Plan and the Confirmation Order, and therefore this Agreement incorporates the provisions thereof by reference; provided, however, that if any provisions of this Agreement are found to be inconsistent with the provisions of the Plan or the Confirmation Order, then each such document shall have controlling effect in the following rank order: (1) the Confirmation Order; (2) the Plan; and (3) this Agreement.

1.8 Appointment as Representative. Pursuant to section 1123(b)(3) of the Bankruptcy Code, the Litigation Trustee shall be the duly appointed representative of the Debtors and their Estates with respect to the Litigation Trust Causes of Action and, as such, to the extent provided herein, the Litigation Trustee succeeds to the rights and powers of a trustee in bankruptcy solely with respect to the Litigation Trust Assets, including prosecution of the Litigation Trust Causes of Action for the benefit of the Litigation Trust Beneficiaries. To the extent that any of the Litigation Trust Causes of Action cannot be transferred to the Litigation Trust because of a restriction on transferability under applicable non-bankruptcy law that is not superseded or preempted by section 1123 of the Bankruptcy Code or any other provision of the Bankruptcy Code, such Litigation Trust Assets shall be deemed to have been retained by the Debtors (other than for tax purposes), and the Litigation Trustee shall be deemed to have been designated as a representative of the Debtors and their Estates to the extent provided herein pursuant to section 1123(b)(3)(B) of the Bankruptcy Code solely to enforce and pursue such Litigation Trust Causes of Action on behalf of the Debtors and their Estates. Notwithstanding the foregoing, all net proceeds of the Litigation Trust Assets shall be distributed to the Litigation Trust Beneficiaries

consistent with the provisions of this Agreement, the Plan, and the Confirmation Order. For the avoidance of doubt, any of the Litigation Trust Causes of Action subject to this Section 1.8 shall be treated by the Parties for U.S. federal, state, and local income tax purposes as a disposition of the Litigation Trust Causes of Action by the Debtors as described in Section 7.1 hereof.

[1.9 Valuation. As soon as reasonably practicable following the Effective Date, but in no event later than sixty (60) days thereafter, the Litigation Trustee shall inform, in writing, the Litigation Trust Oversight Committee and the Litigation Trust Beneficiaries of the fair market value of the Litigation Trust Assets (other than the Litigation Trust Causes of Action), based on the good-faith determination of the Litigation Trustee. Such determined fair market value shall be used consistently by all parties to the Agreement (including, without limitation, the Litigation Trustee, the Debtors, and the Litigation Trust Beneficiaries) for all U.S. federal income tax purposes, and the Litigation Trustee shall make such valuation available from time to time to all parties to the Litigation Trust, to the extent relevant to such parties for tax purposes.]

ARTICLE II

LITIGATION TRUST INTERESTS

2.1 Litigation Trust Interests.

(a) Issuance of Litigation Trust Interests. The Litigation Trust Beneficiaries shall have interests issued in accordance with the terms and priorities set forth in the Plan (the "Litigation Trust Interests"). The Litigation Trust Interests shall entitle the Litigation Trust Beneficiaries to receive distributions from Litigation Trust, as provided in Article IV of this Agreement.

(b) Allocation of Litigation Trust Interests. On the Effective Date of the Plan, the Litigation Trust Interests shall be allocated to the Litigation Trust Beneficiaries. Notwithstanding anything in this Agreement to the contrary, any subsequent reallocation of Litigation Trust Interests or recoveries from Litigation Trust Causes of Action or Litigation Trust Assets, if any, shall be allowed solely upon the unanimous consent of the Litigation Trust Oversight Committee.

(c) The Litigation Trust Interests will be represented by the recording of such ownership in an electronic book-entry system (the "Book Entry System") maintained by the Registrar (as defined herein).

(d) The Litigation Trustee may serve as or appoint a registrar for the purpose of recording ownership of the Litigation Trust Interests (the "Registrar"). The Registrar, if other than the Litigation Trustee, shall be a third-party institution selected upon the Direction of the Litigation Trust Oversight Committee. To the extent that the Registrar is not the Litigation Trustee then the Registrar shall be entitled to receive reasonable and documented compensation as an expense of the Litigation Trust as determined by the Litigation Trustee in consultation with the Litigation Trust Oversight Committee.

(e) The Litigation Trustee shall cause to be kept at the office of the Registrar, or at such other place or places as shall be designated from time to time, a registry of the Litigation Trust Beneficiaries of the Litigation Trust (the “Trust Register”) and their respective holdings of Litigation Trust Interests, which shall be maintained pursuant to such reasonable regulations as the Litigation Trustee and the Registrar may prescribe. The Litigation Trustee shall, upon the written request of any holder of Litigation Trust Interests, provide reasonably adequate documentary evidence of such holder’s Litigation Trust Interests, as indicated by the Book Entry System. The expense of providing such documentation shall be borne by the requesting holder.

2.2 Interests Beneficial Only. The ownership of the Litigation Trust Interests shall not entitle the Litigation Trust Beneficiaries to any title in or to or right to control the Litigation Trust Assets as such (which title shall be vested in the Litigation Trust) or to any right to call for a partition or division of the Litigation Trust Assets or to require an accounting.

2.3 Effect of Death, Incapacity, or Bankruptcy. The death, incapacity, or bankruptcy of any Litigation Trust Beneficiary during the term of the Litigation Trust shall not (i) operate to terminate the Litigation Trust; (ii) entitle the representatives or creditors of the deceased party to an accounting; (iii) entitle the representatives or creditors of the deceased party to take any action in the Bankruptcy Court or elsewhere for the distribution of the Litigation Trust Assets or for a partition thereof; or (iv) otherwise affect the rights and obligations of any of the Litigation Trust Beneficiaries under this Agreement.

2.4 Change of Address. Any Litigation Trust Beneficiaries may, after the Effective Date, select an alternative distribution address by providing notice to the Litigation Trustee identifying such alternative distribution address in accordance with Section 10.7. Such notification shall be effective only upon receipt by the Litigation Trustee. The Trust Register shall thereafter be updated accordingly. Absent actual receipt of such notice by the Litigation Trustee, the Litigation Trustee shall not recognize any such change of distribution address.

ARTICLE III

RIGHTS, POWERS, AND DUTIES OF LITIGATION TRUSTEE; THE LITIGATION TRUSTEE GENERALLY

3.1 Role of the Litigation Trustee. In furtherance of and consistent with the purpose of the Litigation Trust and the Plan, subject to the terms and conditions contained in the Plan, the Confirmation Order, and this Agreement, the Litigation Trustee shall have the authority to and shall, as necessary and in consultation with the Litigation Trust Oversight Committee, and with respect to the Litigation Trust Assets or Claims related to the Litigation Trust Assets: (i) receive, manage, supervise, and protect the Litigation Trust Assets upon its receipt of same on behalf of and for the benefit of the Litigation Trust Beneficiaries; (ii) investigate, analyze, commence, prosecute, and, if necessary and appropriate, release, settle, and compromise the Litigation Trust Causes of Action and any objections to Claims related to the Litigation Trust Causes of Action; (iii) prepare and file all required tax returns, information returns, and other documents, and pay taxes and all other obligations of the Litigation Trust; (iv) liquidate and convert the Litigation Trust Assets to cash and make timely distributions to the Litigation Trust Beneficiaries in accordance with this Agreement, the Plan, and the Confirmation Order; (v)

pursuant to Section 4.2.9 of the Plan, (a) file, withdraw, or litigate to judgment objections to Claims against the Debtors, (b) settle or compromise any Disputed Claim against the Debtors, (c) amend the Bankruptcy Schedules in accordance with the Bankruptcy Code, and (d) administer and adjust the claims register to reflect any such settlements or compromises arising out of the Litigation Trust Assets, and (vi) have all such other powers and responsibilities as may be vested in the Litigation Trustee pursuant to, or as may be necessary and proper to carry out the provisions of, the Plan, the Confirmation Order, this Agreement, and all other orders of the Bankruptcy Court. In all circumstances, the Litigation Trustee shall act in the best interests of all the Litigation Trust Beneficiaries and in furtherance of the purpose of the Litigation Trust. The Litigation Trustee shall consult in good faith with and provide information to the Litigation Trust Oversight Committee in accordance with and pursuant to the terms of the Plan, the Confirmation Order, and this Agreement to enable the Litigation Trust Oversight Committee to meet its obligations hereunder.

3.2 Authority of the Litigation Trustee. Without limiting the foregoing, but subject to the Plan, the Confirmation Order, and other provisions of this Litigation Trust Agreement, the Litigation Trustee shall, in consultation with the Litigation Trust Oversight Committee (unless Direction of the Litigation Trust Oversight Committee is required as set forth below), and without further Bankruptcy Court approval, be expressly authorized to, with respect to the Litigation Trust and the Litigation Trust Assets, and may cause the Litigation Trust to:

(a) Exercise all power and authority that may be or could have been exercised, commence all proceedings that may be or could have been commenced, and take all actions that may be or could have been taken, by any officer, director, shareholder or other party acting in the name of the Debtors or their Estates with like effect as if duly authorized, exercised and taken by unanimous action of such officers, directors and shareholders or other party;

(b) Open and maintain bank accounts on behalf of or in the name of the Litigation Trust, calculate and make transfers of Litigation Trust Proceeds to the Litigation Trust Beneficiaries, and take other actions consistent with the Plan and the implementation thereof, including the establishment, re-evaluation, adjustment, and maintenance of appropriate reserves (including the Litigation Trust Reserve (as hereinafter defined)), in the name of the Litigation Trust;

(c) Receive, manage (including, for the avoidance of doubt, use the proceeds, products and income of the Litigation Trust to fund ongoing fees, costs and expenses of the Litigation Trust), invest, supervise, protect, collect, liquidate and distribute the Litigation Trust Assets and moneys held as part of the Litigation Trust in accordance with the terms hereof, and, subject to Article IV hereof and the parameters therein, determine the amount and timing of distributions of the Cash proceeds of the Litigation Trust Assets to the Litigation Trust Beneficiaries;

(d) Hold legal title to any and all rights of the holders of the Litigation Trust Interests in or arising from the Litigation Trust Assets, including, without limitation, collecting and receiving any and all money and other property belonging to the Litigation Trust and the right to vote any claim or interest relating to a Litigation Trust Asset in a case under the Bankruptcy Code and receive any distribution thereon;

(e) Upon Direction of the Litigation Trust Oversight Committee, commence, prosecute, compromise, adjust, settle, sue on or defend, dismiss, release, waive, withdraw, abandon, or resolve any or all Litigation Trust Causes of Action, or otherwise protect and enforce the rights to the Litigation Trust Assets by any method deemed appropriate including, without limitation, by judicial proceedings or pursuant to any applicable bankruptcy, insolvency, moratorium, or similar law and general principles of equity;

(f) Upon Direction of the Litigation Trust Oversight Committee, engage in, intervene in, join, compromise, adjust, release, mediate, arbitrate, sue on or defend, counterclaim, recoup, pursue, prosecute, abandon, or otherwise deal with and settle any actions, suits, proceedings, disputes, claims, controversies, demands, causes of action, or other litigation in favor of or against the Litigation Trust, to enter into agreements relating to the foregoing, whether or not any suit is commenced or claim accrued or asserted and, in advance of any controversy, to enter into agreements regarding arbitration, adjudication or settlement thereof, all in the name of the Litigation Trust if necessary or appropriate, and institute or continue actions that were or could have been commenced by any of the Debtors prior to the Effective Date that is a Litigation Trust Asset, and prosecute or defend all related litigation or appeals, and, when appropriate, settle such actions and claims;

(g) Perform the duties, exercise the powers, and assert the rights of a trustee under sections 704 and 1106 of the Bankruptcy Code, including, without limitation, commencing, prosecuting or settling causes of action, enforcing contracts or asserting claims, defenses, offsets and privileges, but only as such duties and powers relate to the Litigation Trust Assets;

(h) Protect and enforce the rights to the Litigation Trust Assets by any method deemed appropriate including, without limitation, by judicial proceedings or pursuant to any applicable bankruptcy, insolvency, moratorium or similar law and general principles of equity;

(i) Upon the Direction of the Litigation Trust Oversight Committee (which Direction shall not be unreasonably withheld), purchase and carry all insurance policies and pay all insurance premiums and costs (i) of the Litigation Trustee as the Litigation Trustee deems reasonably necessary or advisable for coverage for the Litigation Trustee, and (ii) that the Litigation Trust Oversight Committee deems reasonably necessary or advisable for coverage for the Litigation Trustee and/or any Litigation Trust Oversight Committee Members;

(j) Subject to Section 1.2(d) hereof, preserve, assert, or waive any privilege or any defense on behalf of the Litigation Trust or the Debtors, as applicable, with respect to the Litigation Trust Assets;

(k) Conduct discovery or seek the examination of any Entity or Person, including pursuant to Bankruptcy Rule 2004 and any other bankruptcy or other tools of discovery available to the Debtors and their Estates, subject in all events to the provisions of the Federal Rules of Evidence, Bankruptcy Rule 2004 or any other applicable law or rule;

(l) Pay all valid and lawful expenses, debts, charges, taxes and liabilities of the Litigation Trust, including those incurred by the Litigation Trust under any financing entered into at the Direction of the Litigation Trust Oversight Committee;

(m) Implement, enforce, or discharge all of the terms, conditions, and all other provisions of, and all duties and obligations under, the Plan, the Confirmation Order, and this Litigation Trust Agreement, including to take all other actions not inconsistent with the provisions of the Plan that the Litigation Trustee deems reasonably necessary or desirable to administer the Litigation Trust and perform all duties and obligations thereunder;

(n) At the Direction of the Litigation Trust Oversight Committee, enter into any agreement or execute any document or instrument required by or consistent with the Plan, the Confirmation Order or this Agreement;

(o) If any of the Litigation Trust Assets are situated in any state or other jurisdiction in which the Litigation Trustee is not qualified to act as trustee, nominate and appoint an Entity duly qualified to act as trustee in such state or jurisdiction and require from each such trustee such security as may be designated by the Litigation Trustee in its reasonable discretion; confer upon such trustee all the rights, powers, privileges, and duties of the Litigation Trustee hereunder, subject to the conditions and limitations of this Litigation Trust Agreement, except as modified or limited by the Litigation Trustee and except where the conditions and limitations may be modified by the laws of such state or other jurisdiction (in which case, the laws of the state or other jurisdiction in which such trustee is acting shall prevail to the extent necessary); require such trustee to be answerable to the Litigation Trustee for all monies, assets and other property that may be received in connection with the administration of all property; and, remove such trustee, with or without cause, and appoint a successor trustee at any time by the execution by the Litigation Trustee of a written instrument declaring such trustee removed from office, and specifying the effective date and time of removal, which notice shall be promptly served on the Litigation Trust Beneficiaries;

(p) Employ and compensate professionals and other agents subject to the consent by Direction of the Litigation Trust Oversight Committee. Nothing in this Litigation Trust Agreement shall limit the Litigation Trustee from engaging counsel or other professionals, including the Litigation Trustee itself or former counsel to the ultimate economic parties and/or the Litigation Trust Beneficiaries in these cases to do work for or represent the Litigation Trust;

(q) At the Direction of the Litigation Trust Oversight Committee, obtain financing on behalf of and for the benefit of the Litigation Trust to assist in the pursuit of all Litigation Trust Assets, including financing for purpose of establishing the Litigation Trust Fund as set forth on Exhibit A;

(r) Enter into any joint prosecution and/or common interest agreement(s) as may be required by or consistent with the Plan, the Confirmation Order or this Agreement or as is otherwise advisable;

(s) At the Direction of the Litigation Trust Oversight Committee, purchase assignments of any claims or causes of action related to any of the Litigation Trust Assets; and

(t) Exercise such other powers as may be vested in or assumed by the Litigation Trustee pursuant to the Plan, this Agreement, the Confirmation Order, or other applicable orders of the Bankruptcy Court, and to take all other actions not inconsistent with the provisions of the

Plan and the Confirmation Order which the Litigation Trustee deems reasonably necessary or desirable with respect to implementing the Plan.

3.3 Fiduciary Duties. Subject to the provisions of Article VI below, the Litigation Trustee shall have fiduciary duties hereunder and to the Litigation Trust Beneficiaries to the same extent that a director or officer of a Texas corporation owes fiduciary duties to such corporation. Subject to the provisions of Article VI below, the Litigation Trustee shall act in good faith and in consideration of (i) the best interests of the Litigation Trust Beneficiaries, and (ii) the fiduciary obligations the Litigation Trustee owes the Litigation Trust Beneficiaries.

3.4 Prosecution of Litigation Trust Causes of Action. The Litigation Trust Oversight Committee shall have the absolute right to provide Direction to the Litigation Trustee to prosecute, pursue, commence, object to, seek to estimate, seek to subordinate, compromise, settle, or take any other action concerning any and all Litigation Trust Causes of Action as it determines in good faith to be in the best interests of the Litigation Trust Beneficiaries, and consistent with the purposes of the Litigation Trust.

(a) Any determinations by the Litigation Trust Oversight Committee with regard to the amount or timing of settlement or other disposition of any Litigation Trust Causes of Action settled in accordance with the terms of this Agreement shall be conclusive and binding on the Litigation Trust Beneficiaries and all other parties in interest.

(b) To the extent that any action has been taken to prosecute or otherwise resolve any Litigation Trust Causes of Action prior to the Effective Date, the Litigation Trustee shall be substituted for the applicable Party in connection therewith in accordance with Rule 25 of the Federal Rules of Civil Procedure, made applicable to such Litigation Trust Cause of Action by Bankruptcy Rule 7025, and the caption for such pending Litigation Trust Cause of Action shall be changed to the following: “[•], as Trustee for the Edgemere Litigation Trust v. [Defendant]” or “Edgemere Litigation Trust v. [Defendant].” Without limiting the foregoing, the Litigation Trustee shall, upon the Direction of the Litigation Trust Oversight Committee, take any and all actions necessary or prudent to intervene as plaintiff, movant, or additional party, as appropriate, in any applicable Litigation Trust Cause of Action. For purposes of exercising its powers, the Litigation Trustee shall be deemed to be a representative of the Debtors and their Estates pursuant to section 1123(b)(3)(B) of the Bankruptcy Code.

3.5 Collection of Income. The Litigation Trustee shall collect all income earned with respect to the Litigation Trust Assets, which shall thereupon become Litigation Trust Assets and held as a part of the Litigation Trust (and which title shall be vested in the Litigation Trust). Any and all proceeds generated from the Litigation Trust Assets shall be the property of the Litigation Trust.

3.6 Liquidation of Litigation Trust Assets. The Litigation Trustee shall, upon the Direction of the Litigation Trust Oversight Committee, in an expeditious but orderly manner, and subject to the other provisions of the Plan, the Confirmation Order, and this Agreement, liquidate and convert to Cash the Litigation Trust Assets, make timely distributions, and not unduly prolong the duration of the Litigation Trust. The Litigation Trustee shall use commercially reasonable efforts to resolve the Litigation Trust Causes of Action and to make timely distributions

of any Litigation Trust Proceeds and to otherwise monetize the Litigation Trust Assets and not unreasonably prolong the duration of the Litigation Trust. The Litigation Trustee shall take into consideration the likelihood of success, risks, timing, and costs of potential actions in exercising its reasonable business judgment to maximize net recoveries to the Litigation Trust Beneficiaries. Such liquidations may be accomplished through the prosecution, compromise and settlement, abandonment, or dismissal of any or all Litigation Trust Causes of Action or otherwise or through the sale or other disposition of the Litigation Trust Assets (in whole or in combination). Consistent with an agreed-upon budget in accordance with Section 3.12(c) of this Agreement, if any, the Litigation Trustee may incur any reasonable and necessary expenses in connection with liquidating and converting the Litigation Trust Assets to Cash and distribution of the proceeds thereof.

3.7 Litigation Trust Reserve. Notwithstanding anything in this Agreement to the contrary, the Litigation Trustee may withhold from amounts transferrable to the Litigation Trust Beneficiaries on account of their respective Litigation Trust Interests as required pursuant to this Agreement, and supplement from time to time, a reserve (the “Litigation Trust Reserve”) in such amount as the Litigation Trustee, with the Direction of the Litigation Trust Oversight Committee, determines is or may be reasonably necessary: (i) to meet contingent liabilities and to maintain the value of the Litigation Trust Assets during the term of the Litigation Trust; (ii) to administer the Litigation Trust and pay reasonable administrative expenses including, without limitation, the compensation and the reimbursement of reasonable, actual and necessary costs, fees, and expenses (including attorneys’ fees and expenses, financial advisor fees and expenses of the Litigation Trustee in connection with the performance of their duties in connection with this Litigation Trust Agreement); (iii) to wind-up the affairs of the Litigation Trust; and (iv) to satisfy all other liabilities of the Litigation Trust incurred or assumed in respect of the Litigation Trust, or to which the Litigation Trust Assets are otherwise subject, including repayment of any financing incurred with respect to the Litigation Trust Fund, but other than Claims, in accordance with the Plan, the Confirmation Order and this Agreement.

3.8 Retention of Counsel and Other Professionals. The Litigation Trustee may, without further order of the Bankruptcy Court, but subject to the terms of this Agreement, employ various professionals, including, but not limited to, counsel, experts, consultants, and financial advisors, as needed to assist the Litigation Trustee in fulfilling its obligations under the Plan. Such employment agreements shall be approved by Direction of the Litigation Trust Oversight Committee. Professionals engaged by the Litigation Trustee shall not be required to file applications with the Bankruptcy Court in order to receive compensation for services rendered and reimbursement of actual out-of-pocket expenses incurred. For the avoidance of doubt, unless an alternative fee arrangement has been agreed to (either by order of the Bankruptcy Court or by the Litigation Trustee upon the Direction of the Litigation Trust Oversight Committee, as applicable), professionals retained by the Litigation Trustee shall be compensated solely by the Litigation Trust Fund.

3.9 Investment of Cash. The right and power of the Litigation Trustee to invest Litigation Trust Assets, the proceeds thereof, or any income earned by the Litigation Trust shall be limited to the right and power to invest such Litigation Trust Assets only in Cash and U.S. Government securities as defined in section 2(a)(16) of the Investment Company Act; provided, however, that (a) the scope of any such permissible investments shall be further limited to include only those investments that a liquidating trust within the meaning of Treasury Regulation Section

301.7701-4(d) may be permitted to hold pursuant to the Treasury Regulations, or any modification in the IRS guidelines, whether set forth in IRS rulings, other IRS pronouncements, or otherwise; (b) the Litigation Trustee may retain any Litigation Trust proceeds received that are not Cash only for so long as may be required for the prompt and orderly liquidation of such assets; and (c) the Litigation Trustee may expend the assets of the Litigation Trust (i) as reasonably necessary to meet contingent liabilities and maintain the value of the assets of the Litigation Trust during liquidation; (ii) to pay reasonable administrative expenses (including any taxes imposed on the Litigation Trust or reasonable fees and expenses in connection with litigation); and (iii) to satisfy other liabilities incurred or assumed by the Litigation Trust (or to which the assets are otherwise subject) in accordance with the Plan or this Agreement.

3.10 Limitations on Power and Authority of the Litigation Trustee.

Notwithstanding anything in this Agreement to the contrary, the Litigation Trustee will not have the authority to do any of the following:

- (a) take any action in contravention of the Plan, the Confirmation Order, or this Agreement;
 - (b) take any action that would make it impossible to carry on the activities of the Litigation Trust;
 - (c) possess property of the Litigation Trust or assign the Litigation Trust's rights in specific property for any purpose other than as provided herein;
 - (d) cause or permit the Litigation Trust to engage in any trade or business;
 - (e) permit the Litigation Trust to retain Cash or Cash equivalents in excess of a reasonable amount necessary to meet claims and contingent liabilities (including expected expenses) or to maintain the value of the Litigation Trust Assets during liquidation;
 - (f) receive transfers of any listed stocks or securities or any readily marketable assets or any operating assets of a going business, except as is necessary or required under the Plan, the Confirmation Order, or this Agreement; provided, however, that in no event shall the Litigation Trustee receive any such investment that would jeopardize treatment of the Litigation Trust as a "liquidating trust" for U.S. federal income tax purposes under Treasury Regulation section 301.7701-4(d), or any successor provision thereof;
 - (g) exercise investment power beyond what is provided in Section 3.9 hereof;
- or
- (h) take any other action or engage in any investments or activities that would jeopardize treatment of the Litigation Trust as a liquidating trust for U.S. federal income tax purposes under Treasury Regulation section 301.7701-4(d), or any successor provision thereof.

3.11 Books and Records. The Litigation Trustee shall maintain good and sufficient books and records of accounts relating to the Litigation Trust Assets, the management thereof, all transactions undertaken by the Litigation Trustee, all expenses incurred by or on behalf of the Litigation Trustee, and all distributions to Litigation Trust Beneficiaries contemplated or

effectuated under the Plan, in such detail and for such period of time as may be necessary to enable it to make full and proper accounting in respect thereof and in accordance with Texas law. The Litigation Trustee shall also maintain separate books and records for the Litigation Trust Assets of each Debtor. Such books and records shall be maintained as reasonably necessary to facilitate compliance with the tax reporting requirements of the Litigation Trust. Nothing in this Agreement requires the Litigation Trustee to file any accounting or seek approval of any court with respect to the administration of the Litigation Trust or as a condition for managing any payment or distribution out of the Litigation Trust Assets.

3.12 Periodic Reports.

(a) Financial and Status Reports. The fiscal year of the Litigation Trust shall be the calendar year. Within sixty (60) days after the end of each calendar year during the term of the Litigation Trust, and within thirty (30) days after the end of each calendar quarter during the term of the Litigation Trust and as soon as practicable upon termination of the Litigation Trust, the Litigation Trustee shall, upon request by the Litigation Trust Oversight Committee, the Litigation Trust Beneficiaries, or the ultimate economic parties, make available a written report including: (i) financial statements of the Litigation Trust for such period, and, if the end of a calendar year, a report (which may be prepared by an independent certified public accountant employed by the Litigation Trustee at the Direction of the Litigation Trust Oversight Committee) reflecting the result of such agreed-upon procedures relating to the financial accounting administration of the Litigation Trust as proposed by the Litigation Trustee; (ii) a summary description of any action taken by the Litigation Trust that, in the judgment of the Litigation Trustee, materially affects the Litigation Trust and of which notice has not previously been given to the Litigation Trust Beneficiaries and ultimate economic parties; and (iii) a description of the progress of liquidating the Litigation Trust Assets and making distributions to the Litigation Trust Beneficiaries and any other material information relating to the Litigation Trust Assets and the administration of the Litigation Trust. In addition, on a quarterly basis, the Litigation Trustee shall provide unaudited financial statements to the Litigation Trust Oversight Committee and, upon request by an Ultimate Economic Party, to such party. No such reports shall be made public given the confidential nature of such reports and information contained therein; *provided, however*, that such confidential reports and information may be shared under an appropriate confidentiality agreement. The Litigation Trustee may not post any such report on any website maintained by the Litigation Trustee or otherwise due to the confidential nature of such reports and the information contained therein. To the extent of any reports required to be filed with the Bankruptcy Court, if any, they shall be filed under seal (unless otherwise required by the Bankruptcy Court or Confirmation Order) due to the confidential nature of such reports and the information contained therein.

(b) The Litigation Trustee will prepare and make available to the Litigation Trust Beneficiaries, the Indenture Trustee, and the Litigation Trust Oversight Committee, on a quarterly basis, a written report detailing, among other things, the litigation status of the Litigation Trust Causes of Action, any settlements entered into by the Litigation Trust, the proceeds recovered to date from the Litigation Trust Assets, and the distributions made by the Litigation Trust. Such written reports will be made available by the Litigation Trustee within thirty (30) days of the end of the preceding calendar quarter. No such reports shall be made public given the confidential nature of such reports and information contained therein; *provided, however*, that such

confidential reports and information may be shared under an appropriate confidentiality agreement.

(c) Annual Plan and Budget. Upon Direction by the Litigation Trust Oversight Committee, the Litigation Trustee shall prepare and submit to the Litigation Trust Oversight Committee for approval an annual plan and budget in such detail as is reasonably requested, which approval shall not be unreasonably withheld. The initial budget shall be presented to and approved by the Litigation Trust Oversight Committee as of the Effective Date, which initial budget shall be subject to modification by the Litigation Trustee, with approval of the Litigation Trust Oversight Committee. Thereafter, each annual plan and budget shall be presented to and approved by the Litigation Trust Oversight Committee on or before the annual anniversary of the Effective Date. No such plan and budget shall be made public given the confidential nature of such information; provided, however, if the Litigation Trustee is required to share such budget on a confidential basis with a party under any financing entered into by the Litigation Trust, the Litigation Trustee may do so to discharge the Litigation Trust's obligations under such financing. The Litigation Trustee may rely on any approved budget in incurring the reasonable fees and expenses projected thereon.

3.13 Independent Litigation Trustee. The Litigation Trustee may not be a Member of the Litigation Trust Oversight Committee, unless otherwise provided herein pursuant to section 3.17 of this Agreement.

3.14 Litigation Trustee's Compensation and Reimbursement.

(a) Compensation. The Litigation Trustee shall receive reasonable compensation as provided on Exhibit C attached hereto.

(b) Payment of Expenses. All actual, reasonable, and documented out-of-pocket expenses incurred by the Litigation Trustee in connection with the performance of its duties hereunder or under the Confirmation Order or the Plan shall be eligible for reimbursement from the Litigation Trust Fund. The expenses payable to the Litigation Trustee shall be subject to review and approval by the Litigation Trust Oversight Committee, which approval shall be deemed granted if the Litigation Trust Oversight Committee does not object to an expense within fourteen (14) days after receipt of an invoice from the Litigation Trustee, and paid to the Litigation Trustee without necessity for review or approval by the Bankruptcy Court or any other Person. Any objection to payment of expenses incurred by the Litigation Trustee shall be in writing, set forth in reasonable detail the specific expense(s) objected to and the basis for each objection, and be delivered to the Litigation Trustee in accordance with Section 10.7 hereof. The uncontested portion of each invoice shall be deemed authorized and the Litigation Trustee may pay the full amount of such fees and expenses after the fourteen (14) day review period for the Litigation Trust Oversight Committee. Any dispute between the Litigation Trustee and the Litigation Trust Oversight Committee regarding the payment of any expenses that remains unresolved fourteen (14) days after delivery of an objection to the Litigation Trustee shall be adjudicated before the Bankruptcy Court.

3.15 Resignation. The Litigation Trustee may resign by giving not less than ninety (90) days' prior written notice thereof to the Litigation Trust Oversight Committee. Such

resignation shall become effective on the later to occur of: (a) the day specified in such notice; and (b) the appointment of a successor as provided herein and the acceptance by such successor of such appointment; provided, however, that if a successor Litigation Trustee is appointed (and such appointment is accepted) pursuant to Section 3.18 hereof prior to the expiration of the ninety (90) day notice period referenced above, then the Litigation Trust Oversight Committee may in its sole discretion determine that the resignation of the resigning Litigation Trustee shall be deemed to become effective on a date that is earlier than the day specified in such notice. If a successor Litigation Trustee is not appointed or does not accept its appointment within ninety (90) days following delivery of notice of resignation, the Litigation Trustee may file a motion with the Bankruptcy Court, upon notice and a hearing, for the appointment of a successor Litigation Trustee, during which time the Litigation Trustee shall be entitled to receive the fees provided for in Section 3.14 hereof. Notwithstanding the foregoing, upon the Termination Date (as defined in Section 8.1 herein), the Litigation Trustee shall be deemed to have resigned, except as otherwise provided in Section 8.2 hereof.

3.16 Removal.

(a) The Litigation Trustee may be removed by the Litigation Trust Oversight Committee for Cause (as defined in Section 5.7 herein), immediately upon notice thereof, or without Cause, upon thirty (30) days' prior written notice.

(b) Notwithstanding the foregoing, the Litigation Trustee will continue to serve as the Litigation Trustee after his removal until the earlier of (i) the time when appointment of a successor Litigation Trustee becomes effective in accordance with Section 3.18 of this Agreement or (ii) the appointment of an Interim Trustee pursuant to Section 3.17 hereof, during which time the Litigation Trustee shall be entitled to receive the fees provided for in Section 3.14 hereof.

3.17 Interim Trustee. In the event of any period in which there is a vacancy in the position of Litigation Trustee, the Litigation Trust Oversight Committee shall appoint one of its Members to serve as interim Litigation Trustee (the "Interim Trustee"). The Interim Trustee shall be subject to all the terms and conditions applicable to a Litigation Trustee hereunder. Such Interim Trustee shall not be limited in any manner from exercising any rights or powers as a member of the Litigation Trust Oversight Committee merely by such Person's appointment as Interim Trustee.

3.18 Appointment of Successor Litigation Trustee. In the event of the death (in the case of a Litigation Trustee that is a natural person), dissolution (in the case of the Litigation Trustee that is not a natural person), resignation, incompetency, or removal of the Litigation Trustee, the Litigation Trust Oversight Committee shall designate a successor Litigation Trustee by majority vote. If the Litigation Trust Oversight Committee is unable to secure a majority vote, one or more Members of the Litigation Trust Oversight Committee may file a motion with the Bankruptcy Court, upon notice and a hearing, for the appointment of a successor Litigation Trustee. Any such appointment shall specify the date on which such appointment shall be effective. Every successor Litigation Trustee appointed hereunder shall execute, acknowledge, and deliver to the Litigation Trust Oversight Committee an instrument accepting the appointment under this Agreement and agreeing to be bound as Litigation Trustee thereto, and thereupon the successor Litigation Trustee, without any further act, deed or conveyance, shall become vested with all

rights, powers, trusts, and duties of the retiring Litigation Trustee. The successor Litigation Trustee shall not be personally liable for any act or omission of the predecessor Litigation Trustee, nor shall any Litigation Trustee be liable for acts or omissions by the successor Litigation Trustee or its professionals that occur subsequent to the cessation of its role as Litigation Trustee. Unless requested by Direction of the Litigation Trust Oversight Committee, a successor Litigation Trustee shall have no duty to examine or inquire into the acts or omissions of any predecessor Litigation Trustee.

3.19 Effect of Resignation or Removal. The death, dissolution, bankruptcy, resignation, incompetency, incapacity, or removal of the Litigation Trustee, as applicable, shall not operate to terminate the Litigation Trust created by this Agreement or to revoke any existing agency created pursuant to the terms of this Agreement or invalidate any action theretofore taken by the Litigation Trustee or any prior Litigation Trustee. In the event of the resignation or removal of the Litigation Trustee, such Litigation Trustee will promptly (a) execute and deliver such documents, instruments, and other writings as may be ordered by the Bankruptcy Court or reasonably requested by the Litigation Trust Oversight Committee, any Interim Trustee or the successor Litigation Trustee to effect the termination of such Litigation Trustee's capacity under this Agreement; (b) deliver to the Litigation Trust Oversight Committee, any Interim Trustee and/or the successor Litigation Trustee all documents, instruments, records, and other writings related to the Litigation Trust as may be in the possession of such Litigation Trustee (provided, however, that such Litigation Trustee may retain one copy of such documents for archival purposes); and (c) otherwise assist and cooperate in effecting the assumption of its obligations and functions by such successor Litigation Trustee, all without cost or expense to the predecessor Litigation Trustee. A Litigation Trustee that has resigned or been removed shall promptly execute and deliver an instrument or instruments conveying and transferring to such successor Litigation Trustee all the estates, properties, rights, powers, and trusts of such predecessor Litigation Trustee and otherwise assist and cooperate, without cost or expense to the predecessor Litigation Trustee, in effectuating the assumption of its obligations and functions by the successor Litigation Trustee.

3.20 Confidentiality. The Litigation Trustee shall, during the period that the Litigation Trustee serves as Litigation Trustee under this Agreement and following the termination of this Agreement or following such Litigation Trustee's removal or resignation hereunder, hold strictly confidential and not use for personal gain any non-public information of or pertaining to any Person to which any of the Litigation Trust Assets relates or of which the Litigation Trustee has become aware in the Litigation Trustee's capacity as Litigation Trustee, except as otherwise required by law.

ARTICLE IV

DISTRIBUTIONS

4.1 Distributions.

(a) On any date determined by the Litigation Trustee in consultation with the Litigation Trust Oversight Committee, or on any date directed by unanimous consent of the Litigation Trust Oversight Committee (any such date upon which a distribution is made, referenced herein as a "Distribution Date"), the Litigation Trustee shall distribute or cause to be distributed

to each Litigation Trust Beneficiary its share of the Litigation Trust Assets, in accordance with this Section 4.1; provided, however, that the distributions shall be made not less than annually to the extent necessary for this Litigation Trust to maintain its status as a “liquidating trust” for U.S. federal income tax purposes.

(b) Timing and Amount of Distributions. The Litigation Trust Beneficiaries shall receive distributions of proceeds of the Litigation Trust Assets as monetized pursuant to this Agreement that are remaining after payment of amounts in accordance with Section 4.1(c) hereof and funding the Litigation Trust Reserve as required in this Agreement. For the avoidance of doubt, the Litigation Trustee shall not be deemed to be an “underwriter” in connection with its distribution of any Litigation Trust Assets, as such term is defined in section 1145(b) of the Bankruptcy Code, and no employees, agents, or representatives of the Litigation Trustee shall be deemed to be a “broker-dealer” as such term is defined in the Securities Exchange Act of 1934, as amended, or any rules promulgated thereunder.

(c) Priority of Distribution of Litigation Trust Assets and Proceeds. Any Litigation Trust Assets or Litigation Trust Proceeds available for distribution shall be applied as follows: (i) first, to pay or reimburse, as applicable, the reasonable, documented out-of-pocket fees, costs, expenses, and liabilities of the Litigation Trust, the Litigation Trustee (and any professionals retained by the Litigation Trustee), and the Litigation Trust Oversight Committee as provided in this agreement; (ii) second, to fund the Litigation Trust Reserve as set forth in Section 3.7 hereof; and (iii) third, to make distributions to holders of Litigation Trust Interests on a Pro Rata basis, which shall be made in accordance with the terms of the Plan.

(d) Distribution of Litigation Trust Assets and Proceeds Upon Termination. Promptly upon the complete liquidation of the Litigation Trust Assets, the Litigation Trustee shall distribute any Litigation Trust Assets available for distribution not yet distributed from the Litigation Trust in the same manner as described in paragraph (c) of this Section 4.1 and in accordance with the terms of this Agreement and the Plan.

(e) After the settlement or compromise or resolution of any Litigation Trust Causes of Action, or otherwise in advance of any Distribution, the Litigation Trustee shall provide the Litigation Trust Oversight Committee with an accounting showing the allocation of any recoveries among those Litigation Trust Causes of Action.

(f) Distributions of Cash on account of the Litigation Trust Interests shall, to the extent reasonably practicable, be made on the Distribution Date after the net proceeds of the Litigation Trust Causes of Action are received by the Litigation Trust.

(g) Subject to the requirements of Revenue Procedure 94-45, 1994-2 C.B. 684, the Litigation Trustee shall distribute all Cash on hand (including the net income and net proceeds, if any, from any disposition of Litigation Trust Assets, any Cash received on account of or representing proceeds, and treating as Cash for purposes of this Section 4.1(g) and any permitted investments under Section 3.9 hereof).

(h) The Litigation Trustee shall make or cause to be made distributions to each Litigation Trust Beneficiary (i) through its authorized designee for purposes of distributions to be

made under the Plan; or (ii) at its last-known address, as indicated on the Debtors' or Litigation Trust's records as of the applicable Distribution Date.

(i) In the event that any distribution to any Litigation Trust Beneficiary is returned as undeliverable, no distribution to such holder shall be made unless and until the Litigation Trustee has determined the then-current address of such holder, at which time such distribution shall be made to such holder without interest; provided, however, that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of one-hundred twenty (120) days from date of the attempted undeliverable payment. After such date, all unclaimed distributions shall be distributed on a *pro rata* basis to all Litigation Trust Beneficiaries whose initial distributions were not returned as undeliverable. Nothing contained herein shall require the Litigation Trustee to attempt to locate any holder of a Litigation Trust Interest.

(j) The Litigation Trustee may, in its reasonable discretion, withhold from amounts otherwise distributable to any Person any and all amounts required to be withheld by any law, regulation, rule, ruling, directive, treaty, or other governmental requirement. Any party issuing any instrument or making any distribution under this Agreement shall comply with all applicable withholding and reporting requirements imposed by any U.S. federal, state, or local tax law or taxing authority, and all distributions under this Agreement shall be subject to any such withholding or reporting requirements.

(k) Notwithstanding the above, each holder of a Litigation Trust Interest that is to receive a distribution under this Agreement shall have the sole and exclusive responsibility for the satisfaction and payment of any income taxes imposed on such holder by any governmental unit on account of such distribution. Any party issuing any instrument or making any distribution under this Agreement has the right, but not the obligation, to not make a distribution until such holder has made arrangements satisfactory to such issuing or disbursing party for payment of any such tax obligations. The Litigation Trustee may require, as a condition to the receipt of a distribution, that the holder complete the appropriate IRS Form W-8 or IRS Form W-9, as applicable to each holder. If the holder fails to comply with such a request within one-hundred twenty (120) days, such distribution shall be deemed an unclaimed distribution and treated in accordance with section 4.1(j) of this Agreement and section 6.7 of the Plan.

(l) Notwithstanding anything herein to the contrary, the Litigation Trustee shall not be required to make on account of any Litigation Trust Interest (i) partial distributions or payments of fractions of dollars; (ii) partial distributions or payments of fractions of Litigation Trust Interests; or (iii) a distribution if the amount to be distributed is or has an economic value of less than one hundred dollars (\$100.00). Any funds so withheld and not distributed shall be held in reserve and distributed in subsequent distributions. Notwithstanding the foregoing, all Cash shall be distributed in the final distribution of the Litigation Trust.

(m) Any check issued by the Litigation Trust on account of any Litigation Trust Interest shall be null and void if not negotiated within one-hundred twenty (120) days after the issuance of such check. Requests for reissuance of any check shall be made directly to the Litigation Trustee by the holder of the relevant Litigation Trust Interest with respect to which such check originally was issued. If any holder of a Litigation Trust Interest holding an un-negotiated

check does not request reissuance of that check within one year after the date the check was mailed or otherwise delivered to the holder, such holder's claim to such particular check/distribution shall be released, and the holder thereof shall be forever barred, estopped, and enjoined from asserting any Claim against any of the Debtors, the Litigation Trust, or the Litigation Trustee for such particular check/distribution. In such cases, any Cash held for payment on account of such Claims shall be property of the Litigation Trust, free of any Claims of such holder with respect thereto. No later than one-hundred twenty (120) days after the issuance of such checks, the Litigation Trustee shall file with the Bankruptcy Court a list of the holders of any un-negotiated checks; provided, however, that if at such time the Chapter 11 Cases have been closed, the Litigation Trustee shall not be required to re-open or seek to re-open the Chapter 11 Cases solely for purposes of effectuating the filing described in the immediately preceding sentence and instead shall furnish such notice to the Litigation Trust Beneficiaries and the ultimate economic parties instead. Nothing contained herein shall require the Litigation Trustee to attempt to locate any holder of any Litigation Trust Interest.

(n) For the avoidance of doubt, the Litigation Trust shall have no obligation to pay any amounts in respect of prepetition deductibles or self-insured retention amounts with respect to Claims covered by the Debtors' insurance policies.

ARTICLE V

LITIGATION TRUST OVERSIGHT COMMITTEE

5.1 Authority and Responsibilities of Litigation Trust Oversight Committee. (a) The Litigation Trust Oversight Committee shall, as and when requested by the Litigation Trustee, or when the Members otherwise deem it to be appropriate or as is otherwise required under the Plan, the Confirmation Order, or this Agreement, consult in good faith with and advise the Litigation Trustee as to the administration and management of the Litigation Trust in accordance with (i) the Plan, the Confirmation Order, and this Agreement, and (ii) the Litigation Trustee's and the Litigation Trust Oversight Committee's fiduciary duties, and shall have the other responsibilities and powers as set forth herein. The Litigation Trust Oversight Committee shall have the authority and responsibility to provide Direction with respect to the activities of the Litigation Trust and the performance of the Litigation Trustee and shall have the authority to remove the Litigation Trustee in accordance with Section 3.16 hereof; provided, however, that the Litigation Trust Oversight Committee may not (i) provide Direction to the Litigation Trustee or the Members to act inconsistently with their duties under the Plan, the Confirmation Order, this Agreement, or their fiduciary obligations to the Litigation Trust Beneficiaries; (ii) be authorized to engage in any trade or business; (iii) take any action inconsistent with the orderly liquidation of the assets of the Litigation Trust as is required or contemplated by applicable law, the Confirmation Order, this Agreement, or the Plan; or (iv) be authorized to engage in any investments or activities inconsistent with the treatment of the Litigation Trust as a liquidating trust within the meaning of Treasury Regulation section 301.7701-4(d) and in accordance with Revenue Procedure 94-45, 1994-2 C.B. 684.

5.2 Meetings of the Litigation Trust Oversight Committee. Meetings of the Litigation Trust Oversight Committee are to be held not less often than quarterly. Special meetings of the Litigation Trust Oversight Committee may be held whenever and wherever called for by the

Litigation Trustee or any Member; provided, however, that notice of any such meeting shall be duly given in writing no less than forty-eight (48) hours prior to such meeting (such notice being subject to waiver by the Members). Any action required or permitted to be taken by the Litigation Trust Oversight Committee at a meeting may be taken without a meeting if the action is taken by unanimous written consent by Direction of the Litigation Trust Oversight Committee as evidenced by one or more writings describing the action taken, signed by all Members and recorded in the minutes, if any, or other transcript, if any, of proceedings of the Litigation Trust Oversight Committee. Unless the Litigation Trust Oversight Committee decides otherwise (which decision shall rest in the reasonable discretion of the Litigation Trust Oversight Committee), the Litigation Trustee and the Litigation Trustee's advisors may, but are not required to, attend meetings of the Litigation Trust Oversight Committee.

5.3 Manner of Acting. (a) All meetings of the Litigation Trust Oversight Committee shall consist of all Members. The affirmative vote of a majority of the Members present at a duly called and noticed meeting (on not less than one week notice unless such notice is otherwise waived by all Members) at which all Members are present throughout shall be the act of the Litigation Trust Oversight Committee except as provided in this Agreement. Any or all of the Members may participate in a regular or special meeting by, or conduct the meeting through the use of video conference, conference telephone or similar communications equipment by means of which all Persons participating in the meeting may hear each other, in which case any required notice of such meeting may generally describe the arrangements (rather than or in addition to the place) for the holding thereof. Any Member participating in a meeting by these means is deemed to be present in person at the meeting. Voting (including on negative notice) may, if approved by the Members at a meeting, be conducted by electronic mail or individual communications by each Member.

5.4 Notwithstanding anything to the contrary herein, if a Member lacks authority to provide Direction to the Litigation Trustee of this Agreement pursuant to this Article V, a meeting of the Litigation Trust Oversight Committee may be held with a quorum consisting of those Members who have authority to provide Direction; provided, however, that all Members must be provided notice of and a reasonable opportunity to attend all meetings of the Litigation Trust Oversight Committee.

(a) Any Member who is present and entitled to vote at a meeting of the Litigation Trust Oversight Committee (including any meeting of the Litigation Trustee and the Litigation Trust Oversight Committee) when action is taken is deemed to have assented to the action taken, subject to the requisite vote of the Litigation Trust Oversight Committee, unless: (i) such Member of the Litigation Trust Oversight Committee objects at the beginning of the meeting (or promptly upon his/her arrival) to holding or transacting business at the meeting; (ii) his/her dissent or abstention from the action taken is entered in the minutes of the meeting; or (iii) he/she delivers written notice (including by electronic or facsimile transmission) of his/her dissent or abstention to the Litigation Trust Oversight Committee before its adjournment. The right of dissent or abstention is not available to any Member of the Litigation Trust Oversight Committee who votes in favor of the action taken.

(b) Prior to the taking of a vote on any matter or issue or the taking of any action with respect to any matter or issue, each Member shall report to the Litigation Trust Oversight

Committee any conflict of interest such Member has or may have with respect to the matter or issue at hand and fully disclose the nature of such conflict or potential conflict (including disclosing any and all financial or other pecuniary interests that such Member may have with respect to or in connection with such matter or issue, other than solely as a holder of Litigation Trust Interests). With respect to a Member who, has or may have a conflict of interest whereby such Member's interests are adverse to the interests of the Litigation Trust (a "Conflicted Member"): (i) such Member shall not be entitled to vote or take part in any action with respect to such matter or issue; (ii) the vote or action with respect to such matter or issue shall be undertaken only by Members of the Litigation Trust Oversight Committee who are not Conflicted Members; and (iii) notwithstanding anything contained herein to the contrary, the affirmative vote of only a majority of the Members who are not Conflicted Members shall be required to approve of such matter or issue and the same shall be the act of the Litigation Trust Oversight Committee; provided, however, that a conflict or potential conflict will not exist merely because (i) a Member has an economic interest in, or business or commercial relationship with, the party who appointed that Member, or has an economic interest in the outcome of such matter or issue; or (ii) a Member, or a party who appoints a Member (or one of their affiliates, units, groups, divisions, or desks), in the ordinary course of business has trading, lending, commercial banking, investment banking, asset management, brokerage activities, or other similar relationships with parties who may be the subject of Litigation Trust Causes of Action, provided that appropriate barriers are put in place to protect against the sharing of confidential information and potential conflicts of interest, and to maintain compliance with any applicable securities laws.

5.5 Tenure of the Members of the Litigation Trust Oversight Committee. The authority of the Members will be effective as of the Effective Date and will remain and continue in full force and effect until the Litigation Trust is terminated in accordance with Section 8.1 hereof. Each Member will serve until such Member's successor is duly appointed or until such Member's earlier death or resignation pursuant to Section 5.6 below, or removal pursuant to Section 5.7 below.

5.6 Resignation. A Member may resign for any reason, including by giving not less than thirty (30) days' prior written notice thereof to the Litigation Trustee and the other Members. Such resignation shall become effective on the later to occur of: (i) the day specified in such notice; and (ii) the appointment of a successor in accordance with Section 5.8 below. Notwithstanding the foregoing, upon the occurrence of the Termination Date (as defined in Section 8 herein), all of the Members shall be deemed to have resigned. In the event of a Member resignation that results from a transfer of Litigation Trust Interests pursuant to Section 2.3 hereof, the prior written notice period may be less than the thirty (30) days required herein.

5.7 Removal. A majority of the Litigation Trust Oversight Committee may remove any Member for Cause. "Cause" shall mean (i) a Person's willful failure to perform his material duties hereunder (including with respect to a Member or, to the extent applicable, the Litigation Trustee, regular attendance at meetings of the Litigation Trust Oversight Committee) that is not remedied within thirty (30) days' notice; (ii) a finding by the Bankruptcy Court or other court of competent jurisdiction that a Person committed an act of fraud, theft, or embezzlement during the performance of his duties hereunder; (iii) a Person's conviction of a felony with all appeals having been exhausted or appeal periods lapsed; or (iv) a finding by the Bankruptcy Court or other court of competent jurisdiction that a Person engaged in gross negligence, fraud willful

misconduct, or a knowing violation of law in the performance of his or her duties hereunder. Subject to the provisions of Section 5.8, a Member of the Litigation Trust Oversight Committee may be removed without Cause at any time by its respective appointing party and replaced with a successor Member in accordance with Section 5.8 below.

5.8 Appointment of a Successor Member.

(a) In the event of a vacancy on the Litigation Trust Oversight Committee (whether by removal, death or resignation), a new Member may be appointed by the applicable appointing party to fill such position. In the event the applicable Appointing Party fails to fill a vacancy within thirty (30) days, the Litigation Trustee may appoint the successor Member to fill such vacancy, which appointment shall be effective immediately. The appointment of a successor Member shall be evidenced in the following manner: (i) in the event that the Chapter 11 Cases have not been closed as of the date of such appointment, the Litigation Trustee shall file with the Bankruptcy Court a notice of appointment, which notice shall include the name, address, and telephone number of the successor Member; or (ii) in the event that the Chapter 11 Cases have been closed as of the date of such appointment, the Litigation Trustee shall provide to the Litigation Trust Beneficiaries and the ultimate economic parties a notice of appointment, which notice shall include the name, address, and telephone number of the successor Member (at the addresses provided in the Trust Register).

(b) Immediately upon the appointment of any successor Member, all rights, powers, duties, authority, and privileges of the predecessor Member hereunder will be vested in and undertaken by the successor Member without any further act, and such successor Member will not be liable personally for any act or omission of the predecessor Member.

(c) Every successor Member appointed hereunder shall execute, acknowledge and deliver to the Litigation Trustee and other Members an instrument accepting the appointment under this Agreement and agreeing to be bound thereto, and thereupon the successor Member without any further act, deed, or conveyance, shall become vested with all rights, powers, trusts, and duties of the retiring Member.

(d) Any action taken by the Litigation Trust Oversight Committee during the period of a vacancy on the Litigation Trust Oversight Committee shall be deemed valid unless subsequently revoked or modified by the unanimous vote of the Litigation Trust Oversight Committee within thirty (30) days of the vacancy being filled.

5.9 Confidentiality. Each Member shall, during the period that such Member serves as a Member under this Agreement and following the termination of this Agreement or following such Member's removal or resignation, hold strictly confidential and not use for personal gain any material, non-public information of or pertaining to any Person to which any of the Litigation Trust Assets relates or of which such Member has become aware in the Member's capacity as a Member, except as otherwise required by law.

ARTICLE VI

LIABILITY AND INDEMNIFICATION

6.1 No Further Liability. Each of the Litigation Trustee, the Members, and their representatives shall have no liability for any actions or omissions in accordance with this Agreement or with respect to the Litigation Trust unless arising out of each such Person's own fraud, willful misconduct, or gross negligence. In performing its duties under this Agreement, the Litigation Trustee, the Members and their representatives (as applicable) shall have no liability for any action taken by each such Person in accordance with the advice of counsel, accountants, appraisers, and/or other professionals retained by the Members or the Litigation Trustee. Without limiting the generality of the foregoing, the Litigation Trustee, the Members, and their representatives may rely without independent investigation on copies of orders of the Bankruptcy Court reasonably believed by such Person to be genuine and shall have no liability for actions taken in reliance thereon. None of the provisions of this Agreement shall require the Litigation Trustee, the Members, or their representatives to expend or risk their own funds or otherwise incur personal financial liability in the performance of any of their duties hereunder or in the exercise of any of their rights and powers. Each of the Litigation Trustee, the Members, and their representatives may rely without inquiry upon writings delivered to such Person pursuant to the Plan or the Confirmation Order that such Person reasonably believes to be genuine and to have been properly given. Notwithstanding the foregoing, nothing in this Section 6.1 shall relieve the Litigation Trustee, the Members, or their representatives from any liability for any actions or omissions arising out of such Person's fraud, willful misconduct, or gross negligence. Any action taken or omitted to be taken in the case of the Litigation Trustee or the Litigation Trust Oversight Committee with the express approval of the Bankruptcy Court will conclusively be deemed not to constitute fraud, willful misconduct, or gross negligence. No termination of this Agreement or amendment, modification, or repeal of this Section 6.1 shall adversely affect any right or protection of the Litigation Trustee, the Members of the Litigation Trust Oversight Committee, or their respective designees, professional agents, or representatives that exist at the time of such amendment, modification, or repeal.

6.2 Indemnification of the Litigation Trustee and Litigation Trust Oversight Committee.

(a) From and after the Effective Date, each of the Litigation Trustee, and the Litigation Trust Oversight Committee and its Members (each, a "Litigation Trust Indemnified Party" and collectively, the "Litigation Trust Indemnified Parties") shall be, and hereby is, indemnified by the Litigation Trust, to the fullest extent permitted by applicable law, from and against any and all Claims, debts, dues, accounts, actions, suits, Litigation Trust Causes of Action, bonds, covenants, judgments, damages, attorneys' fees, defense costs, and other assertions of liability arising out of any such Litigation Trust Indemnified Party's exercise of what such Litigation Trust Indemnified Party reasonably understands to be its powers or the discharge of what such Litigation Trust Indemnified Party reasonably understands to be its duties conferred by the Plan, the Confirmation Order, or this Agreement, any order of the Bankruptcy Court entered pursuant to, or in furtherance of, the Plan, applicable law, or otherwise (except only for actions or omissions to act to the extent ultimately determined by a Final Order to be due to such Litigation Trust Indemnified Party's own fraud, willful misconduct, or gross negligence, on and after the

Effective Date). The foregoing indemnification shall also extend to matters directly or indirectly in connection with, arising out of, arising from, based on, or in any way related to: (i) this Agreement; (ii) the services to be rendered pursuant to this Agreement; (iii) any document or information, whether oral or written, referred to herein or supplied to the Litigation Trustee; or (iv) proceedings against any Litigation Trust Assets or any Litigation Trust Indemnified Party by or on behalf of any creditor. The Litigation Trustee shall, on demand, advance or pay promptly, at the election of the Litigation Trust Indemnified Party, solely out of the Litigation Trust Assets, on behalf of each Litigation Trust Indemnified Party, attorneys' fees and other expenses and disbursements to which such Litigation Trust Indemnified Party would be entitled pursuant to the foregoing indemnification provision; provided, however, that any Litigation Trust Indemnified Party receiving any such advance shall execute a written undertaking to repay such advance if a court of competent jurisdiction ultimately determines, by Final Order, that such Litigation Trust Indemnified Party is not entitled to indemnification hereunder due to such Person's own fraud, willful misconduct, gross negligence. Any indemnification Claim of a Litigation Trust Indemnified Party shall be entitled to a priority distribution from the Litigation Trust Assets, ahead of the Litigation Trust Interests and any other Claim to or Interest in such assets. In any matter covered by the first two sentences of this subsection, any party entitled to indemnification shall have the right to employ such party's own separate counsel, at the Litigation Trust's expense, subject to the foregoing terms and conditions. In addition, at the Direction of the Litigation Trust Oversight Committee, the Litigation Trustee shall purchase insurance coverage, including liability insurance covering the Litigation Trustee and/or any Litigation Trust Oversight Committee Members using funds from the Litigation Trust Assets for the benefit of the Litigation Trustee. The indemnification provided under this Section 6.2 shall survive the death, dissolution, resignation, or removal, as may be applicable, of the Litigation Trustee, the Litigation Trust Oversight Committee, any Member, or any other Litigation Trust Indemnified Party and shall inure to the benefit of the Litigation Trustee's, each Member, and each other Litigation Trust Indemnified Party's respective heirs, successors, and assigns.

(b) The foregoing indemnity in respect of any Litigation Trust Indemnified Party shall survive the termination of such Litigation Trust Indemnified Party from the capacity for which such party is indemnified. Termination or modification of this Agreement shall not affect any indemnification rights or obligations set forth herein.

(c) The Litigation Trustee may, at the Direction of the Litigation Trust Oversight Committee, indemnify any Person who is not a Litigation Trust Indemnified Party for any loss, cost, damage, expense, or liability for which a Litigation Trust Indemnified Party would be entitled to mandatory indemnification under this Section 6.2.

(d) Any Litigation Trust Indemnified Party may waive the benefits of indemnification under this Section 6.2, but only by an instrument in writing executed by such Litigation Trust Indemnified Party.

(e) The rights to indemnification under this Section 6.2 are not exclusive of other rights which any Litigation Trust Indemnified Party may otherwise have at law or in equity, including common law rights to indemnification or contribution. Nothing in this Section will affect the rights or obligations of any Person (or the limitations on those rights or obligations) under any other agreement or instrument to which that Person is a party. For the avoidance of doubt, each

Litigation Trust Indemnified Party shall be entitled, subject to the terms hereof, to indemnification for any costs and attorneys' fees such Litigation Trust Indemnified Party may incur in connection with enforcing any of its rights under this Article VI.

6.3 Litigation Trust Liabilities. All liabilities of the Litigation Trust, including indemnity obligations under Section 6.2 of this Agreement, will be liabilities of the Litigation Trust as an Entity and will be paid or satisfied from the Litigation Trust Assets and paid on a priority basis. No liability of the Litigation Trust will be payable in whole or in part by any Litigation Trust Beneficiary individually or in such Litigation Trust Beneficiary's capacity as a Litigation Trust Beneficiary, by the Litigation Trustee individually or in the Litigation Trustee's capacity as Litigation Trustee, by any Member individually or in the Member's capacity as Member, or by any representative, member, partner, shareholder, director, officer, professional, employees, agent, affiliate, or advisor of any Litigation Trust Beneficiary, any Member, the Litigation Trustee, or their respective affiliates.

6.4 Limitation of Liability. None of the Litigation Trust Indemnified Parties shall be liable for indirect, punitive, exemplary, consequential, special, or other damages for a breach of this Agreement under any circumstances.

6.5 Burden of Proof. In making a determination with respect to entitlement to exculpation or indemnification hereunder, the court, Person, or Entity making such determination shall presume that any Litigation Trust Indemnified Party is entitled to exculpation and indemnification under this Agreement and any Person seeking to overcome such presumption shall have the burden of proof to overcome that presumption.

ARTICLE VII

TAX MATTERS

7.1 Treatment of Litigation Trust Assets Transfer. Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including receipt by the Litigation Trustee of a private letter ruling if the Litigation Trustee so requests one, or the receipt of an adverse determination by the IRS upon audit if not contested by the Litigation Trustee), the Litigation Trust shall be treated as a "liquidating trust" within the meaning of Treasury Regulation section 301.7701-4(d) and thus as a "grantor trust" within the meaning of sections 671 through 677 of the IRC, and all parties to the Litigation Trust (including, without limitation, the Litigation Trustee, the Debtors, and the Litigation Trust Beneficiaries) shall report consistently therewith for U.S. federal income tax purposes. Accordingly, for U.S. federal income tax purposes, the Litigation Trust Assets shall be treated by all parties as (i) having been transferred (subject to any obligations relating to such assets), pursuant to and consistent with the Plan, by the Debtors to the Litigation Trust Beneficiaries and (ii) immediately thereafter contributed by the holders of the Litigation Trust Assets to the Litigation Trust in exchange for Litigation Trust Interests. Accordingly, the Litigation Trust Beneficiaries shall be treated for U.S. federal income tax purposes as the grantors and owners of their respective share of the Litigation Trust Assets. The foregoing treatment shall also apply, to the extent permitted by applicable law, for state and local tax purposes.

7.2 Tax Reporting. The Litigation Trustee shall file returns for the Litigation Trust as a grantor trust pursuant to Treasury Regulation section 1.671-4(a) and in accordance with Section 7.1 hereof. The Litigation Trustee shall, in its discretion, make any applicable tax elections on behalf of the Litigation Trust. The Litigation Trustee shall annually send to each Litigation Trust Beneficiary a separate statement setting forth such Litigation Trust Beneficiary's share of items of income, gain, loss, deduction, or credit (including the receipts and expenditures of the Litigation Trust), in accordance with applicable Treasury Regulations and Revenue Procedure 94-45, 1994-2 C.B. 684, file (or cause to be filed) any other statements, returns (including any information returns) or disclosures relating to the Litigation Trust that is required by any governmental authority or applicable law, and pay taxes, if any, properly payable by the Litigation Trust.

7.3 Trust Taxable Income and Allocations. Allocations of Litigation Trust taxable income among the Litigation Trust Beneficiaries shall be determined by reference to the manner in which an amount of cash equal to such taxable income would be distributed (were such cash permitted to be distributed at such time, and without regard to any restrictions on distributions set forth in the Plan or this Agreement) if, immediately prior to such deemed distribution, the Litigation Trust had distributed all its assets (valued for this purpose at their tax book value) to the Litigation Trust Beneficiaries, adjusted for prior taxable income and loss and taking into account all prior and concurrent distributions from the Litigation Trust. Similarly, taxable loss of the Litigation Trust shall be allocated by reference to the manner in which an economic loss would be borne immediately after a hypothetical liquidating distribution of the remaining Litigation Trust Assets. The tax book value of the Litigation Trust Assets for purposes of this Section 7.3 shall equal their fair market value on the Effective Date, adjusted in accordance with tax accounting principles prescribed by the IRC, the applicable Treasury Regulations, and other applicable administrative and judicial authorities and pronouncements. The Litigation Trustee shall be responsible for payment, out of the Litigation Trust Assets, of any Taxes imposed on the Litigation Trust or the Litigation Trust Assets.

7.4 Withholding of Taxes. The Litigation Trustee shall withhold and pay to the appropriate Tax Authority all amounts required to be withheld pursuant to the IRC or any provision of any foreign, state, or local tax law with respect to any payment or distribution to the Litigation Trust Beneficiaries. All such amounts withheld and paid to the appropriate Tax Authority shall be treated as amounts distributed to such Litigation Trust Beneficiaries for all purposes of this Agreement. The Litigation Trustee shall be authorized to collect such tax information from the Litigation Trust Beneficiaries (including social security numbers or other tax identification numbers) as it, in its sole discretion, deems necessary to effectuate the Plan, the Confirmation Order, and this Agreement. In order to receive distributions under the Plan, all Litigation Trust Beneficiaries will need to identify themselves to the Litigation Trustee and provide tax information and the specifics of their holdings, to the extent the Litigation Trustee deems appropriate, including a taxpayer identification number ("TIN") as assigned by the IRS or, in the case of Litigation Trust Beneficiaries that are not United States persons for U.S. federal income tax purposes, certification of foreign status on IRS Form W-8BEN, W-8BEN-E, or W-8ECI. This identification requirement may, in certain cases, extend to holders who hold their securities in street name. The Litigation Trustee may refuse to make a distribution to any Litigation Trust Beneficiary that fails to furnish such information in a timely fashion, until such information is delivered.

7.5 Expedited Determination of Taxes. The Litigation Trustee may request an expedited determination of taxes of the Litigation Trust under section 505(b) of the Bankruptcy Code for all returns filed for, or on behalf of, the Litigation Trust for all taxable periods through the termination of the Litigation Trust.

7.6 Foreign Tax Matters. The Litigation Trustee shall duly comply on a timely basis with all obligations, and satisfy all liabilities, imposed on the Litigation Trustee or the Litigation Trust under non-United States law relating to Taxes. The Litigation Trustee, or any other legal representative of the Litigation Trust, shall not distribute the Litigation Trust Assets or proceeds thereof without having first obtained all certificates required to have been obtained under applicable non-United States law relating to Taxes.

ARTICLE VIII

TERMINATION OF LITIGATION TRUST

8.1 Termination. The Litigation Trust Oversight Committee and the Litigation Trust shall be dissolved at such time as (i) all of the Litigation Trust Assets have been distributed pursuant to the Plan and this Agreement; or (ii) the Litigation Trust Oversight Committee determines that the administration of any remaining Litigation Trust Assets is not likely to yield sufficient additional Litigation Trust proceeds to justify further pursuit; provided, however, that in no event shall the Litigation Trust be dissolved later than five (5) years from the Effective Date; provided, further, that the Bankruptcy Court, upon motion by the Litigation Trustee, on notice with an opportunity for hearing, within six (6) months before the expiration of the original term or any extended term, may extend, for a fixed period, the term of the Litigation Trust if it is necessary to facilitate or complete the liquidation of the assets of the Litigation Trust, and not unduly extend the term of the Litigation Trust; provided further, however, that the Litigation Trustee must receive a favorable private letter ruling from the IRS or an opinion of counsel satisfactory to the Litigation Trustee and the Litigation Trust Oversight Committee that any extension would not adversely affect the status of the Litigation Trust as a “liquidating trust” for U.S. federal income tax purposes. The Bankruptcy Court may approve multiple extensions of the term of the Litigation Trust. If at any time the Litigation Trust Oversight Committee determines, in reliance upon such professionals as the Litigation Trust Oversight Committee may retain, that the expense of administering the Litigation Trust so as to make a final distribution to the Litigation Trust Beneficiaries is likely to exceed the value of the assets remaining in the Litigation Trust, the Litigation Trustee, at the Direction of the Litigation Trust Oversight Committee, may apply to the Bankruptcy Court for authority to (i) reserve any amount necessary to dissolve the Litigation Trust; (ii) donate any balance to a charitable organization (A) described in section 501(c)(3) of the IRC, (B) exempt from U.S. federal income tax under section 501(a) of the IRC, (C) not a “private foundation,” as defined in section 509(a) of the IRC, and that is unrelated to the Debtors, the Litigation Trust, and any insider of the Litigation Trustee; and (iii) dissolve the Litigation Trust. Such date upon which the Litigation Trust shall finally be dissolved shall be referred to herein as the “Termination Date.”

8.2 Continuance of Litigation Trust for Winding Up. After the termination of the Litigation Trust and solely for the purpose of liquidating and winding up the affairs of the Litigation Trust, the Litigation Trustee shall continue to act as such until its duties have been fully performed and shall continue to be entitled to receive the fees called for by Section 3.14 hereof.

Upon distribution of all the Litigation Trust Assets, the Litigation Trustee shall retain the books, records, and files that shall have been delivered or created by the Litigation Trustee. At the Litigation Trust Oversight Committee's discretion, all of such records and documents may be destroyed no earlier than two years following the date of final distribution of Litigation Trust Assets as the Litigation Trust Oversight Committee deems appropriate (unless such records and documents are necessary to fulfill the Litigation Trustee's obligations hereunder) subject to the terms of any joint prosecution and common interest agreement(s) to which the Litigation Trustee may be a party. Except as otherwise specifically provided herein, upon the final distribution of Litigation Trust Assets, the Litigation Trustee shall be deemed discharged and have no further duties or obligations hereunder, except to account to the Litigation Trust Beneficiaries as may be provided herein, the Litigation Trust Interests shall be cancelled, and the Litigation Trust will be deemed to have dissolved. The Litigation Trustee shall provide notice to the ultimate economic parties and the Litigation Trust Beneficiaries (which can be achieved by filing such notice on the docket of the Chapter 11 Cases or such other manner determined by the Litigation Trustee in consultation with the Litigation Trust Oversight Committee) of the termination of the Litigation Trust and final distribution of Litigation Trust Assets.

ARTICLE IX

AMENDMENT AND WAIVER

9.1 Amendment. This Agreement may from time to time be amended, supplemented, or modified without the approval of the Bankruptcy Court by the Litigation Trustee, at the Direction of the Litigation Trust Oversight Committee, provided, however, that no such amendment, supplement, or modification shall, except as otherwise provided herein: (a) adversely affect the payments and/or distributions to be made under this Agreement; (b) adversely affect the U.S. federal income tax status of the Litigation Trust as a "liquidating trust"; (c) be inconsistent with the purpose and intention of the Litigation Trust to liquidate in an expeditious but orderly manner the Litigation Trust Assets in accordance with Treasury Regulation section 301.7701-4(d); or (d) negate any fiduciary obligations established in this Agreement.

9.2 Waiver. No failure by the Litigation Trust or the Litigation Trustee to exercise or delay in exercising any right, power, or privilege hereunder shall operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege hereunder preclude any further exercise thereof, or of any other right, power, or privilege.

ARTICLE X

MISCELLANEOUS PROVISIONS

10.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware (without reference to principles of conflicts of law thereof).

10.2 Jurisdiction. The Parties agree that the Bankruptcy Court shall have exclusive jurisdiction over disputes arising out of the formation or implementation of the Litigation

Trust Agreement and to enforce the terms of this Agreement and to decide any claims or disputes which may arise or result from, or be connected with, this Agreement, any breach or default hereunder, or the transactions contemplated hereby, or the transfer of the Litigation Trust Assets to the Litigation Trust on the Effective Date; provided, however, that notwithstanding the foregoing, the Litigation Trustee, at the Direction of the Litigation Trust Oversight Committee, shall have power and authority to bring any action in any court of competent jurisdiction to prosecute any of the Litigation Trust Causes of Action. For the avoidance of doubt, nothing in Article XII of the Plan shall be deemed to confer a broader grant of jurisdiction on the Bankruptcy Court than that set forth in this Section 10.2.

10.3 Dispute Resolution. In the event of any dispute between the Litigation Trustee, the Litigation Trust Beneficiaries, and/or the Litigation Trust Oversight Committee with respect to (a) the allocation of Litigation Trust Interests pursuant to Section 2.1(b) hereof or (b) the making of distributions by the Litigation Trustee pursuant to Article IV hereof (the occurrence of either (a) or (b) being referred to herein as a “Dispute”), the Parties hereby agree that any such Dispute shall, in the first instance, be resolved by referral of such Dispute to mediation for resolution thereof. In the event that mediation is not successful in resolving any such Dispute, any Party to such Dispute may petition the Bankruptcy Court for resolution thereof.

10.4 Reimbursement of Fees and Costs. In any action or proceeding initiated by a Litigation Trust Beneficiary against (a) the Litigation Trustee, (b) any Member(s) of the Litigation Trust Oversight Committee, or (c) any other current or former fiduciary of the Litigation Trust, the prevailing party in any such action or proceeding shall be entitled to reimbursement of its incurred attorneys’ fees and other costs from the non-prevailing party in such action or proceeding; provided, however, that in the case that the non-prevailing party is one of the parties listed in clauses (a) through (c) of this Section 10.4 then such reimbursement shall be paid solely from the Litigation Trust Assets except as otherwise provided in Article VI hereof.

10.5 Closing of Chapter 11 Cases. In the event that the Chapter 11 Cases are closed prior to the occurrence of the Termination Date hereunder and any approvals, reporting or filing is required hereunder by the Trustee, the Trustee, in consultation first with the Litigation Trust Oversight Committee, may, pursuant to the terms herein, petition the Bankruptcy Court to re-open the Chapter 11 Cases. If the Chapter 11 Cases are not reopened then any approval, report or filing required pursuant to this Agreement shall be provided by the Litigation Trustee directly to the Litigation Trust Beneficiaries and the ultimate economic parties.

10.6 Severability. In the event any provision of this Agreement or the application thereof to any person or circumstances shall be determined by Final Order to be invalid or unenforceable to any extent, the remainder of this Agreement or the application of such provision to persons or circumstances or in jurisdictions other than those as to or in which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

10.7 Notices. Any notice or other communication required or permitted to be made under this Agreement shall be in writing and shall be deemed to have been sufficiently given, for all purposes, if delivered personally, by facsimile, by electronic communication, or by nationally recognized overnight delivery service or mailed by first-class mail. The date of receipt

of such notice shall be the earliest of (a) the date of actual receipt by the receiving party; (b) the date of personal delivery (or refusal upon presentation for delivery); (c) the date of the transmission confirmation; or (d) three (3) Business Days after service by first-class mail, to the receiving party's below address(es):

- (i) if to the Litigation Trustee, to:

[Litigation Trustee]
[Street Address]
[City, State, Zip Code]
Attn: [•]
Office: [•]
E-mail: [•]

With a copy to:

[Litigation Trustee Law Firm]
Attn: [•]
[Street Address]
[City, State, Zip Code]
Office: [•]
E-mail: [•]

- (ii) if to any Litigation Trust Beneficiary, (i) to its authorized designee for purposes of distributions to be made under the Plan; (ii) to its last-known address according to the Litigation Trustee's records as set forth in the Trust Register.

- (iii) if to the Litigation Trust Oversight Committee, to:

[Board Member]
[Street Address]
[City, State, Zip Code]
Attn: [•]
Office: [•]
E-mail: [•]

[Board Member]
[Street Address]
[City, State, Zip Code]
Attn: [•]
Office: [•]
E-mail: [•]

[Board Member]
[Street Address]
[City, State, Zip Code]
Attn: [•]

Draft Subject to Further Revision

Office: [•]
E-mail: [•]

with a copy to:

MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO, PC
Attn: Daniel S. Bleck, Esq. & Eric Blythe, Esq.
One Financial Center
Boston, MA 02111
Telephone: (617) 546-6000
dsbleck@mintz.com
erblythe@mintz.com

-and-

COOLEY LLP
Attn: Eric E. Walker
110 North Wacker Drive, Suite 4200
Chicago, IL 60606-1511
Telephone: 312-881-6375
Facsimile: 312-881-6598 (fax)
ewalker@cooley.com

(iv) if to the Debtors/Reorganized Debtors, to:

POLSINELLI PC
Jeremy R. Johnson
600 3rd Avenue, 42nd Floor
New York, New York 10016
Telephone: (212) 684-0199
Facsimile: (212) 684-0197
jeremy.johnson@polsinelli.com

-and-

Trinitee G. Green
2950 N. Harwood, Suite 2100
Dallas, Texas 75201
Telephone: (214) 397-0030
Facsimile: (214) 397-0033
tggreen@polsinelli.com

Counsel to the Reorganized Debtors

10.8 Headings. The headings contained in this Agreement are solely for convenience of reference and shall not affect the meaning or interpretation of this Agreement or of any term or provision hereof.

10.9 Entire Agreement. This Agreement and the exhibits attached hereto, together with the Plan and Confirmation Order, contain the entire agreement between the Parties and supersede all prior and contemporaneous agreements or understandings between the Parties with respect to the subject matter hereof.

10.10 Meanings of Other Terms. Except where the context otherwise requires, words importing the masculine gender include the feminine and the neuter, if appropriate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations, corporations, and other entities. All references herein to Articles, Sections, and other subdivisions, unless referring specifically to the Plan or provisions of the Bankruptcy Code, the Bankruptcy Rules, or other law, statute, or regulation, refer to the corresponding Articles, Sections, and other subdivisions of this Agreement, and the words “herein,” “hereof,” or “herewith” and words of similar import refer to this Agreement as a whole and not to any particular Article, Section, or subdivision of this Agreement. The term “including” shall mean “including, without limitation.”

10.11 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute one and the same instrument. A facsimile or electronic mail signature of any party shall be considered to have the same binding legal effect as an original signature.

10.12 Intention of Parties to Establish a Liquidating Trust. This Agreement is intended to create a “liquidating trust” for U.S. federal income tax purposes and, to the extent provided by law, shall be governed and construed in all respects as such a trust and any ambiguity herein shall be construed consistent herewith and, if necessary, this Agreement may be amended in accordance with Section 9.1 hereof to comply with such U.S. federal income tax laws, which amendments may apply retroactively.

10.13 Other Activities. The Litigation Trustee shall be entitled to perform services for and be employed by third parties on matters not related to this Litigation Trust and the Litigation Trust Causes of Action; provided, however, that such performance or employment affords the Litigation Trustee sufficient time to carry out the Litigation Trustee’s responsibilities and duties as Litigation Trustee and such performance or employment does not conflict with or otherwise prohibit the Litigation Trustee from performing its responsibilities or duties with respect to the Litigation Trust as required under this Agreement free of conflict or interruption.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement or caused this Agreement to be duly executed by their respective officers, representatives, or agents, effective as of the date first above written.

NORTHWEST SENIOR HOUSING CORPORATION

By: _____

Name: [•]

Title: [•]

SENIOR QUALITY LIFESTYLES CORPORATION

By: _____

Name: [•]

Title: [•]

Draft Subject to Further Revision

[TRUSTEE MEMBER REPRESENTATIVE]

By: _____

Name: [•]

Title: [•]

Draft Subject to Further Revision

[LIFESPACE MEMBER REPRESENTATIVE]

By: _____

Name: [•]

Title: [•]

[JOINT MEMBER REPRESENTATIVE]

By: _____

Name: [•]

Title: [•]

LITIGATION TRUSTEE

By: [•], solely in their capacity as Litigation
Trustee of Edgemere Litigation Trust

EXHIBIT A

Funding of Litigation Trust Fund

<u>Funding Party</u>	<u>Funding Obligation in connection with Litigation Trust Fund</u>
Lifespace Communities, Inc.	\$250,000
UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds	\$250,000

EXHIBIT B

Initial Members of the Litigation Trust Oversight Committee

Name	Representative
[•]	Trustee Member Representative
[•]	Lifespace Member Representative
[•]	Joint Member Representative

EXHIBIT C

Compensation of Litigation Trustee

[•]

EXHIBIT B

Residents Trust Agreement

RESIDENTS TRUST AGREEMENT

This RESIDENTS TRUST AGREEMENT (the “Trust Agreement”) is made and entered into as of _____, 2023, by and among (a) Northwest Senior Housing Corporation and Senior Quality Lifestyles Corporation, in their capacities as debtors and debtors in possession and on behalf of themselves and their respective chapter 11 estates (each a “Debtor” and collectively, the “Debtors”), and (b) _____, as trustee of the Residents Trust (the “Trustee” or the “Trustee”), so long as such individual continues in office, and all other individuals who have been duly elected and qualify as trustee of the Residents Trust hereunder pursuant to Section 1.5 or Article VIII hereof. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan (as defined below).

BACKGROUND

A. On April 14, 2022, the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the “Bankruptcy Court”).

B. On December 19, 2022, the Plan Proponents filed their Third Amended Plan of Reorganization of the Plan Sponsors dated December 19, 2022 (as amended, confirmed, and/or modified from time to time, including by the Confirmation Order, the “Plan”).

C. The Plan provides for the creation of a trust on the Effective Date to hold, manage, and administer the Residents Trust Assets and to distribute the proceeds thereof to the holders of Residents Trust Interests (the “Residents Trust Beneficiaries” or “Beneficiaries”) in accordance with the terms of this Trust Agreement, the Plan, and the Confirmation Order.

D. The Residents Trust is being created on behalf of, and for the benefit of, the Residents Trust Beneficiaries, who are Participating Former Residents and Participating Current Residents of Edgemere that hold Allowed Class 5 and Class 6 Refund Claims under the Plan, and who shall hold beneficial interests in the Residents Trust (“Residents Trust Interests”).

E. The Residents Trust is organized for the sole purpose of collecting and distributing the Residents Trust Assets, and not to conduct a trade or business except to the extent reasonably necessary to, and consistent with, the purpose of the Residents Trust.

F. This Residents Trust is intended to qualify as a “liquidating trust” under the Internal Revenue Code of 1986, as amended (the “IRC”) and the regulations promulgated thereunder (the “Treasury Regulations”), specifically Treasury Regulations section 301.7701-4(d) and, as such, as a “grantor trust” for United States federal income tax purposes pursuant to Treasury Regulations Section 1.671-4(a), with the Residents Trust Beneficiaries treated as the grantors and owners of the Residents Trust.

TRUST AGREEMENT

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein, the Debtors and the Trustee agree as follows:

ARTICLE I.

DECLARATION OF TRUST

1.1. Creation of Trust. As of the Effective Date of the Plan, the Debtors and the Trustee, pursuant to the Plan and the Confirmation Order, and in accordance with the applicable provisions of chapter 11 of the Bankruptcy Code, hereby constitute and create the Residents Trust, which shall bear the name “Edgemere Residents Trust.” In connection with the exercise of the Trustee’s power hereunder, the Trustee may use this name or such variation thereof as the Trustee sees fit. The Edgemere Residents Trust shall be governed by the A.R.S. §§ 14-7401 et. seq. as the same may be amended from time to time (the “Trust Code”).

1.2. Purpose of Residents Trust. The purpose of the Residents Trust is to implement the terms of the Plan on behalf, and for the benefit of, the Residents Trust Beneficiaries, and to serve as a mechanism for collecting the contributions from Lifespace Communities Inc. (“Lifespace”) (the “Lifespace Contributions”) required under the Plan and Lifespace Settlement and Contribution Agreement dated December 14, 2022 as amended (the “Lifespace Settlement Agreement”), and distributing the Lifespace Contributions and earnings thereon in accordance with Treasury Regulations section 301.7701-4(d), with no objective to continue or engage in conduct or a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Residents Trust.

1.3. Transfer of Residents Trust Assets. On the Effective Date, the Debtors shall transfer, for the sole benefit of the Residents Trust Beneficiaries, pursuant to Bankruptcy Code sections 1123(a)(5)(B) and 1123(b)(3)(B), and in accordance with the Plan and the Confirmation Order, all of the Debtors’ rights, title and interests in the Lifespace Settlement Agreement, as amended from time to time, (together with Lifespace Contributions, the “Residents Trust Assets”) to the Residents Trust, free and clear of any and all liens, claims, encumbrances and interests (legal, beneficial, or otherwise) of all other entities to the maximum extent contemplated by and permissible under Bankruptcy Code section 1141(c). In this regard, the Residents Trust Assets will be treated as transferred, for United States federal as well as state and local income tax purposes, in the manner set forth pursuant to Section 5.2 of this Trust Agreement. The transfer of the Residents Trust Assets shall be exempt from any stamp, real estate transfer, mortgage reporting, sale, use or other similar tax, pursuant to section 1146(a) of the Bankruptcy Code. Upon delivery of all Residents Trust Assets to the Residents Trust, the Debtors shall be discharged and released from all liability with respect to the delivery of such assets, and exculpated as provided in the Plan. The Residents Trust Assets and all other property held from time to time by the Residents Trust under this Trust Agreement and any earnings, including interest, on any of the foregoing are to be applied by the Trustee in accordance with the terms hereof, the Plan, and the Confirmation Order for the benefit of the Residents Trust Beneficiaries, and for no other party, subject to the further covenants, conditions, and terms hereinafter set forth. In the event of any conflict among this Trust

Agreement, the Plan and the Confirmation Order, the provisions of Section 9.6 of this Trust Agreement shall control.

1.4. Funding of Residents Trust

a) Residents Trust Operations. On the Effective Date, the Residents Trust shall be funded by an assignment of all of the Debtors' rights, title and interests in the Lifespace Settlement Agreement. The Lifespace Contributions thereunder and earnings thereon shall be used exclusively for the following purposes: (i) to maintain the value of the Residents Trust Assets; (ii) to pay the reasonable and necessary administrative expenses of the Residents Trust, including, but not limited to, (a) the Trustee fees, compensation and expenses, (b) the reasonable costs and expenses incurred or anticipated to be incurred by the Trustee (including reasonable fees, costs and expenses incurred or anticipated to be incurred by professionals retained by the Trustee), (c) the reasonable costs and expenses incurred or anticipated to be incurred by the Residents Trust Advisory Board and its members (including reasonable fees, costs and expenses incurred or anticipated to be incurred by professionals retained by the Residents Trust Advisory Board but excluding the fees, costs and expenses of professionals retained by Residents Trust Advisory Board members individually), (d) any taxes imposed on the Residents Trust in respect of the Residents Trust Assets, (e) the reasonable fees and expenses incurred or anticipated to be incurred in connection with, arising out of or related to the Residents Trust Assets and any litigation associated therewith, and (f) other costs and expenses contemplated by this Trust Agreement; and (iii) to make distributions to the Residents Trust Beneficiaries.

b) Reserve. Prior to any distributions to the Residents Trust Beneficiaries, the Trustee shall withhold funds for the payment of projected Residents Trust expenses and Life Care Benefits.

1.5. Appointment and Acceptance of Trustee. As set forth in the Confirmation Order, the members of the Residents Trust Advisory Board hereby designate _____ to serve as the initial Trustee under the Plan. The Trustee accepts the Residents Trust created by this Trust Agreement and the grant, assignment, transfer, conveyance, and delivery by the Debtors of all of their respective right, title, and interest in the Residents Trust Assets, upon and subject to the terms and conditions set forth herein, in the Plan, and in the Confirmation Order, to the Trustee, on behalf, and for the benefit, of the Residents Trust Beneficiaries. The Trustee's powers are exercisable solely in a fiduciary capacity consistent with, and in furtherance of, the purpose of the Residents Trust within the limitations set forth herein, including the Treasury Regulations and the Trust Code, and shall for all purposes hereunder be acting in the capacity as Trustee, and not individually.

1.6. Collection of the Residents Trust Assets. The Trustee shall, in an expeditious but commercially reasonable manner and subject to the provisions of the Plan, the Confirmation Order, and the Lifespace Settlement Agreement, collect Lifespace Contributions and make timely distributions to Residents Trust Beneficiaries in an amount up to their Allowed Refund Claims in the Debtors bankruptcy proceedings in accordance with the terms hereof and the Plan, and shall not unduly prolong the existence of the Residents Trust. The Trustee shall exercise reasonable business judgment and in the collection and distribution of the Residents Trust Assets. The Residents Trust Advisory Board must approve any (i) sale, transfer, assignment, abandonment, or

other disposition of Residents Trust Assets with an asserted value equal to or in excess of \$100,000; (ii) settlement or compromise of any claim of the Residents Trust; or (iii) settlement or compromise of an objection to a Class 5 and/or Class 6 Claim which would result in an Allowed Class 5 and/or Class 6 Claim equal to or in excess of \$100,000. The Trustee may incur any reasonable and necessary expense in connection with the collection and conversion of the Residents Trust Assets into Cash or in connection with the administration of the Residents Trust and, subject to the approval of the Residents Trust Advisory Board, such expenses shall be deducted from the Residents Trust Assets.

1.7. No Reversion to Debtors. In no event shall any part of the Residents Trust Assets revert to or be distributed to any Debtor.

1.8. Incidents of Ownership. The Residents Trust Beneficiaries shall be the sole beneficiaries of the Residents Trust and the Residents Trust Assets, and the Trustee shall retain only such incidents of ownership as are necessary to undertake the actions and transactions authorized herein, in the Plan, and in the Confirmation Order, including those powers set forth in Section 6.2 hereof.

ARTICLE II.

RESIDENTS TRUST BENEFICIARIES

2.1. Conflicting Claims. If any conflicting claims or demands are made or asserted with respect to a Class 5 or Class 6 Claim, or to a Residents Trust Interest or a distribution to a Residents Trust Beneficiary, the Trustee shall be entitled, at the direction and with the approval of the Residents Trust Advisory Board, to refuse to comply with any such conflicting claims or demands. In so refusing, the Trustee, at the direction and with the approval of the Residents Trust Advisory Board, may elect to make no payment or distribution with respect to the Residents Trust Interest subject to the claims or demands involved, or any part thereof, and the Trustee shall refer such conflicting claims or demands to the Bankruptcy Court, which shall have exclusive jurisdiction over resolution of such conflicting claims or demands. In so doing, the Trustee shall not be or become liable to any party for its refusal to comply with any of such conflicting claims or demands. The Trustee shall be entitled to refuse to act until either (i) the rights of the adverse claimants have been adjudicated by a Final Order of the Bankruptcy Court (or such other court of proper jurisdiction) or (ii) all differences have been resolved by a written agreement among all of such parties and the Trustee, which agreement shall (x) include a complete release of the Residents Trust and the Trustee, and (y) be subject to the approval of the Residents Trust Advisory Board if the proposed agreement results in a Class 5 or Class 6 Claim Allowed Claim equal to or in excess of \$100,000 (the occurrence of either (i) or (ii) of this Section 2.1 being referred to as a “Dispute Resolution”). Promptly after a Dispute Resolution is reached, the Trustee shall transfer the payments and distributions, in accordance with the terms of such Dispute Resolution, the Plan and this Agreement.

2.2. Rights of Residents Trust Beneficiaries. Each Residents Trust Beneficiary shall be entitled to participate in the rights and benefits due to a Residents Trust Beneficiary hereunder according to the terms of its Residents Trust Interest. The Residents Trust Interest of a Residents Trust Beneficiary is hereby declared and shall be, in all respects, personal property. Except as

expressly provided hereunder, a Residents Trust Beneficiary shall have no title to, right to, possession of, management of or control of the Residents Trust or the Residents Trust Assets or to any right to call for a partition or division of such assets or to require an accounting. No surviving spouse, heir, or devisee of any deceased Residents Trust Beneficiary shall have any right of dower, homestead, or inheritance, or of partition, or any other right, statutory or otherwise, in the Residents Trust Assets, but the whole title to the Residents Trust Assets shall be vested in the Trustee and the sole interest of the Residents Trust Beneficiaries shall be the rights and benefits given to such person under this Trust Agreement and the Plan.

2.3. Evidence of Residents Trust Interest. Ownership of a Residents Trust Interest in the Residents Trust will be evidenced by the allowance of a Claim against the Debtors by a Participating Former Residents and Participating Current Resident pursuant to the terms of the Plan. Any Participating Former Resident and Participating Current Resident that is a holder of an Allowed Claim under Class 5 or Class 6 of the Plan shall hold a percentage in the Residents Trust Interest (as indicated on Appendix B) equal to the proportion of the underlying Allowed Claim's value to the total value of all Allowed Claims in Class 5 and Class 6 Claims under the Plan. A Residents Trust Beneficiary shall be deemed a "holder of record" (hereinafter "Holder") of such Residents Trust Beneficiary's Residents Trust Interest(s) for purposes of all applicable United States federal and state laws, rules, and regulations.

2.4. Transfers of Residents Trust Interests.

a) General. Residents Trust Interests shall not be transferable or assignable except by will, intestate succession, or operation of law.

b) Residents Trust Settlement Interest Registry. Any transfer or assignment of a Residents Trust Interest by will, intestate succession, or operation of law shall not be effective unless and until such transfer or assignment of the respective interest is recorded in the registry maintained by the Trustee, which shall be completed as soon as practicable after transfer or assignment. Subject to Section 2.4(d), the entries in the Claim Registry shall be conclusive evidence of ownership of a Residents Trust Interest absent manifest error, and the Residents Trust and the Trustee shall treat each person whose name is recorded in the registry pursuant to the terms hereof as the owner of Residents Trust Interests for all purposes of this Trust Agreement, notwithstanding notice to the contrary. The Residents Trust shall maintain, or cause the agent of the Residents Trust to maintain, a register (which may be electronic) setting forth the names and addresses of the Trustee Beneficiaries, and the amount of their Residents Trust Interests from time to time.

c) Registration. If the Trustee, upon advice of counsel, determines that any class of Residents Trust Interests may be subject to registration pursuant to section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Trustee shall pursue relief from such registration by obtaining either an exemptive order, a no-action letter, or an interpretive letter from the Securities and Exchange Commission or its staff or, absent its ability to achieve that objective or in lieu thereof, shall register such class pursuant to section 12 of such statute (it being understood and agreed that the Trustee with the approval of the Residents Trust Advisory Board shall be authorized, among other things, to register such class and to seek relief from one or more of the requirements then applicable subsequent to such registration and to de-register such

class). Any expenses that are associated with such application for relief and/or registration shall be deducted from the Residents Trust Assets.

d) Further Limitations on Transfer. Notwithstanding any other provision to the contrary, the Trustee may disregard any purported transfer or assignment of Residents Trust Interests by will, intestate succession, or operation of law if sufficient necessary information (as reasonably determined by the Trustee), including applicable tax-related information, is not provided by such purported transferee or assignee to the Trustee.

2.5. Limited Liability. No provision of this Trust Agreement, the Plan, or the Confirmation Order, and no mere enumeration herein of the rights or privileges of any Residents Trust Beneficiary, shall give rise to any liability of such Residents Trust Beneficiary solely in its capacity as such, whether such liability is asserted by any Debtor, by creditors, employees, or equity interest holders of any Debtor, or by any other Person. Residents Trust Beneficiaries are deemed to receive the Residents Trust Assets in accordance with the provisions of this Trust Agreement, the Plan, and the Confirmation Order in exchange for the Allowed Class 5 and Class 6 Claims of Participating Former Residents and Participating Current Residents, without further obligation or liability of any kind, but subject to the provisions of this Trust Agreement and the Plan.

ARTICLE III.

DURATION AND TERMINATION OF LIQUIDATING TRUST

3.1. Duration. The Residents Trust shall become effective upon the Effective Date of the Plan and shall have an initial term of eighteen (18) years from the Effective Date; provided, however, that, if warranted by the facts and circumstances, the Residents Trust Advisory Board may limit or extend the term of the Residents Trust.

3.2. Dissolution of the Residents Trust. The Trustee and the Residents Trust shall be discharged or dissolved earlier, as the case maybe, on the earlier to occur of (i) all of the Residents Trust Assets having been distributed pursuant to the Plan and this Trust Agreement, (ii) the Trustee having determined, with the approval of the Residents Trust Advisory Board, that the administration of any remaining Residents Trust Assets is not likely to yield sufficient additional Residents Trust proceeds to justify further pursuit, or (iii) conclusion of the Residents Trust as provided by Section 4.1.

3.3. Continuation of Residents Trust for Winding Up. After the dissolution of the Residents Trust and solely for the purpose of liquidating and winding up the affairs of the Residents Trust, the Trustee shall continue to act as such until its duties have been fully performed. Upon distribution of all the Residents Trust Assets, the Trustee shall retain the books, records, and files that shall have been delivered to or created by the Trustee. All such records and documents may be destroyed at any time following the date that is three (3) years after the final distribution of the Residents Trust Assets. Nothing herein shall be deemed to abridge any agreement(s) to which the Trustee may be party that expressly provides for further retention of such documents and records.

ARTICLE IV.

ADMINISTRATION OF LIQUIDATING TRUST

4.1. Payment of Trustee Fees, Expenses, and Liabilities. Except as otherwise provided herein, the Trustee shall use proceeds from the Residents Trust Assets (i) to pay compensation to the Trustee as approved by the Residents Trust Advisory Board, (ii) to pay reasonable costs and expenses of the Residents Trust that are incurred (including any taxes imposed on the Residents Trust, the actual reasonable out-of-pocket fees and expenses incurred by Trustee professionals in connection with the administration and liquidation of the Residents Trust Assets, as provided in Section 6.7 herein, and the preservation of books and records of the Residents Trust); (iii) to satisfy other obligations or other liabilities incurred or assumed by the Residents Trust (or to which the Residents Trust Assets are otherwise subject) in accordance with the Plan, the Confirmation Order, or this Trust Agreement, including fees and costs incurred in connection with the collection protection, preservation, liquidating, and distribution of the Residents Trust Assets and the costs of investigating, prosecuting, resolving, or settling any litigation or cause of action; (iv) as reasonably necessary to meet contingent liabilities and to maintain the value of the Residents Trust Assets during collection and liquidation; and (v) to satisfy any other obligations of the Residents Trust expressly set forth in the Plan, this Trust Agreement, and the Confirmation Order.

4.2. Distributions.

a) Generally. Except as otherwise provided in the Plan or this Trust Agreement, the Trustee shall make distributions of Residents Trust Assets to the Residents Trust Beneficiaries qualifying to receive distributions from the Residents Trust in the amount of their respective Allowed Refund Claims when the Trustee, in its sole discretion, determines such distribution appropriate and required pursuant to the terms and provisions of the Plan, the Confirmation Order and this Agreement, subject to the Trustee's duty to confer on such matters with the Residents Trust Advisory Board. The Trustee shall have discretion to determine when a Refund Trigger Date has occurred in unique and unforeseen circumstances, subject to the Trustee's duty to confer on such matters with the Residents Trust Advisory Board. The Trustee may postpone any distribution if the Trustee determines that a Distribution is impracticable under the circumstances, or the amount of such distribution would be too small to justify the administrative costs associated with making it. The Trustee shall not unduly prolong the duration of the Residents Trust.

b) Trust Interests; Allocation and Payment of Distributions. Each Residents Trust Beneficiary's (i) share of the Residents Trust Interests (including any Cash and other property to be received on account of any Residents Trust Interest) shall be owned by the Residents Trust Beneficiaries, and (ii) share of the Residents Trust Assets shall be allocated and distributed to the Residents Trust Beneficiaries, in each case in accordance with the Plan, the Confirmation Order and this Trust Agreement.

c) De Minimis Distributions. No Distribution shall be required to be made pursuant to the Plan and this Trust Agreement to any Residents Trust Beneficiary unless such Residents Trust Beneficiary is to receive in such Distribution at least \$500.00, or unless such Distribution is the final distribution to such Residents Trust Beneficiary pursuant to the Plan and

this Trust Agreement. Any such distribution shall be retained by the Trustee and invested as provided in the Plan and this Trust Agreement. Any distribution not made to such Residents Trust Beneficiary, shall be held in trust for the relevant Residents Trust Beneficiary until the earlier of (x) the date the next distribution made to such Residents Trust Beneficiary; provided, however, that such subsequent Distribution, taken together with amounts retained hereby, equals at least \$500.00, or (y) is the final distribution to such Residents Trust Beneficiary.

4.3. Undeliverable Distributions. If the distribution to any Residents Trust Beneficiary is returned to the Trustee as undeliverable or is otherwise an Unclaimed Distribution, no further Distributions shall be made to such Residents Trust Beneficiary unless and until the Trustee is notified in writing of such Residents Trust Beneficiary's then-current address, at which time all missed distributions shall be made to such Residents Trust Beneficiary without interest. The Trustee and the Residents Trust shall not be under any obligation to attempt to determine a Residents Trust Beneficiary's then-current address.

4.4. Treatment of Unclaimed Distributions. Any Residents Trust Beneficiary that does not assert a claim for an unclaimed distribution or negotiate a distribution within three (3) after an attempted distribution shall be deemed to have forfeited its claim for such undeliverable or unclaimed distribution and shall be forever barred and enjoined from asserting any such claim for an unclaimed distribution against the Debtors, the Trustee, the Residents Trust, and their respective agents, attorneys, representatives, employees or independent contractors, or any of its and their property. In such cases, any Cash otherwise reserved for unclaimed distributions shall become the property of the Residents Trust free of any restrictions thereon and notwithstanding any federal or state escheat laws to the contrary and shall be distributed pursuant to the terms of this Agreement. Nothing contained in the Plan or this Residents Trust Agreement shall require the Trustee to attempt to locate any Residents Trust Beneficiary; provided, however, that the Trustee, in its sole discretion, may publish notice of unclaimed distributions.

4.5. Remaining Residents Trust Assets Upon Dissolution of the Residents Trust. The Residents Trust Beneficiaries shall receive distributions in an amount up to, but not exceeding, the amount of their respective Allowed Refund Claims, with no interest thereon. All assets, if any, remaining in the Residents Trust after distributions to Residents Trust Beneficiaries as required under the Plan, the Confirmation Order, and this Agreement may be, at the discretion of the Residents Trust Advisory Board, either (i) distributed to the then owner of the Edgemere Community to be used for the benefit of residents at Edgemere, or (ii) donated to any other charitable organization.

4.6. Setoffs of Lifecare Benefits. Pursuant to the terms of the Plan, the Trustee may set off against any the distributions to be made to a Residents Trust Beneficiary pursuant to the Plan on account thereof (before any distribution is made on account of such Residents Trust Interest by the Trustee), all amounts advanced to such Residents Trust Beneficiary as a Life Care Benefit.

4.7. Compliance with Laws. Any and all distributions of Residents Trust Assets shall be in compliance with applicable laws, including applicable federal and state tax and securities laws, except as otherwise set forth in this Trust Agreement.

4.8. Fiscal Year. Except for the first and last years of the Residents Trust, the fiscal year of the Residents Trust shall be the calendar year. For the first and last years of the Residents Trust, the fiscal year of the Residents Trust shall be such portion of the calendar year that the Residents Trust is in existence.

4.9. Books and Records. The Trustee shall retain and preserve the Debtors' books, records, and files that have been delivered to or created by the Trustee. Subject to Section 3.3 hereof, the Trustee shall maintain, in respect of the Residents Trust and the Residents Trust Beneficiaries and all other parties who are to receive distributions under this Trust Agreement, books and records relating to the assets and the income of the Residents Trust and the payment of expenses of, liabilities of, and claims against or assumed by, the Residents Trust and the Trustee, in such detail and for such period of time as may be necessary to enable it to make full and proper reports in respect thereof in accordance with the provisions of this Trust Agreement and applicable provisions of law, including to applicable tax, securities and other federal and state laws. Except as otherwise provided herein or in the Plan, nothing in this Trust Agreement requires the Trustee to file any accounting or seek approval of any court with respect to the administration of the Residents Trust, or as a condition for making any payment or distribution out of the Residents Trust Assets. The Trustee shall provide any member of the Residents Trust Advisory Board with access to such books and records during normal business hours as may be reasonably requested with five (5) days' advance notice. Residents Trust Beneficiaries shall have the right upon thirty (30) days' prior written notice delivered to the Trustee to inspect such books and records; provided, that, if so requested, all costs associated with such inspection shall be paid in advance by such requesting Residents Trust Beneficiary and such Residents Trust Beneficiary shall have entered into a confidentiality agreement reasonably satisfactory in form and substance to the Trustee.

4.10. Cash Payments. All distributions required to be made by the Trustee to the Residents Trust Beneficiaries shall be made in Cash denominated in United States dollars by checks drawn on a domestic bank selected by the Trustee or, at the option of the Trustee, by wire transfer from a domestic bank selected by the Trustee or as otherwise required or provided in applicable agreements; provided, however, that Cash payments to foreign holders of Residents Trust Interests may be made, at the option of the Trustee, in such funds as and by such means as are necessary or customary in a particular foreign jurisdiction.

4.11. Insurance. The Residents Trust may, to the extent deemed necessary or advisable by the Trustee, maintain customary insurance coverage for the protection of the Trustee and the members.

4.12. Reports.

a) The Trustee shall deliver reports to members of the Residents Trust Advisory Board not later than thirty (30) days following the end of each fiscal year. Such reports shall specify in reasonable detail (i) the status of any causes of action, claims, and litigation involving the Residents Trust or the Residents Trust Assets, including any settlements entered into by the Residents Trust, (ii) the costs and expenses of the Residents Trust that are incurred (including any actual reasonable out-of-pocket fees and expenses incurred by Trustee professionals in connection with the administration and liquidation of the Residents Trust Assets during the preceding fiscal year), (iii) the amounts listed in clause (ii) incurred since the Effective Date, (iv)

the amount of Cash and other assets received by the Residents Trust during the prior fiscal year, (v) the aggregate amount of Cash and other assets received by the Residents Trust since the Effective Date, (vi) the aggregate amount of distributions from the Residents Trust to the Residents Trust Beneficiaries since the Effective Date, and (vii) such other information as the Residents Trust Advisory Board may reasonably request from time to time. The Trustee shall also timely prepare, file, and distribute such additional statements, reports, and submission (A) as may be necessary to cause the Residents Trust and the Trustee to be in compliance with applicable law or (B) as may be otherwise reasonably requested from time to time by the Residents Trust Advisory Board.

ARTICLE V.

TAX MATTERS

5.1. Tax Treatment. For all United States federal income tax purposes, all parties (including, without limitation, the Debtors, the Trustee and the Residents Trust Beneficiaries) will treat the Residents Trust as a “liquidating trust” within the meaning of section 301.7701-4(d) of the Treasury Regulations.

5.2. Residents Trust Assets Treated as Owned by Residents Trust Beneficiaries. For all United States federal income tax purposes, all parties (including the Debtors, the Trustee, and the Residents Trust Beneficiaries) generally will be required to treat the transfer of the Residents Trust Assets to the Residents Trust as (1) a transfer of the Residents Trust Assets (subject to any obligations relating to those assets) directly to the Residents Trust Beneficiaries and, to the extent Residents Trust Assets are allocable to Disputed Claims, to the Disputed Claims Reserve, followed by (2) the transfer by such beneficiaries to the Residents Trust of the Residents Trust Assets (other than the Residents Trust Assets allocable to the Disputed Claims Reserve) in exchange for Residents Trust Interests. Accordingly, the Residents Trust Beneficiaries shall be treated for United States federal income tax purposes as the grantors and owners of their respective share of the Residents Trust Assets (other than such Residents Trust Assets as are allocable to the Disputed Claims Reserve, discussed below) and the earnings thereon. The foregoing treatment shall also apply, to the extent permitted by applicable law, for state and local income tax purposes.

5.3. Tax Reporting.

a) The Trustee shall file (or cause to be filed) all Tax Returns for the Residents Trust treating the Residents Trust as a grantor trust pursuant to Treasury Regulation section 1.671-4(a) and in accordance with this Article V. The Trustee also will annually send to each Residents Trust Beneficiary a separate statement regarding the receipts and expenditures of the Residents Trust as relevant for United States federal income tax purposes and will instruct all such Residents Trust Beneficiaries to use such information in preparing their United States federal income tax returns or to forward the appropriate information to such Residents Trust Beneficiary’s tax return preparer, with instructions to utilize such information in preparing their United States federal income tax returns. The Trustee shall also file (or cause to be filed) any other statement, return, or disclosure relating to the Residents Trust that is required by any governmental unit.

b) Taxable income and taxable losses shall be allocated to each Residents Trust Beneficiary in proportion to the amount of their unpaid Allowed Refund Claim as of December

31st of each taxable year divided by the total unpaid Allowed Refund Claims of all Residents Trust Beneficiaries as of December 31st of each taxable year.

c) The Trustee shall be responsible for payment, out of the Residents Trust Assets, any taxes imposed on the Residents Trust or its assets.

d) The Trustee may request an expedited determination of taxes of the Residents Trust under section 505(b) of the Bankruptcy Code for all Tax Returns filed for, or on behalf of, the Residents Trust for all taxable periods through the dissolution of the Residents Trust.

5.4. Tax Withholdings by Trustee. The Trustee shall withhold and pay to the appropriate tax authority all amounts required to be withheld pursuant to the IRC or any provision of any foreign, state, or local tax law with respect to any payment or distribution to the Residents Trust Beneficiaries. All such amounts withheld and paid to the appropriate tax authority (or placed in escrow pending resolution of the need to withhold) shall be treated as amounts distributed to such Residents Trust Beneficiary for all purposes of the Trust Agreement. The Trustee shall be authorized to collect such tax information from the Residents Trust Beneficiaries (including without limitation, social security numbers or other tax identification numbers) as the Trustee deems necessary to effectuate the Plan, the Confirmation Order, and the Trust Agreement. In order to receive distributions under the Plan, all Residents Trust Beneficiaries shall be required to identify themselves to the Trustee and provide tax information and the specifics of their holdings, to the extent the Trustee deems appropriate in the manner and in accordance with the procedures from time to time established by the Trustee for these purposes. This identification requirement generally applies to all Residents Trust Beneficiaries, including those who hold their Claims in “street name.” The Trustee may refuse to make a distribution to any Residents Trust Beneficiary that fails to furnish such information in a timely fashion, and until such information is delivered may treat such Residents Trust Beneficiary’s Residents Trust Interests as disputed; provided, however, that, upon the delivery of such information by a Residents Trust Beneficiary, the Trustee shall make such distribution to which the Residents Trust Beneficiary is entitled, without additional interest occasioned by such Residents Trust Beneficiary’s delay in providing tax information; and, provided, further, that, if such information is not furnished to the Trustee within six (6) months of the original request to furnish such information, no further distributions shall be made to the Residents Trust Beneficiary; and, provided, further, that, if the Trustee fails to withhold in respect of amounts received or distributable with respect to any such Residents Trust Beneficiary and the Trustee is later held liable for the amount of such withholding, such Residents Trust Beneficiary shall reimburse the Trustee for such liability (to the extent such amounts were actually distributed to such Residents Trust Beneficiary).

ARTICLE VI.

POWERS AND LIMITATIONS ON THE TRUSTEE

6.1. Trustee. References herein to the Trustee shall refer to the individual serving as the Trustee solely in its capacity as trustee hereunder. Subject to Article VIII hereof, the Trustee shall hold office until the termination of the Residents Trust in accordance with the terms set forth herein.

6.2. Powers of the Trustee.

a) Pursuant to the terms of the Plan, the Confirmation Order, and this Trust Agreement, the Trustee shall have various powers, duties, and responsibilities concerning the collection of Residents Trust Assets, the prosecution of litigation claims to collect Residents Trust Assets, the resolution of disputed Class 5 and Class 6 claims against the Debtors' Estates, the administration of the Residents Trust and the Residents Trust Assets, and to make Distributions to the Residents Trust Beneficiaries in accordance with the Plan, the Confirmation Order, and this Trust Agreement.

b) The Trustee shall have only such rights, powers, and privileges expressly set forth in the Confirmation Order, the Plan, and this Trust Agreement and as otherwise provided by applicable law. Subject to the oversight and approvals by and of the Residents Trust Advisory Board when required herein, the Trustee shall be expressly authorized to undertake the following actions:

i. To exercise all power and authority that may be or could have been exercised, commence all proceedings that may be or could have been commenced and take all actions that may be or could have been taken by the Debtors or any trustee appointed for any Debtor to collect amounts owed by Lifespace under the Lifespace Settlement Agreement;

ii. To open and maintain bank and other deposit accounts, escrows and other accounts, calculate and make distributions of Residents Trust Assets as provided for or contemplated by the Plan, the Confirmation Order, and this Trust Agreement, and take other actions consistent with the Plan and the implementation thereof in the name of the Trustee, even in the event of the dissolution of the Debtors;

iii. To collect, sell, liquidate or otherwise dispose of all Residents Trust Assets pursuant to the Plan, subject to approval by the Residents Trust Advisory Board in the event that a particular Residents Trust Asset is valued at or in excess of \$100,000 and, to make distributions of Residents Trust Assets;

iv. Subject to the prior approval of the Residents Trust Advisory Board to borrow funds, and to also take all actions necessary to preserve and maximize the value of the Residents Trust Assets;

v. To object to any Class 5 or Class 6 Claims asserted in the Debtors bankruptcy proceedings (disputed or otherwise), and to defend, compromise and/or settle any Class 5 and Class 6 Claims prior to or following objection without the necessity of approval of the Court, subject to approval by the Residents Trust Advisory Board if any such settlement or compromise results in an Allowed Class 5 and Class 6 Claim equal to or in excess of \$100,000;

vi. To make decisions, after consultation with and approval by the Residents Trust Advisory Board, regarding the retention or engagement of professionals, employees and consultants (generally, "Residents Trust Professionals") by the Residents Trust and to pay, from the Residents Trust Assets, the charges incurred by the Residents Trust on or after the Effective Date for services of professionals upon approval of the Residents Trust Advisory Board, without application to the Court (nothing herein shall prohibit the retention of Foley & Lardner

LLP or Ankura, former professionals retained by the Official Unsecured Creditors Committee, as professionals for the Residents Trust);

vii. To determine, after consultation with the Residents Trust Advisory Board, whether a Refund Trigger Date has occurred or should be deemed to have occurred in unique and unforeseen circumstances;

viii. To cause, on behalf of the Residents Trust, to prepare and file all necessary tax returns and all other appropriate or necessary documents related to municipal, State, Federal or other tax law;

ix. To invest Cash in accordance with section 345 of the Bankruptcy Code or as otherwise permitted by a Final Order of the Court as deemed appropriate by the Trustee in accordance with the investment and deposit guidelines set forth in this Trust Agreement;

x. To enter into any agreement or execute any instrument or document required by or consistent with the Plan and perform all of the obligations of the Trustee hereunder;

xi. To abandon in any commercially reasonable manner, including abandonment or donation to a charitable organization approved by the Residents Trust Advisory Board, any Residents Trust Assets that the Trustee determines too impractical to distribute, provided, however, that Court approval, upon notice and a hearing, shall be required for any abandonment or donation of assets with a value of ten thousand dollars (\$10,000) or more;

xii. To use Residents Trust Assets to purchase or create and maintain all appropriate insurance policies, bonds or other means of assurance and protection of the Residents Trust Assets and pay all reasonable insurance premiums and other costs he or she deems necessary or advisable to insure the acts and omissions of the Trustee, and if appropriate, the Residents Trust Advisory Board;

xiii. To implement and enforce all provisions of the Plan, subject to the advice of the Residents Trust Advisory Board;

xiv. To maintain appropriate books and records (including financial books and records) to govern the collection and distribution of the Residents Trust Assets, provided, however, that any abandonment or destruction of books and records shall require Residents Trust Advisory Board approval, unless otherwise provided herein;

xv. Subject to approval of the Residents Trust Advisory Board, to dissolve the Residents Trust if the Trustee determines, in reasonable reliance on such professionals as it may retain, that the expense of administering the Residents Trust so as to make a final distribution to Trust Beneficiaries is likely to exceed the value of the remaining Residents Trust Assets; and

xvi. To do all other acts or things consistent with the provisions of the Plan that the Trustee deems reasonably necessary or desirable with respect to implementing the Plan.

c) Except as otherwise provided in this Trust Agreement, the Trustee will not be required to obtain the order or approval of the Bankruptcy Court, or any other court of competent jurisdiction in, or account to the Bankruptcy Court or any other court of competent jurisdiction for, the exercise of any right, power, or privilege conferred hereunder. Notwithstanding the foregoing, where the Trustee determines that it is necessary, appropriate, or desirable, the Trustee will have the right to submit to the Bankruptcy Court any question or questions regarding any specific action proposed to be taken by the Trustee with respect to this Trust Agreement, the Residents Trust, or the Residents Trust Assets, including the administration and distribution of Residents Trust Assets and the termination of the Residents Trust. Pursuant to the Plan, the Bankruptcy Court has retained jurisdiction for such purposes and may approve or disapprove any such proposed action upon motion by the Trustee.

6.3. Limitations on Trustee.

a) The Trustee shall, on behalf of the Residents Trust, hold the Residents Trust out as a trust in the process of collection and liquidation and not as an investment company. The Trustee shall be restricted to the liquidation of the Residents Trust Assets on behalf, and for the benefit, of the Residents Trust Beneficiaries and the distribution and application of the Residents Trust Assets for the purposes set forth in, and the conservation and protection of the Residents Trust Assets and the administration thereof in accordance with, the provisions of this Trust Agreement, the Plan, and the Confirmation Order. In no event shall the Trustee receive any property, make any distribution, satisfy or discharge any claims, expenses, charges, liabilities and obligations or otherwise take any action which would jeopardize the status of the Residents Trust as a “liquidating trust” for United States federal income tax purposes within the meaning of Treasury Regulations Section 301.7701-4(d). This limitation shall apply irrespective of whether the conduct of any such actions is deemed by the Trustee to be necessary or appropriate for the conservation and protection of the Trust Assets.

b) Notwithstanding anything in this Trust Agreement to the contrary, the Trustee shall submit to the Residents Trust Advisory Board for its approval the following matters and any other matters that expressly or reasonably require the approval of the Residents Trust Advisory Board pursuant to the other terms of this Trust Agreement:

- i. The retention or engagement of any Trustee professionals;
- ii. Any payment to the Trustee or any Trustee professionals for fees and expenses in excess of twenty thousand dollars (\$20,000.00);
- iii. Any settlement of any litigation or causes of action involving an amount in controversy equal to or in excess of \$100,000;
- iv. Any borrowing of funds;
- v. Any incurrence of any cost, expense, or fee in excess of \$100,000;

and

- vi. The dissolution of the Residents Trust.

The foregoing shall not limit the Trustee's ability to make determinations and take actions regarding compliance with tax withholding requirements (including remittances).

6.4. Establishment of Residents Trust Advisory Board.

a) The "Residents Trust Advisory Board" means the board to be appointed in accordance with, and to exercise the duties set forth in, this Trust Agreement, which duties shall be (i) to oversee the collection and distribution of the Residents Trust Assets by the Trustee in accordance with this Trust Agreement, the Plan, and the Confirmation Order, (ii) to approve (or withhold approval) of those matters submitted to it for approval in accordance with the terms of this Trust Agreement, and (iii) to remove and appoint any successor to the Trustee as provided for in this Trust Agreement.

b) The Residents Trust Advisory Board shall consist of three (3) members.

c) The authority of the members of the Residents Trust Advisory Board shall be effective as of the Effective Date and shall remain and continue in full force and effect until the Residents Trust is dissolved in accordance with Section 3.2 hereof. The service of the members of the Residents Trust Advisory Board shall be subject to the following:

i. the members of the Residents Trust Advisory Board shall serve until death or resignation pursuant to clause (ii) below, or removal pursuant to clause (iii) below;

ii. a member of the Residents Trust Advisory Board may resign at any time by providing a written notice of resignation to the remaining members of the Residents Trust Advisory Board. Such resignation shall be effective when a successor is appointed as provided herein;

iii. a member of the Residents Trust Advisory Board may be removed by unanimous vote of the other members for (a) fraud or willful misconduct in connection with the affairs of the Residents Trust or (b) cause, which shall include a breach of fiduciary duty other than as specified in the foregoing clause (a). Such removal shall be effective only upon the earlier of (a) acceptance of such removal by the member, or (b) an order of the Bankruptcy Court requiring such removal;

iv. in the event of a vacancy in a member's position (whether by removal, death, or resignation) and such member is not replaced pursuant to Section 6.4(c)(iv), the Trustee shall appoint as successor member who is willing to serve on the Residents Trust Advisory Board and that is reasonably acceptable to the remaining members; and

v. immediately upon appointment of any successor member of the Residents Trust Advisory Board, all rights, powers, duties, authority, and privileges of the predecessor member of the Residents Trust Advisory Board hereunder shall be vested in and undertaken by the successor member of the Residents Trust Advisory Board without any further act; and the successor member of the Residents Trust Advisory Board shall not be liable personally for any act or omission of the predecessor member of the Residents Trust Advisory Board.

vi. Notwithstanding anything in this Trust Agreement to the contrary, the Residents Trust Advisory Board shall not take any action which will cause the Residents Trust to fail to qualify as a “liquidating trust” and taxed as a grantor trust for United States federal income tax purposes.

vii. A quorum for meetings of the Residents Trust Advisory Board shall consist of a majority of the members of the Residents Trust Advisory Board then serving; provided, however, that, for purposes of determining whether a quorum is present at such a meeting, a member of the Residents Trust Advisory Board shall be deemed present if a representative of the member is attending in person, by telephone, or by proxy; provided, further, however, that to the extent practicable, reasonable notice of a meeting must be given to all members of the Residents Trust Advisory Board.

viii. Except as expressly provided herein, the affirmative vote of a majority of the members of the Residents Trust Advisory Board shall be the act of the Residents Trust Advisory Board with respect to any matter that requires the determination, consent, approval, or agreement of such board. Any or all of the members of the Residents Trust Advisory Board may participate in a regular or special meeting by, or conduct the meeting through the use of, conference telephone or similar communications equipment by means of which all persons participating in the meeting may hear each other, in which case any required notice of such meeting may generally describe the arrangements (rather than or in addition to the Plan) for the holding thereof. Any member of the Residents Trust Advisory Board participating in a meeting by this means is deemed to be present in person at the meeting. In all matters submitted to a vote of the Residents Trust Advisory Board, each Residents Trust Advisory Board member shall be entitled to cast one vote, which vote shall be cast personally by such Residents Trust Advisory Board member or by proxy. In a matter in which the Trustee cannot obtain direction or authority from the Residents Trust Advisory Board, the Trustee may file a motion requesting such direction or authority from the Bankruptcy Court; provided, however, that any member of the Residents Trust Advisory Board may oppose such motion.

ix. Any action required or permitted to be taken by the Residents Trust Advisory Board at a meeting may be taken without a meeting if the action is taken by unanimous written consent of the Residents Trust Advisory Board as evidenced by one or more written consents describing the action taken, signed by the Residents Trust Advisory Board and filed with the minutes or proceedings of the Residents Trust Advisory Board.

x. Any member of the Residents Trust Advisory Board shall be reimbursed by the Trustee from the Residents Trust Assets for its actual, reasonable out-of-pocket expenses incurred for serving on such board, such as travel costs etc. (but excluding the fees, costs, and expenses of professionals retained by Residents Trust Advisory Board members individually), after submission of reasonably detailed receipts or invoices evidencing such expenses. Except as provided for in this Section 6.4, the members of the Residents Trust Advisory Board shall not be entitled to receive any other form of compensation for their services provided as such members. Except as provided for in this Section 6.4, the members of the Residents Trust Advisory Board shall not be entitled to receive any other form of compensation for their services provided as such members.

6.5. Resolution of Claims.

a) Unless otherwise provided in the Plan, from and after the Effective Date, the Trustee shall have authority to object to Class 5 and Class 6 Claims (in consultation with the Residents Trust Advisory Board) and to have the Bankruptcy Court determine the amount and treatment of any Class 5 and Class 6 Claim. Subject to Section 6.3 herein, from and after the Effective Date, the Trustee may settle or compromise any Disputed Class 5 and Class 6 Claim with or without approval of the Court.

b) Subject to Section 6.3 herein, the Trustee shall have the authority to retain counsel and other professionals in conjunction with the resolution of Claims pursuant to this Section 6.5. The reasonable fees and expenses of such counsel and professionals as approved by the Residents Trust Advisory Board shall be paid and deducted from the Residents Trust Assets.

6.6. Actions Taken on Other Than a Business Day. In the event that any payment or act under the Plan or this Trust Agreement is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

6.7. Agents, Employees, and Professionals.

a) Subject to approval by the Residents Trust Advisory Board, the Residents Trust may, but shall not be required to, from time to time enter into contracts with, consult with and retain Trustee Professionals deemed by the Trustee to have qualifications necessary or desirable to assist in the proper administration of the Residents Trust, on such terms as he Trustee deems appropriate.

b) After the Effective Date, Trustee Professionals shall be required to submit reasonably detailed invoices on a monthly basis, or as may otherwise be agreed by the Trustee, to the Trustee, including in such invoices a description of the work performed, who performed such work, and, if billing on an hourly basis, the hourly rate of such person, plus an itemized statement of expenses. Subject to the approval of the Residents Trust Advisory Board, the Trustee shall pay such invoices thirty (30) days after such invoices are received. In the event of any dispute concerning the entitlement to, or the reasonableness of any compensation and/or expenses of any Trustee Professionals, either the Trustee, with the approval of the Residents Trust Advisory Board, or the affected party may ask the Bankruptcy Court to resolve the dispute.

c) All payments to Trustee Professionals shall be paid out of the Residents Trust Assets.

6.8. Investment of Residents Trust Monies. All monies and other assets received by the Trustee as Residents Trust Assets (including the proceeds thereof as a result of investment in accordance with this Section 6.8) shall, until distributed or paid over as herein provided, be held in trust for the benefit of the Residents Trust Beneficiaries, and shall not be segregated from other Residents Trust Assets, unless and to the extent required by the Plan. The Trustee shall promptly invest any such monies (including any earnings thereon or proceeds thereof) as permitted by section 345 of the Bankruptcy Code, in the manner set forth in this Section 6.8, but shall otherwise

have no liability for interest or income on any monies received by the Residents Trust hereunder and held for distribution or payment to the Residents Trust Beneficiaries, except as such interest shall actually be received. Investment of any monies held by the Residents Trust shall be administered in accordance with the general duties and obligations hereunder. Unless otherwise approved by the Residents Trust Advisory Board, the right and power of the Trustee to invest the Residents Trust Assets, the proceeds thereof, or any income earned by the Residents Trust, shall be limited to the right and power to (i) invest such Residents Trust Assets (pending distributions in accordance with the Plan or this Trust Agreement) in short-term direct obligations of any agency or corporation which is or may hereafter be created by or pursuant to an act of the Congress of the United States as an agency or instrumentality thereof; or (ii) deposit such assets in demand deposits at any bank or trust company, which has, at the time of the deposit, a capital stock and surplus aggregating at least \$1,000,000,000 (collectively, the “Permissible Investments”); provided, however, that the scope of any such Permissible Investments shall be limited to include only those investments that a liquidating trust, within the meaning of Treasury Regulations section 301.7701-4(d), may be permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, whether set forth in IRS rulings (including but not limited to Revenue Procedure 82-58, Revenue Procedure 91-15, and Revenue Procedure 94-45), other IRS pronouncements or otherwise.

6.9. Termination. The duties, responsibilities, and powers of the Trustee and the Residents Trust Advisory Board shall terminate on the date the Residents Trust is wound up and dissolved in accordance with _____ law pursuant to Section 3.2 hereof, under applicable law and in accordance with this Trust Agreement and the Plan; provided, however, that Sections 7.2, 7.3, 7.4, 7.5, and 7.6 hereof shall survive such termination, dissolution, and entry.

ARTICLE VII.

CONCERNING THE RESIDENTS TRUST TRUSTEE AND

RESIDENTS TRUST ADVISORY BOARD

7.1. Reliance by the Trustee and the Members of the Residents Trust Advisory Board. Except as otherwise provided in this Trust Agreement, the Plan, or the Confirmation Order, the Trustee and the members of the Residents Trust Advisory Board may rely and shall be protected in acting upon any resolution, statement, instrument, opinion, report, notice, request, consent, order, or other paper or document reasonably believed by the Trustee to be genuine and to have been signed or presented by the proper party or parties.

7.2. Liability to Third Persons. The Trustee, the Trustee Professionals, and the members of the Residents Trust Advisory Board shall not be subject to any personal liability whatsoever, in tort, contract, or otherwise, to any person (including, in the case of the Trustee and members of the Residents Trust Advisory Board, to any Trustee Professionals retained by the Trustee in accordance with this Trust Agreement) in connection with the Residents Trust Assets or the affairs of the Residents Trust and shall not be liable with respect to any action taken or omitted to be taken in good faith, except for actions and omissions determined by a Final Order of the Bankruptcy Court to be due to their respective gross negligence, intentional fraud, criminal conduct, or willful

misconduct (“Indemnifiable Claims”), and all such Persons shall look solely to the Residents Trust Assets for satisfaction of claims of any nature arising in connection with affairs of the Residents Trust. Other than as set forth in the Plan or in the Confirmation Order, nothing in this Section 7.2 shall be deemed to release any Residents Trust Beneficiary from any actions or omissions occurring prior to the Effective Date.h

7.3. Nonliability of Trustee and Residents Trust Advisory Board for Acts of Others. Except as provided herein, nothing contained in this Trust Agreement, the Plan, or the Confirmation Order shall be deemed to be an assumption by the Trustee, the Residents Trust Advisory Board (or its members), or the Trustee Professionals of any of the liabilities, obligations, or duties of the Debtors or shall be deemed to be or contain a covenant or agreement by the Trustee to assume or accept any such liability, obligations, or duty. Any successor Trustee, or Residents Trust Advisory Board member may accept and rely upon any accounting made by or on behalf of any predecessor Trustee hereunder, and any statement of representation made as to the assets comprising the Residents Trust Assets or as to any other fact bearing upon the prior administration of the Residents Trust, so long as it has a good faith basis to do so. The Trustee, and the Residents Trust Advisory Board members shall not be liable for having accepted and relied in good faith upon any such accounting, statement, or representation if it is later proved to be incomplete, inaccurate, or untrue. The Trustee or any successor Trustee, and Residents Trust Advisory Board members shall not be liable for any act or omission of any predecessor Trustee, or Residents Trust Advisory Board member, nor have a duty to enforce any claims against any predecessor Trustee, or Residents Trust Advisory Board member on account of any such act or omission, unless directed to do so by the Residents Trust Advisory Board. No provision of this Trust Agreement shall require the Trustee to expend or risk his or her personal funds or otherwise incur any financial liability in the performance of his or her rights or powers hereunder if the Trustee has reasonable grounds to believe that the payment of such funds or adequate indemnity against such risk or liability is not reasonably assured or provided to him or her.

7.4. Exculpation. As of the Effective Date, the Trustee, the Trustee professionals, and any member of the Residents Trust Advisory Board shall be and hereby are exculpated by all Persons, including Residents Trust Beneficiaries, and other parties-in-interest, from any and all claims, causes of action, and other assertions of liability arising out of or related to the discharge of their respective powers and duties conferred by the Plan, this Trust Agreement, or any order of the Bankruptcy Court entered pursuant to or in furtherance of the Plan, or applicable law or otherwise, except for actions or omissions to act that are determined by Final Order of the Bankruptcy Court to have arisen out of their own respective intentional fraud, criminal conduct, gross negligence, or willful misconduct. No Residents Trust Beneficiary, or other party-in-interest shall have or be permitted to pursue any claim or cause of action against the Trustee, the Residents Trust, the employees, professionals, or representatives of either the Trustee or the Residents Trust (including the Trustee Professionals) or the members of the Residents Trust Advisory Board, for making payments in accordance with, or for implementing, the provisions of the Plan, the Confirmation Order, and this Trust Agreement in good faith. Any action taken or omitted to be taken with the express approval of the Bankruptcy Court or the Residents Trust Advisory Board shall conclusively be deemed not to constitute gross negligence or willful misconduct; provided, however, that, notwithstanding any provision herein to the contrary, the Trustee shall not be obligated to comply with a direction of the Residents Trust Advisory Board, whether or not

express, which would result in a change to the distribution provisions of this Trust Agreement and the Plan.

7.5. Duties of the Members of the Residents Trust Advisory Board. The members of the Residents Trust Advisory Board shall owe a fiduciary duty to Residents Trust Beneficiaries as a whole and not to any individual Residents Trust Beneficiary. Members of the Residents Trust Advisory Board shall owe the same duties to the Residents Trust Beneficiaries as the duties owed by members of a committee established by Section 1102(a) of the Bankruptcy Code to their constituents.

7.6. Indemnity. The Trustee, the employees of the Residents Trust, the members of the Residents Trust Advisory Board, and their respective agents, employees, officers, directors, professionals, attorneys, accountants, advisors, representatives, and principals, including the Trustee Professionals (collectively, the “Indemnified Parties”) shall be indemnified by the Residents Trust solely from the Residents Trust Assets for any losses, claims, damages, liabilities, and expenses occurring after the Effective Date, including reasonable attorneys’ fees, disbursements, and related expenses which the Indemnified Parties may incur or to which the Indemnified Parties may become subject in connection with any action, suit, proceeding, or investigation brought by or threatened against one or more of the Indemnified Parties on account of the acts or omissions in their capacity as, or on behalf of, the Trustee or a member of the Residents Trust Advisory Board; provided, however, that the Residents Trust shall not be liable to indemnify any Indemnified Party for any act or omission arising out of such Indemnified Party’s respective, fraud or willful misconduct as determined by a Final Order of the Bankruptcy Court. Notwithstanding any provision herein to the contrary, the Indemnified Parties shall be entitled to obtain advances from the Residents Trust to cover their reasonable expenses of defending themselves in any action brought against them as a result of the acts or omissions, actual or alleged, of an Indemnified Party in its capacity as such, except for any actions or omissions arising from their own respective willful misconduct or fraud; provided, however, that the Indemnified Parties receiving such advances shall repay the amounts so advanced to the Residents Trust immediately upon the entry of a Final Order finding that such Indemnified Parties were not entitled to any indemnity under the provisions of this Section 7.6. The foregoing indemnity in respect of any Indemnified Party shall survive the termination of such Indemnified Party from the capacity for which they are indemnified.

7.7. Compensation and Expenses. Subject to the approval of the Residents Trust Advisory Board, the Trustee shall receive compensation for its services, to be paid out of the Residents Trust Assets. In addition, the Trustee shall be entitled, with the approval of the Residents Trust Advisory Board to reimburse itself from the Residents Trust Assets on a monthly basis for all reasonable out-of-pocket expenses actually incurred in the performance of duties in accordance with this Trust Agreement and the Plan.

ARTICLE VIII.

SUCCESSOR RESIDENTS TRUSTEE

8.1. Resignation. The Trustee may resign from the Residents Trust by giving at least sixty (60) days prior written notice thereof to each member of the Residents Trust Advisory Board.

Such resignation shall become effective on the later to occur of (a) the date specified in such written notice, and (b) the effective date of the appointment of a successor Trustee in accordance with Section 8.4 hereof and such successor's acceptance of such appointment in accordance with Section 8.5 hereof.

8.2. Removal. At any time upon the request of the Residents Trust Advisory Board through a motion filed in the Bankruptcy Court, the Bankruptcy Court may remove the Trustee, including any successor Trustee, for cause. For purposes of this Section 8.2, "cause" shall mean: (a) an act of fraud, embezzlement, or theft in connection with the Trustee's duties or in the course of her employment in such capacity, (b) the intentional wrongful damage to the Residents Trust Assets, (c) the intentional wrongful disclosure of confidential information of the Residents Trust resulting in material harm to the Residents Trust, or (d) gross negligence by the Trustee in connection with the performance of his or her duties under this Residents Trust Agreement. Unless the Bankruptcy Court orders immediate removal, the Trustee shall continue to serve until a successor Trustee is appointed, and such appointment becomes effective, in accordance with Section 8.2 hereof. If the Trustee is removed for cause, such Trustee shall not be entitled to any accrued but unpaid fees, expenses or other compensation under this Residents Trust Agreement or otherwise. If the Trustee is unwilling or unable to serve for any other reason whatsoever other than for "cause," subject to a final accounting, such Trustee shall be entitled to all accrued but unpaid fees, expenses, and other compensation, to the extent incurred, arising or relating to events occurring before his or her removal or resignation, and to any out-of-pocket expenses reasonably incurred in connection with the transfer of all powers and duties and all rights to any successor Trustee.

8.3. Effect of Resignation or Removal. The resignation, removal, incompetency, bankruptcy, or insolvency of the Trustee shall not operate to terminate the Residents Trust or to revoke any existing agency created pursuant to the terms of this Trust Agreement, the Plan, or the Confirmation Order or invalidate any action theretofore taken by the Trustee. All fees and expenses properly incurred by the Trustee prior to the resignation, incompetency, or removal of the Trustee shall be paid from the Residents Trust, unless such fees and expenses are disputed by (a) the Residents Trust Advisory Board or (b) the successor Trustee, in which case the Bankruptcy Court shall resolve the dispute and any disputed fees and expenses of the predecessor Trustee that are subsequently allowed by the Bankruptcy Court shall be paid from the Residents Trust Assets. In the event of the resignation or removal of the Trustee, such Trustee shall: (i) promptly execute and deliver such documents, instruments, and other writings as may be reasonably requested by the successor Trustee or directed by the Bankruptcy Court to effect the termination of such Trustee's capacity under this Trust Agreement; (ii) promptly deliver to the successor Trustee all documents, instruments, records, and other writings related to the Residents Trust as may be in the possession of such Trustee; and (iii) otherwise assist and cooperate in effecting the assumption of its obligations and functions by such successor Trustee.

8.4. Appointment of Successor. In the event of the death, resignation, removal, incompetency, bankruptcy, or insolvency of the Trustee, a vacancy shall be deemed to exist and a successor shall be appointed by a majority of the Residents Trust Advisory Board. In the event that a successor Trustee is not appointed within thirty (30) days after the date of such vacancy, the Bankruptcy Court, upon its own motion or the motion of a Residents Trust Beneficiary or any member of the Residents Trust Advisory Board, shall appoint a successor Trustee.

8.5. Acceptance of Appointment by Successor Trustee. Any successor Trustee appointed hereunder shall execute an instrument accepting its appointment and shall deliver one counterpart thereof to the Bankruptcy Court for filing and to the Residents Trust Advisory Board and, in case of the Trustee's resignation, to the resigning Trustee. Thereupon, such successor Trustee shall, without any further act, become vested with all the duties, powers, rights, title, discretion, and privileges of its predecessor in the Residents Trust with like effect as if originally named Trustee and shall be deemed appointed pursuant to Bankruptcy Code section 1123(b)(3)(B). The resigning or removed Trustee shall duly assign, transfer, and deliver to such successor Trustee all property and money held by such resigning or removed Trustee hereunder and shall, as directed by the Bankruptcy Court or reasonably requested by such successor Trustee, execute and deliver an instrument or instruments conveying and transferring to such successor Trustee upon the trusts herein expressed, all the liabilities, duties, powers, rights, title, discretion, and privileges of such resigning or removed Trustee.

ARTICLE IX.

MISCELLANEOUS PROVISIONS

9.1. Governing Law. This Trust Agreement shall be governed by and construed in accordance with the laws of the State of _____, without giving effect to rules governing the conflict of laws.

9.2. Jurisdiction. Subject to the proviso below, the parties agree that the Bankruptcy Court shall have exclusive jurisdiction over the Residents Trust and the Trustee, including the administration and activities of the Residents Trust and the Trustee, and, pursuant to the Plan, the Bankruptcy Court has retained such jurisdiction; provided, however, that notwithstanding the foregoing, the Trustee shall have power and authority to prosecute any Cause of Action in any court of competent jurisdiction (including the Bankruptcy Court).

9.3. Severability. In the event any provision of this Trust Agreement or the application thereof to any person or circumstances shall be determined by a final, non-appealable judgment or order to be invalid or unenforceable to any extent, the remainder of this Trust Agreement or the application of such provision to persons or circumstances or in jurisdictions other than those as to or in which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Trust Agreement shall be valid and enforceable to the full extent permitted by law.

9.4. Notices. Any notice or other communication required or permitted to be made under this Trust Agreement shall be in writing and shall be deemed to have been sufficiently given, for all purposes, if delivered personally, by email, facsimile, sent by nationally recognized overnight delivery service or mailed by first-class mail:

- i. If to the Trustee:
- ii. If to the Debtors:

iii. If to the members of the Residents Trust Advisory Board:

9.5. Headings. The headings contained in this Trust Agreement are solely for convenience and reference and shall not affect the meaning or interpretation of this Trust Agreement or of any term or provision hereof.

9.6. Relationship to the Plan. The terms of this Trust Agreement are intended to supplement the terms provided by the Plan and the Confirmation Order, and therefore this Trust Agreement incorporates the provisions of the Plan and the Confirmation Order (which may amend or supplement the Plan). To the extent that there is a conflict between the provisions of this Trust Agreement, the provisions of the Plan, or the Confirmation Order, each document shall have controlling effect in the following rank order: (1) this Trust Agreement, (2) the Confirmation Order, and (3) the Plan.

9.7. Entire Trust Agreement. This Trust Agreement (including the recitals and annex hereto), the Plan, and the Confirmation Order constitute the entire agreement by and among the parties and supersede all prior and contemporaneous agreements or understandings by and among the parties with respect to the subject matter hereof.

9.8. Cooperation. The Debtors shall turn over or otherwise make available to the Trustee at no cost to the Residents Trust or the Trustee, all books and records reasonably required by the Trustee to carry out its duties hereunder, and agree to otherwise reasonably cooperate with the Trustee in carrying out its duties hereunder, subject to the confidentiality provisions herein to preserve the confidential nature of the Debtors' books and records.

9.9. Amendment and Waiver. Any provision of this Trust Agreement may be amended or waived by the Trustee with the consent of all members of the Residents Trust Advisory Board provided, however, that no change may be made to this Residents Trust Agreement that would adversely affect the distributions to be made under this Residents Trust Agreement to any of the Residents Trust Beneficiaries, or adversely affect the United States federal income tax status of the Residents Trust as a "liquidating trust." Notwithstanding this Section 9.9, any amendment to this Trust Agreement shall not be inconsistent with the purpose and intention of the Residents Trust to liquidate in an expeditious but orderly manner the Residents Trust Assets in accordance with Treasury Regulations section 301.7701-4(d) and Section 1.2 hereof.

9.10. Confidentiality. The Trustee and its employees, members, agents, professionals, and advisors, including the Trustee Professionals, and each member of the Residents Trust Advisory Board (each a "Confidential Party" and, collectively, the "Confidential Parties") shall hold strictly confidential and not use for personal gain any material, non-public information of which they have become aware in their capacity as a Confidential Party, of or pertaining to any Debtor to which any of the Residents Trust Assets relates; provided, however, that such information may be disclosed if (a) it is now or in the future becomes generally available to the public other than as a result of a disclosure by the Confidential Parties; or (b) such disclosure is required of the Confidential Parties pursuant to legal process including subpoena or other court order or other applicable laws or regulations. In the event that any Confidential Party is requested to divulge confidential information pursuant to this clause (b), such Confidential Party shall

promptly, in advance of making such disclosure, provide reasonable notice of such required disclosure to the Trustee (or the Residents Trust Advisory Board in the case the Trustee is the disclosing party) to allow sufficient time to object to or prevent such disclosure through judicial or other means and shall cooperate reasonably with the Trustee (or the Residents Trust Advisory Board, as applicable) in making any such objection, including appearing in any judicial or administrative proceeding in support of any objection to such disclosure.

9.11. Meanings of Other Terms. Except where the context otherwise requires, words importing the masculine gender include the feminine and the neuter, if appropriate, words importing the singular number shall include the plural number and vice versa and words importing persons shall include firms, associations, corporations, and other entities. All references herein to Articles, Sections, and other subdivisions, unless referring specifically to the Plan or provisions of the Bankruptcy Code, the Bankruptcy Rules, or other law, statute, or regulation, refer to the corresponding Articles, Sections, and other subdivisions of this Trust Agreement, and the words herein and words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section, or subdivision of this Trust Agreement. The term “including” shall mean “including, without limitation.”

9.12. Counterparts. This Trust Agreement may be executed in any number of counterparts, each of which shall be deemed in original, but such counterparts shall together constitute but one and the same instrument. A facsimile or portable document file (PDF) signature of any party shall be considered to have the same binding legal effect as an original signature.

9.13. Intention of Parties to Establish a Liquidation Trust. This Trust Agreement is intended to create a “liquidating trust” for United States federal income tax purposes within the meaning of Treasury Regulations section 301.7701-4(d), and, to the extent provided by law, shall be governed and construed in all respects as such a trust and any ambiguity herein shall be construed consistent herewith and, if necessary, this Trust Agreement may be amended to comply with such United States federal income tax laws, which amendments may apply retroactively. This Trust Agreement is not intended to create and shall not be interpreted as creating a corporation, association, partnership or joint venture of any kind for United States federal income tax purposes or for any other purposes.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Trust Agreement or caused this Trust Agreement to be duly executed by their respective officers, representatives, or agents, effective as of the date first written above.

NORTHWEST SENIOR HOUSING CORPORATION

By: _____
Name: _____
Title: _____

SENIOR QUALITY LIFESTYLES CORPORATION

By: _____
Name: _____
Title: _____

RESIDENTS TRUST
TRUSTEE

Name: _____

INITIAL RESIDENTS
TRUST ADVISORY BOARD

Name: _____

Name: _____

Name: _____

EXHIBIT C

Executory Contracts and Unexpired Leases

Contract Counterparty	Description of Executory Contract/Lease	Cure Amount
Access Systems	Office Equipment Lease	\$10,560.04
Advanced Answers On Demand, Inc.	Marketing, Sales Software License Agreement	\$0
AT&T	Telecom/Internet	\$483.72
Atmos Energy	Natural Gas	\$0
Augustine Management Texas, Inc.	Management Services Agreement	\$0
Augustine Management Texas, Inc.	Operating Agreements	\$0
Blue Cross and Blue Shield of Texas (BCBSTX)	Provider Agreements	\$0
Centers for Medicare & Medicaid Services	Provider agreements	\$0
City of Dallas	Water/Sewer	\$0
Community Waste Disposal LP	Waste	\$0
Dallas MD Associates, LLC/Dr. Kahn	Medical Director Agreement	\$0
Direct Energy	Electric	\$54,261.29
Fusion LLC	Telecom/Internet	\$0
Intercity Investment Properties, Inc.	Ground Lease	TBD
Kim Fellman, MD	Medical Director Agreement	\$5,133.33
LeadingCare Network Texas, LLC (Aetna)	Provider agreements	\$0
Management and Network Services, LLC	Provider agreements	\$0
MatrixCare, Inc.	Software License & Service Agreement	\$0
Novitas Solutions, LLC	Medicare Administrative Contractor	\$0
Spectrum (f/k/a Time Warner Cable)	Telecom/Internet	\$0
ThyssenKrupp Elevator	Elevator Maintenance Agreement	\$1,267.25
UnitedHealthcare Insurance Company	Provider agreements	\$0
US Dept Health & Human Services Centers for Medicare & Medicaid Services	Medicare Provider Agreement	\$0
Verizon	Telecom/Internet	\$0

EXHIBIT D

Form Rental Agreement for Current Residents

[To be filed.]

Exhibit 11

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re:

Northwest Senior Housing Corporation, *et al.*¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

**CERTIFICATION OF ANDRES A. ESTRADA WITH RESPECT TO THE
TABULATION OF VOTES ON THE THIRD AMENDED PLAN OF
REORGANIZATION OF THE PLAN SPONSORS DATED DECEMBER 19, 2022**

I, Andres A. Estrada, depose and say under the penalty of perjury:

1. I am a Managing Director of Corporate Restructuring Services, employed by Kurtzman Carson Consultants LLC (“KCC”), located at 222 N. Pacific Coast Highway, 3rd Floor, El Segundo, California 90245. I am over the age of 18 and not a party to this action.

2. James Lee, Vice President of Public Securities Services for KCC, also assisted in the service and tabulation described herein.

3. On April 20, 2022, the Court entered the *Order Granting Debtors’ Application for Entry of an Order (A) Authorizing the Retention and Employment of Kurtzman Carson Consultants LLC as Claims, Noticing and Solicitation Agent, Nunc Pro Tunc to the Petition Date and (B) Granting Related Relief* [Docket No. 110].

4. On December 20, 2022, the Court entered the *Order (I) Establishing Voting Record Date and Other Deadlines; (II) Authorizing Kurtzman Carson Consultants LLC to Act as the Voting Agent with Respect to the Plan; (III) Approving Solicitation and Notice Procedures; (IV) Approving*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.



Manner and Forms of Ballots, Notices and Related Documents; and (V) Granting Related Relief [Docket No. 947] (the “**Solicitation Procedures Order**”)² establishing, among other things, certain solicitation and voting tabulation procedures with respect to the *Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 933] (as may be further amended, supplemented, or otherwise modified from time to time, the “**Plan**”). I supervised the solicitation and tabulation performed by KCC’s employees.

5. KCC has considerable experience in soliciting and tabulating votes to accept or reject proposed chapter 11 plans. Except as otherwise stated, I could and would testify to the following based upon my personal knowledge. I am authorized to submit this Certification on behalf of KCC.

SERVICE AND TRANSMITTAL OF SOLICITATION PACKAGES AND THE TABULATION PROCESS

6. On December 22, 2022, KCC caused to be served the Confirmation and Sale Hearing Notice on the Debtors’ creditors listed in the creditor matrix and all other parties required to receive such notice pursuant to the Solicitation Procedures Order. On December 22, 2022, KCC caused to be served Solicitation Packages on all holders of Claims in Classes 2, 4, 5, and 6 (collectively the “**Voting Classes**”) entitled to vote as of December 15, 2022 (the “**Voting Record Date**”), and a Unimpaired Claims Notice or Unclassified Claim Notice and an Opt Out Election Form for Non-Voting Claims in lieu of a Solicitation Package on all holders of unimpaired claims in Classes 1 and 3 or unclassified claims in accordance with the Solicitation Procedures Order. A certificate of service evidencing the foregoing was filed with the Bankruptcy Court on December

² Capitalized terms used but not otherwise defined herein shall have the same meanings ascribed to them in the Solicitation Procedures Order.

30, 2022 as Docket No. 978. Further, on December 30, 2022, KCC caused to be served the Amended Ballot and Release Opt Out Form for Accepting or Rejecting Chapter 11 Plan [Docket No. 979] on all holders of Claims in Classes 5 and 6. A certificate of service was filed with the Bankruptcy Court on January 9, 2023 as Docket No. 1013.

7. On or before December 22, 2022, KCC posted links to the electronic versions of the Confirmation and Sale Hearing Notice, Disclosure Statement (with the Plan as an Exhibit), Disclosure Statement Order [Docket No. 936], the Solicitation Procedures Order, and the Committee Solicitation Letter (Exhibit 10 to the Solicitation Procedures Order) on the public access website at www.kccllc.net/edgemere.

8. On December 28, 2022 the Confirmation and Sale Hearing Notice was published in *The New York Times (National Edition)* and on December 29, 2022 in *The Dallas Morning News*. An affidavit evidencing the publication of the Confirmation and Sale Hearing Notice was filed with the Court on January 6, 2023 as Docket No. 1008.

9. The Solicitation Procedures Order established December 15, 2022 as the Voting Record Date. Pursuant to the Solicitation Procedures Order, holders of Claims in Class 2 (Bond Claims), Class 4 (General Unsecured Claims), Class 5 (Participating Former Resident Refund Claims), and Class 6 (Participating Current Resident Refund Claims) were entitled to vote to accept or reject the Plan. No other classes were entitled to vote on the Plan.

10. Pursuant to the Solicitation Procedures Order, KCC relied on the Debtor's Schedules of Assets and Liabilities and the Claims information pertaining to the Debtors' chapter 11 cases, as reflected in KCC's systems, to identify the holders of Claims entitled to vote to accept or reject the Plan.

11. KCC also relied on a security position report provided by The Depository Trust Company (“**DTC**”) as of the Voting Record Date to identify the bank and brokerage firms (the “**Nominees**”) that hold Class 2 (Bond Claims) on behalf of underlying beneficial owners.

12. For the Class 2 Bond Claims, KCC provided Beneficial Owner Ballots to the Nominees appearing on the security position report received from DTC, or the Nominees’ agents, for subsequent forwarding to the underlying beneficial owners. KCC also provided a Master Ballot to each Nominee for their use in reporting the results of the underlying Beneficial Owner Ballot.

13. Using the information outlined above, KCC worked closely with Debtors’ counsel and advisors to create a voting database reflecting the names of holders in the Voting Classes, addresses of such holders, voting amounts and classification of Claims and Interests in the Voting Classes.

14. Using its KCC CaseView voting database (“**KCC CaseView**”), KCC generated ballots for Holders of Claims and Interests entitled to vote to accept or reject the Plan. The Solicitation Procedures Order established January 20, 2023 at 4:00 p.m. (prevailing Central Time) as the deadline for receiving ballots to accept or reject the Plan (the “**Voting Deadline**”).

15. In accordance with the Solicitation Procedures Order, KCC received and tabulated Ballots as follows: (a) each returned paper Ballot was opened and inspected at KCC’s offices; (b) paper Ballots were date-stamped and scanned into KCC CaseView; (c) each Ballot submitted electronically through KCC’s electronic voting platform was electronically received and processed; and (d) all Ballots received on or before the Voting Deadline were then entered into KCC CaseView and tabulated.

16. The final tabulation of votes cast by timely and properly completed Ballots received by KCC is attached hereto as **Exhibit A**. The detailed ballot reports for Voting Classes 2, 4, 5 and 6 are attached to this Certification as **Exhibits A-1, A-2, A-3, and A-4**.

17. Attached as **Exhibit B** to this Certification is a detailed report of any Ballots that were not included in the tabulation above because they did not satisfy the requirements for a valid Ballot as set forth in the Solicitation Procedures Order.

18. In addition, KCC reviewed and tabulated the elections recorded on the Ballots and Opt Out Forms received by the Voting Deadline from holders entitled to opt out of the Plan's third-party releases. A report of any such holders that checked the opt out box on their ballot or opt out form is attached hereto as **Exhibit C**. For the avoidance of doubt, this Certification does not certify the validity or enforceability of any opt out elections received and reported on **Exhibit C** hereto, but rather this Certification is providing such information for reporting and informational purposes only.

Conclusion

To the best of my knowledge, information and belief, the foregoing information concerning the distribution, submission and tabulation of Ballots in connection with the Plan is true. The Ballots received by KCC are stored at KCC's office and are available for inspection by or submission to this Court.

Dated: January 24, 2023

/s/ Andres A. Estrada
Andres A. Estrada
Kurtzman Carson Consultants LLC

Exhibit A

Class Name	Class Description	Unacceptable Votes	Members Voted	Members Accepted	Members Rejected	% Members Accepted	% Members Rejected	Total \$ Voted	\$ Accepted	\$ Rejected	\$ Abstained	% \$ Accepted	% \$ Rejected
2	Bond Claims	0	109	106	3	97.25	2.75	\$60,255,555.00	\$60,225,555.00	\$30,000.00	\$0.00	99.95	0.05
4	General Unsecured Claims	0	129	124	5	96.12	3.88	\$60,656,855.53	\$60,355,970.58	\$300,884.95	\$29,892.86	99.50	0.50
5	Participating Former Resident Refund Claims	2	80	79	1	98.75	1.25	\$33,145,497.49	\$32,877,478.49	\$268,019.00	\$259,127.00	99.19	0.81
6	Participating Current Resident Refund Claims	12	200	199	1	99.50	0.50	\$96,560,998.73	\$96,272,998.73	\$288,000.00	\$561,599.80	99.70	0.30

Bond Claims and Bond Deficiency Claims

DTC Part No.	Nominee	Total Number of Accounts Voting	Number of Accounts Accepted	Number of Accounts Rejected	Total Principal Amount Voted	Principal Amount Accept	Principal Amount Reject
901	BANK OF NY	3	3	0	\$2,585,000.00	\$2,585,000.00	\$0.00
10	BROWN BROS	2	2	0	\$2,190,000.00	\$2,190,000.00	\$0.00
164	CHS SCHWAB	4	4	0	\$475,000.00	\$475,000.00	\$0.00
8862	MLPFS/8862	1	1	0	\$185,000.00	\$185,000.00	\$0.00
226	NFS LLC	2	2	0	\$195,000.00	\$195,000.00	\$0.00
571	OPPENHEIME	1	1	0	\$45,000.00	\$45,000.00	\$0.00
443	PERSHING	16	16	0	\$13,975,000.00	\$13,975,000.00	\$0.00
547	R W BAIRD	1	1	0	\$5,000.00	\$5,000.00	\$0.00
235	RBCCAPMKTS	26	26	0	\$390,000.00	\$390,000.00	\$0.00
997	SSB&T CO	16	16	0	\$39,240,555.00	\$39,240,555.00	\$0.00
2950	SSB/TETF	3	3	0	\$535,000.00	\$535,000.00	\$0.00
793	STIFEL	32	30	2	\$415,000.00	\$395,000.00	\$20,000.00
62	VANGUARD	1	0	1	\$10,000.00	\$0.00	\$10,000.00
141	WELLS CLRG	1	1	0	\$10,000.00	\$10,000.00	\$0.00
	TOTAL	109	106	3	\$60,255,555.00	\$60,225,555.00	\$30,000.00

**Class 4 Ballot Detail
General Unsecured Claims**

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote
AMC Construction	01/19/2023	253	\$64,375.00	01/11/2023	Accept
Andrew Corridori	01/03/2023	32	\$125.00	01/03/2023	Accept
Contemporary, Inc.	01/10/2023	113	\$563.65	01/10/2023	Accept
Emerald Irish Dance and Cultural Society	12/30/2022	23	\$157.00	12/30/2022	Accept
For Love & Art	01/19/2023	254	\$200.00	01/10/2023	Accept
Green Planet, Inc.	12/28/2022	4	\$668.50	12/28/2022	Accept
Haier US Appliance Solutions, Inc. d/b/a GE Appliances	01/19/2023	297	\$34,641.34	01/19/2023	Accept
Intercity Investment Properties, Inc.	01/17/2023	228	\$113,210.50	01/17/2023	Reject
Lagniappe National Construction LLC	01/17/2023	227	\$157,674.45	01/17/2023	Reject
PointClickCare Technologies Inc	01/09/2023	95	\$7,355.93	01/09/2023	Accept
Resident ID 1387	01/20/2023	308	\$1.00	01/20/2023	Accept
Resident ID 1438	01/10/2023	111	\$294.13	01/10/2023	Accept
Resident ID 202	01/13/2023	213	\$683.36	01/13/2023	Accept
Resident ID 2040	01/11/2023	206	\$910.00	01/04/2023	Accept
Resident ID 74	01/03/2023	34	\$7,141.50	01/03/2023	Accept
Resident ID 86	01/20/2023	312	\$803.51	01/20/2023	Accept
Southwest Mobile Imaging Inc	01/09/2023	91	\$9,234.54	01/09/2023	Accept
Tom Gilchrist	01/05/2023	43	\$600.00	12/28/2022	Accept
United Protective Services LP	01/20/2023	310	\$2,273.25	01/20/2023	Accept
VINTAGE WASHES LTD	12/28/2022	5	\$387.87	12/28/2022	Accept

**Class 4 Ballot Detail
General Unsecured Claims**

Nominee	Total Number of Accounts Voting	Number of Accounts Accepted	Number of Accounts Rejected	Total Principal Amount Voted	Principal Amount Accept	Principal Amount Reject
BANK OF NY	3	3	0	\$2,585,000	\$2,585,000	\$0
BROWN BROS	2	2	0	\$2,190,000	\$2,190,000	\$0
CHS SCHWAB	4	4	0	\$475,000	\$475,000	\$0
MLPFS/8862	1	1	0	\$185,000	\$185,000	\$0
NFS LLC	2	2	0	\$195,000	\$195,000	\$0
OPPENHEIME	1	1	0	\$45,000	\$45,000	\$0
PERSHING	16	16	0	\$13,975,000	\$13,975,000	\$0
R W BAIRD	1	1	0	\$5,000	\$5,000	\$0
RBCCAPMKTS	26	26	0	\$390,000	\$390,000	\$0
SSB&T CO	16	16	0	\$39,240,555	\$39,240,555	\$0
SSB/TETF	3	3	0	\$535,000	\$535,000	\$0
STIFEL	32	30	2	\$415,000	\$395,000	\$20,000
VANGUARD	1	0	1	\$10,000	\$0	\$10,000
WELLS CLRG	1	1	0	\$10,000	\$10,000	\$0

Class 5 Ballot Detail

Participating Former Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote
Resident ID 12	12/30/2022	21	\$188,694.00	12/30/2022	Accept
Resident ID 23	01/16/2023	219	\$268,019.00	01/16/2023	Reject
Resident ID 32	01/02/2023	29	\$227,700.00	01/02/2023	Accept
Resident ID 61	01/19/2023	296	\$490,507.60	01/19/2023	Accept
Resident ID 74	01/03/2023	35	\$510,511.50	01/03/2023	Accept
Resident ID 79	01/19/2023	251	\$461,862.00	01/11/2023	Accept
Resident ID 83	01/18/2023	238	\$294,236.06	01/18/2023	Accept
Resident ID 84	01/18/2023	236	\$522,810.00	01/18/2023	Accept
Resident ID 86	01/20/2023	309	\$217,165.51	01/20/2023	Accept
Resident ID 95	01/20/2023	316	\$528,918.30	01/10/2023	Accept
Resident ID 115	01/09/2023	100	\$297,456.00	01/09/2023	Accept
Resident ID 162	01/20/2023	320	\$51,703.86	01/20/2023	Accept
Resident ID 202	01/13/2023	212	\$245,752.36	01/13/2023	Accept
Resident ID 203	01/09/2023	97	\$612,046.00	01/09/2023	Accept
Resident ID 212	01/03/2023	36	\$274,763.00	01/03/2023	Accept
Resident ID 220	01/05/2023	44	\$589,095.00	12/28/2022	Accept
Resident ID 229	01/19/2023	204	\$442,710.00	01/10/2023	Accept
Resident ID 230	01/20/2023	315	\$536,463.00		Accept
Resident ID 284	01/13/2023	225	\$527,138.00	01/13/2023	Accept
Resident ID 292	01/18/2023	237	\$555,273.00	01/18/2023	Accept
Resident ID 1387	01/20/2023	313	\$449,100.00	01/20/2023	Accept
Resident ID 1390	01/11/2023	120	\$481,680.00	01/11/2023	Accept
Resident ID 1391	01/10/2023	114	\$621,193.00	01/10/2023	Accept
Resident ID 1393	01/11/2023	116	\$132,567.37	01/11/2023	Accept
Resident ID 1394	01/12/2023	125	\$316,478.00	01/12/2023	Accept
Resident ID 1398	01/20/2023	322	\$649,485.00	01/20/2023	Accept
Resident ID 1400	01/05/2023	70	\$716,288.40	01/05/2023	Accept
Resident ID 1401	01/18/2023	231	\$643,968.00	01/18/2023	Accept
Resident ID 1402	01/04/2023	20	\$589,095.00	01/03/2023	Accept
Resident ID 1403	01/12/2023	121	\$269,910.00	01/12/2023	Accept
Resident ID 1406	01/19/2023	306	\$430,470.00	01/19/2023	Accept
Resident ID 1407	01/20/2023	318	\$539,343.00	01/12/2023	Accept
Resident ID 1408	01/19/2023	305	\$540,068.00	01/19/2023	Accept

Class 5 Ballot Detail

Participating Former Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote
Resident ID 1409	01/19/2023	299	\$509,803.00	01/19/2023	Accept
Resident ID 1410	01/11/2023	123	\$397,575.00	01/04/2023	Accept
Resident ID 1411	01/20/2023	324	\$420,300.00	01/20/2023	Accept
Resident ID 1414	12/28/2022	10	\$302,360.40	12/28/2022	Accept
Resident ID 1417	01/19/2023	298	\$301,410.00	01/19/2023	Accept
Resident ID 1418	01/17/2023	224	\$508,391.00	01/17/2023	Accept
Resident ID 1420	12/27/2022	3	\$620,100.00	12/27/2022	Accept
Resident ID 1422	01/20/2023	317	\$507,098.80	01/12/2023	Accept
Resident ID 1424	12/30/2022	22	\$137,340.00	12/30/2022	Accept
Resident ID 1424	12/28/2022	8	\$137,340.00	12/28/2022	Accept
Resident ID 1424	12/28/2022	11	\$137,340.00	12/28/2022	Accept
Resident ID 1425	01/19/2023	249	\$648,945.00	01/19/2023	Accept
Resident ID 1427	01/09/2023	99	\$216,362.00	01/09/2023	Accept
Resident ID 1428	12/29/2022	15	\$250,349.40	12/29/2022	Accept
Resident ID 1433	01/14/2023	216	\$471,743.00	01/14/2023	Accept
Resident ID 1436	01/07/2023	86	\$808,430.00	01/07/2023	Accept
Resident ID 1437	01/13/2023	209	\$377,910.00	01/13/2023	Accept
Resident ID 1438	01/10/2023	110	\$875,602.00	01/10/2023	Accept
Resident ID 1439	01/19/2023	248	\$463,934.69	01/19/2023	Accept
Resident ID 1441	01/04/2023	40	\$618,921.00	01/04/2023	Accept
Resident ID 1442	01/18/2023	242	\$416,610.00	01/18/2023	Accept
Resident ID 1443	01/16/2023	221	\$452,952.00	01/16/2023	Accept
Resident ID 1444	01/20/2023	321	\$243,594.00	01/20/2023	Accept
Resident ID 1445	01/19/2023	295	\$451,533.77	01/19/2023	Accept
Resident ID 1447	01/12/2023	122	\$463,729.50	01/12/2023	Accept
Resident ID 1452	01/19/2023	300	\$189,404.11	01/19/2023	Accept
Resident ID 1455	01/19/2023	246	\$333,164.00	01/19/2023	Accept
Resident ID 1456	01/05/2023	69	\$293,593.16	01/05/2023	Accept
Resident ID 1457	01/04/2023	38	\$318,273.00	01/04/2023	Accept
Resident ID 1459	01/15/2023	217	\$341,793.00	01/15/2023	Accept
Resident ID 1460	01/09/2023	92	\$557,100.00	01/09/2023	Accept
Resident ID 1464	01/18/2023	240	\$385,110.00	01/18/2023	Accept
Resident ID 1465	01/20/2023	252	\$623,675.70	01/11/2023	Accept

Class 5 Ballot Detail

Participating Former Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote
Resident ID 1470	01/13/2023	214	\$327,810.00	01/13/2023	Accept
Resident ID 1514	01/18/2023	245	\$311,564.00	01/18/2023	Accept
Resident ID 1516	01/11/2023	118	\$670,806.00	01/04/2023	Accept
Resident ID 1517	01/05/2023	67	\$470,530.00	01/05/2023	Accept
Resident ID 1518	01/17/2023	222	\$350,910.00	01/17/2023	Accept
Resident ID 1521	01/05/2023	68	\$589,055.00	01/05/2023	Accept
Resident ID 1522	01/20/2023	314	\$837,810.00	01/10/2023	Accept
Resident ID 1523	01/18/2023	233	\$500,145.00	01/10/2023	Accept
Resident ID 1719	12/28/2022	9	\$104,383.50	12/28/2022	Accept
Resident ID 1719	12/31/2022	25	\$104,383.50	12/31/2022	Accept
Resident ID 1719	01/18/2023	203	\$208,767.00	01/03/2023	Accept
Resident ID 1719	01/05/2023	45	\$208,767.00		Accept
Resident ID 1719	01/14/2023	226	\$9.00	01/14/2023	Accept
Resident ID 19820	01/17/2023	223	\$456,300.00	01/17/2023	Accept

Class 6 Ballot Detail

Participating Current Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote
Resident ID 2	01/10/2023	106	\$350,910.00	01/10/2023	Accept
Resident ID 3	01/09/2023	96	\$220,563.00	01/09/2023	Accept
Resident ID 17	01/03/2023	37	\$162,360.00	01/03/2023	Accept
Resident ID 38	01/17/2023	229	\$665,163.00	01/17/2023	Accept
Resident ID 52	01/19/2023	304	\$499,746.00	01/19/2023	Accept
Resident ID 53	01/19/2023	257	\$449,100.00	01/09/2023	Accept
Resident ID 59	01/13/2023	211	\$421,470.00	01/13/2023	Accept
Resident ID 60	01/18/2023	241	\$482,816.70	01/18/2023	Accept
Resident ID 64	01/03/2023	33	\$296,100.00	01/03/2023	Accept
Resident ID 81	01/10/2023	39	\$589,905.00	01/10/2023	Accept
Resident ID 96	01/05/2023	81	\$190,610.00	01/05/2023	Accept
Resident ID 99	12/31/2022	26	\$366,573.00	12/31/2022	Accept
Resident ID 109	01/19/2023	80	\$263,661.00	01/09/2023	Accept
Resident ID 113	01/19/2023	262	\$624,658.00	12/31/2022	Accept
Resident ID 114	12/28/2022	6	\$869,103.00	12/28/2022	Accept
Resident ID 116	01/11/2023	139	\$377,910.00	01/06/2023	Accept
Resident ID 117	01/20/2023	323	\$216,362.00	01/20/2023	Accept
Resident ID 119	01/19/2023	301	\$256,050.00	01/12/2023	Accept
Resident ID 120	01/19/2023	273	\$485,190.00	01/10/2023	Accept
Resident ID 122	01/11/2023	165	\$470,530.00	01/01/2023	Accept
Resident ID 123	01/19/2023	265	\$194,387.40	01/10/2023	Accept
Resident ID 125	01/11/2023	152	\$692,973.00	01/04/2023	Accept
Resident ID 126	01/11/2023	169	\$493,970.00	01/04/2023	Accept
Resident ID 127	01/19/2023	279	\$537,881.00	01/08/2023	Accept
Resident ID 128	01/18/2023	79	\$445,140.00	01/12/2023	Accept
Resident ID 130	01/09/2023	104	\$400,680.00	01/09/2023	Accept
Resident ID 131	01/05/2023	57	\$226,170.00	12/30/2022	Accept
Resident ID 133	01/18/2023	194	\$460,493.00	01/12/2023	Accept
Resident ID 136	01/19/2023	280	\$260,116.20	01/08/2023	Accept
Resident ID 138	01/11/2023	161	\$639,900.00	01/01/2023	Accept
Resident ID 140	01/11/2023	130	\$585,063.00	01/02/2023	Accept
Resident ID 142	01/05/2023	65	\$297,612.00	12/30/2022	Accept
Resident ID 143	01/19/2023	258	\$196,204.00	01/12/2023	Accept

Class 6 Ballot Detail

Participating Current Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote
Resident ID 144	12/29/2022	12	\$168,750.00	12/29/2022	Accept
Resident ID 144	12/29/2022	2	\$168,750.00	12/28/2022	Accept
Resident ID 144	12/29/2022	1	\$337,500.00	12/28/2022	Accept
Resident ID 145	01/06/2023	82	\$205,070.00	01/06/2023	Accept
Resident ID 146	01/05/2023	48	\$586,590.00	12/27/2022	Accept
Resident ID 148	01/19/2023	250	\$617,463.00	01/09/2023	Accept
Resident ID 149	01/19/2023	108	\$432,224.10	01/04/2023	Accept
Resident ID 151	01/11/2023	136	\$738,000.00	01/06/2023	Accept
Resident ID 152	01/11/2023	134	\$413,910.00	12/31/2022	Accept
Resident ID 154	01/11/2023	132	\$697,500.00	01/06/2023	Accept
Resident ID 156	01/11/2023	176	\$517,349.00	01/02/2023	Accept
Resident ID 159	01/11/2023	115	\$617,463.00	01/11/2023	Accept
Resident ID 160	01/05/2023	56	\$674,973.00	12/28/2022	Accept
Resident ID 161	01/11/2023	180	\$602,100.00	01/03/2023	Accept
Resident ID 163	01/19/2023	288	\$425,610.00	01/07/2023	Accept
Resident ID 166	01/05/2023	63	\$566,190.00	12/30/2022	Accept
Resident ID 169	01/19/2023	266	\$508,390.00	01/11/2023	Accept
Resident ID 170	01/05/2023	78	\$564,879.00	12/29/2022	Accept
Resident ID 171	01/02/2023	66	\$508,391.00	01/02/2023	Accept
Resident ID 172	01/19/2023	270	\$555,717.00	01/11/2023	Accept
Resident ID 175	01/09/2023	98	\$177,175.80	01/09/2023	Accept
Resident ID 176	01/11/2023	179	\$622,918.00	01/02/2023	Accept
Resident ID 178	01/11/2023	146	\$583,037.10	01/01/2023	Accept
Resident ID 179	01/19/2023	267	\$424,569.00	01/11/2023	Accept
Resident ID 180	01/11/2023	168	\$405,527.00	01/04/2023	Accept
Resident ID 181	01/05/2023	51	\$378,810.00	01/03/2023	Accept
Resident ID 182	01/10/2023	107	\$341,100.00	01/10/2023	Accept
Resident ID 183	01/07/2023	87	\$538,979.00	01/07/2023	Accept
Resident ID 184	01/11/2023	155	\$549,630.00	01/04/2023	Accept
Resident ID 185	01/19/2023	276	\$323,100.00	01/08/2023	Accept
Resident ID 188	01/05/2023	55	\$398,055.00	12/30/2022	Accept
Resident ID 189	01/19/2023	272	\$530,100.00	01/06/2023	Accept
Resident ID 190	01/05/2023	62	\$536,463.00	12/29/2022	Accept

Class 6 Ballot Detail

Participating Current Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote
Resident ID 191	01/11/2023	187	\$539,100.00	12/30/2022	Accept
Resident ID 192	01/18/2023	244	\$274,763.00	01/18/2023	Accept
Resident ID 194	01/11/2023	142	\$509,571.00	01/04/2023	Accept
Resident ID 196	01/19/2023	281	\$585,000.00	01/06/2023	Accept
Resident ID 199	01/19/2023	307	\$522,810.00	01/19/2023	Accept
Resident ID 200	01/11/2023	141	\$439,200.00	01/03/2023	Accept
Resident ID 201	01/19/2023	259	\$480,834.90	01/07/2023	Accept
Resident ID 204	01/11/2023	195	\$510,420.60	01/05/2023	Accept
Resident ID 205	01/20/2023	319	\$288,000.00	01/20/2023	Reject
Resident ID 206	01/05/2023	49	\$498,893.00	12/28/2022	Accept
Resident ID 207	01/11/2023	200	\$312,115.30	12/29/2022	Accept
Resident ID 214	01/03/2023	31	\$756,545.00	01/03/2023	Accept
Resident ID 215	01/05/2023	58	\$253,158.00	12/30/2022	Accept
Resident ID 217	01/10/2023	109	\$417,087.00	01/10/2023	Accept
Resident ID 218	01/11/2023	198	\$330,220.00	12/30/2022	Accept
Resident ID 219	01/05/2023	60	\$377,243.00	12/30/2022	Accept
Resident ID 221	01/18/2023	234	\$4,515.50	01/11/2023	Accept
Resident ID 222	01/19/2023	112	\$609,219.90	01/10/2023	Accept
Resident ID 224	01/11/2023	140	\$333,164.00	01/06/2023	Accept
Resident ID 225	01/09/2023	85	\$437,846.00	01/07/2023	Accept
Resident ID 227	01/11/2023	167	\$233,469.00	01/04/2023	Accept
Resident ID 228	01/11/2023	154	\$213,704.00	01/02/2023	Accept
Resident ID 231	01/18/2023	235	\$468,000.00	01/07/2023	Accept
Resident ID 232	01/11/2023	137	\$319,518.90	01/06/2023	Accept
Resident ID 233	01/19/2023	275	\$468,000.00	01/19/2023	Accept
Resident ID 235	01/05/2023	64	\$338,585.00	12/30/2022	Accept
Resident ID 236	01/09/2023	102	\$507,600.00	01/09/2023	Accept
Resident ID 237	01/18/2023	243	\$643,968.00	01/18/2023	Accept
Resident ID 238	01/20/2023	311	\$561,600.00	01/20/2023	Accept
Resident ID 239	01/04/2023	42	\$458,235.00	01/04/2023	Accept
Resident ID 240	01/02/2023	28	\$341,100.30	01/02/2023	Accept
Resident ID 242	01/19/2023	247	\$418,249.00	01/19/2023	Accept
Resident ID 244	01/19/2023	283	\$468,432.00	01/08/2023	Accept

Class 6 Ballot Detail

Participating Current Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote
Resident ID 245	12/29/2022	13	\$541,890.00	12/29/2022	Accept
Resident ID 246	01/11/2023	148	\$426,454.20	01/04/2023	Accept
Resident ID 248	01/09/2023	94	\$269,063.10	01/09/2023	Accept
Resident ID 249	01/11/2023	158	\$514,796.00	12/31/2022	Accept
Resident ID 251	01/19/2023	285	\$665,163.00	01/09/2023	Accept
Resident ID 252	01/11/2023	138	\$458,442.00	01/06/2023	Accept
Resident ID 253	01/11/2023	188	\$396,897.30	12/30/2022	Accept
Resident ID 255	01/11/2023	183	\$271,851.30	01/03/2023	Accept
Resident ID 256	01/09/2023	103	\$486,000.00	01/09/2023	Accept
Resident ID 257	01/11/2023	201	\$585,405.00	01/02/2023	Accept
Resident ID 259	01/05/2023	71	\$643,968.00	01/05/2023	Accept
Resident ID 260	01/16/2023	220	\$377,910.00	01/16/2023	Accept
Resident ID 261	01/19/2023	268	\$698,400.00	01/10/2023	Accept
Resident ID 263	01/11/2023	150	\$623,675.70	01/03/2023	Accept
Resident ID 264	01/11/2023	133	\$566,190.00	01/06/2023	Accept
Resident ID 265	01/19/2023	287	\$530,100.00	01/09/2023	Accept
Resident ID 266	01/19/2023	263	\$504,000.00	01/10/2023	Accept
Resident ID 268	01/12/2023	205	\$433,440.00	01/07/2023	Accept
Resident ID 269	01/05/2023	50	\$692,100.00	12/27/2022	Accept
Resident ID 270	01/11/2023	83	\$527,138.00	01/06/2023	Accept
Resident ID 271	01/19/2023	256	\$359,188.20	01/03/2023	Accept
Resident ID 272	01/11/2023	186	\$680,473.80	01/03/2023	Accept
Resident ID 273	01/11/2023	128	\$555,717.00	01/03/2023	Accept
Resident ID 274	01/11/2023	174	\$273,910.00	02/02/2023	Accept
Resident ID 275	01/11/2023	173	\$270,000.00	01/03/2023	Accept
Resident ID 276	01/11/2023	184	\$372,510.00	12/31/2022	Accept
Resident ID 278	01/11/2023	151	\$350,000.00	01/03/2023	Accept
Resident ID 279	01/05/2023	47	\$540,000.00	12/28/2022	Accept
Resident ID 280	01/19/2023	292	\$536,635.00	01/05/2023	Accept
Resident ID 281	01/19/2023	284	\$359,100.00	01/04/2023	Accept
Resident ID 283	01/16/2023	215	\$199,676.00	01/11/2023	Accept
Resident ID 285	01/09/2023	90	\$245,070.00	01/09/2023	Accept
Resident ID 286	01/16/2023	218	\$396,576.00	01/16/2023	Accept

Class 6 Ballot Detail

Participating Current Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote
Resident ID 288	01/13/2023	208	\$436,800.00	01/13/2023	Accept
Resident ID 290	01/11/2023	160	\$433,777.50	01/02/2023	Accept
Resident ID 291	01/11/2023	172	\$408,138.00	01/01/2023	Accept
Resident ID 293	01/19/2023	264	\$263,661.00	01/09/2023	Accept
Resident ID 294	01/11/2023	171	\$276,291.00	01/04/2023	Accept
Resident ID 295	01/05/2023	46	\$420,244.20	12/29/2022	Accept
Resident ID 296	01/11/2023	197	\$247,217.40	01/04/2023	Accept
Resident ID 298	01/19/2023	271	\$894,446.70	01/06/2023	Accept
Resident ID 299	01/19/2023	255	\$379,323.00	01/01/2023	Accept
Resident ID 300	01/05/2023	53	\$261,019.50	12/28/2022	Accept
Resident ID 301	01/11/2023	164	\$449,100.00	01/06/2023	Accept
Resident ID 302	01/05/2023	59	\$150,781.00	12/29/2022	Accept
Resident ID 304	01/04/2023	41	\$274,763.00	01/04/2023	Accept
Resident ID 305	01/19/2023	291	\$364,914.00	01/09/2023	Accept
Resident ID 307	01/19/2023	286	\$400,500.00	01/07/2023	Accept
Resident ID 308	01/19/2023	294	\$315,000.00	01/17/2023	Accept
Resident ID 309	01/11/2023	127	\$408,125.90	12/28/2022	Accept
Resident ID 310	01/09/2023	101	\$536,463.00	01/09/2023	Accept
Resident ID 311	01/19/2023	277	\$280,162.80	01/06/2023	Accept
Resident ID 312	01/01/2023	27	\$377,370.00	01/01/2023	Accept
Resident ID 313	01/05/2023	73	\$612,077.00	12/29/2022	Accept
Resident ID 314	01/05/2023	76	\$728,190.00	12/29/2022	Accept
Resident ID 315	01/11/2023	166	\$333,164.00	01/04/2023	Accept
Resident ID 316	01/09/2023	93	\$333,164.00	01/09/2023	Accept
Resident ID 317	01/19/2023	261	\$246,149.00	01/12/2023	Accept
Resident ID 318	01/11/2023	135	\$508,391.00	01/06/2023	Accept
Resident ID 319	01/11/2023	144	\$641,541.00	01/06/2023	Accept
Resident ID 321	01/11/2023	163	\$691,536.60	01/02/2023	Accept
Resident ID 322	01/11/2023	191	\$369,741.00	01/01/2023	Accept
Resident ID 324	01/11/2023	156	\$316,478.00	01/02/2023	Accept
Resident ID 325	01/19/2023	290	\$259,127.00	01/09/2023	Accept
Resident ID 326	01/11/2023	162	\$419,310.00	01/02/2023	Accept
Resident ID 327	01/04/2023	16	\$419,310.00	01/01/2023	Accept

Class 6 Ballot Detail

Participating Current Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote
Resident ID 328	01/03/2023	30	\$639,000.00	01/03/2023	Accept
Resident ID 329	01/11/2023	129	\$900,000.00	01/03/2023	Accept
Resident ID 331	01/11/2023	126	\$450,000.00	12/31/2022	Accept
Resident ID 332	01/10/2023	105	\$710,100.00	01/10/2023	Accept
Resident ID 334	01/19/2023	282	\$826,067.70	01/09/2023	Accept
Resident ID 336	01/19/2023	274	\$969,219.00	01/10/2023	Accept
Resident ID 337	01/11/2023	199	\$740,673.00	01/01/2023	Accept
Resident ID 339	01/05/2023	75	\$742,500.00	12/30/2022	Accept
Resident ID 340	01/11/2023	185	\$509,840.73	01/01/2023	Accept
Resident ID 341	01/05/2023	77	\$522,810.00	12/29/2022	Accept
Resident ID 342	01/11/2023	149	\$837,810.00	01/02/2023	Accept
Resident ID 343	01/11/2023	117	\$808,430.00	01/11/2023	Accept
Resident ID 344	01/11/2023	190	\$427,635.00	01/02/2023	Accept
Resident ID 345	01/11/2023	153	\$244,930.00	01/04/2023	Accept
Resident ID 347	01/11/2023	124	\$768,456.00	01/02/2023	Accept
Resident ID 348	01/11/2023	177	\$504,000.00	01/02/2023	Accept
Resident ID 349	01/11/2023	178	\$1,249,173.00	01/02/2023	Accept
Resident ID 351	01/05/2023	74	\$626,310.00	12/28/2022	Accept
Resident ID 353	01/05/2023	61	\$641,277.00	12/28/2022	Accept
Resident ID 354	01/11/2023	193	\$818,100.00	01/04/2023	Accept
Resident ID 355	01/11/2023	196	\$706,401.00	01/03/2023	Accept
Resident ID 357	01/19/2023	269	\$485,546.40	01/02/2023	Accept
Resident ID 360	12/29/2022	14	\$837,810.00	12/29/2022	Accept
Resident ID 361	01/08/2023	88	\$727,588.00	01/08/2023	Accept
Resident ID 363	01/19/2023	278	\$400,500.00	01/04/2023	Accept
Resident ID 365	01/11/2023	175	\$1,339,173.00	01/03/2023	Accept
Resident ID 366	01/11/2023	147	\$621,193.00	01/06/2023	Accept
Resident ID 367	01/11/2023	182	\$412,020.00	01/02/2023	Accept
Resident ID 368	01/05/2023	54	\$785,673.00	12/29/2022	Accept
Resident ID 370	01/11/2023	131	\$768,009.00	12/28/2022	Accept
Resident ID 371	01/12/2023	207	\$785,673.00	01/12/2023	Accept
Resident ID 372	01/19/2023	260	\$768,009.00	01/10/2023	Accept
Resident ID 373	01/11/2023	145	\$478,116.00	12/30/2022	Accept

Class 6 Ballot Detail

Participating Current Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote
Resident ID 374	01/13/2023	210	\$969,219.00	01/09/2023	Accept
Resident ID 1836	12/28/2022	7	\$405,900.00	12/28/2022	Accept

Exhibit B

Creditor Name	Date Filed	Ballot No.	Class	Voting Amount	Vote	Opt Out of Third Party Releases?	Reason Not Tabulated
Resident ID 34	01/19/2023	289	6 Participating Current Resident Refund Claims	\$225,990.00	Accept	No	Escrowed Resident
Resident ID 89	01/20/2023	325	5 Participating Former Resident Refund Claims	\$436,671.00	Accept	No	Late Filed
Resident ID 168	01/11/2023	170	6 Participating Current Resident Refund Claims	\$579,571.20	Accept	No	Escrowed Resident
Resident ID 177	01/11/2023	119	5 Participating Former Resident Refund Claims	\$279,000.00	Accept	No	Not Signed
Resident ID 198	01/11/2023	189	6 Participating Current Resident Refund Claims	\$386,100.00	Accept	No	Escrowed Resident
Resident ID 210	12/31/2022	24	6 Participating Current Resident Refund Claims	\$495,000.00	Accept	No	Escrowed Resident
Resident ID 211	01/19/2023	293	6 Participating Current Resident Refund Claims	\$561,599.80	Abstain	No	Abstain
Resident ID 1471	01/11/2023	143	6 Participating Current Resident Refund Claims	\$384,750.00	Accept	No	Escrowed Resident
Resident ID 1472	01/08/2023	89	6 Participating Current Resident Refund Claims	\$605,685.60	Accept	No	Escrowed Resident
Resident ID 1474	01/11/2023	181	6 Participating Current Resident Refund Claims	\$372,600.00	Accept	No	Escrowed Resident
Resident ID 1476	01/09/2023	84	6 Participating Current Resident Refund Claims	\$605,685.60	Accept	No	Escrowed Resident
Resident ID 1477	01/05/2023	52	6 Participating Current Resident Refund Claims	\$605,685.60	Accept	No	Escrowed Resident
Resident ID 1488	01/19/2023	303	6 Participating Current Resident Refund Claims	\$770,004.00	Accept	No	Escrowed Resident
Resident ID 1490	01/11/2023	202	6 Participating Current Resident Refund Claims	\$537,919.20	Accept	No	Escrowed Resident
Resident ID 1495	01/11/2023	192	6 Participating Current Resident Refund Claims	\$517,230.00	Accept	No	Escrowed Resident
Resident ID 2039	01/17/2023	230	5 Participating Former Resident Refund Claims	\$259,127.00	Abstain	No	Abstain
Unidine Corporation	01/18/2023	232	4 General Unsecured Claims	\$29,892.86	Abstain	Yes	Abstain

Exhibit C

Creditor Name	Date Filed	Opt Out of Third Party Releases?
A+ Staffing	12/29/2022	Yes
COOKING EQUIPMENT SPECIALIST, LLC	12/29/2022	Yes
Haier US Appliance Solutions, Inc. d/b/a GE Appliances	01/19/2023	Yes
Intercity Investment Properties, Inc.	01/17/2023	Yes
Nina Hickox	01/17/2023	Yes
Resident ID 23	01/16/2023	Yes
Resident ID 31	01/11/2023	Yes
Unidine Corporation	01/18/2023	Yes
United Protective Services LP	01/20/2023	Yes

Exhibit 12

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Counsel to Debtors and Debtors in Possession

Counsel to the Initial Plan Sponsors

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

NOTICE OF EXHIBITS TO PLAN SUPPLEMENT

¹ The Debtors in the Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors' mailing address is 8523 Thackery Street, Dallas, Texas 75225.



PLEASE TAKE NOTICE that, on January 13, 2022, the Debtors and the Initial Plan Sponsors filed the *Notice of Filing of Plan Supplement* [Dkt. No. 1039] (the “Plan Supplement”).

PLEASE TAKE FURTHER NOTICE that an amended “Exhibit B” to the Plan Supplement (Residents Trust Agreement) is attached hereto as Exhibit B-1. A redline copy reflecting the changes to “Exhibit B” is attached hereto as Exhibit B-2

PLEASE TAKE FURTHER NOTICE that “Exhibit D” to the Plan Supplement (Form Rental Agreements for Current Residents) is attached hereto as Exhibit D-1, Exhibit D-2, and Exhibit D-3.

PLEASE TAKE FURTHER NOTICE THAT the hearing at which the Court will consider Confirmation of the Plan and approval of the sale of substantially all of the Debtors’ assets pursuant to the terms of the Plan (the “Confirmation and Sale Hearing”) will commence on **FEBRUARY 21, 2023 AT 9:30 A.M. PREVAILING CENTRAL TIME** before the Honorable Michelle V. Larson, in the Bankruptcy Court located at 1100 Commerce St., 14th Floor, Courtroom #2 Dallas, TX 75242. The Confirmation and Sale Hearing will be conducted in a hybrid format. Thus, you may participate in-person or via Webex. If you wish to participate remotely, you may do so by video or telephone via the Court’s WebEx platform). **For WebEx Video Participation/Attendance:** Link: <https://us-courts.webex.com/meet/larson>. **For WebEx Telephonic Only Participation/Attendance:** Dial-In: 1.650.479.3207, Access code: 160 135 6015.

PLEASE TAKE FURTHER NOTICE that the deadline for filing objections to the Plan and the Sale is **FEBRUARY 14, 2023 AT 4:00 P.M. PREVAILING CENTRAL TIME** (the “Plan and Sale Objection Deadline”). All objections to the relief sought at the Confirmation and Sale Hearing *must*: (a) be in writing; (b) comply with the Bankruptcy Rules, the Local Rules, and

any applicable orders of the Court; (c) set forth the name of the objector and the nature and amount of any Claim or Interest asserted by the objector against or in the Debtors' Estates; (d) state, with particularity, the legal and factual bases for the objection and, if practicable, a proposed modification to the Plan that would resolve such objection; and (e) be filed with the Court (contemporaneously with a proof of service) and served upon the following parties so as to be **actually received** on or before the Plan and Sale Objection Deadline: (i) counsel for the Debtors, Polsinelli PC, 2950 N. Harwood, Suite 2100, Dallas, TX 75201, Attn: Trinitee G. Green and 600 3rd Avenue, 42nd Floor, New York, NY 10016, Attn: Jeremy R. Johnson; (ii) counsel for Lifespace Communities, Inc., Cooley LLP, 110 North Upper Wacker Drive, Suite 4200, Chicago, Illinois 60606, Attn: Eric. E. Walker; (iii) counsel for UMB Bank, N.A., Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, Attn: Daniel Bleck, Eric Blythe, and Kaitlin Walsh; (iv) counsel for the Committee, Foley & Lardner, 2021 McKinney Avenue, Ste. 1600, Dallas, Texas 75201, Attn: Stephen A. McCartin, Thomas C. Scannell, and Mark C. Moore; (v) the Office of the United States Trustee, 1100 Commerce St, Room 976, Dallas, Texas 75242-1699, Attn: Lisa Lambert; and (vi) such other parties as the Court may order.

[Signature page follows.]

DATED: February 6, 2023

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Counsel to the Initial Plan Sponsors

Exhibit 13

EXHIBIT B-1

Residents Trust Agreement

RESIDENTS TRUST AGREEMENT

This RESIDENTS TRUST AGREEMENT (the “Trust Agreement”) is made and entered into as of _____, 2023, by and among (a) Northwest Senior Housing Corporation and Senior Quality Lifestyles Corporation, in their capacities as debtors and debtors in possession and on behalf of themselves and their respective chapter 11 estates (each a “Debtor” and collectively, the “Debtors”), and (b) _____, as trustee of the Residents Trust (the “Residents Trustee” or the “Trustee”), so long as such individual continues in office, and all other individuals who have been duly elected and qualify as trustee of the Residents Trust hereunder pursuant to Section 1.5 or Article VIII hereof. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan (as defined below).

BACKGROUND

A. On April 14, 2022, the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the “Bankruptcy Court”).

B. On December 19, 2022, the Plan Proponents filed their *Third Amended Plan of Reorganization of the Plan Sponsors dated December 19, 2022* (as amended, confirmed, and/or modified from time to time, including by the Confirmation Order, the “Plan”) and their *Third Amended Disclosure Statement in Support of the Third Amended Plan of Reorganization of the Plan Sponsors dated December 19, 2022* (as amended, confirmed, and/or modified from time to time, including by the Confirmation Order, the “Disclosure Statement”).

C. The Plan provides for the creation of a trust on the Effective Date to hold, manage, and administer the Residents Trust Assets and to distribute the proceeds thereof to the holders of Residents Trust Interests (the “Residents Trust Beneficiaries” or “Beneficiaries”) in accordance with the terms of this Trust Agreement, the Plan, the Lifespace Settlement Agreement attached to the Disclosure Statement, and the Confirmation Order.

D. The Residents Trust is being created on behalf of, and for the benefit of, the Residents Trust Beneficiaries, who are Participating Former Residents and Participating Current Residents of Edgemere that hold Allowed Class 5 and Class 6 Refund Claims under the Plan, and who shall hold beneficial interests in the Residents Trust (“Residents Trust Interests”).

E. The Residents Trust is organized for the sole purpose of collecting and distributing the Residents Trust Assets, and not to conduct a trade or business except to the extent reasonably necessary to, and consistent with, the purpose of the Residents Trust.

F. This Residents Trust is intended to qualify as a “liquidating trust” under the Internal Revenue Code of 1986, as amended (the “IRC”) and the regulations promulgated thereunder (the “Treasury Regulations”), specifically Treasury Regulations section 301.7701-4(d) and, as such, as a “grantor trust” for United States federal income tax purposes pursuant to Treasury Regulations Section 1.671-4(a), with the Residents Trust Beneficiaries treated as the grantors and owners of the Residents Trust.

TRUST AGREEMENT

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein, the Debtors and the Trustee agree as follows:

ARTICLE I.

DECLARATION OF TRUST

1.1. Creation of Trust. As of the Effective Date of the Plan, the Debtors and the Trustee, pursuant to the Plan and the Confirmation Order, and in accordance with the applicable provisions of chapter 11 of the Bankruptcy Code, hereby constitute and create the Residents Trust, which shall bear the name “Edgemere Residents Trust.” In connection with the exercise of the Trustee’s power hereunder, the Trustee may use this name or such variation thereof as the Trustee sees fit. The Edgemere Residents Trust shall be governed by the Texas Trust Code as the same may be amended from time to time (the “Trust Code”).

1.2. Purpose of Residents Trust. The purpose of the Residents Trust is to implement the terms of the Plan on behalf, and for the benefit of, the Residents Trust Beneficiaries, and to serve as a mechanism for collecting the contributions (the “Lifespace Contributions”) from Lifespace Communities Inc. (“Lifespace”) required under the Plan and Lifespace Settlement and Contribution Agreement dated December 14, 2022 as amended (the “Lifespace Settlement Agreement”), and distributing the Lifespace Contributions and earnings thereon in accordance with Treasury Regulations section 301.7701-4(d), with no objective to continue or engage in conduct or a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Residents Trust.

1.3. Transfer of Residents Trust Assets. On the Effective Date, the Debtors shall transfer, for the sole benefit of the Residents Trust Beneficiaries, pursuant to Bankruptcy Code sections 1123(a)(5)(B) and 1123(b)(3)(B), and in accordance with the Plan and the Confirmation Order, all of the Debtors’ rights, title and interests in the Lifespace Settlement Agreement, as amended from time to time, (together with Lifespace Contributions, the “Residents Trust Assets”) to the Residents Trust, free and clear of any and all liens, claims, encumbrances and interests (legal, beneficial, or otherwise) of all other entities to the maximum extent contemplated by and permissible under Bankruptcy Code section 1141(c). In this regard, the Residents Trust Assets will be treated as transferred, for United States federal as well as state and local income tax purposes, in the manner set forth pursuant to Section 5.2 of this Trust Agreement. The transfer of the Residents Trust Assets shall be exempt from any stamp, real estate transfer, mortgage reporting, sale, use or other similar tax, pursuant to section 1146(a) of the Bankruptcy Code. Upon delivery of all Residents Trust Assets to the Residents Trust, the Debtors shall be discharged and released from all liability with respect to the delivery of such assets, and exculpated as provided in the Plan. The Residents Trust Assets and all other property held from time to time by the Residents Trust under this Trust Agreement and any earnings, including interest, on any of the foregoing are to be applied by the Trustee in accordance with the terms hereof, the Plan, and the Confirmation Order for the benefit of the Residents Trust Beneficiaries, and for no other party, subject to the further covenants, conditions, and terms hereinafter set forth. In the event of any conflict among this Trust

Agreement, the Plan and the Confirmation Order, the provisions of Section 9.6 of this Trust Agreement shall control.

1.4. Funding of Residents Trust

a) Residents Trust Operations. On the Effective Date, the Residents Trust shall be funded by an assignment of all of the Debtors' rights, title and interests in the Lifespace Settlement Agreement. The Lifespace Contributions thereunder and earnings thereon shall be used exclusively for the following purposes: (i) to maintain the value of the Residents Trust Assets; (ii) to pay the reasonable and necessary administrative expenses of the Residents Trust, including, but not limited to, (a) the Trustee fees, compensation and expenses, (b) the reasonable costs and expenses incurred or anticipated to be incurred by the Trustee (including reasonable fees, costs and expenses incurred or anticipated to be incurred by professionals retained by the Trustee), (c) the reasonable costs and expenses incurred or anticipated to be incurred by the Residents Trust Advisory Board and its members (including reasonable fees, costs and expenses incurred or anticipated to be incurred by professionals retained by the Residents Trust Advisory Board but excluding the fees, costs and expenses of professionals retained by Residents Trust Advisory Board members individually), (d) any taxes imposed on the Residents Trust in respect of the Residents Trust Assets, (e) the reasonable fees and expenses incurred or anticipated to be incurred in connection with, arising out of or related to the Residents Trust Assets and any litigation associated therewith, and (f) other costs and expenses contemplated by this Trust Agreement; and (iii) to make distributions to the Residents Trust Beneficiaries.

b) Reserve. Prior to any distributions to the Residents Trust Beneficiaries, the Trustee shall withhold funds for the payment of reasonable Residents Trust expenses and Life Care Subsidy payments.

1.5. Appointment and Acceptance of Trustee. As set forth in the Confirmation Order, the members of the Residents Trust Advisory Board hereby designate _____ to serve as the initial Trustee under the Plan. The Trustee accepts the Residents Trust created by this Trust Agreement and the grant, assignment, transfer, conveyance, and delivery by the Debtors of all of their respective right, title, and interest in the Residents Trust Assets, upon and subject to the terms and conditions set forth herein, in the Plan, and in the Confirmation Order, to the Trustee, on behalf, and for the benefit, of the Residents Trust Beneficiaries. The Trustee's powers are exercisable solely in a fiduciary capacity consistent with, and in furtherance of, the purpose of the Residents Trust within the limitations set forth herein, including the Treasury Regulations and the Trust Code, and shall for all purposes hereunder be acting in the capacity as Trustee, and not individually.

1.6. Collection of the Residents Trust Assets. The Trustee shall, in an expeditious but commercially reasonable manner and subject to the provisions of the Plan, the Confirmation Order, and the Lifespace Settlement Agreement, collect Lifespace Contributions and make timely distributions to Residents Trust Beneficiaries in an amount up to their Allowed Refund Claims in the Debtors bankruptcy proceedings in accordance with the terms hereof and the Plan and the Lifespace Settlement Agreement attached to the Disclosure Statement, and shall not unduly prolong the existence of the Residents Trust. The Trustee shall exercise reasonable business judgment and in the collection and distribution of the Residents Trust Assets. The Residents Trust

Advisory Board must approve any (i) sale, transfer, assignment, abandonment, or other disposition of Residents Trust Assets with an asserted value equal to or in excess of \$100,000; (ii) settlement or compromise of any claim of the Residents Trust; or (iii) settlement or compromise of an objection to a Class 5 and/or Class 6 Claim which would result in an Allowed Class 5 and/or Class 6 Claim equal to or in excess of \$100,000. The Trustee may incur any reasonable and necessary expense in connection with the collection and conversion of the Residents Trust Assets into Cash or in connection with the administration of the Residents Trust and, subject to the approval of the Residents Trust Advisory Board, such expenses shall be deducted from the Residents Trust Assets.

1.7. No Reversion to Debtors. In no event shall any part of the Residents Trust Assets revert to or be distributed to any Debtor or Reorganized Debtor.

1.8. Incidents of Ownership. The Residents Trust Beneficiaries shall be the sole beneficiaries of the Residents Trust and the Residents Trust Assets, and the Trustee shall retain only such incidents of ownership as are necessary to undertake the actions and transactions authorized herein, in the Plan, and in the Confirmation Order, including those powers set forth in Section 6.2 hereof.

ARTICLE II.

RESIDENTS TRUST BENEFICIARIES

2.1. Conflicting Claims. If any conflicting claims or demands are made or asserted with respect to a Class 5 or Class 6 Claim, or to a Residents Trust Interest or a distribution to a Residents Trust Beneficiary, the Trustee shall be entitled, at the direction and with the approval of the Residents Trust Advisory Board, to refuse to comply with any such conflicting claims or demands. In so refusing, the Trustee, at the direction and with the approval of the Residents Trust Advisory Board, may elect to make no payment or distribution with respect to the Residents Trust Interest subject to the claims or demands involved, or any part thereof, and the Trustee shall refer such conflicting claims or demands to the Bankruptcy Court, which shall have exclusive jurisdiction over resolution of such conflicting claims or demands. In so doing, the Trustee shall not be or become liable to any party for its refusal to comply with any of such conflicting claims or demands. The Trustee shall be entitled to refuse to act until either (i) the rights of the adverse claimants have been adjudicated by a Final Order of the Bankruptcy Court (or such other court of proper jurisdiction) or (ii) all differences have been resolved by a written agreement among all of such parties and the Trustee, which agreement shall (x) include a complete release of the Residents Trust and the Trustee, and (y) be subject to the approval of the Residents Trust Advisory Board if the proposed agreement results in a Class 5 or Class 6 Claim Allowed Claim equal to or in excess of \$100,000 (the occurrence of either (i) or (ii) of this Section 2.1 being referred to as a “Dispute Resolution”). Promptly after a Dispute Resolution is reached, the Trustee shall transfer the payments and distributions, in accordance with the terms of such Dispute Resolution, the Plan and this Trust Agreement.

2.2. Rights of Residents Trust Beneficiaries. Each Residents Trust Beneficiary shall be entitled to participate in the rights and benefits due to a Residents Trust Beneficiary hereunder according to the terms of its Residents Trust Interest. The Residents Trust Interest of a Residents Trust Beneficiary is hereby declared and shall be, in all respects, personal property. Except as

expressly provided hereunder, a Residents Trust Beneficiary shall have no title to, right to, possession of, management of or control of the Residents Trust or the Residents Trust Assets or to any right to call for a partition or division of such assets or to require an accounting. No surviving spouse, heir, or devisee of any deceased Residents Trust Beneficiary shall have any right of dower, homestead, or inheritance, or of partition, or any other right, statutory or otherwise, in the Residents Trust Assets, but the whole title to the Residents Trust Assets shall be vested in the Trustee and the sole interest of the Residents Trust Beneficiaries shall be the rights and benefits given to such person under this Trust Agreement and the Plan.

2.3. Evidence of Residents Trust Interest. Ownership of a Residents Trust Interest in the Residents Trust will be evidenced by the allowance of a Claim against the Debtors by a Participating Former Residents and Participating Current Resident pursuant to the terms of the Plan. Any Participating Former Resident and Participating Current Resident that is a holder of an Allowed Claim under Class 5 or Class 6 of the Plan shall hold a percentage in the Residents Trust Interest (as indicated on Appendix B) equal to the proportion of the underlying Allowed Claim's value to the total value of all Allowed Claims in Class 5 and Class 6 Claims under the Plan. A Residents Trust Beneficiary shall be deemed a "holder of record" (hereinafter "Holder") of such Residents Trust Beneficiary's Residents Trust Interest(s) for purposes of all applicable United States federal and state laws, rules, and regulations.

2.4. Transfers of Residents Trust Interests.

a) General. Residents Trust Interests shall not be transferable or assignable except by will, intestate succession, or operation of law.

b) Residents Trust Interests Registry. Any transfer or assignment of a Residents Trust Interest by will, intestate succession, or operation of law shall not create any rights in the assignee or transferee under this Trust Agreement unless and until such transfer or assignment of the respective interest is recorded in the registry maintained by the Trustee, which shall be completed as soon as practicable after transfer or assignment. Subject to Section 2.4(d), the entries in the Registry shall be conclusive evidence of ownership of a Residents Trust Interest absent manifest error, and the Residents Trust and the Trustee shall treat each person whose name is recorded in the registry pursuant to the terms hereof as the owner of Residents Trust Interests for all purposes of this Trust Agreement, notwithstanding notice to the contrary. The Residents Trust shall maintain, or cause the agent of the Residents Trust to maintain, a register (which may be electronic) setting forth the names and addresses of the Beneficiaries, and the amount of their Residents Trust Interests from time to time.

c) Registration. If the Trustee, upon advice of counsel, determines that any class of Residents Trust Interests may be subject to registration pursuant to section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Trustee shall pursue relief from such registration by obtaining either an exemptive order, a no-action letter, or an interpretive letter from the Securities and Exchange Commission or its staff or, absent its ability to achieve that objective or in lieu thereof, shall register such class pursuant to section 12 of such statute (it being understood and agreed that the Trustee with the approval of the Residents Trust Advisory Board shall be authorized, among other things, to register such class and to seek relief from one or more of the requirements then applicable subsequent to such registration and to de-register such

class). Any expenses that are associated with such application for relief and/or registration shall be deducted from the Residents Trust Assets.

d) Further Limitations on Transfer. Notwithstanding any other provision to the contrary, the Trustee may disregard any purported transfer or assignment of Residents Trust Interests by will, intestate succession, or operation of law if sufficient necessary information (as reasonably determined by the Trustee), including applicable tax-related information, is not provided by such purported transferee or assignee to the Trustee.

2.5. Limited Liability. No provision of this Trust Agreement, the Plan, or the Confirmation Order, and no mere enumeration herein of the rights or privileges of any Residents Trust Beneficiary, shall give rise to any liability of such Residents Trust Beneficiary solely in its capacity as such, whether such liability is asserted by any Debtor, by creditors, employees, or equity interest holders of any Debtor, or by any other Person. Residents Trust Beneficiaries are deemed to receive the Residents Trust Assets in accordance with the provisions of this Trust Agreement, the Plan, and the Confirmation Order in exchange for the Allowed Class 5 and Class 6 Refund Claims of Participating Former Residents and Participating Current Residents, without further obligation or liability of any kind, but subject to the provisions of this Trust Agreement and the Plan.

ARTICLE III.

DURATION AND TERMINATION OF RESIDENTS TRUST

3.1. Duration. The Residents Trust shall become effective upon the Effective Date of the Plan and shall have an initial term of eighteen (18) years from the Effective Date; provided, however, that, if warranted by the facts and circumstances, the Residents Trust Advisory Board may limit or extend the term of the Residents Trust.

3.2. Dissolution of the Residents Trust. The Trustee and the Residents Trust shall be discharged or dissolved earlier, as the case maybe, on the earlier to occur of (i) all of the Residents Trust Assets having been distributed pursuant to the Plan and this Trust Agreement, (ii) the Trustee having determined, with the approval of the Residents Trust Advisory Board, that the administration of any remaining Residents Trust Assets is not likely to yield sufficient additional Residents Trust proceeds to justify further pursuit, or (iii) conclusion of the Residents Trust as provided by Section 4.1.

3.3. Continuation of Residents Trust for Winding Up. After the dissolution of the Residents Trust and solely for the purpose of liquidating and winding up the affairs of the Residents Trust, the Trustee shall continue to act as such until its duties have been fully performed. Upon distribution of all the Residents Trust Assets, the Trustee shall retain the books, records, and files that shall have been delivered to or created by the Trustee. All such records and documents may be destroyed at any time following the date that is three (3) years after the final distribution of the Residents Trust Assets. Nothing herein shall be deemed to abridge any agreement(s) to which the Trustee may be party that expressly provides for further retention of such documents and records.

ARTICLE IV.

ADMINISTRATION OF RESIDENTS TRUST

4.1. Payment of Trustee Fees, Expenses, and Liabilities. Except as otherwise provided herein, the Trustee shall use proceeds from the Residents Trust Assets (i) to pay compensation to the Trustee as approved by the Residents Trust Advisory Board, (ii) to pay reasonable costs and expenses of the Residents Trust that are incurred (including any taxes imposed on the Residents Trust, the actual reasonable out-of-pocket fees and expenses incurred by Trustee professionals in connection with the administration and liquidation of the Residents Trust Assets, as provided in Section 6.7 herein, and the preservation of books and records of the Residents Trust); (iii) to satisfy other obligations or other liabilities incurred or assumed by the Residents Trust (or to which the Residents Trust Assets are otherwise subject) in accordance with the Plan, the Confirmation Order, or this Trust Agreement, including fees and costs incurred in connection with the collection protection, preservation, liquidating, and distribution of the Residents Trust Assets and the costs of investigating, prosecuting, resolving, or settling any litigation or cause of action; (iv) as reasonably necessary to meet contingent liabilities and to maintain the value of the Residents Trust Assets during collection and liquidation; and (v) to satisfy any other obligations of the Residents Trust expressly set forth in the Plan, this Trust Agreement, and the Confirmation Order.

4.2. Distributions.

a) Generally. Except as otherwise provided in the Plan or this Trust Agreement, the Trustee shall make distributions of Residents Trust Assets to the Residents Trust Beneficiaries qualified to receive distributions from the Residents Trust for (i) Tax Distributions (defined below), (ii) any Life Care Subsidy amounts (as defined in section 6 of the Lifespace Settlement Agreement attached to the Disclosure Statement), and (iii) in the amount of their respective Allowed Refund Claims (less any previous distributions to such resident of Life Care Subsidy amounts) when the Trustee, in its sole discretion, determines such distribution appropriate and required pursuant to the terms and provisions of the Plan, the Confirmation Order and this Trust Agreement, subject to the Trustee's duty to confer on such matters with the Residents Trust Advisory Board. The Trustee shall have discretion to determine when a Life Care Subsidy is appropriate and when a Refund Trigger Date has occurred pursuant to the purpose and spirit of the Lifespace Settlement Agreement and this Trust Agreement, subject to the Trustee's duty to confer on such matters with the Residents Trust Advisory Board. The Trustee may postpone any distribution if the Trustee determines that a distribution is impracticable under the circumstances, or the amount of such distribution would be too small to justify the administrative costs associated with making it. The Trustee shall not unduly prolong the duration of the Residents Trust.

b) Trust Interests; Allocation and Payment of Distributions. Each Residents Trust Beneficiary's (i) share of the Residents Trust Interests (including any Cash and other property to be received on account of any Residents Trust Interest) shall be owned by the Residents Trust Beneficiaries, and (ii) share of the Residents Trust Assets shall be allocated and distributed to the Residents Trust Beneficiaries, in each case in accordance with the Plan, the Confirmation Order and this Trust Agreement.

c) De Minimis Distributions. No Distribution shall be required to be made pursuant to the Plan and this Trust Agreement to any Residents Trust Beneficiary unless such Residents Trust Beneficiary is to receive in such Distribution at least \$500.00, or unless such Distribution is the final distribution to such Residents Trust Beneficiary pursuant to the Plan and this Trust Agreement. Any such distribution shall be retained by the Trustee and invested as provided in the Plan and this Trust Agreement. Any distribution not made to such Residents Trust Beneficiary, shall be held in trust for the relevant Residents Trust Beneficiary until the earlier of (x) the date the next distribution made to such Residents Trust Beneficiary; provided, however, that such subsequent Distribution, taken together with amounts retained hereby, equals at least \$500.00, or (y) is the final distribution to such Residents Trust Beneficiary.

4.3. Undeliverable Distributions. If the distribution to any Residents Trust Beneficiary is returned to the Trustee as undeliverable or is otherwise an Unclaimed Distribution, no further distributions shall be made to such Residents Trust Beneficiary unless and until the Trustee is notified in writing of such Residents Trust Beneficiary's then-current address, at which time all missed distributions shall be made to such Residents Trust Beneficiary without interest. The Trustee and the Residents Trust shall not be under any obligation to attempt to determine a Residents Trust Beneficiary's then-current address.

4.4. Treatment of Unclaimed Distributions. Any Residents Trust Beneficiary that does not assert a claim for an unclaimed distribution or negotiate a distribution within three (3) after an attempted distribution shall be deemed to have forfeited its claim for such undeliverable or unclaimed distribution and shall be forever barred and enjoined from asserting any such claim for an unclaimed distribution against the Debtors, the Trustee, the Residents Trust, and their respective agents, attorneys, representatives, employees or independent contractors, or any of its and their property. In such cases, any Cash otherwise reserved for unclaimed distributions shall become the property of the Residents Trust free of any restrictions thereon and notwithstanding any federal or state escheat laws to the contrary and shall be distributed pursuant to the terms of this Trust Agreement. Nothing contained in the Plan or this Residents Trust Agreement shall require the Trustee to attempt to locate any Residents Trust Beneficiary; provided, however, that the Trustee, in its sole discretion, may publish notice of unclaimed distributions.

4.5. Remaining Residents Trust Assets Upon Dissolution of the Residents Trust. The Residents Trust Beneficiaries shall receive distributions in an amount up to, but not exceeding, the amount of their respective Allowed Refund Claims, with no interest thereon. All assets, if any, remaining in the Residents Trust after distributions to Residents Trust Beneficiaries as required under the Plan, the Confirmation Order, and this Trust Agreement may be, at the discretion of the Residents Trust Advisory Board, either (i) distributed to the then owner of the Edgemere Community to be used for the benefit of residents at Edgemere, or (ii) donated to any other charitable organization.

4.6. Setoffs of Life Care Subsidy Payments. Pursuant to the terms of the Plan, the Trustee may deduct and set off all amounts advanced to such Residents Trust Beneficiary as a Life Care Subsidy against any distribution to be made to a Residents Trust Beneficiary hereunder (before any distribution is made on account of such Residents Trust Interest by the Trustee).

4.7. Compliance with Laws. Any and all distributions of Residents Trust Assets shall be in compliance with applicable laws, including applicable federal and state tax and securities laws, except as otherwise set forth in this Trust Agreement.

4.8. Fiscal Year. Except for the first and last years of the Residents Trust, the fiscal year of the Residents Trust shall be the calendar year. For the first and last years of the Residents Trust, the fiscal year of the Residents Trust shall be such portion of the calendar year that the Residents Trust is in existence.

4.9. Books and Records. The Trustee shall retain and preserve the Debtors' books, records, and files that have been delivered to or created by the Trustee. Subject to Section 3.3 hereof, the Trustee shall maintain, in respect of the Residents Trust and the Residents Trust Beneficiaries and all other parties who are to receive distributions under this Trust Agreement, books and records relating to the assets and the income of the Residents Trust and the payment of expenses of, liabilities of, and claims against or assumed by, the Residents Trust and the Trustee, in such detail and for such period of time as may be necessary to enable it to make full and proper reports in respect thereof in accordance with the provisions of this Trust Agreement and applicable provisions of law, including to applicable tax, securities and other federal and state laws. Except as otherwise provided herein or in the Plan, nothing in this Trust Agreement requires the Trustee to file any accounting or seek approval of any court with respect to the administration of the Residents Trust, or as a condition for making any payment or distribution out of the Residents Trust Assets. The Trustee shall provide any member of the Residents Trust Advisory Board with access to such books and records during normal business hours as may be reasonably requested with five (5) days' advance notice. Residents Trust Beneficiaries shall have the right upon thirty (30) days' prior written notice delivered to the Trustee to inspect such books and records; provided, that, if so requested, all costs associated with such inspection shall be paid in advance by such requesting Residents Trust Beneficiary and such Residents Trust Beneficiary shall have entered into a confidentiality agreement reasonably satisfactory in form and substance to the Trustee.

4.10. Cash Payments. All distributions required to be made by the Trustee to the Residents Trust Beneficiaries shall be made in Cash denominated in United States dollars by checks drawn on a domestic bank selected by the Trustee or, at the option of the Trustee, by wire transfer from a domestic bank selected by the Trustee or as otherwise required or provided in applicable agreements; provided, however, that Cash payments to foreign holders of Residents Trust Interests may be made, at the option of the Trustee, in such funds as and by such means as are necessary or customary in a particular foreign jurisdiction.

4.11. Insurance. The Residents Trust may, to the extent deemed necessary or advisable by the Trustee, maintain customary insurance coverage for the protection of the Trustee and the members.

4.12. Reports.

a) The Trustee shall deliver reports to members of the Residents Trust Advisory Board not later than thirty (30) days following the end of each fiscal year. Such reports shall specify in reasonable detail (i) the status of any causes of action, claims, and litigation involving the Residents Trust or the Residents Trust Assets, including any settlements entered into

by the Residents Trust, (ii) the costs and expenses of the Residents Trust that are incurred (including any actual reasonable out-of-pocket fees and expenses incurred by Trustee professionals in connection with the administration and liquidation of the Residents Trust Assets during the preceding fiscal year), (iii) the amounts listed in clause (ii) incurred since the Effective Date, (iv) the amount of Cash and other assets received by the Residents Trust during the prior fiscal year, (v) the aggregate amount of Cash and other assets received by the Residents Trust since the Effective Date, (vi) the aggregate amount of distributions from the Residents Trust to the Residents Trust Beneficiaries since the Effective Date, and (vii) such other information as the Residents Trust Advisory Board may reasonably request from time to time. The Trustee shall also timely prepare, file, and distribute such additional statements, reports, and submission (A) as may be necessary to cause the Residents Trust and the Trustee to be in compliance with applicable law or (B) as may be otherwise reasonably requested from time to time by the Residents Trust Advisory Board.

ARTICLE V.

TAX MATTERS

5.1. Tax Treatment. For all United States federal income tax purposes, all parties (including, without limitation, the Debtors, the Trustee and the Residents Trust Beneficiaries) will treat the Residents Trust as a “liquidating trust” within the meaning of section 301.7701-4(d) of the Treasury Regulations.

5.2. Residents Trust Assets Treated as Owned by Residents Trust Beneficiaries. For all United States federal income tax purposes, all parties (including the Debtors, the Trustee, and the Residents Trust Beneficiaries) generally will be required to treat the transfer of the Residents Trust Assets to the Residents Trust as (1) a transfer of the Residents Trust Assets directly to the Residents Trust Beneficiaries and, to the extent Residents Trust Assets are allocable to Disputed Claims, to a Disputed Claims reserve, followed by (2) the transfer by such beneficiaries to the Residents Trust of the Residents Trust Assets in exchange for Residents Trust Interests. Accordingly, the Residents Trust Beneficiaries shall be treated for United States federal income tax purposes as the grantors and owners of their respective share of the Residents Trust Assets (other than such Residents Trust Assets as are allocable to the Disputed Claims Reserve, discussed below) and the earnings thereon. The foregoing treatment shall also apply, to the extent permitted by applicable law, for state and local income tax purposes.

5.3. Tax Reporting.

a) The Trustee shall file (or cause to be filed) all Tax Returns for the Residents Trust treating the Residents Trust as a grantor trust pursuant to Treasury Regulation section 1.671-4(a) and in accordance with this Article V. The Trustee also will annually send to each Residents Trust Beneficiary a separate statement regarding the receipts and expenditures of the Residents Trust as relevant for United States federal income tax purposes and will instruct all such Residents Trust Beneficiaries to use such information in preparing their United States federal income tax returns or to forward the appropriate information to such Residents Trust Beneficiary’s tax return preparer, with instructions to utilize such information in preparing their United States federal income tax returns. The Trustee shall also file (or cause to be filed) any other statement, return, or disclosure relating to the Residents Trust that is required by any governmental unit.

b) Taxable income and taxable losses shall be allocated to each Residents Trust Beneficiary in proportion to the amount of their unpaid Allowed Refund Claim as of December 31st of each taxable year divided by the total unpaid Allowed Refund Claims of all Residents Trust Beneficiaries as of December 31st of each taxable year. Within ninety (90) days after the last day of each calendar year during which this Trust Agreement remains in effect, to the extent of available funds, the Trustee shall distribute to each Residents Trust Beneficiary an amount equal to the product of (i) any net taxable income of the Residents Trust for the previous calendar year that is allocated to such Residents Trust Beneficiary as provided in Section __, multiplied by (ii) 37% (the “Tax Distributing”).

c) The Trustee shall be responsible for payment, out of the Residents Trust Assets, any taxes imposed on the Residents Trust or its assets.

d) The Trustee may request an expedited determination of taxes of the Residents Trust under section 505(b) of the Bankruptcy Code for all Tax Returns filed for, or on behalf of, the Residents Trust for all taxable periods through the dissolution of the Residents Trust.

5.4. Tax Withholdings by Trustee. The Trustee shall withhold and pay to the appropriate tax authority all amounts required to be withheld pursuant to the IRC or any provision of any foreign, state, or local tax law with respect to any payment or distribution to the Residents Trust Beneficiaries. All such amounts withheld and paid to the appropriate tax authority (or placed in escrow pending resolution of the need to withhold) shall be treated as amounts distributed to such Residents Trust Beneficiary for all purposes of the Trust Agreement. The Trustee shall be authorized to collect such tax information from the Residents Trust Beneficiaries (including without limitation, social security numbers or other tax identification numbers) as the Trustee deems necessary to effectuate the Plan, the Confirmation Order, and the Trust Agreement. In order to receive distributions under the Plan, all Residents Trust Beneficiaries shall be required to identify themselves to the Trustee and provide tax information and the specifics of their holdings, to the extent the Trustee deems appropriate in the manner and in accordance with the procedures from time to time established by the Trustee for these purposes. This identification requirement generally applies to all Residents Trust Beneficiaries, including those who hold their Claims in “street name.” The Trustee may refuse to make a distribution to any Residents Trust Beneficiary that fails to furnish such information in a timely fashion, and until such information is delivered may treat such Residents Trust Beneficiary’s Residents Trust Interests as disputed; provided, however, that, upon the delivery of such information by a Residents Trust Beneficiary, the Trustee shall make such distribution to which the Residents Trust Beneficiary is entitled, without additional interest occasioned by such Residents Trust Beneficiary’s delay in providing tax information; and, provided, further, that, if such information is not furnished to the Trustee within six (6) months of the original request to furnish such information, no further distributions shall be made to the Residents Trust Beneficiary; and, provided, further, that, if the Trustee fails to withhold in respect of amounts received or distributable with respect to any such Residents Trust Beneficiary and the Trustee is later held liable for the amount of such withholding, such Residents Trust Beneficiary shall reimburse the Trustee for such liability (to the extent such amounts were actually distributed to such Residents Trust Beneficiary).

ARTICLE VI.

POWERS AND LIMITATIONS ON THE TRUSTEE

6.1. Trustee. References herein to the Trustee shall refer to the individual serving as the Trustee solely in its capacity as trustee hereunder. Subject to Article VIII hereof, the Trustee shall hold office until the termination of the Residents Trust in accordance with the terms set forth herein.

6.2. Powers of the Trustee.

a) Pursuant to the terms of the Plan, the Confirmation Order, and this Trust Agreement, the Trustee shall have various powers, duties, and responsibilities concerning the collection of Residents Trust Assets, the prosecution of litigation claims to collect Residents Trust Assets, the resolution of disputed Class 5 and Class 6 Claims against the Debtors' Estates, the administration of the Residents Trust and the Residents Trust Assets, and to make distributions to the Residents Trust Beneficiaries in accordance with the Plan, the Confirmation Order, and this Trust Agreement.

b) The Trustee shall have only such rights, powers, and privileges expressly set forth in the Confirmation Order, the Plan, and this Trust Agreement and as otherwise provided by applicable law. Subject to the oversight and approvals by and of the Residents Trust Advisory Board when required herein, the Trustee shall be expressly authorized to undertake the following actions:

i. To exercise all power and authority that may be or could have been exercised, commence all proceedings that may be or could have been commenced and take all actions that may be or could have been taken by the Debtors or any trustee appointed for any Debtor to collect amounts owed by Lifespace under the Lifespace Settlement Agreement;

ii. To open and maintain bank and other deposit accounts, escrows and other accounts, calculate and make distributions of Residents Trust Assets as provided for or contemplated by the Plan, the Confirmation Order, and this Trust Agreement, and take other actions consistent with the Plan and the implementation thereof in the name of the Trustee, even in the event of the dissolution of the Debtors;

iii. To collect, sell, liquidate or otherwise dispose of all Residents Trust Assets pursuant to the Plan, subject to approval by the Residents Trust Advisory Board in the event that a particular Residents Trust Asset is valued at or in excess of \$100,000 and, to make distributions of Residents Trust Assets;

iv. Subject to the prior approval of the Residents Trust Advisory Board to borrow funds, and to also take all actions necessary to preserve and maximize the value of the Residents Trust Assets;

v. To object to any Class 5 or Class 6 Claims asserted in the Debtors bankruptcy proceedings (disputed or otherwise), and to defend, compromise and/or settle any Class 5 and Class 6 Claims prior to or following objection without the necessity of approval of the

Court, subject to approval by the Residents Trust Advisory Board if any such settlement or compromise results in an Allowed Class 5 and Class 6 Claim equal to or in excess of \$100,000;

vi. To make decisions, after consultation with and approval by the Residents Trust Advisory Board, regarding the retention or engagement of professionals, employees and consultants (generally, “Residents Trust Professionals”) by the Residents Trust and to pay, from the Residents Trust Assets, the charges incurred by the Residents Trust on or after the Effective Date for services of professionals in excess of \$20,000 [*See* Section 6.3(b)(ii)] upon approval of the Residents Trust Advisory Board, without application to the Court (nothing herein shall prohibit the retention of Foley & Lardner LLP or Ankura, former professionals retained by the Official Unsecured Creditors Committee (the “Committee”), as professionals for the Residents Trust);

vii. To determine, after consultation with the Residents Trust Advisory Board, when a Life Care Subsidy payment is appropriate and when a Refund Trigger Date has occurred or should be deemed to have occurred pursuant to the purpose and spirit of the Lifespace Settlement Agreement and this Agreement;

viii. To cause, on behalf of the Residents Trust, to prepare and file all necessary tax returns and all other appropriate or necessary documents related to municipal, State, Federal or other tax law;

ix. To invest Cash as permitted by a Final Order of the Court and in accordance with the investment and deposit guidelines set forth in this Trust Agreement;

x. To enter into any agreement or execute any instrument or document required by or consistent with the Plan and perform all of the obligations of the Trustee hereunder;

xi. To abandon in any commercially reasonable manner, including abandonment or donation to a charitable organization approved by the Residents Trust Advisory Board, any Residents Trust Assets that the Trustee determines too impractical to distribute;

xii. To use Residents Trust Assets to purchase or create and maintain all appropriate insurance policies, bonds or other means of assurance and protection of the Residents Trust Assets and pay all reasonable insurance premiums and other costs he or she deems necessary or advisable to insure the acts and omissions of the Trustee, and if appropriate, the Residents Trust Advisory Board;

xiii. To implement and enforce all provisions of the Plan, subject to the advice of the Residents Trust Advisory Board;

xiv. To maintain appropriate books and records (including financial books and records) to govern the collection and distribution of the Residents Trust Assets, provided, however, that any abandonment or destruction of books and records shall require Residents Trust Advisory Board approval, unless otherwise provided herein;

xv. Subject to approval of the Residents Trust Advisory Board, to dissolve the Residents Trust if the Trustee determines, in reasonable reliance on such professionals

as it may retain, that the expense of administering the Residents Trust so as to make a final distribution to Trust Beneficiaries is likely to exceed the value of the remaining Residents Trust Assets; and

xvi. To do all other acts or things consistent with the provisions of the Plan that the Trustee deems reasonably necessary or desirable with respect to implementing the Plan.

c) Except as otherwise provided in this Trust Agreement, the Trustee will not be required to obtain the order or approval of the Bankruptcy Court, or any other court of competent jurisdiction in, or account to the Bankruptcy Court or any other court of competent jurisdiction for, the exercise of any right, power, or privilege conferred hereunder. Notwithstanding the foregoing, where the Trustee determines that it is necessary, appropriate, or desirable, the Trustee will have the right to submit to the Bankruptcy Court any question or questions regarding any specific action proposed to be taken by the Trustee with respect to this Trust Agreement, the Residents Trust, or the Residents Trust Assets, including the administration and distribution of Residents Trust Assets and the termination of the Residents Trust. Pursuant to the Plan, the Bankruptcy Court has retained jurisdiction for such purposes and may approve or disapprove any such proposed action upon motion by the Trustee.

6.3. Limitations on Trustee.

a) The Trustee shall, on behalf of the Residents Trust, hold the Residents Trust out as a trust in the process of collection and liquidation and not as an investment company. The Trustee shall be restricted to the liquidation of the Residents Trust Assets on behalf, and for the benefit, of the Residents Trust Beneficiaries and the distribution and application of the Residents Trust Assets for the purposes set forth in, and the conservation and protection of the Residents Trust Assets and the administration thereof in accordance with, the provisions of this Trust Agreement, the Plan, and the Confirmation Order. In no event shall the Trustee receive any property, make any distribution, satisfy or discharge any claims, expenses, charges, liabilities and obligations or otherwise take any action which would jeopardize the status of the Residents Trust as a “liquidating trust” for United States federal income tax purposes within the meaning of Treasury Regulations Section 301.7701-4(d). This limitation shall apply irrespective of whether the conduct of any such actions is deemed by the Trustee to be necessary or appropriate for the conservation and protection of the Trust Assets.

b) Notwithstanding anything in this Trust Agreement to the contrary, the Trustee shall submit to the Residents Trust Advisory Board for its approval the following matters and any other matters that expressly or reasonably require the approval of the Residents Trust Advisory Board pursuant to the other terms of this Trust Agreement:

- i. The retention or engagement of any Trustee professionals;
- ii. Any payment to the Trustee or any Trustee professionals for fees and expenses in excess of twenty thousand dollars (\$20,000.00);
- iii. Any settlement of any litigation or causes of action involving an amount in controversy equal to or in excess of \$100,000;

- iv. Any borrowing of funds;
 - v. Any incurrence of any cost, expense, or fee in excess of \$100,000;
- and
- vi. The dissolution of the Residents Trust.

The foregoing shall not limit the Trustee's ability to make determinations and take actions regarding compliance with tax withholding requirements (including remittances).

6.4. Establishment of Residents Trust Advisory Board.

a) The "Residents Trust Advisory Board" means the board appointed by the Committee in the Debtors' bankruptcy proceeding to exercise the duties set forth in this Trust Agreement, which duties shall be (i) to oversee the collection and distribution of the Residents Trust Assets by the Trustee in accordance with this Trust Agreement, the Plan, and the Confirmation Order, (ii) to approve (or withhold approval) of those matters submitted to it for approval in accordance with the terms of this Trust Agreement, and (iii) to remove and appoint any successor to the Trustee as provided for in this Trust Agreement.

b) The Residents Trust Advisory Board shall consist of three (3) members.

c) The authority of the members of the Residents Trust Advisory Board shall be effective as of the Effective Date and shall remain and continue in full force and effect until the Residents Trust is dissolved in accordance with Section 3.2 hereof. The service of the members of the Residents Trust Advisory Board shall be subject to the following:

i. the members of the Residents Trust Advisory Board shall serve until death or resignation pursuant to clause (ii) below, or removal pursuant to clause (iii) below;

ii. a member of the Residents Trust Advisory Board may resign at any time by providing a written notice of resignation to the remaining members of the Residents Trust Advisory Board. Such resignation shall be effective when a successor is appointed as provided herein;

iii. a member of the Residents Trust Advisory Board may be removed by unanimous vote of the other members for (a) fraud or willful misconduct in connection with the affairs of the Residents Trust or (b) cause, which shall include a breach of fiduciary duty other than as specified in the foregoing clause (a). Such removal shall be effective only upon the earlier of (a) acceptance of such removal by the member, or (b) an order of the Bankruptcy Court requiring such removal;

iv. in the event of a vacancy in a member's position (whether by removal, death, or resignation) the two (2) remaining members shall jointly select a successor member; if the remaining members cannot agree on a successor member, the Trustee shall appoint a successor member who is willing to serve on the Residents Trust Advisory Board; and

v. immediately upon appointment of any successor member of the Residents Trust Advisory Board, all rights, powers, duties, authority, and privileges of the predecessor member of the Residents Trust Advisory Board hereunder shall be vested in and undertaken by the successor member of the Residents Trust Advisory Board without any further act; and the successor member of the Residents Trust Advisory Board shall not be liable personally for any act or omission of the predecessor member of the Residents Trust Advisory Board.

vi. Notwithstanding anything in this Trust Agreement to the contrary, the Residents Trust Advisory Board shall not take any action which will cause the Residents Trust to fail to qualify as a “liquidating trust” and taxed as a grantor trust for United States federal income tax purposes.

vii. A quorum for meetings of the Residents Trust Advisory Board shall consist of a majority of the members of the Residents Trust Advisory Board then serving; provided, however, that, for purposes of determining whether a quorum is present at such a meeting, a member of the Residents Trust Advisory Board shall be deemed present if the member is attending in person, by telephone, or by proxy; provided, further, however, that to the extent practicable, reasonable notice of a meeting must be given to all members of the Residents Trust Advisory Board.

viii. Except as expressly provided herein, the affirmative vote of a majority of the members of the Residents Trust Advisory Board shall be the act of the Residents Trust Advisory Board with respect to any matter that requires the determination, consent, approval, or agreement of such board. Any or all of the members of the Residents Trust Advisory Board may participate in a regular or special meeting by, or conduct the meeting through the use of, conference telephone or similar communications equipment by means of which all persons participating in the meeting may hear each other, in which case any required notice of such meeting may generally describe the arrangements (rather than or in addition to the Plan) for the holding thereof. Any member of the Residents Trust Advisory Board participating in a meeting by this means is deemed to be present in person at the meeting. In all matters submitted to a vote of the Residents Trust Advisory Board, each Residents Trust Advisory Board member shall be entitled to cast one vote, which vote shall be cast personally by such Residents Trust Advisory Board member or by proxy. In a matter in which the Trustee cannot obtain direction or authority from the Residents Trust Advisory Board, the Trustee may file a motion requesting such direction or authority from the Bankruptcy Court; provided, however, that any member of the Residents Trust Advisory Board may oppose such motion.

ix. Any action required or permitted to be taken by the Residents Trust Advisory Board at a meeting may be taken without a meeting if the action is taken by unanimous written consent of the Residents Trust Advisory Board as evidenced by one or more written consents describing the action taken, signed by the Residents Trust Advisory Board and filed with the minutes or proceedings of the Residents Trust Advisory Board.

x. Any member of the Residents Trust Advisory Board shall be reimbursed by the Trustee from the Residents Trust Assets for its actual, reasonable out-of-pocket expenses incurred for serving on such board, such as travel costs etc. (but excluding the fees, costs, and expenses of professionals retained by Residents Trust Advisory Board members individually),

after submission of reasonably detailed receipts or invoices evidencing such expenses. Except as provided for in this Section 6.4, the members of the Residents Trust Advisory Board shall not be entitled to receive any other form of compensation for their services provided as such members. Except as provided for in this Section 6.4, the members of the Residents Trust Advisory Board shall not be entitled to receive any other form of compensation for their services provided as such members.

6.5. Resolution of Claims.

a) Unless otherwise provided in the Plan, from and after the Effective Date, the Trustee shall have authority to object to Class 5 and Class 6 Claims (in consultation with the Residents Trust Advisory Board) and to have the Bankruptcy Court determine the amount and treatment of any Class 5 and Class 6 Claim. Subject to Section 6.3 herein, from and after the Effective Date, the Trustee may settle or compromise any Disputed Class 5 and Class 6 Claim with or without approval of the Court.

b) Subject to Section 6.3 herein, the Trustee shall have the authority to retain counsel and other professionals in conjunction with the resolution of Claims pursuant to this Section 6.5. The reasonable fees and expenses of such counsel and professionals as approved by the Residents Trust Advisory Board shall be paid and deducted from the Residents Trust Assets.

6.6. Actions Taken on Other Than a Business Day. In the event that any payment or act under the Plan or this Trust Agreement is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

6.7. Agents, Employees, and Professionals.

a) Subject to approval by the Residents Trust Advisory Board, the Residents Trust may, but shall not be required to, from time to time enter into contracts with, consult with and retain Trustee Professionals deemed by the Trustee to have qualifications necessary or desirable to assist in the proper administration of the Residents Trust, on such terms as he Trustee deems appropriate.

b) After the Effective Date, Trustee Professionals shall be required to submit reasonably detailed invoices on a monthly basis, or as may otherwise be agreed by the Trustee, to the Trustee, including in such invoices a description of the work performed, who performed such work, and, if billing on an hourly basis, the hourly rate of such person, plus an itemized statement of expenses. Subject to the approval of the Residents Trust Advisory Board, the Trustee shall pay such invoices thirty (30) days after such invoices are received. In the event of any dispute concerning the entitlement to, or the reasonableness of any compensation and/or expenses of any Trustee Professionals, either the Trustee, with the approval of the Residents Trust Advisory Board, or the affected party may ask the Bankruptcy Court to resolve the dispute.

c) All payments to Trustee Professionals shall be paid out of the Residents Trust Assets.

6.8. Investment of Residents Trust Monies. All monies and other assets received by the Trustee as Residents Trust Assets (including the proceeds thereof as a result of investment in accordance with this Section 6.8) shall, until distributed or paid over as herein provided, be held in trust for the benefit of the Residents Trust Beneficiaries, and shall not be segregated from other Residents Trust Assets, unless and to the extent required by the Plan. The Trustee shall promptly invest any such monies (including any earnings thereon or proceeds thereof) in the manner set forth in this Section 6.8, but shall otherwise have no liability for interest or income on any monies received by the Residents Trust hereunder and held for distribution or payment to the Residents Trust Beneficiaries, except as such interest shall actually be received. Investment of any monies held by the Residents Trust shall be administered in accordance with the general duties and obligations hereunder. Unless otherwise approved by the Residents Trust Advisory Board, the right and power of the Trustee to invest the Residents Trust Assets, the proceeds thereof, or any income earned by the Residents Trust, shall be limited to the right and power to (i) invest such Residents Trust Assets (pending distributions in accordance with the Plan or this Trust Agreement) in short-term direct obligations of any agency or corporation which is or may hereafter be created by or pursuant to an act of the Congress of the United States as an agency or instrumentality thereof; or (ii) deposit such assets in demand deposits at any bank or trust company, which has, at the time of the deposit, a capital stock and surplus aggregating at least \$1,000,000,000 (collectively, the “Permissible Investments”); provided, however, that the scope of any such Permissible Investments shall be limited to include only those investments that a liquidating trust, within the meaning of Treasury Regulations section 301.7701-4(d), may be permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, whether set forth in IRS rulings (including but not limited to Revenue Procedure 82-58, Revenue Procedure 91-15, and Revenue Procedure 94-45), other IRS pronouncements or otherwise.

6.9. Termination. The duties, responsibilities, and powers of the Trustee and the Residents Trust Advisory Board shall terminate on the date the Residents Trust is wound up and dissolved in accordance with Texas law pursuant to Section 3.2 hereof, under applicable law and in accordance with this Trust Agreement and the Plan; provided, however, that Sections 7.2, 7.3, 7.4, 7.5, and 7.6 hereof shall survive such termination, dissolution, and entry.

ARTICLE VII.

CONCERNING THE TRUSTEE AND RESIDENTS TRUST ADVISORY BOARD

7.1. Reliance by the Trustee and the Members of the Residents Trust Advisory Board. Except as otherwise provided in this Trust Agreement, the Plan, or the Confirmation Order, the Trustee and the members of the Residents Trust Advisory Board may rely and shall be protected in acting upon any resolution, statement, instrument, opinion, report, notice, request, consent, order, or other paper or document reasonably believed by the Trustee to be genuine and to have been signed or presented by the proper party or parties.

7.2. Liability to Third Persons. The Trustee, the Trustee Professionals, and the members of the Residents Trust Advisory Board shall not be subject to any personal liability whatsoever, in tort, contract, or otherwise, to any person (including, in the case of the Trustee and members of the Residents Trust Advisory Board, to any Trustee Professionals retained by the Trustee in

accordance with this Trust Agreement) in connection with the Residents Trust Assets or the affairs of the Residents Trust and shall not be liable with respect to any action taken or omitted to be taken in good faith, except for actions and omissions determined by a Final Order of the Bankruptcy Court to be due to their respective gross negligence, intentional fraud, criminal conduct, or willful misconduct (“Indemnifiable Claims”), and all such Persons shall look solely to the Residents Trust Assets for satisfaction of claims of any nature arising in connection with affairs of the Residents Trust. Other than as set forth in the Plan or in the Confirmation Order, nothing in this Section 7.2 shall be deemed to release any Residents Trust Beneficiary from any actions or omissions occurring prior to the Effective Date.h

7.3. Nonliability of Trustee and Residents Trust Advisory Board for Acts of Others. Except as provided herein, nothing contained in this Trust Agreement, the Plan, or the Confirmation Order shall be deemed to be an assumption by the Trustee, the Residents Trust Advisory Board (or its members), or the Trustee Professionals of any of the liabilities, obligations, or duties of the Debtors or shall be deemed to be or contain a covenant or agreement by the Trustee to assume or accept any such liability, obligations, or duty. Any successor Trustee, or Residents Trust Advisory Board member may accept and rely upon any accounting made by or on behalf of any predecessor Trustee hereunder, and any statement of representation made as to the assets comprising the Residents Trust Assets or as to any other fact bearing upon the prior administration of the Residents Trust, so long as it has a good faith basis to do so. The Trustee, and the Residents Trust Advisory Board members shall not be liable for having accepted and relied in good faith upon any such accounting, statement, or representation if it is later proved to be incomplete, inaccurate, or untrue. The Trustee or any successor Trustee, and Residents Trust Advisory Board members shall not be liable for any act or omission of any predecessor Trustee, or Residents Trust Advisory Board member, nor have a duty to enforce any claims against any predecessor Trustee, or Residents Trust Advisory Board member on account of any such act or omission, unless directed to do so by the Residents Trust Advisory Board. No provision of this Trust Agreement shall require the Trustee to expend or risk his or her personal funds or otherwise incur any financial liability in the performance of his or her rights or powers hereunder if the Trustee has reasonable grounds to believe that the payment of such funds or adequate indemnity against such risk or liability is not reasonably assured or provided to him or her.

7.4. Exculpation. As of the Effective Date, the Trustee, the Trustee professionals, and any member of the Residents Trust Advisory Board shall be and hereby are exculpated by all Persons, including Residents Trust Beneficiaries, and other parties-in-interest, from any and all claims, causes of action, and other assertions of liability arising out of or related to the discharge of their respective powers and duties conferred by the Plan, this Trust Agreement, or any order of the Bankruptcy Court entered pursuant to or in furtherance of the Plan, or applicable law or otherwise, except for actions or omissions to act that are determined by Final Order of the Bankruptcy Court to have arisen out of their own respective intentional fraud, criminal conduct, gross negligence, or willful misconduct. No Residents Trust Beneficiary, or other party-in-interest shall have or be permitted to pursue any claim or cause of action against the Trustee, the Residents Trust, the employees, professionals, or representatives of either the Trustee or the Residents Trust (including the Trustee Professionals) or the members of the Residents Trust Advisory Board, for making payments in accordance with, or for implementing, the provisions of the Plan, the Confirmation Order, and this Trust Agreement in good faith. Any action taken or omitted to be taken with the express approval of the Bankruptcy Court or the Residents Trust Advisory Board

shall conclusively be deemed not to constitute gross negligence or willful misconduct; provided, however, that, notwithstanding any provision herein to the contrary, the Trustee shall not be obligated to comply with a direction of the Residents Trust Advisory Board, whether or not express, which would result in a change to the distribution provisions of this Trust Agreement and the Plan.

7.5. Duties of the Members of the Residents Trust Advisory Board. The members of the Residents Trust Advisory Board shall owe a fiduciary duty to Residents Trust Beneficiaries as a whole and not to any individual Residents Trust Beneficiary. Members of the Residents Trust Advisory Board shall owe the same duties to the Residents Trust Beneficiaries as the duties owed by members of a committee established by Section 1102(a) of the Bankruptcy Code to their constituents.

7.6. Indemnity. The Trustee, the employees of the Residents Trust, the members of the Residents Trust Advisory Board, and their respective agents, employees, officers, directors, professionals, attorneys, accountants, advisors, representatives, and principals, including the Trustee Professionals (collectively, the “Indemnified Parties”) shall be indemnified by the Residents Trust solely from the Residents Trust Assets for any losses, claims, damages, liabilities, and expenses occurring after the Effective Date, including reasonable attorneys’ fees, disbursements, and related expenses which the Indemnified Parties may incur or to which the Indemnified Parties may become subject in connection with any action, suit, proceeding, or investigation brought by or threatened against one or more of the Indemnified Parties on account of the acts or omissions in their capacity as, or on behalf of, the Trustee or a member of the Residents Trust Advisory Board; provided, however, that the Residents Trust shall not be liable to indemnify any Indemnified Party for any act or omission arising out of such Indemnified Party’s respective, fraud or willful misconduct as determined by a Final Order of the Bankruptcy Court. Notwithstanding any provision herein to the contrary, the Indemnified Parties shall be entitled to obtain advances from the Residents Trust to cover their reasonable expenses of defending themselves in any action brought against them as a result of the acts or omissions, actual or alleged, of an Indemnified Party in its capacity as such, except for any actions or omissions arising from their own respective willful misconduct or fraud; provided, however, that the Indemnified Parties receiving such advances shall repay the amounts so advanced to the Residents Trust immediately upon the entry of a Final Order finding that such Indemnified Parties were not entitled to any indemnity under the provisions of this Section 7.6. The foregoing indemnity in respect of any Indemnified Party shall survive the termination of such Indemnified Party from the capacity for which they are indemnified.

7.7. Compensation and Expenses. Subject to the approval of the Residents Trust Advisory Board, the Trustee shall receive compensation for its services, to be paid out of the Residents Trust Assets. In addition, the Trustee shall be entitled, with the approval of the Residents Trust Advisory Board to reimburse itself from the Residents Trust Assets on a monthly basis for all reasonable out-of-pocket expenses actually incurred in the performance of duties in accordance with this Trust Agreement and the Plan.

ARTICLE VIII.

SUCCESSOR RESIDENTS TRUSTEE

8.1. Resignation. The Trustee may resign from the Residents Trust by giving at least sixty (60) days prior written notice thereof to each member of the Residents Trust Advisory Board. Such resignation shall become effective on the later to occur of (a) the date specified in such written notice, and (b) the effective date of the appointment of a successor Trustee in accordance with Section 8.4 hereof and such successor's acceptance of such appointment in accordance with Section 8.5 hereof.

8.2. Removal. At any time the Residents Trust Advisory Board may remove the Trustee, including any successor Trustee. The Trustee shall continue to serve until a successor Trustee is appointed. The Trustee shall be entitled to all accrued but unpaid fees, expenses, and other compensation, to the extent incurred, arising or relating to events occurring before his or her removal or resignation, and to any out-of-pocket expenses reasonably incurred in connection with the transfer of all powers and duties and all rights to any successor Trustee.

8.3. Effect of Resignation or Removal. The resignation, removal, incompetency, bankruptcy, or insolvency of the Trustee shall not operate to terminate the Residents Trust or to revoke any existing agency created pursuant to the terms of this Trust Agreement, the Plan, or the Confirmation Order or invalidate any action theretofore taken by the Trustee. All fees and expenses properly incurred by the Trustee prior to the resignation, incompetency, or removal of the Trustee shall be paid from the Residents Trust, unless such fees and expenses are disputed by (a) the Residents Trust Advisory Board or (b) the successor Trustee, in which case the Bankruptcy Court shall resolve the dispute and any disputed fees and expenses of the predecessor Trustee that are subsequently allowed by the Bankruptcy Court shall be paid from the Residents Trust Assets. In the event of the resignation or removal of the Trustee, such Trustee shall: (i) promptly execute and deliver such documents, instruments, and other writings as may be reasonably requested by the successor Trustee or directed by the Bankruptcy Court to effect the termination of such Trustee's capacity under this Trust Agreement; (ii) promptly deliver to the successor Trustee all documents, instruments, records, and other writings related to the Residents Trust as may be in the possession of such Trustee; and (iii) otherwise assist and cooperate in effecting the assumption of its obligations and functions by such successor Trustee.

8.4. Appointment of Successor. In the event of the death, resignation, removal, incompetency, bankruptcy, or insolvency of the Trustee, a vacancy shall be deemed to exist and a successor shall be appointed by a majority of the Residents Trust Advisory Board. In the event that a successor Trustee is not appointed within thirty (30) days after the date of such vacancy, the Bankruptcy Court, upon its own motion or the motion of a Residents Trust Beneficiary or any member of the Residents Trust Advisory Board, shall appoint a successor Trustee.

8.5. Acceptance of Appointment by Successor Trustee. Any successor Trustee appointed hereunder shall execute an instrument accepting its appointment and deliver such instruments to the Residents Trust Advisory Board. Thereupon, such successor Trustee shall, without any further act, become vested with all the duties, powers, rights, title, discretion, and privileges of its predecessor in the Residents Trust with like effect as if originally named Trustee

and shall be deemed appointed pursuant to Bankruptcy Code section 1123(b)(3)(B). The resigning or removed Trustee shall duly assign, transfer, and deliver to such successor Trustee all property and money held by such resigning or removed Trustee hereunder and shall, as reasonably requested by such successor Trustee, execute and deliver an instrument or instruments conveying and transferring to such successor Trustee upon the trusts herein expressed, all the liabilities, duties, powers, rights, title, discretion, and privileges of such resigning or removed Trustee.

ARTICLE IX.

MISCELLANEOUS PROVISIONS

9.1. **Governing Law.** This Trust Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without giving effect to rules governing the conflict of laws.

9.2. **Jurisdiction.** Subject to the proviso below, the parties agree that the Bankruptcy Court shall have exclusive jurisdiction over the Residents Trust and the Trustee, including the administration and activities of the Residents Trust and the Trustee, and, pursuant to the Plan, the Bankruptcy Court has retained such jurisdiction; provided, however, that notwithstanding the foregoing, the Trustee shall have power and authority to prosecute any Cause of Action in any court of competent jurisdiction (including the Bankruptcy Court).

9.3. **Severability.** In the event any provision of this Trust Agreement or the application thereof to any person or circumstances shall be determined by a final, non-appealable judgment or order to be invalid or unenforceable to any extent, the remainder of this Trust Agreement or the application of such provision to persons or circumstances or in jurisdictions other than those as to or in which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Trust Agreement shall be valid and enforceable to the full extent permitted by law.

9.4. **Notices.** Any notice or other communication required or permitted to be made under this Trust Agreement shall be in writing and shall be deemed to have been sufficiently given, for all purposes, if delivered personally, by email, sent by nationally recognized overnight delivery service or mailed by first-class mail:

i. If to the Trustee:

ii. If to the Debtors: POLSINELLI PC Jeremy Johnson 600 3rd Avenue, 42nd Floor New York, New York 10016 jeremy.johnson@polsinelli.com; and Trinitee G. Green 2950 N. Harwood Street, Suite 2100 Dallas, Texas 75201, tggreen@polsinelli.com

iii. If to the members of the Residents Trust Advisory Board:

9.5. Headings. The headings contained in this Trust Agreement are solely for convenience and reference and shall not affect the meaning or interpretation of this Trust Agreement or of any term or provision hereof.

9.6. Relationship to the Plan. The terms of this Trust Agreement are intended to supplement the terms provided by the Plan and the Confirmation Order, and therefore this Trust Agreement incorporates the provisions of the Plan and the Confirmation Order (which may amend or supplement the Plan). To the extent that there is a conflict between the provisions of this Trust Agreement, the provisions of the Plan, or the Confirmation Order, each document shall have controlling effect in the following rank order: (1) this Trust Agreement, (2) the Confirmation Order, and (3) the Plan.

9.7. Entire Trust Agreement. This Trust Agreement (including the recitals and annex hereto), the Plan, and the Confirmation Order constitute the entire agreement by and among the parties and supersede all prior and contemporaneous agreements or understandings by and among the parties with respect to the subject matter hereof.

9.8. Cooperation. The Debtors shall turn over or otherwise make available to the Trustee at no cost to the Residents Trust or the Trustee, all books and records reasonably required by the Trustee to carry out its duties hereunder, and agree to otherwise reasonably cooperate with the Trustee in carrying out its duties hereunder, subject to the confidentiality provisions herein to preserve the confidential nature of the Debtors' books and records.

9.9. Amendment and Waiver. Any provision of this Trust Agreement may be amended or waived by the Trustee with the consent of all members of the Residents Trust Advisory Board provided, however, that no change may be made to this Residents Trust Agreement that would adversely affect the distributions to be made under this Residents Trust Agreement to any of the Residents Trust Beneficiaries, or adversely affect the United States federal income tax status of the Residents Trust as a "liquidating trust." Notwithstanding this Section 9.9, any amendment to this Trust Agreement shall not be inconsistent with the purpose and intention of the Residents Trust to liquidate in an expeditious but orderly manner the Residents Trust Assets in accordance with Treasury Regulations section 301.7701-4(d) and Section 1.2 hereof.

9.10. Confidentiality. The Trustee and its employees, members, agents, professionals, and advisors, including the Trustee Professionals, and each member of the Residents Trust Advisory Board (each a "Confidential Party" and, collectively, the "Confidential Parties") shall hold strictly confidential and not use for personal gain any material, non-public information of which they have become aware in their capacity as a Confidential Party, of or pertaining to any Debtor to which any of the Residents Trust Assets relates; provided, however, that such information may be disclosed if (a) it is now or in the future becomes generally available to the public other than as a result of a disclosure by the Confidential Parties; or (b) such disclosure is required of the Confidential Parties pursuant to legal process including subpoena or other court order or other applicable laws or regulations. In the event that any Confidential Party is requested to divulge confidential information pursuant to this clause (b), such Confidential Party shall promptly, in advance of making such disclosure, provide reasonable notice of such required disclosure to the Trustee (or the Residents Trust Advisory Board in the case the Trustee is the disclosing party) to allow sufficient time to object to or prevent such disclosure through judicial

or other means and shall cooperate reasonably with the Trustee (or the Residents Trust Advisory Board, as applicable) in making any such objection, including appearing in any judicial or administrative proceeding in support of any objection to such disclosure.

9.11. Meanings of Other Terms. Except where the context otherwise requires, words importing the masculine gender include the feminine and the neuter, if appropriate, words importing the singular number shall include the plural number and vice versa and words importing persons shall include firms, associations, corporations, and other entities. All references herein to Articles, Sections, and other subdivisions, unless referring specifically to the Plan or provisions of the Bankruptcy Code, the Bankruptcy Rules, or other law, statute, or regulation, refer to the corresponding Articles, Sections, and other subdivisions of this Trust Agreement, and the words herein and words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section, or subdivision of this Trust Agreement. The term “including” shall mean “including, without limitation.”

9.12. Counterparts. This Trust Agreement may be executed in any number of counterparts, each of which shall be deemed in original, but such counterparts shall together constitute but one and the same instrument. A facsimile or portable document file (PDF) signature of any party shall be considered to have the same binding legal effect as an original signature.

9.13. Intention of Parties to Establish a Liquidation Trust. As stated above, this Trust Agreement is intended to create a “liquidating trust” for United States federal income tax purposes within the meaning of Treasury Regulations section 301.7701-4(d), and, to the extent provided by law, shall be governed and construed in all respects as such a trust and any ambiguity herein shall be construed consistent herewith and, if necessary, this Trust Agreement may be amended to comply with such United States federal income tax laws, which amendments may apply retroactively. This Trust Agreement is not intended to create and shall not be interpreted as creating a corporation, association, partnership or joint venture of any kind for United States federal income tax purposes or for any other purposes.

[Signature Pages Follow]

DRAFT SUBJECT TO REVISION.

IN WITNESS WHEREOF, the parties hereto have executed this Trust Agreement or caused this Trust Agreement to be duly executed by their respective officers, representatives, or agents, effective as of the date first written above.

NORTHWEST SENIOR HOUSING CORPORATION

By: _____
Name: _____
Title: _____

SENIOR QUALITY LIFESTYLES CORPORATION

By: _____
Name: _____
Title: _____

**RESIDENTS TRUST
TRUSTEE**

Name: _____

**INITIAL RESIDENTS
TRUST ADVISORY BOARD**

Name: _____

Name: _____

Name: _____

DRAFT SUBJECT TO REVISION.

APPROVED BY:

LIFESPACE COMMUNITIES, INC.

By: _____

Name: _____

Title: _____

Exhibit 14

EXHIBIT B-2

Redline of Residents Trust Agreement

RESIDENTS TRUST AGREEMENT

This RESIDENTS TRUST AGREEMENT (the “Trust Agreement”) is made and entered into as of _____, 2023, by and among (a) Northwest Senior Housing Corporation and Senior Quality Lifestyles Corporation, in their capacities as debtors and debtors in possession and on behalf of themselves and their respective chapter 11 estates (each a “Debtor” and collectively, the “Debtors”), and (b) _____, as trustee of the Residents Trust (the “Residents Trustee” or the “Trustee”), so long as such individual continues in office, and all other individuals who have been duly elected and qualify as trustee of the Residents Trust hereunder pursuant to Section 1.5 or Article VIII hereof. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan (as defined below).

BACKGROUND

A. On April 14, 2022, the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the “Bankruptcy Court”).

B. On December 19, 2022, the Plan Proponents filed their *Third Amended Plan of Reorganization of the Plan Sponsors dated December 19, 2022* (as amended, confirmed, and/or modified from time to time, including by the Confirmation Order, the “Plan”); and their Third Amended Disclosure Statement in Support of the Third Amended Plan of Reorganization of the Plan Sponsors dated December 19, 2022 (as amended, confirmed, and/or modified from time to time, including by the Confirmation Order, the “Disclosure Statement”).

C. The Plan provides for the creation of a trust on the Effective Date to hold, manage, and administer the Residents Trust Assets and to distribute the proceeds thereof to the holders of Residents Trust Interests (the “Residents Trust Beneficiaries” or “Beneficiaries”) in accordance with the terms of this Trust Agreement, the Plan ~~(and~~, the Litespace Settlement Agreement attached to the ~~Plan~~ Disclosure Statement, and the Confirmation Order.

D. The Residents Trust is being created on behalf of, and for the benefit of, the Residents Trust Beneficiaries, who are Participating Former Residents and Participating Current Residents of Edgemere that hold Allowed Class 5 and Class 6 Refund Claims under the Plan, and who shall hold beneficial interests in the Residents Trust (“Residents Trust Interests”).

E. The Residents Trust is organized for the sole purpose of collecting and distributing the Residents Trust Assets, and not to conduct a trade or business except to the extent reasonably necessary to, and consistent with, the purpose of the Residents Trust.

F. This Residents Trust is intended to qualify as a “liquidating trust” under the Internal Revenue Code of 1986, as amended (the “IRC”) and the regulations promulgated thereunder (the “Treasury Regulations”), specifically Treasury Regulations section 301.7701-4(d) and, as such, as a “grantor trust” for United States federal income tax purposes pursuant to Treasury Regulations Section 1.671-4(a), with the Residents Trust Beneficiaries treated as the grantors and owners of the Residents Trust.

TRUST AGREEMENT

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein, the Debtors and the Trustee agree as follows:

ARTICLE I.

DECLARATION OF TRUST

1.1. Creation of Trust. As of the Effective Date of the Plan, the Debtors and the Trustee, pursuant to the Plan and the Confirmation Order, and in accordance with the applicable provisions of chapter 11 of the Bankruptcy Code, hereby constitute and create the Residents Trust, which shall bear the name “Edgemere Residents Trust.” In connection with the exercise of the Trustee’s power hereunder, the Trustee may use this name or such variation thereof as the Trustee sees fit. The Edgemere Residents Trust shall be governed by the Texas Trust Code as the same may be amended from time to time (the “Trust Code”).

1.2. Purpose of Residents Trust. The purpose of the Residents Trust is to implement the terms of the Plan on behalf, and for the benefit of, the Residents Trust Beneficiaries, and to serve as a mechanism for collecting the contributions (the “Lifespace Contributions”) from Lifespace Communities Inc. (“Lifespace”) (~~the “Lifespace Contributions”~~) required under the Plan and Lifespace Settlement and Contribution Agreement dated December 14, 2022 as amended (the “Lifespace Settlement Agreement”), and distributing the Lifespace Contributions and earnings thereon in accordance with Treasury Regulations section 301.7701-4(d), with no objective to continue or engage in conduct or a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Residents Trust.

1.3. Transfer of Residents Trust Assets. On the Effective Date, the Debtors shall transfer, for the sole benefit of the Residents Trust Beneficiaries, pursuant to Bankruptcy Code sections 1123(a)(5)(B) and 1123(b)(3)(B), and in accordance with the Plan and the Confirmation Order, all of the Debtors’ rights, title and interests in the Lifespace Settlement Agreement, as amended from time to time, (together with Lifespace Contributions, the “Residents Trust Assets”) to the Residents Trust, free and clear of any and all liens, claims, encumbrances and interests (legal, beneficial, or otherwise) of all other entities to the maximum extent contemplated by and permissible under Bankruptcy Code section 1141(c). In this regard, the Residents Trust Assets will be treated as transferred, for United States federal as well as state and local income tax purposes, in the manner set forth pursuant to Section 5.2 of this Trust Agreement. The transfer of the Residents Trust Assets shall be exempt from any stamp, real estate transfer, mortgage reporting, sale, use or other similar tax, pursuant to section 1146(a) of the Bankruptcy Code. Upon delivery of all Residents Trust Assets to the Residents Trust, the Debtors shall be discharged and released from all liability with respect to the delivery of such assets, and exculpated as provided in the Plan. The Residents Trust Assets and all other property held from time to time by the Residents Trust under this Trust Agreement and any earnings, including interest, on any of the foregoing are to be applied by the Trustee in accordance with the terms hereof, the Plan, and the Confirmation Order for the benefit of the Residents Trust Beneficiaries, and for no other party, subject to the further covenants, conditions, and terms hereinafter set forth. In the event of any conflict among this Trust

Agreement, the Plan and the Confirmation Order, the provisions of Section 9.6 of this Trust Agreement shall control.

1.4. Funding of Residents Trust

a) Residents Trust Operations. On the Effective Date, the Residents Trust shall be funded by an assignment of all of the Debtors' rights, title and interests in the Lifespace Settlement Agreement. The Lifespace Contributions thereunder and earnings thereon shall be used exclusively for the following purposes: (i) to maintain the value of the Residents Trust Assets; (ii) to pay the reasonable and necessary administrative expenses of the Residents Trust, including, but not limited to, (a) the Trustee fees, compensation and expenses, (b) the reasonable costs and expenses incurred or anticipated to be incurred by the Trustee (including reasonable fees, costs and expenses incurred or anticipated to be incurred by professionals retained by the Trustee), (c) the reasonable costs and expenses incurred or anticipated to be incurred by the Residents Trust Advisory Board and its members (including reasonable fees, costs and expenses incurred or anticipated to be incurred by professionals retained by the Residents Trust Advisory Board but excluding the fees, costs and expenses of professionals retained by Residents Trust Advisory Board members individually), (d) any taxes imposed on the Residents Trust in respect of the Residents Trust Assets, (e) the reasonable fees and expenses incurred or anticipated to be incurred in connection with, arising out of or related to the Residents Trust Assets and any litigation associated therewith, and (f) other costs and expenses contemplated by this Trust Agreement; and (iii) to make distributions to the Residents Trust Beneficiaries.

b) Reserve. Prior to any distributions to the Residents Trust Beneficiaries, the Trustee shall withhold funds for the payment of reasonable Residents Trust expenses and Life Care Subsidy payments.

1.5. Appointment and Acceptance of Trustee. As set forth in the Confirmation Order, the members of the Residents Trust Advisory Board hereby designate _____ to serve as the initial Trustee under the Plan. The Trustee accepts the Residents Trust created by this Trust Agreement and the grant, assignment, transfer, conveyance, and delivery by the Debtors of all of their respective right, title, and interest in the Residents Trust Assets, upon and subject to the terms and conditions set forth herein, in the Plan, and in the Confirmation Order, to the Trustee, on behalf, and for the benefit, of the Residents Trust Beneficiaries. The Trustee's powers are exercisable solely in a fiduciary capacity consistent with, and in furtherance of, the purpose of the Residents Trust within the limitations set forth herein, including the Treasury Regulations and the Trust Code, and shall for all purposes hereunder be acting in the capacity as Trustee, and not individually.

1.6. Collection of the Residents Trust Assets. The Trustee shall, in an expeditious but commercially reasonable manner and subject to the provisions of the Plan, the Confirmation Order, and the Lifespace Settlement Agreement, collect Lifespace Contributions and make timely distributions to Residents Trust Beneficiaries in an amount up to their Allowed Refund Claims in the Debtors bankruptcy proceedings in accordance with the terms hereof and the Plan (and the Lifespace Settlement Agreement attached to the [Plan](#)) [Disclosure Statement](#), and shall not unduly prolong the existence of the Residents Trust. The Trustee shall exercise reasonable business judgment and in the collection and distribution of the Residents Trust Assets. The Residents Trust

Advisory Board must approve any (i) sale, transfer, assignment, abandonment, or other disposition of Residents Trust Assets with an asserted value equal to or in excess of \$100,000; (ii) settlement or compromise of any claim of the Residents Trust; or (iii) settlement or compromise of an objection to a Class 5 and/or Class 6 Claim which would result in an Allowed Class 5 and/or Class 6 Claim equal to or in excess of \$100,000. The Trustee may incur any reasonable and necessary expense in connection with the collection and conversion of the Residents Trust Assets into Cash or in connection with the administration of the Residents Trust and, subject to the approval of the Residents Trust Advisory Board, such expenses shall be deducted from the Residents Trust Assets.

1.7. No Reversion to Debtors. In no event shall any part of the Residents Trust Assets revert to or be distributed to any Debtor or Reorganized Debtor.

1.8. Incidents of Ownership. The Residents Trust Beneficiaries shall be the sole beneficiaries of the Residents Trust and the Residents Trust Assets, and the Trustee shall retain only such incidents of ownership as are necessary to undertake the actions and transactions authorized herein, in the Plan, and in the Confirmation Order, including those powers set forth in Section 6.2 hereof.

ARTICLE II.

RESIDENTS TRUST BENEFICIARIES

2.1. Conflicting Claims. If any conflicting claims or demands are made or asserted with respect to a Class 5 or Class 6 Claim, or to a Residents Trust Interest or a distribution to a Residents Trust Beneficiary, the Trustee shall be entitled, at the direction and with the approval of the Residents Trust Advisory Board, to refuse to comply with any such conflicting claims or demands. In so refusing, the Trustee, at the direction and with the approval of the Residents Trust Advisory Board, may elect to make no payment or distribution with respect to the Residents Trust Interest subject to the claims or demands involved, or any part thereof, and the Trustee shall refer such conflicting claims or demands to the Bankruptcy Court, which shall have exclusive jurisdiction over resolution of such conflicting claims or demands. In so doing, the Trustee shall not be or become liable to any party for its refusal to comply with any of such conflicting claims or demands. The Trustee shall be entitled to refuse to act until either (i) the rights of the adverse claimants have been adjudicated by a Final Order of the Bankruptcy Court (or such other court of proper jurisdiction) or (ii) all differences have been resolved by a written agreement among all of such parties and the Trustee, which agreement shall (x) include a complete release of the Residents Trust and the Trustee, and (y) be subject to the approval of the Residents Trust Advisory Board if the proposed agreement results in a Class 5 or Class 6 Claim Allowed Claim equal to or in excess of \$100,000 (the occurrence of either (i) or (ii) of this Section 2.1 being referred to as a “Dispute Resolution”). Promptly after a Dispute Resolution is reached, the Trustee shall transfer the payments and distributions, in accordance with the terms of such Dispute Resolution, the Plan and this Trust Agreement.

2.2. Rights of Residents Trust Beneficiaries. Each Residents Trust Beneficiary shall be entitled to participate in the rights and benefits due to a Residents Trust Beneficiary hereunder according to the terms of its Residents Trust Interest. The Residents Trust Interest of a Residents Trust Beneficiary is hereby declared and shall be, in all respects, personal property. Except as

expressly provided hereunder, a Residents Trust Beneficiary shall have no title to, right to, possession of, management of or control of the Residents Trust or the Residents Trust Assets or to any right to call for a partition or division of such assets or to require an accounting. No surviving spouse, heir, or devisee of any deceased Residents Trust Beneficiary shall have any right of dower, homestead, or inheritance, or of partition, or any other right, statutory or otherwise, in the Residents Trust Assets, but the whole title to the Residents Trust Assets shall be vested in the Trustee and the sole interest of the Residents Trust Beneficiaries shall be the rights and benefits given to such person under this Trust Agreement and the Plan.

2.3. Evidence of Residents Trust Interest. Ownership of a Residents Trust Interest in the Residents Trust will be evidenced by the allowance of a Claim against the Debtors by a Participating Former Residents and Participating Current Resident pursuant to the terms of the Plan. Any Participating Former Resident and Participating Current Resident that is a holder of an Allowed Claim under Class 5 or Class 6 of the Plan shall hold a percentage in the Residents Trust Interest (as indicated on Appendix B) equal to the proportion of the underlying Allowed Claim's value to the total value of all Allowed Claims in Class 5 and Class 6 Claims under the Plan. A Residents Trust Beneficiary shall be deemed a "holder of record" (hereinafter "Holder") of such Residents Trust Beneficiary's Residents Trust Interest(s) for purposes of all applicable United States federal and state laws, rules, and regulations.

2.4. Transfers of Residents Trust Interests.

a) General. Residents Trust Interests shall not be transferable or assignable except by will, intestate succession, or operation of law.

b) Residents Trust Interests Registry. Any transfer or assignment of a Residents Trust Interest by will, intestate succession, or operation of law shall not create any rights in the assignee or transferee under this Trust Agreement unless and until such transfer or assignment of the respective interest is recorded in the registry maintained by the Trustee, which shall be completed as soon as practicable after transfer or assignment. Subject to Section 2.4(d), the entries in the Registry shall be conclusive evidence of ownership of a Residents Trust Interest absent manifest error, and the Residents Trust and the Trustee shall treat each person whose name is recorded in the registry pursuant to the terms hereof as the owner of Residents Trust Interests for all purposes of this Trust Agreement, notwithstanding notice to the contrary. The Residents Trust shall maintain, or cause the agent of the Residents Trust to maintain, a register (which may be electronic) setting forth the names and addresses of the ~~Trustee~~-Beneficiaries, and the amount of their Residents Trust Interests from time to time.

c) Registration. If the Trustee, upon advice of counsel, determines that any class of Residents Trust Interests may be subject to registration pursuant to section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Trustee shall pursue relief from such registration by obtaining either an exemptive order, a no-action letter, or an interpretive letter from the Securities and Exchange Commission or its staff or, absent its ability to achieve that objective or in lieu thereof, shall register such class pursuant to section 12 of such statute (it being understood and agreed that the Trustee with the approval of the Residents Trust Advisory Board shall be authorized, among other things, to register such class and to seek relief from one or more of the requirements then applicable subsequent to such registration and to de-register such

class). Any expenses that are associated with such application for relief and/or registration shall be deducted from the Residents Trust Assets.

d) Further Limitations on Transfer. Notwithstanding any other provision to the contrary, the Trustee may disregard any purported transfer or assignment of Residents Trust Interests by will, intestate succession, or operation of law if sufficient necessary information (as reasonably determined by the Trustee), including applicable tax-related information, is not provided by such purported transferee or assignee to the Trustee.

2.5. Limited Liability. No provision of this Trust Agreement, the Plan, or the Confirmation Order, and no mere enumeration herein of the rights or privileges of any Residents Trust Beneficiary, shall give rise to any liability of such Residents Trust Beneficiary solely in its capacity as such, whether such liability is asserted by any Debtor, by creditors, employees, or equity interest holders of any Debtor, or by any other Person. Residents Trust Beneficiaries are deemed to receive the Residents Trust Assets in accordance with the provisions of this Trust Agreement, the Plan, and the Confirmation Order in exchange for the Allowed Class 5 and Class 6 Refund Claims of Participating Former Residents and Participating Current Residents, without further obligation or liability of any kind, but subject to the provisions of this Trust Agreement and the Plan.

ARTICLE III.

DURATION AND TERMINATION OF RESIDENTS TRUST

3.1. Duration. The Residents Trust shall become effective upon the Effective Date of the Plan and shall have an initial term of eighteen (18) years from the Effective Date; provided, however, that, if warranted by the facts and circumstances, the Residents Trust Advisory Board may limit or extend the term of the Residents Trust.

3.2. Dissolution of the Residents Trust. The Trustee and the Residents Trust shall be discharged or dissolved earlier, as the case maybe, on the earlier to occur of (i) all of the Residents Trust Assets having been distributed pursuant to the Plan and this Trust Agreement, (ii) the Trustee having determined, with the approval of the Residents Trust Advisory Board, that the administration of any remaining Residents Trust Assets is not likely to yield sufficient additional Residents Trust proceeds to justify further pursuit, or (iii) conclusion of the Residents Trust as provided by Section 4.1.

3.3. Continuation of Residents Trust for Winding Up. After the dissolution of the Residents Trust and solely for the purpose of liquidating and winding up the affairs of the Residents Trust, the Trustee shall continue to act as such until its duties have been fully performed. Upon distribution of all the Residents Trust Assets, the Trustee shall retain the books, records, and files that shall have been delivered to or created by the Trustee. All such records and documents may be destroyed at any time following the date that is three (3) years after the final distribution of the Residents Trust Assets. Nothing herein shall be deemed to abridge any agreement(s) to which the Trustee may be party that expressly provides for further retention of such documents and records.

ARTICLE IV.

ADMINISTRATION OF RESIDENTS TRUST

4.1. Payment of Trustee Fees, Expenses, and Liabilities. Except as otherwise provided herein, the Trustee shall use proceeds from the Residents Trust Assets (i) to pay compensation to the Trustee as approved by the Residents Trust Advisory Board, (ii) to pay reasonable costs and expenses of the Residents Trust that are incurred (including any taxes imposed on the Residents Trust, the actual reasonable out-of-pocket fees and expenses incurred by Trustee professionals in connection with the administration and liquidation of the Residents Trust Assets, as provided in Section 6.7 herein, and the preservation of books and records of the Residents Trust); (iii) to satisfy other obligations or other liabilities incurred or assumed by the Residents Trust (or to which the Residents Trust Assets are otherwise subject) in accordance with the Plan, the Confirmation Order, or this Trust Agreement, including fees and costs incurred in connection with the collection protection, preservation, liquidating, and distribution of the Residents Trust Assets and the costs of investigating, prosecuting, resolving, or settling any litigation or cause of action; (iv) as reasonably necessary to meet contingent liabilities and to maintain the value of the Residents Trust Assets during collection and liquidation; and (v) to satisfy any other obligations of the Residents Trust expressly set forth in the Plan, this Trust Agreement, and the Confirmation Order.

4.2. Distributions.

a) Generally. Except as otherwise provided in the Plan or this Trust Agreement, the Trustee shall make distributions of Residents Trust Assets to the Residents Trust Beneficiaries qualified to receive distributions from the Residents Trust for (i) Tax Distributions (defined below), (ii) any Life Care Subsidy amounts (as defined in section 6(e) of the Lifespace Settlement Agreement attached to the Plan Disclosure Statement), and (iii) in the amount of their respective Allowed Refund Claims (less any previous distributions to such resident of Life Care Subsidy amounts) when the Trustee, in its sole discretion, determines such distribution appropriate and required pursuant to the terms and provisions of the Plan, the Confirmation Order and this Trust Agreement, subject to the Trustee's duty to confer on such matters with the Residents Trust Advisory Board. The Trustee shall have discretion to determine when a Life Care Subsidy is appropriate and when a Refund Trigger Date has occurred pursuant to the purpose and spirit of the Lifespace Settlement Agreement and this Trust Agreement, subject to the Trustee's duty to confer on such matters with the Residents Trust Advisory Board. The Trustee may postpone any distribution if the Trustee determines that a distribution is impracticable under the circumstances, or the amount of such distribution would be too small to justify the administrative costs associated with making it. The Trustee shall not unduly prolong the duration of the Residents Trust.

b) Trust Interests; Allocation and Payment of Distributions. Each Residents Trust Beneficiary's (i) share of the Residents Trust Interests (including any Cash and other property to be received on account of any Residents Trust Interest) shall be owned by the Residents Trust Beneficiaries, and (ii) share of the Residents Trust Assets shall be allocated and distributed to the Residents Trust Beneficiaries, in each case in accordance with the Plan, the Confirmation Order and this Trust Agreement.

c) De Minimis Distributions. No Distribution shall be required to be made pursuant to the Plan and this Trust Agreement to any Residents Trust Beneficiary unless such Residents Trust Beneficiary is to receive in such Distribution at least \$500.00, or unless such Distribution is the final distribution to such Residents Trust Beneficiary pursuant to the Plan and this Trust Agreement. Any such distribution shall be retained by the Trustee and invested as provided in the Plan and this Trust Agreement. Any distribution not made to such Residents Trust Beneficiary, shall be held in trust for the relevant Residents Trust Beneficiary until the earlier of (x) the date the next distribution made to such Residents Trust Beneficiary; provided, however, that such subsequent Distribution, taken together with amounts retained hereby, equals at least \$500.00, or (y) is the final distribution to such Residents Trust Beneficiary.

4.3. Undeliverable Distributions. If the distribution to any Residents Trust Beneficiary is returned to the Trustee as undeliverable or is otherwise an Unclaimed Distribution, no further ~~Distributions~~[distributions](#) shall be made to such Residents Trust Beneficiary unless and until the Trustee is notified in writing of such Residents Trust Beneficiary's then-current address, at which time all missed distributions shall be made to such Residents Trust Beneficiary without interest. The Trustee and the Residents Trust shall not be under any obligation to attempt to determine a Residents Trust Beneficiary's then-current address.

4.4. Treatment of Unclaimed Distributions. Any Residents Trust Beneficiary that does not assert a claim for an unclaimed distribution or negotiate a distribution within three (3) after an attempted distribution shall be deemed to have forfeited its claim for such undeliverable or unclaimed distribution and shall be forever barred and enjoined from asserting any such claim for an unclaimed distribution against the Debtors, the Trustee, the Residents Trust, and their respective agents, attorneys, representatives, employees or independent contractors, or any of its and their property. In such cases, any Cash otherwise reserved for unclaimed distributions shall become the property of the Residents Trust free of any restrictions thereon and notwithstanding any federal or state escheat laws to the contrary and shall be distributed pursuant to the terms of this [Trust Agreement](#). Nothing contained in the Plan or this Residents Trust Agreement shall require the Trustee to attempt to locate any Residents Trust Beneficiary; provided, however, that the Trustee, in its sole discretion, may publish notice of unclaimed distributions.

4.5. Remaining Residents Trust Assets Upon Dissolution of the Residents Trust. The Residents Trust Beneficiaries shall receive distributions in an amount up to, but not exceeding, the amount of their respective Allowed Refund Claims, with no interest thereon. All assets, if any, remaining in the Residents Trust after distributions to Residents Trust Beneficiaries as required under the Plan, the Confirmation Order, and this [Trust Agreement](#) may be, at the discretion of the Residents Trust Advisory Board, either (i) distributed to the then owner of the Edgemere Community to be used for the benefit of residents at Edgemere, or (ii) donated to any other charitable organization.

4.6. Setoffs of Life Care Subsidy Payments. Pursuant to the terms of the Plan, the Trustee may deduct and set off all amounts advanced to such Residents Trust Beneficiary as a Life Care Subsidy against any distribution to be made to a Residents Trust Beneficiary hereunder (before any distribution is made on account of such Residents Trust Interest by the Trustee).

4.7. Compliance with Laws. Any and all distributions of Residents Trust Assets shall be in compliance with applicable laws, including applicable federal and state tax and securities laws, except as otherwise set forth in this Trust Agreement.

4.8. Fiscal Year. Except for the first and last years of the Residents Trust, the fiscal year of the Residents Trust shall be the calendar year. For the first and last years of the Residents Trust, the fiscal year of the Residents Trust shall be such portion of the calendar year that the Residents Trust is in existence.

4.9. Books and Records. The Trustee shall retain and preserve the Debtors' books, records, and files that have been delivered to or created by the Trustee. Subject to Section 3.3 hereof, the Trustee shall maintain, in respect of the Residents Trust and the Residents Trust Beneficiaries and all other parties who are to receive distributions under this Trust Agreement, books and records relating to the assets and the income of the Residents Trust and the payment of expenses of, liabilities of, and claims against or assumed by, the Residents Trust and the Trustee, in such detail and for such period of time as may be necessary to enable it to make full and proper reports in respect thereof in accordance with the provisions of this Trust Agreement and applicable provisions of law, including to applicable tax, securities and other federal and state laws. Except as otherwise provided herein or in the Plan, nothing in this Trust Agreement requires the Trustee to file any accounting or seek approval of any court with respect to the administration of the Residents Trust, or as a condition for making any payment or distribution out of the Residents Trust Assets. The Trustee shall provide any member of the Residents Trust Advisory Board with access to such books and records during normal business hours as may be reasonably requested with five (5) days' advance notice. Residents Trust Beneficiaries shall have the right upon thirty (30) days' prior written notice delivered to the Trustee to inspect such books and records; provided, that, if so requested, all costs associated with such inspection shall be paid in advance by such requesting Residents Trust Beneficiary and such Residents Trust Beneficiary shall have entered into a confidentiality agreement reasonably satisfactory in form and substance to the Trustee.

4.10. Cash Payments. All distributions required to be made by the Trustee to the Residents Trust Beneficiaries shall be made in Cash denominated in United States dollars by checks drawn on a domestic bank selected by the Trustee or, at the option of the Trustee, by wire transfer from a domestic bank selected by the Trustee or as otherwise required or provided in applicable agreements; provided, however, that Cash payments to foreign holders of Residents Trust Interests may be made, at the option of the Trustee, in such funds as and by such means as are necessary or customary in a particular foreign jurisdiction.

4.11. Insurance. The Residents Trust may, to the extent deemed necessary or advisable by the Trustee, maintain customary insurance coverage for the protection of the Trustee and the members.

4.12. Reports.

a) The Trustee shall deliver reports to members of the Residents Trust Advisory Board not later than thirty (30) days following the end of each fiscal year. Such reports shall specify in reasonable detail (i) the status of any causes of action, claims, and litigation involving the Residents Trust or the Residents Trust Assets, including any settlements entered into

by the Residents Trust, (ii) the costs and expenses of the Residents Trust that are incurred (including any actual reasonable out-of-pocket fees and expenses incurred by Trustee professionals in connection with the administration and liquidation of the Residents Trust Assets during the preceding fiscal year), (iii) the amounts listed in clause (ii) incurred since the Effective Date, (iv) the amount of Cash and other assets received by the Residents Trust during the prior fiscal year, (v) the aggregate amount of Cash and other assets received by the Residents Trust since the Effective Date, (vi) the aggregate amount of distributions from the Residents Trust to the Residents Trust Beneficiaries since the Effective Date, and (vii) such other information as the Residents Trust Advisory Board may reasonably request from time to time. The Trustee shall also timely prepare, file, and distribute such additional statements, reports, and submission (A) as may be necessary to cause the Residents Trust and the Trustee to be in compliance with applicable law or (B) as may be otherwise reasonably requested from time to time by the Residents Trust Advisory Board.

ARTICLE V.

TAX MATTERS

5.1. Tax Treatment. For all United States federal income tax purposes, all parties (including, without limitation, the Debtors, the Trustee and the Residents Trust Beneficiaries) will treat the Residents Trust as a “liquidating trust” within the meaning of section 301.7701-4(d) of the Treasury Regulations.

5.2. Residents Trust Assets Treated as Owned by Residents Trust Beneficiaries. For all United States federal income tax purposes, all parties (including the Debtors, the Trustee, and the Residents Trust Beneficiaries) generally will be required to treat the transfer of the Residents Trust Assets to the Residents Trust as (1) a transfer of the Residents Trust Assets directly to the Residents Trust Beneficiaries and, to the extent Residents Trust Assets are allocable to Disputed Claims, to a Disputed Claims reserve, followed by (2) the transfer by such beneficiaries to the Residents Trust of the Residents Trust Assets in exchange for Residents Trust Interests. Accordingly, the Residents Trust Beneficiaries shall be treated for United States federal income tax purposes as the grantors and owners of their respective share of the Residents Trust Assets (other than such Residents Trust Assets as are allocable to the Disputed Claims Reserve, discussed below) and the earnings thereon. The foregoing treatment shall also apply, to the extent permitted by applicable law, for state and local income tax purposes.

5.3. Tax Reporting.

a) The Trustee shall file (or cause to be filed) all Tax Returns for the Residents Trust treating the Residents Trust as a grantor trust pursuant to Treasury Regulation section 1.671-4(a) and in accordance with this Article V. The Trustee also will annually send to each Residents Trust Beneficiary a separate statement regarding the receipts and expenditures of the Residents Trust as relevant for United States federal income tax purposes and will instruct all such Residents Trust Beneficiaries to use such information in preparing their United States federal income tax returns or to forward the appropriate information to such Residents Trust Beneficiary’s tax return preparer, with instructions to utilize such information in preparing their United States federal income tax returns. The Trustee shall also file (or cause to be filed) any other statement, return, or disclosure relating to the Residents Trust that is required by any governmental unit.

b) Taxable income and taxable losses shall be allocated to each Residents Trust Beneficiary in proportion to the amount of their unpaid Allowed Refund Claim as of December 31st of each taxable year divided by the total unpaid Allowed Refund Claims of all Residents Trust Beneficiaries as of December 31st of each taxable year. Within ninety (90) days after the last day of each calendar year during which this Trust Agreement remains in effect, to the extendextent of available funds, the Trustee shall distribute to each Residents Trust Beneficiary an amount equal to the product of (i) any net taxable income of the Residents Trust for the previous calendar year that is allocated to such Residents Trust Beneficiary as provided in Section __, multiplied by (ii) 37% (the “Tax Distributing”).

c) The Trustee shall be responsible for payment, out of the Residents Trust Assets, any taxes imposed on the Residents Trust or its assets.

d) The Trustee may request an expedited determination of taxes of the Residents Trust under section 505(b) of the Bankruptcy Code for all Tax Returns filed for, or on behalf of, the Residents Trust for all taxable periods through the dissolution of the Residents Trust.

5.4. Tax Withholdings by Trustee. The Trustee shall withhold and pay to the appropriate tax authority all amounts required to be withheld pursuant to the IRC or any provision of any foreign, state, or local tax law with respect to any payment or distribution to the Residents Trust Beneficiaries. All such amounts withheld and paid to the appropriate tax authority (or placed in escrow pending resolution of the need to withhold) shall be treated as amounts distributed to such Residents Trust Beneficiary for all purposes of the Trust Agreement. The Trustee shall be authorized to collect such tax information from the Residents Trust Beneficiaries (including without limitation, social security numbers or other tax identification numbers) as the Trustee deems necessary to effectuate the Plan, the Confirmation Order, and the Trust Agreement. In order to receive distributions under the Plan, all Residents Trust Beneficiaries shall be required to identify themselves to the Trustee and provide tax information and the specifics of their holdings, to the extent the Trustee deems appropriate in the manner and in accordance with the procedures from time to time established by the Trustee for these purposes. This identification requirement generally applies to all Residents Trust Beneficiaries, including those who hold their Claims in “street name.” The Trustee may refuse to make a distribution to any Residents Trust Beneficiary that fails to furnish such information in a timely fashion, and until such information is delivered may treat such Residents Trust Beneficiary’s Residents Trust Interests as disputed; provided, however, that, upon the delivery of such information by a Residents Trust Beneficiary, the Trustee shall make such distribution to which the Residents Trust Beneficiary is entitled, without additional interest occasioned by such Residents Trust Beneficiary’s delay in providing tax information; and, provided, further, that, if such information is not furnished to the Trustee within six (6) months of the original request to furnish such information, no further distributions shall be made to the Residents Trust Beneficiary; and, provided, further, that, if the Trustee fails to withhold in respect of amounts received or distributable with respect to any such Residents Trust Beneficiary and the Trustee is later held liable for the amount of such withholding, such Residents Trust Beneficiary shall reimburse the Trustee for such liability (to the extent such amounts were actually distributed to such Residents Trust Beneficiary).

ARTICLE VI.

POWERS AND LIMITATIONS ON THE TRUSTEE

6.1. Trustee. References herein to the Trustee shall refer to the individual serving as the Trustee solely in its capacity as trustee hereunder. Subject to Article VIII hereof, the Trustee shall hold office until the termination of the Residents Trust in accordance with the terms set forth herein.

6.2. Powers of the Trustee.

a) Pursuant to the terms of the Plan, the Confirmation Order, and this Trust Agreement, the Trustee shall have various powers, duties, and responsibilities concerning the collection of Residents Trust Assets, the prosecution of litigation claims to collect Residents Trust Assets, the resolution of disputed Class 5 and Class 6 ~~claims~~ Claims against the Debtors' Estates, the administration of the Residents Trust and the Residents Trust Assets, and to make ~~Distributions~~ distributions to the Residents Trust Beneficiaries in accordance with the Plan, the Confirmation Order, and this Trust Agreement.

b) The Trustee shall have only such rights, powers, and privileges expressly set forth in the Confirmation Order, the Plan, and this Trust Agreement and as otherwise provided by applicable law. Subject to the oversight and approvals by and of the Residents Trust Advisory Board when required herein, the Trustee shall be expressly authorized to undertake the following actions:

i. To exercise all power and authority that may be or could have been exercised, commence all proceedings that may be or could have been commenced and take all actions that may be or could have been taken by the Debtors or any trustee appointed for any Debtor to collect amounts owed by Lifespace under the Lifespace Settlement Agreement;

ii. To open and maintain bank and other deposit accounts, escrows and other accounts, calculate and make distributions of Residents Trust Assets as provided for or contemplated by the Plan, the Confirmation Order, and this Trust Agreement, and take other actions consistent with the Plan and the implementation thereof in the name of the Trustee, even in the event of the dissolution of the Debtors;

iii. To collect, sell, liquidate or otherwise dispose of all Residents Trust Assets pursuant to the Plan, subject to approval by the Residents Trust Advisory Board in the event that a particular Residents Trust Asset is valued at or in excess of \$100,000 and, to make distributions of Residents Trust Assets;

iv. Subject to the prior approval of the Residents Trust Advisory Board to borrow funds, and to also take all actions necessary to preserve and maximize the value of the Residents Trust Assets;

v. To object to any Class 5 or Class 6 Claims asserted in the Debtors bankruptcy proceedings (disputed or otherwise), and to defend, compromise and/or settle any Class 5 and Class 6 Claims prior to or following objection without the necessity of approval of the

Court, subject to approval by the Residents Trust Advisory Board if any such settlement or compromise results in an Allowed Class 5 and Class 6 Claim equal to or in excess of \$100,000;

vi. To make decisions, after consultation with and approval by the Residents Trust Advisory Board, regarding the retention or engagement of professionals, employees and consultants (generally, “Residents Trust Professionals”) by the Residents Trust and to pay, from the Residents Trust Assets, the charges incurred by the Residents Trust on or after the Effective Date for services of professionals in excess of \$20,000 [See Section 6.3(b)(ii)] upon approval of the Residents Trust Advisory Board, without application to the Court (nothing herein shall prohibit the retention of Foley & Lardner LLP or Ankura, former professionals retained by the Official ~~Unsecured~~ Unsecured Creditors Committee (the “Committee”), as professionals for the Residents Trust);

vii. To determine, after consultation with the Residents Trust Advisory Board, ~~whether~~ when a Life Care Subsidy payment is appropriate and when a Refund Trigger Date has occurred or should be deemed to have occurred ~~in unique and unforeseen circumstances~~ pursuant to the purpose and spirit of the Lifespace Settlement Agreement and this Agreement;

viii. To cause, on behalf of the Residents Trust, to prepare and file all necessary tax returns and all other appropriate or necessary documents related to municipal, State, Federal or other tax law;

ix. To invest Cash ~~in accordance with section 345 of the Bankruptcy Code or as otherwise~~ as permitted by a Final Order of the Court ~~as deemed appropriate by the Trustee and~~ in accordance with the investment and deposit guidelines set forth in this Trust Agreement;

x. To enter into any agreement or execute any instrument or document required by or consistent with the Plan and perform all of the obligations of the Trustee hereunder;

xi. To abandon in any commercially reasonable manner, including abandonment or donation to a charitable organization approved by the Residents Trust Advisory Board, any Residents Trust Assets that the Trustee determines too impractical to distribute; ~~provided, however, that Court approval, upon notice and a hearing, shall be required for any abandonment or donation of assets with a value of ten thousand dollars (\$10,000) or more~~;

xii. To use Residents Trust Assets to purchase or create and maintain all appropriate insurance policies, bonds or other means of assurance and protection of the Residents Trust Assets and pay all reasonable insurance premiums and other costs he or she deems necessary or advisable to insure the acts and omissions of the Trustee, and if appropriate, the Residents Trust Advisory Board;

xiii. To implement and enforce all provisions of the Plan, subject to the advice of the Residents Trust Advisory Board;

xiv. To maintain appropriate books and records (including financial books and records) to govern the collection and distribution of the Residents Trust Assets,

provided, however, that any abandonment or destruction of books and records shall require Residents Trust Advisory Board approval, unless otherwise provided herein;

xv. Subject to approval of the Residents Trust Advisory Board, to dissolve the Residents Trust if the Trustee determines, in reasonable reliance on such professionals as it may retain, that the expense of administering the Residents Trust so as to make a final distribution to Trust Beneficiaries is likely to exceed the value of the remaining Residents Trust Assets; and

xvi. To do all other acts or things consistent with the provisions of the Plan that the Trustee deems reasonably necessary or desirable with respect to implementing the Plan.

c) Except as otherwise provided in this Trust Agreement, the Trustee will not be required to obtain the order or approval of the Bankruptcy Court, or any other court of competent jurisdiction in, or account to the Bankruptcy Court or any other court of competent jurisdiction for, the exercise of any right, power, or privilege conferred hereunder. Notwithstanding the foregoing, where the Trustee determines that it is necessary, appropriate, or desirable, the Trustee will have the right to submit to the Bankruptcy Court any question or questions regarding any specific action proposed to be taken by the Trustee with respect to this Trust Agreement, the Residents Trust, or the Residents Trust Assets, including the administration and distribution of Residents Trust Assets and the termination of the Residents Trust. Pursuant to the Plan, the Bankruptcy Court has retained jurisdiction for such purposes and may approve or disapprove any such proposed action upon motion by the Trustee.

6.3. Limitations on Trustee.

a) The Trustee shall, on behalf of the Residents Trust, hold the Residents Trust out as a trust in the process of collection and liquidation and not as an investment company. The Trustee shall be restricted to the liquidation of the Residents Trust Assets on behalf, and for the benefit, of the Residents Trust Beneficiaries and the distribution and application of the Residents Trust Assets for the purposes set forth in, and the conservation and protection of the Residents Trust Assets and the administration thereof in accordance with, the provisions of this Trust Agreement, the Plan, and the Confirmation Order. In no event shall the Trustee receive any property, make any distribution, satisfy or discharge any claims, expenses, charges, liabilities and obligations or otherwise take any action which would jeopardize the status of the Residents Trust as a “liquidating trust” for United States federal income tax purposes within the meaning of Treasury Regulations Section 301.7701-4(d). This limitation shall apply irrespective of whether the conduct of any such actions is deemed by the Trustee to be necessary or appropriate for the conservation and protection of the Trust Assets.

b) Notwithstanding anything in this Trust Agreement to the contrary, the Trustee shall submit to the Residents Trust Advisory Board for its approval the following matters and any other matters that expressly or reasonably require the approval of the Residents Trust Advisory Board pursuant to the other terms of this Trust Agreement:

i. The retention or engagement of any Trustee professionals;

- ii. Any payment to the Trustee or any Trustee professionals for fees and expenses in excess of twenty thousand dollars (\$20,000.00);
 - iii. Any settlement of any litigation or causes of action involving an amount in controversy equal to or in excess of \$100,000;
 - iv. Any borrowing of funds;
 - v. Any incurrence of any cost, expense, or fee in excess of \$100,000;
- and
- vi. The dissolution of the Residents Trust.

The foregoing shall not limit the Trustee's ability to make determinations and take actions regarding compliance with tax withholding requirements (including remittances).

6.4. Establishment of Residents Trust Advisory Board.

a) The "Residents Trust Advisory Board" means the board appointed by the ~~Official Unsecured Creditors'~~ Committee in the Debtors' bankruptcy proceeding to exercise the duties set forth in this Trust Agreement, which duties shall be (i) to oversee the collection and distribution of the Residents Trust Assets by the Trustee in accordance with this Trust Agreement, the Plan, and the Confirmation Order, (ii) to approve (or withhold approval) of those matters submitted to it for approval in accordance with the terms of this Trust Agreement, and (iii) to remove and appoint any successor to the Trustee as provided for in this Trust Agreement.

b) The Residents Trust Advisory Board shall consist of three (3) members.

c) The authority of the members of the Residents Trust Advisory Board shall be effective as of the Effective Date and shall remain and continue in full force and effect until the Residents Trust is dissolved in accordance with Section 3.2 hereof. The service of the members of the Residents Trust Advisory Board shall be subject to the following:

i. the members of the Residents Trust Advisory Board shall serve until death or resignation pursuant to clause (ii) below, or removal pursuant to clause (iii) below;

ii. a member of the Residents Trust Advisory Board may resign at any time by providing a written notice of resignation to the remaining members of the Residents Trust Advisory Board. Such resignation shall be effective when a successor is appointed as provided herein;

iii. a member of the Residents Trust Advisory Board may be removed by unanimous vote of the other members for (a) fraud or willful misconduct in connection with the affairs of the Residents Trust or (b) cause, which shall include a breach of fiduciary duty other than as specified in the foregoing clause (a). Such removal shall be effective only upon the earlier of (a) acceptance of such removal by the member, or (b) an order of the Bankruptcy Court requiring such removal;

iv. in the event of a vacancy in a member's position (whether by removal, death, or resignation) the two (2) remaining members shall jointly select a successor member; if the remaining members cannot agree on a successor member, the Trustee shall appoint a successor member who is willing to serve on the Residents Trust Advisory Board; and

v. immediately upon appointment of any successor member of the Residents Trust Advisory Board, all rights, powers, duties, authority, and privileges of the predecessor member of the Residents Trust Advisory Board hereunder shall be vested in and undertaken by the successor member of the Residents Trust Advisory Board without any further act; and the successor member of the Residents Trust Advisory Board shall not be liable personally for any act or omission of the predecessor member of the Residents Trust Advisory Board.

vi. Notwithstanding anything in this Trust Agreement to the contrary, the Residents Trust Advisory Board shall not take any action which will cause the Residents Trust to fail to qualify as a "liquidating trust" and taxed as a grantor trust for United States federal income tax purposes.

vii. A quorum for meetings of the Residents Trust Advisory Board shall consist of a majority of the members of the Residents Trust Advisory Board then serving; provided, however, that, for purposes of determining whether a quorum is present at such a meeting, a member of the Residents Trust Advisory Board shall be deemed present if ~~a representative of~~ the member is attending in person, by telephone, or by proxy; provided, further, however, that to the extent practicable, reasonable notice of a meeting must be given to all members of the Residents Trust Advisory Board.

viii. Except as expressly provided herein, the affirmative vote of a majority of the members of the Residents Trust Advisory Board shall be the act of the Residents Trust Advisory Board with respect to any matter that requires the determination, consent, approval, or agreement of such board. Any or all of the members of the Residents Trust Advisory Board may participate in a regular or special meeting by, or conduct the meeting through the use of, conference telephone or similar communications equipment by means of which all persons participating in the meeting may hear each other, in which case any required notice of such meeting may generally describe the arrangements (rather than or in addition to the Plan) for the holding thereof. Any member of the Residents Trust Advisory Board participating in a meeting by this means is deemed to be present in person at the meeting. In all matters submitted to a vote of the Residents Trust Advisory Board, each Residents Trust Advisory Board member shall be entitled to cast one vote, which vote shall be cast personally by such Residents Trust Advisory Board member or by proxy. In a matter in which the Trustee cannot obtain direction or authority from the Residents Trust Advisory Board, the Trustee may file a motion requesting such direction or authority from the Bankruptcy Court; provided, however, that any member of the Residents Trust Advisory Board may oppose such motion.

ix. Any action required or permitted to be taken by the Residents Trust Advisory Board at a meeting may be taken without a meeting if the action is taken by unanimous written consent of the Residents Trust Advisory Board as evidenced by one or more written consents describing the action taken, signed by the Residents Trust Advisory Board and filed with the minutes or proceedings of the Residents Trust Advisory Board.

x. Any member of the Residents Trust Advisory Board shall be reimbursed by the Trustee from the Residents Trust Assets for its actual, reasonable out-of-pocket expenses incurred for serving on such board, such as travel costs etc. (but excluding the fees, costs, and expenses of professionals retained by Residents Trust Advisory Board members individually), after submission of reasonably detailed receipts or invoices evidencing such expenses. Except as provided for in this Section 6.4, the members of the Residents Trust Advisory Board shall not be entitled to receive any other form of compensation for their services provided as such members. Except as provided for in this Section 6.4, the members of the Residents Trust Advisory Board shall not be entitled to receive any other form of compensation for their services provided as such members.

6.5. Resolution of Claims.

a) Unless otherwise provided in the Plan, from and after the Effective Date, the Trustee shall have authority to object to Class 5 and Class 6 Claims (in consultation with the Residents Trust Advisory Board) and to have the Bankruptcy Court determine the amount and treatment of any Class 5 and Class 6 Claim. Subject to Section 6.3 herein, from and after the Effective Date, the Trustee may settle or compromise any Disputed Class 5 and Class 6 Claim with or without approval of the Court.

b) Subject to Section 6.3 herein, the Trustee shall have the authority to retain counsel and other professionals in conjunction with the resolution of Claims pursuant to this Section 6.5. The reasonable fees and expenses of such counsel and professionals as approved by the Residents Trust Advisory Board shall be paid and deducted from the Residents Trust Assets.

6.6. Actions Taken on Other Than a Business Day. In the event that any payment or act under the Plan or this Trust Agreement is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

6.7. Agents, Employees, and Professionals.

a) Subject to approval by the Residents Trust Advisory Board, the Residents Trust may, but shall not be required to, from time to time enter into contracts with, consult with and retain Trustee Professionals deemed by the Trustee to have qualifications necessary or desirable to assist in the proper administration of the Residents Trust, on such terms as he Trustee deems appropriate.

b) After the Effective Date, Trustee Professionals shall be required to submit reasonably detailed invoices on a monthly basis, or as may otherwise be agreed by the Trustee, to the Trustee, including in such invoices a description of the work performed, who performed such work, and, if billing on an hourly basis, the hourly rate of such person, plus an itemized statement of expenses. Subject to the approval of the Residents Trust Advisory Board, the Trustee shall pay such invoices thirty (30) days after such invoices are received. In the event of any dispute concerning the entitlement to, or the reasonableness of any compensation and/or expenses of any

Trustee Professionals, either the Trustee, with the approval of the Residents Trust Advisory Board, or the affected party may ask the Bankruptcy Court to resolve the dispute.

c) All payments to Trustee Professionals shall be paid out of the Residents Trust Assets.

6.8. Investment of Residents Trust Monies. All monies and other assets received by the Trustee as Residents Trust Assets (including the proceeds thereof as a result of investment in accordance with this Section 6.8) shall, until distributed or paid over as herein provided, be held in trust for the benefit of the Residents Trust Beneficiaries, and shall not be segregated from other Residents Trust Assets, unless and to the extent required by the Plan. The Trustee shall promptly invest any such monies (including any earnings thereon or proceeds thereof) ~~as permitted by section 345 of the Bankruptcy Code,~~ in the manner set forth in this Section 6.8, but shall otherwise have no liability for interest or income on any monies received by the Residents Trust hereunder and held for distribution or payment to the Residents Trust Beneficiaries, except as such interest shall actually be received. Investment of any monies held by the Residents Trust shall be administered in accordance with the general duties and obligations hereunder. Unless otherwise approved by the Residents Trust Advisory Board, the right and power of the Trustee to invest the Residents Trust Assets, the proceeds thereof, or any income earned by the Residents Trust, shall be limited to the right and power to (i) invest such Residents Trust Assets (pending distributions in accordance with the Plan or this Trust Agreement) in short-term direct obligations of any agency or corporation which is or may hereafter be created by or pursuant to an act of the Congress of the United States as an agency or instrumentality thereof; or (ii) deposit such assets in demand deposits at any bank or trust company, which has, at the time of the deposit, a capital stock and surplus aggregating at least \$1,000,000,000 (collectively, the “Permissible Investments”); provided, however, that the scope of any such Permissible Investments shall be limited to include only those investments that a liquidating trust, within the meaning of Treasury Regulations section 301.7701-4(d), may be permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, whether set forth in IRS rulings (including but not limited to Revenue Procedure 82-58, Revenue Procedure 91-15, and Revenue Procedure 94-45), other IRS pronouncements or otherwise.

6.9. Termination. The duties, responsibilities, and powers of the Trustee and the Residents Trust Advisory Board shall terminate on the date the Residents Trust is wound up and dissolved in accordance with Texas law pursuant to Section 3.2 hereof, under applicable law and in accordance with this Trust Agreement and the Plan; provided, however, that Sections 7.2, 7.3, 7.4, 7.5, and 7.6 hereof shall survive such termination, dissolution, and entry.

ARTICLE VII.

CONCERNING THE TRUSTEE AND RESIDENTS TRUST ADVISORY BOARD

7.1. Reliance by the Trustee and the Members of the Residents Trust Advisory Board. Except as otherwise provided in this Trust Agreement, the Plan, or the Confirmation Order, the Trustee and the members of the Residents Trust Advisory Board may rely and shall be protected in acting upon any resolution, statement, instrument, opinion, report, notice, request, consent,

order, or other paper or document reasonably believed by the Trustee to be genuine and to have been signed or presented by the proper party or parties.

7.2. Liability to Third Persons. The Trustee, the Trustee Professionals, and the members of the Residents Trust Advisory Board shall not be subject to any personal liability whatsoever, in tort, contract, or otherwise, to any person (including, in the case of the Trustee and members of the Residents Trust Advisory Board, to any Trustee Professionals retained by the Trustee in accordance with this Trust Agreement) in connection with the Residents Trust Assets or the affairs of the Residents Trust and shall not be liable with respect to any action taken or omitted to be taken in good faith, except for actions and omissions determined by a Final Order of the Bankruptcy Court to be due to their respective gross negligence, intentional fraud, criminal conduct, or willful misconduct (“Indemnifiable Claims”), and all such Persons shall look solely to the Residents Trust Assets for satisfaction of claims of any nature arising in connection with affairs of the Residents Trust. Other than as set forth in the Plan or in the Confirmation Order, nothing in this Section 7.2 shall be deemed to release any Residents Trust Beneficiary from any actions or omissions occurring prior to the Effective Date.h

7.3. Nonliability of Trustee and Residents Trust Advisory Board for Acts of Others. Except as provided herein, nothing contained in this Trust Agreement, the Plan, or the Confirmation Order shall be deemed to be an assumption by the Trustee, the Residents Trust Advisory Board (or its members), or the Trustee Professionals of any of the liabilities, obligations, or duties of the Debtors or shall be deemed to be or contain a covenant or agreement by the Trustee to assume or accept any such liability, obligations, or duty. Any successor Trustee, or Residents Trust Advisory Board member may accept and rely upon any accounting made by or on behalf of any predecessor Trustee hereunder, and any statement of representation made as to the assets comprising the Residents Trust Assets or as to any other fact bearing upon the prior administration of the Residents Trust, so long as it has a good faith basis to do so. The Trustee, and the Residents Trust Advisory Board members shall not be liable for having accepted and relied in good faith upon any such accounting, statement, or representation if it is later proved to be incomplete, inaccurate, or untrue. The Trustee or any successor Trustee, and Residents Trust Advisory Board members shall not be liable for any act or omission of any predecessor Trustee, or Residents Trust Advisory Board member, nor have a duty to enforce any claims against any predecessor Trustee, or Residents Trust Advisory Board member on account of any such act or omission, unless directed to do so by the Residents Trust Advisory Board. No provision of this Trust Agreement shall require the Trustee to expend or risk his or her personal funds or otherwise incur any financial liability in the performance of his or her rights or powers hereunder if the Trustee has reasonable grounds to believe that the payment of such funds or adequate indemnity against such risk or liability is not reasonably assured or provided to him or her.

7.4. Exculpation. As of the Effective Date, the Trustee, the Trustee professionals, and any member of the Residents Trust Advisory Board shall be and hereby are exculpated by all Persons, including Residents Trust Beneficiaries, and other parties-in-interest, from any and all claims, causes of action, and other assertions of liability arising out of or related to the discharge of their respective powers and duties conferred by the Plan, this Trust Agreement, or any order of the Bankruptcy Court entered pursuant to or in furtherance of the Plan, or applicable law or otherwise, except for actions or omissions to act that are determined by Final Order of the Bankruptcy Court to have arisen out of their own respective intentional fraud, criminal conduct,

gross negligence, or willful misconduct. No Residents Trust Beneficiary, or other party-in-interest shall have or be permitted to pursue any claim or cause of action against the Trustee, the Residents Trust, the employees, professionals, or representatives of either the Trustee or the Residents Trust (including the Trustee Professionals) or the members of the Residents Trust Advisory Board, for making payments in accordance with, or for implementing, the provisions of the Plan, the Confirmation Order, and this Trust Agreement in good faith. Any action taken or omitted to be taken with the express approval of the Bankruptcy Court or the Residents Trust Advisory Board shall conclusively be deemed not to constitute gross negligence or willful misconduct; provided, however, that, notwithstanding any provision herein to the contrary, the Trustee shall not be obligated to comply with a direction of the Residents Trust Advisory Board, whether or not express, which would result in a change to the distribution provisions of this Trust Agreement and the Plan.

7.5. Duties of the Members of the Residents Trust Advisory Board. The members of the Residents Trust Advisory Board shall owe a fiduciary duty to Residents Trust Beneficiaries as a whole and not to any individual Residents Trust Beneficiary. Members of the Residents Trust Advisory Board shall owe the same duties to the Residents Trust Beneficiaries as the duties owed by members of a committee established by Section 1102(a) of the Bankruptcy Code to their constituents.

7.6. Indemnity. The Trustee, the employees of the Residents Trust, the members of the Residents Trust Advisory Board, and their respective agents, employees, officers, directors, professionals, attorneys, accountants, advisors, representatives, and principals, including the Trustee Professionals (collectively, the “Indemnified Parties”) shall be indemnified by the Residents Trust solely from the Residents Trust Assets for any losses, claims, damages, liabilities, and expenses occurring after the Effective Date, including reasonable attorneys’ fees, disbursements, and related expenses which the Indemnified Parties may incur or to which the Indemnified Parties may become subject in connection with any action, suit, proceeding, or investigation brought by or threatened against one or more of the Indemnified Parties on account of the acts or omissions in their capacity as, or on behalf of, the Trustee or a member of the Residents Trust Advisory Board; provided, however, that the Residents Trust shall not be liable to indemnify any Indemnified Party for any act or omission arising out of such Indemnified Party’s respective, fraud or willful misconduct as determined by a Final Order of the Bankruptcy Court. Notwithstanding any provision herein to the contrary, the Indemnified Parties shall be entitled to obtain advances from the Residents Trust to cover their reasonable expenses of defending themselves in any action brought against them as a result of the acts or omissions, actual or alleged, of an Indemnified Party in its capacity as such, except for any actions or omissions arising from their own respective willful misconduct or fraud; provided, however, that the Indemnified Parties receiving such advances shall repay the amounts so advanced to the Residents Trust immediately upon the entry of a Final Order finding that such Indemnified Parties were not entitled to any indemnity under the provisions of this Section 7.6. The foregoing indemnity in respect of any Indemnified Party shall survive the termination of such Indemnified Party from the capacity for which they are indemnified.

7.7. Compensation and Expenses. Subject to the approval of the Residents Trust Advisory Board, the Trustee shall receive compensation for its services, to be paid out of the Residents Trust Assets. In addition, the Trustee shall be entitled, with the approval of the Residents

Trust Advisory Board to reimburse itself from the Residents Trust Assets on a monthly basis for all reasonable out-of-pocket expenses actually incurred in the performance of duties in accordance with this Trust Agreement and the Plan.

ARTICLE VIII.

SUCCESSOR RESIDENTS TRUSTEE

8.1. Resignation. The Trustee may resign from the Residents Trust by giving at least sixty (60) days prior written notice thereof to each member of the Residents Trust Advisory Board. Such resignation shall become effective on the later to occur of (a) the date specified in such written notice, and (b) the effective date of the appointment of a successor Trustee in accordance with Section 8.4 hereof and such successor's acceptance of such appointment in accordance with Section 8.5 hereof.

8.2. Removal. At any time ~~upon the request of~~ the Residents Trust Advisory Board ~~through a motion filed in the Bankruptcy Court, the Bankruptcy Court~~ may remove the Trustee, including any successor Trustee, ~~for cause. For purposes of this Section 8.2, "cause" shall mean: (a) an act of fraud, embezzlement, or theft in connection with the Trustee's duties or in the course of her employment in such capacity, (b) the intentional wrongful damage to the Residents Trust Assets, (c) the intentional wrongful disclosure of confidential information of the Residents Trust resulting in material harm to the Residents Trust, or (d) gross negligence by the Trustee in connection with the performance of his or her duties under this Residents Trust Agreement. Unless the Bankruptcy Court orders immediate removal, the~~ The Trustee shall continue to serve until a successor Trustee is appointed, ~~and such appointment becomes effective, in accordance with Section 8.2 hereof. If the Trustee is removed for cause, such Trustee shall not be entitled to any accrued but unpaid fees, expenses or other compensation under this Residents Trust Agreement or otherwise. If the Trustee is unwilling or unable to serve for any other reason whatsoever other than for "cause," subject to a final accounting, such Trustee~~ The Trustee shall be entitled to all accrued but unpaid fees, expenses, and other compensation, to the extent incurred, arising or relating to events occurring before his or her removal or resignation, and to any out-of-pocket expenses reasonably incurred in connection with the transfer of all powers and duties and all rights to any successor Trustee.

8.3. Effect of Resignation or Removal. The resignation, removal, incompetency, bankruptcy, or insolvency of the Trustee shall not operate to terminate the Residents Trust or to revoke any existing agency created pursuant to the terms of this Trust Agreement, the Plan, or the Confirmation Order or invalidate any action theretofore taken by the Trustee. All fees and expenses properly incurred by the Trustee prior to the resignation, incompetency, or removal of the Trustee shall be paid from the Residents Trust, unless such fees and expenses are disputed by (a) the Residents Trust Advisory Board or (b) the successor Trustee, in which case the Bankruptcy Court shall resolve the dispute and any disputed fees and expenses of the predecessor Trustee that are subsequently allowed by the Bankruptcy Court shall be paid from the Residents Trust Assets. In the event of the resignation or removal of the Trustee, such Trustee shall: (i) promptly execute and deliver such documents, instruments, and other writings as may be reasonably requested by the successor Trustee or directed by the Bankruptcy Court to effect the termination of such Trustee's

capacity under this Trust Agreement; (ii) promptly deliver to the successor Trustee all documents, instruments, records, and other writings related to the Residents Trust as may be in the possession of such Trustee; and (iii) otherwise assist and cooperate in effecting the assumption of its obligations and functions by such successor Trustee.

8.4. Appointment of Successor. In the event of the death, resignation, removal, incompetency, bankruptcy, or insolvency of the Trustee, a vacancy shall be deemed to exist and a successor shall be appointed by a majority of the Residents Trust Advisory Board. In the event that a successor Trustee is not appointed within thirty (30) days after the date of such vacancy, the Bankruptcy Court, upon its own motion or the motion of a Residents Trust Beneficiary or any member of the Residents Trust Advisory Board, shall appoint a successor Trustee.

8.5. Acceptance of Appointment by Successor Trustee. Any successor Trustee appointed hereunder shall execute an instrument accepting its appointment and ~~shall deliver one counterpart thereof to the Bankruptcy Court for filing and~~ such instruments to the Residents Trust Advisory Board ~~and, in case of the Trustee's resignation, to the resigning Trustee.~~ Thereupon, such successor Trustee shall, without any further act, become vested with all the duties, powers, rights, title, discretion, and privileges of its predecessor in the Residents Trust with like effect as if originally named Trustee and shall be deemed appointed pursuant to Bankruptcy Code section 1123(b)(3)(B). The resigning or removed Trustee shall duly assign, transfer, and deliver to such successor Trustee all property and money held by such resigning or removed Trustee hereunder and shall, as ~~directed by the Bankruptcy Court or~~ reasonably requested by such successor Trustee, execute and deliver an instrument or instruments conveying and transferring to such successor Trustee upon the trusts herein expressed, all the liabilities, duties, powers, rights, title, discretion, and privileges of such resigning or removed Trustee.

ARTICLE IX.

MISCELLANEOUS PROVISIONS

9.1. Governing Law. This Trust Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without giving effect to rules governing the conflict of laws.

9.2. Jurisdiction. Subject to the proviso below, the parties agree that the Bankruptcy Court shall have exclusive jurisdiction over the Residents Trust and the Trustee, including the administration and activities of the Residents Trust and the Trustee, and, pursuant to the Plan, the Bankruptcy Court has retained such jurisdiction; provided, however, that notwithstanding the foregoing, the Trustee shall have power and authority to prosecute any Cause of Action in any court of competent jurisdiction (including the Bankruptcy Court).

9.3. Severability. In the event any provision of this Trust Agreement or the application thereof to any person or circumstances shall be determined by a final, non-appealable judgment or order to be invalid or unenforceable to any extent, the remainder of this Trust Agreement or the application of such provision to persons or circumstances or in jurisdictions other than those as to or in which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Trust Agreement shall be valid and enforceable to the full extent permitted by law.

9.4. Notices. Any notice or other communication required or permitted to be made under this Trust Agreement shall be in writing and shall be deemed to have been sufficiently given, for all purposes, if delivered personally, by email, ~~facsimile~~, sent by nationally recognized overnight delivery service or mailed by first-class mail:

i. If to the Trustee:

ii. If to the Debtors: [POL SINELLI PC Jeremy Johnson 600 3rd Avenue, 42nd Floor New York, New York 10016 jeremy.johnson@polsinelli.com](mailto:jeremy.johnson@polsinelli.com); and [Trinitee G. Green 2950 N. Harwood Street, Suite 2100 Dallas, Texas 75201, tggreen@polsinelli.com](mailto:tggreen@polsinelli.com)

iii. If to the members of the Residents Trust Advisory Board:

9.5. Headings. The headings contained in this Trust Agreement are solely for convenience and reference and shall not affect the meaning or interpretation of this Trust Agreement or of any term or provision hereof.

9.6. Relationship to the Plan. The terms of this Trust Agreement are intended to supplement the terms provided by the Plan and the Confirmation Order, and therefore this Trust Agreement incorporates the provisions of the Plan and the Confirmation Order (which may amend or supplement the Plan). To the extent that there is a conflict between the provisions of this Trust Agreement, the provisions of the Plan, or the Confirmation Order, each document shall have controlling effect in the following rank order: (1) this Trust Agreement, (2) the Confirmation Order, and (3) the Plan.

9.7. Entire Trust Agreement. This Trust Agreement (including the recitals and annex hereto), the Plan, and the Confirmation Order constitute the entire agreement by and among the parties and supersede all prior and contemporaneous agreements or understandings by and among the parties with respect to the subject matter hereof.

9.8. Cooperation. The Debtors shall turn over or otherwise make available to the Trustee at no cost to the Residents Trust or the Trustee, all books and records reasonably required by the Trustee to carry out its duties hereunder, and agree to otherwise reasonably cooperate with the Trustee in carrying out its duties hereunder, subject to the confidentiality provisions herein to preserve the confidential nature of the Debtors' books and records.

9.9. Amendment and Waiver. Any provision of this Trust Agreement may be amended or waived by the Trustee with the consent of all members of the Residents Trust Advisory Board provided, however, that no change may be made to this Residents Trust Agreement that would adversely affect the distributions to be made under this Residents Trust Agreement to any of the Residents Trust Beneficiaries, or adversely affect the United States federal income tax status of the Residents Trust as a "liquidating trust." Notwithstanding this Section 9.9, any amendment to this Trust Agreement shall not be inconsistent with the purpose and intention of the Residents Trust to liquidate in an expeditious but orderly manner the Residents Trust Assets in accordance with Treasury Regulations section 301.7701-4(d) and Section 1.2 hereof.

9.10. Confidentiality. The Trustee and its employees, members, agents, professionals, and advisors, including the Trustee Professionals, and each member of the Residents Trust Advisory Board (each a “Confidential Party” and, collectively, the “Confidential Parties”) shall hold strictly confidential and not use for personal gain any material, non-public information of which they have become aware in their capacity as a Confidential Party, of or pertaining to any Debtor to which any of the Residents Trust Assets relates; provided, however, that such information may be disclosed if (a) it is now or in the future becomes generally available to the public other than as a result of a disclosure by the Confidential Parties; or (b) such disclosure is required of the Confidential Parties pursuant to legal process including subpoena or other court order or other applicable laws or regulations. In the event that any Confidential Party is requested to divulge confidential information pursuant to this clause (b), such Confidential Party shall promptly, in advance of making such disclosure, provide reasonable notice of such required disclosure to the Trustee (or the Residents Trust Advisory Board in the case the Trustee is the disclosing party) to allow sufficient time to object to or prevent such disclosure through judicial or other means and shall cooperate reasonably with the Trustee (or the Residents Trust Advisory Board, as applicable) in making any such objection, including appearing in any judicial or administrative proceeding in support of any objection to such disclosure.

9.11. Meanings of Other Terms. Except where the context otherwise requires, words importing the masculine gender include the feminine and the neuter, if appropriate, words importing the singular number shall include the plural number and vice versa and words importing persons shall include firms, associations, corporations, and other entities. All references herein to Articles, Sections, and other subdivisions, unless referring specifically to the Plan or provisions of the Bankruptcy Code, the Bankruptcy Rules, or other law, statute, or regulation, refer to the corresponding Articles, Sections, and other subdivisions of this Trust Agreement, and the words herein and words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section, or subdivision of this Trust Agreement. The term “including” shall mean “including, without limitation.”

9.12. Counterparts. This Trust Agreement may be executed in any number of counterparts, each of which shall be deemed in original, but such counterparts shall together constitute but one and the same instrument. A facsimile or portable document file (PDF) signature of any party shall be considered to have the same binding legal effect as an original signature.

9.13. Intention of Parties to Establish a Liquidation Trust. ~~This~~As stated above, this Trust Agreement is intended to create a “liquidating trust” for United States federal income tax purposes within the meaning of Treasury Regulations section 301.7701-4(d), and, to the extent provided by law, shall be governed and construed in all respects as such a trust and any ambiguity herein shall be construed consistent herewith and, if necessary, this Trust Agreement may be amended to comply with such United States federal income tax laws, which amendments may apply retroactively. This Trust Agreement is not intended to create and shall not be interpreted as creating a corporation, association, partnership or joint venture of any kind for United States federal income tax purposes or for any other purposes.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Trust Agreement or caused this Trust Agreement to be duly executed by their respective officers, representatives, or agents, effective as of the date first written above.

NORTHWEST SENIOR HOUSING CORPORATION

By: _____
Name: _____
Title: _____

SENIOR QUALITY LIFESTYLES CORPORATION

By: _____
Name: _____
Title: _____

RESIDENTS TRUST
TRUSTEE

Name: _____

INITIAL RESIDENTS
TRUST ADVISORY BOARD

Name: _____

Name: _____

Name: _____

APPROVED BY:

LIFESPACE COMMUNITIES, INC.

By: _____

Name: _____

Title: _____

Summary report:	
Litera® Change-Pro for Word 10.14.0.46 Document comparison done on 2/6/2023 11:42:20 AM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: nd://4878-7882-9640/8/Edgemere - Residents Trust Agreement.docx	
Modified DMS: nd://4878-7882-9640/10/Edgemere - Residents Trust Agreement.docx	
Changes:	
Add	37
Delete	37
Move From	0
Move To	0
Table Insert	0
Table Delete	0
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	74

Exhibit 15

Exhibit D-1

Form of Independent Living Rental Agreement for Current Residents¹

¹ The attached form of agreement is in substantially final form as of the date hereof. Bay 9 Holdings LLC reserves the right to make modifications to the agreement as it determines necessary and appropriate in its sole discretion.

EDGEMERE

RESIDENTIAL OCCUPANCY AND SERVICES AGREEMENT (“Agreement”)

We welcome you to the Edgemere Community and are glad you have decided to become a Resident. Edgemere seeks to provide quality residential housing for retirement age men and women along with an array of personal services and amenities outlined in this Agreement. Subject to the conditions outlined in this Agreement we agree to make available to you an unfurnished independent living unit in Edgemere and provide you with general services and amenities outlined in this Agreement.

1.1 DEFINED TERMS:

a. Community: Bay 9 Holdings LLC with its business mailing address of 811 E. 17th Avenue, Denver, CO 80218 (“Owner”) which owns and operates Edgemere in Dallas, Texas (the “Community”) or;

b. Property: Owner’s real property, and improvements, located at 8523 Thackery Street, Dallas, Texas 75225 (“Property”);

c. Resident(s): _____, and _____, who is/are either 55 years of age and older or 62 years of age and older (“You”, “Your” or “Residents”);

d. Date of Agreement: _____, 20__ (“Owner Signing Date”);

e. Term: Month to Month Basis; beginning on: _____, 20__ (“Effective Date”) and automatically renewing on a monthly basis until termination under this Agreement (“End of Term”);

f. Residence Number: _____ (“Residence”, or “Premises”) Residence Style: _____;

g. Occupancy and Services Monthly Fee:
\$ _____ Single Resident
\$ _____ 2nd Resident/Occupant
\$ _____ Monthly Pet Fee (if applicable)
\$ _____ Total (“Monthly Fee”);

h. One-time Payment of Community Service Fee: \$____ (“Community Service Fee”) due and payable on the Owner Signing Date;¹

¹ It is expected at this time that Community Services envisioned by this agreement will not be substantially dissimilar to those offered current residents of the Community.

- i. One-time Payment of Pet Fee: \$ _____ (“Initial Pet Fee”) due and payable on the Owner Signing Date;²
- j. Late Fee: \$25.00, on all payments, due on the 1st, but not made until the 5th of the month, plus \$5/day thereafter, until date of payment (“Late Fee”);
- k. Returned Check Charge: \$50.00 (“Check Charge”);
- l. Liability Insurance: Fully paid and effective Liability Insurance of at least \$50,000, per occurrence coverage, provided by and covering each Resident(s), which also names Owner as an additional insured party (“Liability Insurance”);
- m. Occupancy and Services: Occupancy of Residence, provision of Community Services (defined in Agreement), parking up to one vehicle per Resident(s) on Property, and access to common areas of Property, (“Occupancy and Services”);
- n. Rules and Regulations: In accordance with fair housing regulations, all Owner’s rules and regulations, in Resident Handbook or otherwise provided to Resident including, without limit, as relating to the Occupancy and Services, the safety, quiet enjoyment, health and welfare of residents or third persons and entities entering on Property (“Rules and Regulations”);
- o. Agreement Renewal: Resident(s)’ execution of Agreement Renewal Addendum to Agreement, payment to Owner of all sums then due, and acceptance and execution of Agreement Renewal Addendum by Owner (“Agreement Renewal”);
- p. Renewal Term: The Term of any Agreement Renewal (“Renewal Term”);
- q. Default: Occurrence of any event of Default under this Agreement (“Default”);
- r. Termination: The effective date of any termination of this Agreement, in accordance with the Agreement, and if applicable, the current Agreement Renewal (“Termination Date”);
- s. Move Out: The date of completion of i) removal of all Resident(s) contents in Residence and vehicles, from Property, with Owner’s consent; ii) return of all keys and Owner property; iii) satisfaction of all financial obligations under this Agreement, and iii) Owner walk through inspection. (“Move Out”);
- t. Prorating: Monthly Fees hereunder, and under any Agreement Renewal, and Holdover Fees will be due, payable, and charged based on a thirty (30) day month;
- u. Holdover Fee: As permitted by law, 125% of Monthly Fee in effect at End of Term, or end of Renewal Term (“Holdover Fee”).

² The one-time, non-refundable fees are intended to apply to new residents to the Community after completion of the sale. Existing residents continuing as residents in the Community after sale may have certain one-time charges adjusted in the discretion of the Executive Director if it is determined such a resident has previously paid such charges for Owner’s benefit.

2.1. DEFINED TERMS AND ADDENDUMS INCORPORATED. The Defined Terms above and all current Addendums hereto, together with all subsequent Addendums hereto signed by Resident(s) and Owner are incorporated here in full.

3.1. RESIDENT PAYMENTS AND DELIVERIES, PRIOR TO OWNER SIGNING DATE. Prior to Owner Signing Date, Resident(s) agree(s) to:

1. Review and sign this Agreement, and all Addendums; and
2. Pay in good funds to Owner the Community Service Fee, the Pet Fee (if applicable), plus the pro rata Monthly Fee, from the Effective Date to the last day of such month;
3. Take reasonable steps to ensure the Liability Insurance in the amount of \$50,000 is effective and proof of same is delivered to Owner no later than five (5) business days after Owner Signing Date.

3.2. CONDITION OF PREMISES. YOU HAVE THE RIGHT TO INSPECT THE PREMISES PRIOR TO SIGNING THIS AGREEMENT AND YOU AGREE TO CONDUCT WHATEVER INSPECTION OF THE PREMISES YOU FEEL IS NECESSARY. YOU AGREE THAT YOUR TAKING POSSESSION OF THE PREMISES EVIDENCES THE FACT THAT THE PREMISES, INCLUDING APPLIANCES, FURNISHINGS AND FIXTURES ARE IN CLEAN, SAFE, SANITARY AND GOOD WORKING CONDITION. OWNER MAKES NO WARRANTY OF ANY KIND, EXPRESSED OR IMPLIED, AND RELIES UPON THE FACT THAT YOU HAVE INSPECTED THE PREMISES. EXCEPT AS SPECIFICALLY DESCRIBED AND SET FORTH IN THIS AGREEMENT, OWNER HAS NOT AUTHORIZED ANYONE TO MAKE ANY WARRANTY OR REPRESENTATION TO YOU ON OWNER'S BEHALF REGARDING THIS AGREEMENT OR THE PREMISES AND YOU AGREE THAT YOU ENTER INTO THIS AGREEMENT SOLELY BASED ON THE TERMS OF THIS AGREEMENT AND THAT YOU HAVE NEITHER RECEIVED NOR RELIED ON ANY STATEMENT, WARRANTY, OR REPRESENTATION THAT IS NOT FOUND IN THIS AGREEMENT. You will return the Premises to the Owner in the same condition as when You moved in subject to normal wear and tear. You agree to make no alteration to the Premises (including painting, wallpapering, stickers, etc.) without first obtaining the prior written consent of the Owner. Owner may condition such consent in any manner or may refuse to consent. You may be required to pay for any expenses incurred by Owner related to returning the Premises to its original condition. EXCEPT FOR NORMAL WEAR AND TEAR ON THE PREMISES, YOU WILL BE RESPONSIBLE FOR, AND WILL REIMBURSE OWNER FOR, ANY DAMAGES OR LOSS, ON THE PREMISES, PROPERTY, OR ELSEWHERE, CAUSED BY THE NEGLIGENCE, CARELESSNESS, ABUSE OR INTENTIONAL CONDUCT OF YOU, YOUR FAMILY, BUSINESS GUESTS, GUESTS, OR PETS.

4.1. OWNER SIGNING DATE. On Owner Signing Date, this Agreement is effective and binding on Resident(s), and Owner, all of whom agree to this Agreement.

5.1. OCCUPANCY AND SERVICES. Owner agrees to provide Resident(s) Occupancy and Services, from the Effective Date to the latter of Termination Date, or Move Out date, and Resident(s), agrees to pay for same, in accordance with the terms hereof.

5.2. MONTHLY FEES. Resident(s) agrees to pay the Monthly Fee to Owner from the Effective Date to the end of such month, and thereafter, on or before the 1st day of the following month, and of every month, thereafter, through the End of Term. The Monthly Fee may be increased by Owner thirty (30) days after Owner's notice to You of such an increase. We reserve the right to assess Resident(s) a Late Fee if any Monthly Fee or Holdover Fee is received by Owner after the 5th of the month; and will pay Owner the Check Charge on any returned check, within five (5) business days of Owners notice to You of any returned check. All: i) Monthly Fee and Holdover Fee charges; ii) Special charges, on other services, requested by You, and charged per the Community's then current fee schedule; and iii) those incurred by You, as Your obligation, under the Rules and Regulations, are agreed to be sums due under this Agreement, by its terms, and by those required in the Resident Handbook, which is incorporated herein. All payments are to be payable to Owner and delivered to its directed representative. At the End of Term, or of any Renewal Term, Resident will pay the Holdover Fee to Owner pro rata for the remaining partial month thereafter, and on or before the 1st day of every month thereafter, until either: i) Agreement Renewal, or ii) the latter of the Termination Date, or Move Out date.

6.1. COMMUNITY SERVICES. For the Community Service Fee, and the Monthly Fee, Owner agrees to provide each Resident with Community Services, to include, without limitation, and as further defined and described in the Resident Handbook, the following categories: Food Service, Housekeeping, Transportation, Utilities, Security and Emergency Alert Services, Community Room access, and Activities including Wellness Programing and other Social and Recreational Programs (each as capitalized term as defined in the Resident Handbook and collectively referred to as "Community Services").³

6.2. COMMUNITY SERVICE FEE. The Community Service Fee ("Fee") is a nonrefundable, one-time fee payable prior to Owner Signing Date and is agreed to be a charge to defray costs incident to the Community Services. You agree and understand the Community Service Fee is not a prepayment, deposit or security deposit, and it may not be applied or offset to any other sums due Owner.⁴

7.1. PETS AND PET FEE. Pet fish are permitted in the Residence, but aquariums are limited to ten gallons. One pet dog or cat is permitted per Residence, not to exceed 25 pounds, and subject to Resident(s) first paying Owner the one-time Pet Fee. No other pet is permitted in the Residence, without Owner's prior written consent, and thereafter, on payment of the Pet Fee. As Owner replaces the carpet pad and blinds on Move Out of any Residence with a pet occupant, the Pet Fee is not refundable. It is not a deposit, nor offset to any other damage claim.

8.1. USE OF PREMISES AND TRANSFER. The Residence is to be used as a principal residence, and no business or other use is permitted to occur. If a Transfer to another Residence is requested by Resident(s), such is subject to Owner's prior written approval, and thereupon, it

³ Owner and Manager expect to actively solicit current resident input into the Resident Handbook and the available services offered and to be offered to the Community after the sale to Owner is completed.

⁴ See footnote 2.

automatically terminates this Agreement, or current Agreement Renewal, and a new Agreement, together with all initial charges in Section 3.1(2) above will again be required to be paid.

9.1. SECURITY DEPOSIT. The Agreement does not require payment by Resident(s) to Owner of an initial security deposit, but should same be required to secure uncured payment or performance obligations under this Agreement, in excess of \$1,500, Owner reserves the right to require payment of Resident within thirty (30) days of written request of a deposit, not to exceed \$5,000, and such Security Deposit will be subject, thereafter, to Owner and Resident(s)' rights and obligations under the state laws where Property is located.

10.1. FAIR HOUSING. **We are committed to the principles of fair housing.** In accordance with fair housing laws, we will make reasonable accommodations to our policies, practices, procedures, and services. We will also allow reasonable modifications to allow disabled persons the same rights and access to the Community as all others. Persons requesting accommodation may be required to sign, or have signed, an Addendum outlining the accommodation provided and any restoration requirements.

10.2. THIRD-PARTY PROVIDERS. You have the right to contract with outside providers of personal services, but You agree that, as a condition of their entry to the Property and Your Residence, Owner may require they meet all liability and workers' compensation requirements Owner requires of vendors entering on Property, and that they meet Owner's rules for their access, sign in, place of service provision and their conduct on the Property; and You agree to not permit their entry on Property unless such requirements are met. You are the only person allowed a copy of Your Residence key, and all guests must enter through the main entrance and sign in. Further, You agree to indemnify and hold Owner, its managers, agents, and their employees harmless from all claims and liabilities arising from Your use of a third-party provider.

10.3. NONDISCRIMINATION. The Community will be operated on a non-discriminatory basis and will provide the facilities and services described in this Agreement to individuals regardless of race, color, sex, sexual orientation, gender identity, age, religion, creed, disability, marital status, or national origin, and in compliance with applicable federal and state laws.

11.1. RULES AND REGULATIONS. You, Your family, Your guests, third party providers and contractors must comply with all Rules and Regulations adopted by Owner, whether now in effect, or as later adopted or modified by Owner. All rule changes will be effective immediately, on posting or delivery to You. All such Rules and Regulations including, without limit, in the Resident Handbook, or separately published are and will become a part of this Agreement and incorporated herein. All fines, costs and damages incurred by Owner due to any violation of any Rule or Regulation by You, Your family, Your guests, third party providers and contractors will be borne by You to be immediately paid on demand, without waiver of Owner's right to pursue and recover from any other person for such damages and losses. Failure to comply with such Rules and Regulations may result in immediate termination of this Agreement

11.2. LIABILITY INSURANCE. By no later than five (5) business days after the Owner Signing Date, and continuing thereafter, continuously to Move Out Date, Resident will pay for and maintain in force Liability Insurance, and will provide Owner with proof thereof.

12.1. OWNER'S RIGHT OF ENTRY, ACCESS AND INTERRUPTION. Owner may enter the Premises during reasonable hours in order to inspect, make repairs, provide general or preventive maintenance, replace filters, leave any notices, or for any other reasonable business purpose while You are present in the Premises. If You are not present at the Premises, then Owner will have the same right to make such entries, by duplicate or master key, but will leave written notice of, and the reason for any such entry made. You agree that if, in Owner's opinion, there exists an emergency, or if Owner is requested by police, fire or other governmental authorities, Owner may enter without notice at any time. You understand and agree that all utility services and use or access to common facilities or programs, whether provided by Owner or by You, may be subject to interruption or temporary termination for the purpose of repairs, alterations or improvements to the Premises, surrounding buildings and common areas, or for emergency reasons. Any such interruption or temporary termination of utility services or such access will not constitute a default by Owner, and Owner is not liable for the interruption or termination, nor any resulting or consequential claims or damages.

13.1. YOUR COVENANTS. You covenant and agree that You will do none of the following things without the prior written consent of the Owner.

- a. Assign this Agreement, underlet, or sublet the Premises, or any part thereof, or suffer or permit any other person to occupy same, or any part thereof;
- b. Fail or refuse to fully cooperate with Owner's staff and management;
- c. Suffer or permit any alienation of this Agreement, either voluntary or by operation of law;
- d. Make any alterations, improvement or additions to the demised Premises (all alterations, improvements or additions will remain at or upon the Premises at the expiration or sooner termination of this Agreement and become the property of the Owner, unless the Owner, prior to the termination of this Agreement, will have given fifteen (15) days written notice to You to remove the same, in which event, You will remove such alterations, improvements and additions and restore the Premises to the same good order and condition now existing);
- e. Use, have or keep anything at the Premises that, in Owner's opinion and reasonable discretion, is harmful to the Premises, may be disturbing to any other tenant(s) or Owner, or violates Owner's Rules and Regulations;
- f. Suffer or permit any act, matter or thing objectionable to the fire insurance companies insuring the Premises whereby the fire insurance or any other insurance on the Premises, or any part thereof, or on the building of which the Premises may be a part, now in force or hereinafter to be placed, will become void or suspended, or whereby the same will be rated as a more hazardous risk than at the date of execution of this Agreement or carry or have any flammable or explosive matter of any kind in and about the demised Premises; or
- g. Abandon or desert said Premises during the term of the Agreement.

Any failure of Owner to insist upon strict and/or prompt performance of the foregoing, or any other terms, covenants and conditions of this Agreement or any of them, and/or the acceptance of such performance thereafter will not constitute or be construed as a waiver or relinquishment of Owner's right to thereafter enforce the same strictly according to the tenor hereof in the event of a continuing or subsequent default on Your part.

14.1 EVENTS OF DEFAULT. The following events will constitute events of Your Default under this Agreement:

- a. Failure to timely pay any sums due under the Agreement, or any other charges, costs, damages, or sums due and owing by You to Owner pursuant to any terms of this Agreement.
- b. Failure to comply with or to perform any of Your obligations under any part of this Agreement or Your violation of this Agreement or any of the Rules and Regulations adopted by Owner.
- c. Your abandonment of the Premises. Abandonment is hereby agreed to mean Your absence from the Premises for five (5) consecutive days without notifying Owner, and with Monthly Fee or Holdover Fee unpaid.

15.1 OWNER'S REMEDIES. Upon the occurrence of any event of default by You, Owner may exercise, at his option, all or any of the following remedies:

- a. Terminate Your right to possession of the Premises by giving You: i) ten (10) days' notice in person, or by mail, to vacate the Premises in the event of nonpayment of any sum on the due date hereunder; or ii) thirty (30) days' notice on any other breach of this Agreement; and, whereupon on the expiration of any such foregoing notice period, the Termination Date occurs.
- b. Sue for possession of the Premises and/or collection of past due and accelerated sums, any property damage and all other sums due pursuant to this Agreement, and other expenses incurred by Owner, including attorneys' fees and court costs incurred in attempting to regain possession of the Premises and any other attorneys' fees and court costs incurred by Owner;
- c. Report all damages and unpaid sums owed by You to a credit bureau or credit reporting agency;
- d. Pursue any other remedy allowed by law.

15.2 All remedies of Owner are cumulative and may be pursued by Owner concurrently or successively. If Owner exercises one remedy, it will not operate as a waiver of any other remedy available to Owner. Owner may accept payments of fees or other sums due after Owner has given notice to vacate or has filed any lawsuit for damages or eviction, and acceptance of such fees will not waive nor diminish Owner's rights to pursue any or all remedies. Past or present delay in or enforcement of any provision of this Agreement will not constitute a waiver under any circumstances, nor will it constitute any impairment or waiver by Owner to insist and enforce subsequent timely and strict compliance thereof.

15.3 Any notice required to be given to You will be deemed to have been received by You if placed in a preaddressed envelope, postage prepaid and addressed to the Premises, and mailed, or by delivering such to You, in person, or by leaving said notice inside the Premises.

16.1 REPAIRS.

a. YOU MUST PROMPTLY NOTIFY OWNER OF WATER LEAKS, ELECTRICAL PROBLEMS, MALFUNCTIONING LIGHTS, BROKEN OR MISSING LOCKS OR LATCHES AND ANY OTHER CONDITION THAT POSES A HAZARD TO PROPERTY, HEALTH, OR SAFETY, AS WELL AS THE NEED FOR ANY OTHER REPAIRS OR REPLACEMENTS.

b. All repairs, restorations, and replacements in or about the Premises including the fixtures and appliances, if furnished by Owner, will be made by Owner. You agree not to make any such repairs, replacements, or alterations except with Owner's prior written approval. The cost of repairs, restorations and replacement will be paid for by Owner if rendered necessary by normal wear and tear or by the element. OTHERWISE, IF SUCH REPAIRS, RESTORATIONS AND REPLACEMENTS ARE RENDERED NECESSARY BY THE NEGLIGENCE, CARELESSNESS, ACCIDENT, ABUSE OR INTENTIONAL CONDUCT OF YOU, YOUR FAMILY, YOUR GUESTS, YOUR THIRD-PARTY PROVIDERS, OR CONTRACTORS, THEN ALL SUCH COSTS WILL BE PAID FOR BY YOU. You agree to promptly reimburse Owner for all such costs.

17.1. OWNER'S DEFAULT. Owner will exercise due diligence to make all repairs subject to Your duty to provide proper notice and to pay all costs required of You, under this Agreement, or otherwise.

17.2. Prior to Your right to declare a default of Owner and exercise any remedy, under this Agreement, You must first do the following:

- a. Pay all sums due hereunder in full.
- b. Give Owner written notice of any alleged default or violation and thereafter, subject to the availability of labor, materials and utilities to Owner, Owner will have thirty (30) days to cure such default, and if such default cannot be cured in thirty (30) days, and provided Owner will have undertaken reasonable steps to begin curing such default, Owner may continue its efforts through 120 days after the date of Your notice, but, if, after You have complied with these Paragraphs 17.2(a) and 17.2(b), Owner has not cured or taken reasonable steps to cure, then You may terminate this Agreement by giving written notice to Owner.

18.1 LIMITATION ON OWNER'S LIABILITY. Owner is not liable to You, Your family, Your guests, Your third-party providers, or contractors, for any injury, damage, or loss whatsoever, unless directly caused by Owner's gross negligence or intentional acts. OWNER IS NOT LIABLE FOR INJURY, DAMAGE OR LOSS TO ANY PERSON OR PROPERTY CAUSED BY ANY OTHER PERSON OR ENTITY, INCLUDING, BUT NOT LIMITED TO, LOSS FROM THEFT, BURGLARY, TRESPASS, ASSAULT, VANDALISM OR ANY OTHER CRIME. Owner does not warrant, guarantee or insure Your personal safety or the safety of Your family or guests or

their respective belongings. YOU SHOULD ALWAYS BE AWARE OF YOUR RESPONSIBILITY FOR YOUR SAFETY AND THE SAFETY OF YOUR FAMILY, GUESTS, AND THEIR RESPECTIVE BELONGINGS. Owner makes no representations that any effort on Owner's part will increase security or decrease the likelihood of assault, theft, or illegal entry. You agree that Owner will not be responsible for any loss or damage to You, Your family, or guests, or to any other persons or their belongings as a result of the criminal acts of third parties. Owner is not liable for injury, damage or loss to any person or property on account of fire, flood, water leak, rain, snow, hail, ice, smoke, lightning, wind, explosion, and interruption of utilities or any other occurrence or act of God. You waive and relinquish all right to proceed against Owner except to the extent of Owner's net equity in the property of which the Premises are a part. Any pools, saunas, exercise rooms, exercise programs, storerooms, laundry rooms, lounge rooms, dining room, craft rooms, mail areas and other improvements are to be used by You solely at Your own risk.

18.2 INDEMNIFICATION OF OWNER. YOU AGREE TO INDEMNIFY, DEFEND AND HOLD OWNER AND OWNER'S OFFICERS, DIRECTORS, AGENTS, EMPLOYEES AND REPRESENTATIVES HARMLESS FROM AND AGAINST ANY AND ALL LIABILITIES, CLAIMS, DEMANDS, EXPENSES, FEES, FINES, PENALTIES, SUITS, PROCEEDINGS, ACTIONS AND CAUSES OF ACTIONS OF ANY AND EVERY KIND AND NATURE (INCLUDING, BUT NOT LIMITED TO, LEGAL AND INVESTIGATIVE COSTS AND ALL OTHER REASONABLE COSTS, EXPENSES AND LIABILITIES FROM THE FIRST NOTICE THAT ANY CLAIM OR DEMAND IS TO BE MADE OR MAY BE MADE) CAUSED IN WHOLE OR IN PART BY OR RESULTING FROM ANY ACT, OMISSION OR NEGLIGENCE OF YOU, YOUR FAMILY, YOUR GUESTS, YOUR THIRD PARTY PROVIDERS, OR CONTRACTORS. THE PROVISIONS OF THIS PARAGRAPH WILL SURVIVE THE TERMINATION OF THIS AGREEMENT WITH RESPECT TO ANY CLAIM ARISING BEFORE SUCH TERMINATION.

18.3 YOU MUST SECURE YOUR OWN INSURANCE TO PROTECT YOU AGAINST ANY OF THE ABOVE- DESCRIBED LOSSES. By Your execution of this Agreement and taking possession, You agree to release and hold harmless Owner for all such injury, damage, or loss, whether to Your person or property, as set forth herein, and agree to obtain Your own insurance for loss of personal property and/or personal injury. In connection with each of the foregoing releases of liability and limitations of Owner's liability, You agree and will indemnify and hold Owner harmless there from, including defense costs, if any such released claim or liability is brought by You, Your family, Your guests or person or entity claiming thereunder. You have the right to inspect the Premises prior to signing this Agreement, and You agree that all locks, latches, windows, and doors are sufficient and acceptable. Any requests for installation, re-keying or changing existing locks or other security devices must be made by You in writing and, unless required by law, will be installed at Your expense, and solely, at Owner's option.

IF A RESIDENT THROUGH THEIR NEGLIGENCE, OR ACCIDENT CAUSES DAMAGE TO THEIR RESIDENCE, AND/OR ANY OTHER RESIDENCES AND/OR COMMON AREAS IN THE SURROUNDING PERIMETER, THE RESIDENT WILL BE HELD LIABLE, AND THE RESIDENT IS OBLIGATED TO PAY FOR ALL DAMAGES TO SAID PREMISES.

18.4 SMOKE DETECTORS AND SECURITY DEVICES. Owner is under no duty to provide or install smoke detectors or security devices except as such duty is imposed on Owner by statutory law. Smoke detectors, if any, which are furnished by Owner will be initially inspected by Owner and provided to You in good working order with working batteries. You must give Owner written notice of any malfunction or need for repairs, replacement, or inspection thereof, and You agree to ensure the testing of smoke detectors and assure their proper working order no less than every thirty (30) days.

19.1 MONTH TO MONTH BASIS AND RIGHT OF EITHER PARTY TO TERMINATION, OF AGREEMENT, WITHOUT CAUSE AND MOVE OUT. It is hereby agreed that Owner may terminate this Agreement by giving Resident written notice thereof at least thirty (30) days prior to the Termination Date. It is further agreed that Resident(s) may terminate this Agreement by giving the other party written notice thereof at least thirty (30) days prior to the Termination Date. Unless agreed in writing, by Owner, no earlier than after thirty (30) days from the date of Your Notice, You may vacate and Your obligations to pay will continue, accrue and be owing through the latter of Termination Date or the day You Move Out from the Premises.

19.2 TERMINATION BASED ON NEED. In the event that You are unable to meet the conditions of tenancy, alone or with the assistance of others, or You provide sufficient written evidence of same, this Agreement may be terminated fifteen (15) days after all required documentation is received and acknowledged by Owner.

19.3 TERMINATION ON DEATH. In the event of Your death, this Agreement will be subject to termination as follows:

1. If You are the only occupant of the Premises, Termination Date will be automatically the later of the date that: (a) Owner receives written notice of Your death, or (b) as of the date that Your property is moved out of the Premises. Your estate remains liable to pay all sums incurred through the Termination Date.

2. If another Resident occupies the Premises with You, this Agreement, with all obligations, continues and all sums to continue to be owed by Your estate and such other Resident. In this case, this Agreement may be terminated on sixty (60) days written notice according to the above provisions of 19.1.

20.1 MULTIPLE RESIDENTS. You means each and every Resident of the Premises, and each Resident is jointly and severally obligated to all terms of this Agreement. Each Resident is jointly and severally liable for any sum due and owing to Owner and for any loss, damage or injury suffered by Owner.

Violations of this Agreement, or the Rules and Regulations by You, or any family member, third party provider, contractor, or guest will constitute and be deemed a violation by You, all family members, and guests. Notice to You, a Co-Resident, any Resident, third party provider, family member, or guest will constitute and be deemed notice to You, all Residents, family members, and guests.

21.1 DELAY OF PRIOR OCCUPANTS. Owner is not liable for any delay in occupancy of the Residence on account of, but not limited to, construction, cleaning or prior or the current occupant's holding over. In such case, however, this Agreement will continue in force but be subject to an abatement of Your obligation to pay sums due during any such delay of occupancy, and, further, the term hereof will not be extended by such abatement unless agreed in writing by You and Owner.

22.1 PARKING. Unauthorized parking may be terminated by Owner at any time by removing parked vehicles or property at the expense of anyone claiming or owning same. Owner will not be held responsible for loss or damage to any vehicle or to any of Your personal property left therein, whether such loss or damage arises as a result of fire, collision, theft or otherwise.

23.1 GUESTS. You may have guests overnight in the Residence, but if You desire to have guests overnight for more than seven (7) days in any one month, You must obtain the Executive Director's prior written consent. Guest(s) must also abide by rules and policies of the Community applicable to Residents including, without limitation, procedures for entry and exit. This limitation shall not apply to private duty aids. You are responsible for the charges incurred by and actions of any guest. No more than two (2) overnight guests may be present in Your Residence without our prior written consent. No guests are permitted overnight in Your Residence if You are not present unless You obtain written approval from the Executive Director. You may not charge guests for the use of the Residence. Your guests shall abide by our Rules and Regulations. When visiting the Community, guests have the right to park only in the area designated by the Executive Director. You may bring guests to the dining room to the extent space is available, with Community residents having first preference. Your guests will be charged a guest meal fee. Guest meal charges may be added to Your statement. If Your guests become disruptive to our operations and/or are verbally or physically abusive to staff, residents, or others, we may request that they leave the Community until their behavior is under control or may place limitations upon the location and time of their visitation. You understand that, where circumstances warrant, we may exclude such individuals from the Community.

24.1 MISCELLANEOUS. This Agreement and its Addendums constitutes the entire agreement between You and Owner. Neither You, Owner nor Your representatives may waive, amend, modify, or terminate this Agreement, in any part, except in a writing signed by Owner and You, the party to be charged. Time is of the essence with respect to Your obligations under this Agreement. All notices provided to be given herein will be in writing. VERBAL NOTICE WILL BE INSUFFICIENT. Any notice to Owner by you under this Agreement shall be given in writing and mailed or delivered to Owner at the administrative office or at such other address we may designate in writing. Any notice to you by us will be given in writing and mailed or deliver to your Residence or at such other address as you may designate to us in writing. This Agreement will be interpreted according to the laws of the State of Texas without regard to conflict of law principles. No other persons or entities other than Owner and You have any rights or obligations under this Agreement. This Agreement has been executed on behalf of Owner by its duly authorized agent and no officer, director, agent or employee of Owner shall have any personal liability hereunder to you under any circumstances. Failure or delay of any party to exercise any right, power, or privilege under this Agreement will not operate as a waiver of such right, power, or privilege.

25.1 THIS AGREEMENT MAY BE SIGNED IN MULTIPLE ORIGINAL COUNTERPARTS. IT IS A LEGALLY BINDING CONTRACT. YOU SHOULD READ IT IN ITS ENTIRETY PRIOR TO SIGNING BELOW. BY YOUR SIGNATURE BELOW, YOU HAVE ACKNOWLEDGED THAT YOU HAVE READ AND UNDERSTOOD ALL OF THE PROVISIONS AND CONSENT THERETO. THIS AGREEMENT IS SUBJECT TO THE LAWS OF THE STATE IN WHICH YOU RESIDE.

EXECUTED the day aforementioned in multiple original counterparts.

RESIDENT(S): COMMUNITY, and OWNER: BAY 9 HOLDINGS LLC

Signature: _____ By: _____

Date: _____ Name: _____

Signature: _____ Title: _____

Date: _____ Date: _____

UNCONDITIONAL GUARANTY OF PAYMENT

In consideration of Owner accepting the foregoing Agreement with one or more of the above-named Residents, the undersigned guarantor(s) unconditionally agree(s) to promptly pay to Owner and discharge, when due, all charges, costs, fees, damages and other sums due or to become due hereunder by Resident(s), You under this Agreement, to the Owner, immediately on demand of Owner, without grace or prior notice thereof, of any kind, save and except Owner's written statement to the undersigned guarantor(s) that such sums are owed and have not been timely paid by Resident(s).

GUARANTOR(S):

By: _____

Name: _____

Address: _____

Telephone No.: _____

By: _____

Name: _____

Address: _____

Telephone No.: _____

Exhibit 16

Exhibit D-2

Form of Assisted Living Rental Agreement for Current Residents¹

¹ The attached form of agreement is in substantially final form as of the date hereof. Bay 9 Holdings LLC reserves the right to make modifications to the agreement as it determines necessary and appropriate in its sole discretion.

EDGEMERE

ASSISTED LIVING RESIDENT AGREEMENT

This Assisted Living Resident Agreement (the “Agreement”) dated _____, 20____, is made by and between Bay 9 Holdings LLC, a Delaware limited liability company, having a business mailing address of 811 E. 17th Avenue, Denver, CO 80218 (“Owner”), the owner of Edgemere in Dallas, Texas (“Community”), located at 8502 Edgemere, Dallas, Texas 75225 (“Property”) and _____ (referred to singly or together, if applicable, as “Resident”). In consideration of the Owner’s acceptance of you as a resident at the Community, _____ agrees to act as the financial responsible party as described in Section 18 below (“Financially Responsible Party”) and _____ agrees to act as the resident’s representative as described in Section 19 below (“Resident’s Representative”), accepting their respective rights and obligations as set forth in this Agreement. Owner has engaged Long Hill at Edgemere, LLC (“Manager”) to act as manager of the Community. Owner, Resident, Financially Responsible Party and Resident’s Representative are collectively referred to herein as the “Parties,” or individually as a “Party.”

1. TERM

This Agreement shall become effective on _____, 20____ (the “Effective Date”) and shall have a term of twelve (12) months (the “Initial Term”), unless earlier terminated as provided below. Following the end of the Initial Term, this Agreement shall automatically renew for additional twelve (12) month terms (each a “Renewal Term” and, collectively with the Initial Term, the “Term”), provided that (a) Resident is not in default under this Agreement and (b) neither Party sends a written notice of termination as provided below.

2. ACCOMMODATIONS

A. Your Residence. Resident will reside in Residence Number _____ at the Community (the “Residence”). Resident may furnish the Residence with Resident’s own furniture. Resident understands that this Community, including the Residence, is non-smoking and tobacco-free. Smoking, vaping, use of smokeless tobacco and chewing tobacco are not allowed on the grounds or in the Community.

B. Common Areas. Resident can use the general-purpose rooms of the Community, such as lounges, library, activity, and meeting rooms, as applicable and pursuant to the policies of the Community.

C. Second Resident/Occupancy. If a second Resident resides in the Residence, and one Resident vacates the Residence (whether voluntarily or involuntarily) during the Term of this Agreement, the second occupant fee described in Section 5 shall no longer be charged as of the date the second resident vacates the Residence (“Second Resident Move Out Date”). Beginning

on the Second Resident Move Out Date, Resident's Monthly Fee shall be escalated to the then-current Monthly Fee for the Residence.

D. Personal Residence. Resident agrees to occupy the Residence only as a personal residence and will not use the Residence for any unlawful purpose. No one other than the Resident(s) is permitted to live at the Residence. This restriction does not apply to Private Duty Assistants (defined below). Resident will not create or allow in Resident's Residence a nuisance or a condition that is a potential fire, safety, or health hazard. Resident will not store or possess at the Community or the Residence any explosives, firearms, noxious chemicals, or hazardous substances. Resident will be the only occupant(s) of the Residence.

E. Maintenance and Alterations. Resident agrees to maintain the Residence in a clean, sanitary, and orderly condition. When Resident vacates the Residence, the Residence shall be in as good condition as on the Effective Date, excluding normal wear and tear to the Residence. Resident can decorate the Residence as Resident wishes provided that Resident complies with the rules of the Community. The Owner must give prior written approval for any changes or alterations to the Residence that require the assistance of electricians, contractors or similar professionals; and Resident will be responsible for restoring the original décor when Resident vacates the Residence. If Resident fails to restore the Residence to its condition on the Effective Date, normal wear and tear excluded, Resident shall be responsible for the costs of such restoration, as described in Section 15.G. Any alterations or improvements shall become the Property of the Owner. You may not change any lock or add any lock or locking device to the Residence.

F. Liability for Damage. Resident agrees to reimburse the Owner for any loss of or damage to the Community's real or personal property, inside or outside of the Residence, caused by Resident, their guests, or their Private Duty Assistant (defined below).

G. Move to New Residence/Transfer. If Resident wishes to change residences within the Community and the Community's Executive Director approves Resident's request for a residence change/transfer, Resident shall pay a relocation fee as determined by the Executive Director at the time of the residence change/transfer request. Resident will be responsible to arrange for Resident's move and to handle related expenses.

H. Absences from the Community and Bed Hold Policy. Except as otherwise set forth herein, if Resident is temporarily absent from the Community, Resident will continue to be responsible for the Monthly Fee, Plan Fee, and other charges due under this Agreement. Should Resident's absence from the Community exceed fourteen (14) days, Resident will not be responsible to pay the Plan Fee beyond the fourteenth day.

I. Authorized Electronic Monitoring. This Community allows Authorized Electronic Monitoring. In accordance with the State mandate, a sign is posted at the front door advising and warning of possible monitoring in residences. Each Resident will receive a copy of the policy as well as an Acknowledgement Form (See **Exhibit M**) which must be signed by the Resident/Responsible Party, and the Owner. This form will be kept in the resident's file.

J. Fair Housing. Owner is committed to the principles of fair housing. In accordance with fair housing laws, Owner will make reasonable accommodations to the Community's

policies, practices, procedures, and services. Owner also will allow reasonable modifications to allow disabled persons the same rights and access to the Community as all others. Persons requesting accommodation may be required to sign an addendum to this Agreement outlining the accommodation provided and any restoration requirements.

3. SERVICES.

A. Services. **Exhibit A** to this Agreement details the basic services provided at the Community as part of Resident's Monthly Fee. **Exhibit B** to this Agreement describes additional services that Resident may request for an additional fee. Wellness Services are described in Section 4 below and in **Exhibit B-1**.

B. Meals. The Community will make available three (3) nutritionally well-balanced meals per day. Basic modified diets will be available to Resident if prescribed by Resident's physician as a medical necessity, or if otherwise requested by Resident, at no additional charge if the Community is able to provide the requested diet. Resident may invite guests to any meal for an extra charge, but the Community requests twenty-four (**24**) hours' advance notice. Snacks will be available between meals and in the evening before bedtime.

C. Activities. The Community will provide planned activities, opportunities for Community participation, and fitness programs, subject to Resident's physical ability to participate. Participation in some exercise or fitness programs may require a liability waiver. An additional charge may apply to activities outside of the Community.

D. Transportation. As part of Resident's Monthly Fee, the Community will provide regularly scheduled transportation services or arrange for Resident's transportation to planned social events, local attractions, shopping destinations and Resident's medical, dental, nursing, or mental health appointments within parameters outlined in **Exhibit E**. The Community's staff can provide Resident with schedules and destinations for the regular transportation service. If the Community makes other transportation arrangements available to Resident, Resident will be charged an extra fee as set forth in **Exhibit B**. If a family member or other responsible person does not arrange to accompany Resident in such instances when it is needed, we will provide an escort if available, and Resident will be charged an extra fee set forth in **Exhibit B**. All other transportation is Resident's responsibility.

E. Emergency Evacuation. In the event of a mandatory emergency evacuation, Resident has the option of being evacuated by the Community's Staff, or being evacuated by Resident's Family. The Executive Director will endeavor to follow the Emergency Evacuation Form (**Exhibit H**) in your Resident File provided, however, in certain emergency situations the Executive Director may determine a Resident's Family may not be available to evacuate the Resident, and, in such a case Resident agrees Resident will be evacuated by the Community's Staff. In the event that Resident is evacuated by the Community's Staff, Resident will be charged a fee, per each occurrence, as set forth on your Evacuation Form in your Resident Admission paperwork.

F. Maintenance. The Community shall maintain in good order and repair all plumbing, toilet facilities and other fixtures installed for the general supply of hot and cold water, and HVAC.

G. Laundry and Housekeeping Services. The Community will provide the laundry and housekeeping services set forth in **Exhibit A**. The Resident/Responsible Party is responsible for providing laundry detergent for cleaning the resident's laundry. Additional laundry and housekeeping services are offered for an extra charge as set forth in **Exhibit B**.

H. Personal Supplies. Resident shall provide, or purchase from Community your own supplies for personal care and hygiene.

I. Parking. If Resident owns a car and maintains a current valid driver's license, registration and insurance, the Community will provide Resident (subject to availability) with the use of a parking space to accommodate a standard size vehicle. The Owner assumes no responsibility for loss or damage to the vehicle or its contents, parked on Community property, however caused. All Resident vehicles must remain in good working order at all times during the Term of this Agreement.

J. Notification of Third Parties. In the event that the Resident requires emergency services or experiences a significant change in condition, the Community will attempt to contact the Resident's Representative and/or Financially Responsible Party timely, using best efforts. The Resident is responsible for ensuring that the Community has current telephone numbers for the individuals to be notified. The Resident's Representative and/or Financially Responsible Party will also be contacted in the event that this Agreement is being terminated.

K. Pet Fee and Monthly Charge. \$ [TBD]A _____ ("Pet Fee"); \$ _____ ("Monthly Charge") See **Exhibit I**;

L. Motorized Wheelchairs, Scooters and/or Carts ("Motorized Vehicles") See **Exhibit J**.

M. Nondiscrimination. The Community will be operated on a non-discriminatory basis and will provide the facilities and services described in this Agreement to individuals regardless of race, color, sex, sexual orientation, gender identity, age, religion, creed, disability, marital status, or national origin, and in compliance with federal and state fair housing laws.

4. WELLNESS SERVICES

A. Required Initial Medical Evaluation. The Resident shall provide to Community a medical assessment completed by a physician, no earlier than thirty (30) days prior to the Effective Date of the Agreement. The Resident shall undergo an initial assessment by the Community prior to admission to the Community and Resident or your Resident's Representative shall acknowledge the information contained in this assessment. The Resident agrees to have a TB test upon admission to the Community.

B. Resident Service Plan. A service plan will be developed based on the medical assessment completed by the Resident's physician and the comprehensive assessment completed

by the Community. The Resident's service plan will be developed with the Resident and/or any individual the Resident designates with the Community staff within fourteen (14) days of admission. The service plan will outline the services the Resident is to receive. The service plan will be reviewed annually. Whenever the Resident experiences a significant change in condition, the service plan will be revised and updated accordingly. The Resident may examine his/her service plan at any scheduled time. The Resident or Resident's Representative must approve and sign the service plan.

C. Assistance with Activities of Daily Living. The Community will provide to the Resident the assisted living services agreed upon and described in **Exhibits A, B and C**. The Community will conduct an initial assessment, and an annual assessment of the Resident. If at any time the Community or the Resident's physician determines that the Resident requires more services than are currently being provided pursuant to **Exhibit C**, the Resident agrees to immediately increase the **Exhibit C** services to meet his/her needs as determined by the Community or the Resident's physician. If the Community determines that it cannot provide to the Resident the services to meet his/her needs, Resident agrees to transfer to an appropriate care setting in accordance with Section 9.G below.

D. Observation. The staff, in the ordinary course of their daily interaction by Resident, shall periodically observe Resident's health condition, activities and diet, in order to identify changes in Resident's health and Resident's physical, mental, and emotional functioning. Resident will **not** be under constant observation or supervision.

E. Arranging for Outside Services. The staff will assist Resident in making needed appointments with professionals offering medical, dental, nursing, or mental health services and with accessing Community resources and transferring to outside facilities as needed and prescribed by Resident's physician. Transportation services outside the parameters outlined in **Exhibit E** may incur an extra fee as set forth in **Exhibit B**.

F. Medications. The staff will provide Resident help and/or supervision with Resident's medications as set forth in **Exhibit C**. If the Community determines that applicable state law prohibits it from providing to the Resident the amount of help and/or supervision with medications that Resident needs, Resident agrees to transfer to an appropriate care setting in accordance with Section 9.G below.

G. Resident Records. The Community maintains certain records on each of its residents that may contain medical and other personal information. The Resident has the right to review their record or to authorize, in writing, members of their family to review their record. All resident information and records are confidential and, unless legally required, are not released without your written consent or the written consent of your authorized legal representative. The Resident's right to refuse release of personal and medical records does not apply when the Resident is transferred to another health care facility or record release is required by law or third-party payment contract.

H. Medical or Other Emergency. In the event of an emergency, Resident shall contact the staff and, if appropriate, the staff will summon emergency service personnel to assist Resident. If the situation is not deemed an emergency by the staff, the staff has the discretion to

instead contact the Resident's Financially Responsible Party, Resident Representative and/or Resident's physician as appropriate. Where the staff judges a situation to be a possible emergency (and Resident does not agree or the staff determines the Resident to be unresponsive), the staff has the right (but not the obligation) to take whatever steps are necessary to meet Resident's emergency medical needs, including summoning emergency service personnel. Any costs incurred, even if the staff ordered the emergency medical services, will be the sole responsibility of the Resident and the Resident's Financially Responsible Party.

I. Excluded Services. The Owner has no express or implied duty to provide services not listed in **Exhibits A, B or C** (the "Contractual Services"). The Owner shall not be responsible for furnishing or paying for any supplies or services not expressly included in this Agreement, including, without limitation, services which could be a Medicare benefit, hospital services, physicians' services, nursing services, skilled nursing facility services, Private Duty Assistants (defined below), third party contractors, Sitters, medications, personal supplies, toiletries, vitamins, eyeglasses, eye examinations, hearing aids, ear examinations, dental work, dental examinations, dental or orthopedic appliances, laboratory tests, x-ray services, rehabilitative services, or any other care or equipment beyond the Community's routine levels of staffing and equipment (the "Excluded Services"). Residents have the right to receive the services covered by this Agreement and the Excluded Services from service providers with which the Owner does not have a contractual agreement. The Owner is no way liable for any issues associated with Excluded Services or any other services provided by another provider engaged by Resident or Resident's Representative.

5. MONTHLY FEE.

Resident agrees to pay in advance on the first (1st) day of each month during the Term the amount of _____ (\$_____) (the "Monthly Fee"). When there are charges for less than one (1) full month, the Monthly Fee will be prorated based on the number of days in the given month. **The Community anticipates that the Monthly Fee will be adjusted annually, but reserves the right to adjust the Monthly Fee upon thirty (30) days prior written notice to Resident.** The fees resulting from **Exhibit B** services are due on the first (1st) day of the immediately succeeding month after such services are performed; the Owner will provide Resident with a statement of fees owed each month.

If there is a second Resident residing in the Residence, Resident agrees to pay on the first (1st) day of each month during the Term the amount of _____ Dollars (\$_____) for a second occupant fee. The Monthly Fee will be adjusted pursuant to Section 2.C if the second Resident no longer resides in the Residence.

A Service Charge of fifty dollars (**\$50.00**) is collected on each check returned unpaid by the bank upon which it was drawn. The Service Charge on unpaid returned check(s) is subject to change in accordance with state law. A returned check, draft, or order against a closed account or an account with insufficient fund (NSF) written to the Owner may be in violation of civil law and/or criminal law.

6. WELLNESS SERVICES FEE.

Resident agrees to pay in advance on the first (1st) day of each month during the Term the Plan Fee (as defined below) associated with the services provided to Resident as set forth in **Exhibit C**. Resident’s initial plan fee (the “Plan Fee”) shall be: _____ Dollars (\$ _____). Medication and care management services provided to Resident are reviewed by Community staff on an ongoing basis to ensure we continually meet Resident’s care needs. A change of condition may warrant an increase or decrease in service. If Resident increases or decreases the services they receive, the Plan Fee shall be adjusted **immediately**, and Resident will either pay or receive the pro rata adjustment for that month. Thereafter, the new rate will be due on the first day of the month. The Community may modify the cost of the services set forth in **Exhibit C** to this Agreement upon advance notice to Resident.

7. PAYMENT AND LATE CHARGES.

Your stay at the Community will be paid for by [_____]. If a third party pays your bills, their non-payment of any amounts due pursuant to this Agreement shall not relieve Resident of any obligation to pay such amounts. If the Monthly Fee, Plan Fee, or any other amount due under this Agreement is not paid on the fifth of the month, the Owner will charge Resident One Hundred (**\$100.00**) to cover administrative expenses, plus interest at the lesser of one and one-half percent (1 ½%) per month or the maximum legal rate allowed by law. Failure to make timely payments may result in the Owner terminating this Agreement. *Medicare and Medicaid do not pay for assisted living services provided at the Community.*

8. COMMUNITY SERVICE FEE.

Resident shall pay a **non-refundable** Community Service Fee of \$ _____ Dollars, which is paid to the Owner concurrently with the execution of this Agreement, and which covers administrative costs regarding your application and other administrative fees.

9. ASSISTED LIVING

A. Admission/Retention Criteria. The criteria applied by the Community for the admission, transfer and discharge of assisted living residents have been provided to Resident.

B. Resident Admission Information. Upon admission, Resident agrees to provide all pertinent identifying information to Community as required by Texas law.

C. Licensing. The Community is licensed as an Assisted Living Facility governed by the State of Texas. The State of Texas conducts an annual, unannounced, on-site visit of the Community to determine compliance with applicable licensure requirements and standards. Additional unannounced onsite visits may be conducted without prior notice to the Community. During on-site reviews, State representatives may observe staff and residents in the common areas of the Assisted Living Section of the Community, communicate privately with any resident who consents, and inspect the resident’s clinical and administrative records without the resident’s consent.

D. Assisted Living. The Community consists of residences for seniors who are capable of living on their own, provided they have assistance with certain activities of daily living (“Assisted Living”). The Community is not licensed to provide 24-hour skilled nursing care or care for serious psychiatric disorders and is not intended as a substitute for a nursing home. The Community has no duty to provide, or obtain for the Resident, nursing, or health care services other than what is agreed to in **Exhibits A, B and C**. Resident agrees that the Community has no duty (except as may be required under applicable law) to assess, diagnose, examine, or treat any medical, psychological or health care condition that Resident might have or develop.

E. Release and Assumption of Risk. With the freedom and independence of Assisted Living come certain risks of personal injury, such as falls or broken bones. Resident knowingly and voluntarily agrees to assume all risks related to or arising from living in the Community, which Resident understands is not a facility that offers a higher level of care. Resident agrees to waive, release, indemnify, defend, and hold harmless the Owner, its Manager, and their employees and affiliates from and against all liability, loss, costs (including attorneys’ fees) or claims pertaining to or arising from their failure to obtain or furnish services beyond the Contractual Services.

F. Injury by Others. Resident agrees that the Owner, its Manager, and their employees and affiliates are not responsible or liable for injury or loss sustained by Resident as a result of the act or omission of other residents, guests, their Sitter, or their Private Duty Assistant (defined below).

G. Transfer to Meet Care Needs. If at any time, the Community’s staff or a physician determines that the Community cannot meet the Resident’s needs, this Agreement will be terminated and Resident agrees to transfer to another facility that is appropriate for their needs (See Sections 15.A and 15.C below). The criteria used by the Community for the health or safety discharge of assisted living residents as set forth on **Exhibit D**. Upon determination by the Community that the Resident needs services beyond those provided by the Community, the Resident (together with the Resident’s Representative and Financially Responsible Party) shall be notified that the Agreement is terminated, and the Resident shall be transferred to an appropriate care setting. The Community shall assist the Financially Responsible Party or Resident’s Representative with discharge planning and referrals.

10. PRIVATE DUTY ASSISTANTS/SITTERS

A. Services from Third Parties. All third party contractors, outside caregivers, companions, private duty aides and other personnel (collectively “Private Duty Assistants”) and non-medical caregivers (“Sitters”) employed or engaged by Resident to render services to Resident at the Community can do so only if both Resident and the Private Duty Assistants and/or Sitters comply with the Community’s policy on Third Party Contractors (as defined in the Resident Handbook) and complete forms and agreements referenced therein. All Private Duty Assistants must at a minimum be a Certified Nursing Assistant hired through an agency. Resident and/or Resident’s family may choose an individual to serve as a Sitter. All contracts or other arrangements for the services of a Private Duty Assistant and/or a Sitter must be executed by the Resident or the Resident’s Representative. Resident or Resident’s Representative must provide the Community with the name and contact information of the Sitter, and the Sitter may be asked

to sign the Community’s Authorized Electronic Monitoring Acknowledgment Form. The Private Duty Assistant needs the prior permission of the Community to provide services to the Resident, which may be revoked by the Community in its sole discretion. It is Resident’s responsibility to ensure that their Private Duty Assistant and/or Sitter complies with the Community’s Rules and Regulations, Resident Handbook, and general policies, together with any specific policies and rules governing Private Duty Assistants and Sitters. Resident hereby authorizes and directs that all of the Private Duty Assistant’s and/or Sitter’s records, care plans and notes regarding the Resident will be released to the Community upon request.

B. Injury Caused by Private Duty Assistant. The Resident is responsible for all injury or damage caused by a Private Duty Assistant and/or Sitter, including injury to the Resident. The Owner has no responsibility for the care (or lack thereof) provided by the Private Duty Assistant and/or Sitter. The Resident hereby indemnifies, holds harmless and releases the Owner, its Manager, and their employees and affiliates from and against all liability, loss, costs (including attorneys’ fees) or claims pertaining to or arising from the acts or omissions of the Private Duty Assistant and/or Sitter.

11. PETS AND PET FEE.

Pet fish are permitted in the Residence, but aquariums are limited to ten gallons. **One pet dog or cat is permitted per Residence, not to exceed 25 pounds, and subject to Resident(s) first paying Owner the non-refundable, one-time Pet Fee.** There is a monthly charge for a pet. No other pet is permitted in the Residence, without Owner’s prior written consent, and thereafter, on payment of the Pet Fee. As Owner, on Move Out of any residence with a pet occupant, replaces the carpet, pad and blinds, the Pet Fee is non-refundable, and such is agreed to be a non-refundable charge to defray the cost to Owner of these Residence replacements; and is not a deposit, nor offset to any other damage claim (See **Exhibit I**).

12. MOTORIZED WHEELCHAIR AND/OR SCOOTER.

Resident may operate a motorized wheelchair, motorized scooter and/or motorized cart (“Motorized Vehicle”) at the Community, subject to the conditions and restrictions set forth in the Community’s Rules and Regulations, the Resident Handbook, the Community’s Motorized Vehicle Policy and with the Executive Director’s prior written approval. Resident hereby agrees to operate their Motorized Vehicle in a safe manner and to pay for any damage to the Owner’s property or the property of others caused as a result of the use or operation of their Motorized Vehicle. Resident agrees to indemnify, defend and hold harmless the Owner, Manager and their respective owners, against any and all damages and injuries to person and property resulting from the operation of the Motorized Vehicle, INCLUDING, WITHOUT LIMITATION, TO THE EXTENT ARISING OUT OF THE NEGLIGENCE (BUT NOT THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF OWNER, ITS OFFICERS, DIRECTORS, PARTNERS, MEMBERS, SHAREHOLDERS, REPRESENTATIVES, INVITEES AND LENDERS). The Community’s Motorized Vehicle Policy is a written instrument to be entered into and applicable only in the event that the Executive Director grants such prior written approval to your operation of a Motorized Vehicle at the Community. (See **Exhibit J**).

13. ACCESS TO YOUR RESIDENCE.

The staff may enter your Residence for any reasonable purpose, but not limited to, performing housekeeping, maintenance and other services described in this Agreement. The Community will attempt to notify Resident in advance that a staff member will enter your Residence for non-routine events. Resident agrees to allow the Community to show the Residence during reasonable hours to prospective residents within the last thirty (30) days of the Term.

14. YOUR RIGHTS AND RESPONSIBILITIES.

A. Rules, Regulations and Resident Handbook. Resident agrees to abide by the Community’s Rules, Regulations and Resident Handbook as they now exist and as amended. A copy of the Community’s Rules and Regulations, and the Resident Handbook have been provided to the Resident.

Resident, Resident’s guests, and any Sitter or Private Duty Assistant shall conduct themselves pursuant to the Community’s Rules and Regulations, the Resident Handbook, general policies, together with any specific policies and rules governing Private Duty Assistants and Sitters and in a manner that is peaceful and harmonious, and will not engage in conduct that interferes with or jeopardizes the health, safety, or peaceful lodging of the residents, staff, and others at the Community.

B. Loss/Theft and Insurance. Resident is responsible for providing at their own expense insurance to protect Resident and Resident’s personal belongings against loss or injury. Resident is required to procure insurance including health, life, disability, property, renter’s and, if applicable, motor vehicle insurance for Resident’s own protection. The Owner shall not be responsible for the loss of any property belonging to Resident due to theft or any other reason unless such loss is caused by the Community’s staff.

C. Resident’s Liability to Others. Resident accepts sole responsibility for any loss, injury, or damage to others, to themselves, the Residence, the Community, and the Community caused by or resulting from, in whole or in part, their own acts or omissions or those of their guests and Private Duty Assistant. Resident agrees to indemnify, defend, and hold harmless the Owner, its Manager, and their employees and affiliates from and against all liability, loss, costs (including attorneys’ fees) or claims pertaining to or arising from such loss, injury, or damage.

D. Admission Information. Resident represents that the information set forth on their application forms, health history and medical report, personal interview, and emergency information records, as applicable, is true and correct. Any substantive inaccurate statement made by Resident, including their age, finances, resources, and health history may render this Agreement voidable and/or immediately terminated at the option of the Community. Resident agrees to submit updated copies of the above forms upon request from the Community, when required by state regulations or when Resident becomes aware of a change in their medical condition.

The Resident has been advised and received a copy of Texas’ statutory Resident Rights which are attached as **Exhibit D**, and posted in the Community. The Community shall not deprive

Residents of any rights, benefits, or privileges guaranteed by law, the Constitution of the State of Texas, or the Constitution of the United States solely on account of his or her status as a resident.

E. Complaint Resolution Procedure. Resident has been provided with a copy of the Community’s complaint resolution procedures as set out in the Resident Handbook. All Residents are encouraged to exercise their rights as a resident and citizen. Grievances, and recommendations for changes in policies and services, may be voiced to Community staff or outside representatives without interference, discrimination, reprisal, coercion, or restraint. Residents are encouraged to bring their concerns to the Executive Director. The following Parties are also available to assist the Resident with resolution of complaints:

Edgemere
Attention: Executive Director
8502 Edgemere
Dallas, TX 75225

Texas Health and Human Services Commission
Complaint and Incident Intake
Mail Code E-249
P.O. Box 149030-78714
Austin, TX 78751
Phone: 1-800-458-9858
Fax: 1-512-438-5827

F. Resident’s Copy of the Agreement. Resident will be given a duplicate original of this Agreement.

G. Notice of Absences. When Resident is going to be temporarily absent from the Community, Resident agrees to give prior written notice to the Community’s staff. Resident agrees to let the Community know their general whereabouts at all times.

15. TERMINATION OF AGREEMENT.

A. Termination by Resident. Resident may terminate this Agreement for any reason by giving the Community at least thirty (30) days prior written notice of termination. Resident will continue to be responsible for their Monthly Fee, Plan Fee, and any other fees payable under this Agreement until the notice period has expired or until Resident has vacated their Residence as described below, whichever is later. If the physician certifies that Resident requires an emergency relocation to a higher level of care than provided at the Community, Resident may terminate this Agreement by giving the Community written notice of termination, together with a copy of the certification and the Agreement will be terminated on the date that Resident’s Residence is vacated as described below. Resident may have special statutory rights, which may eliminate the requirement for prior written notice to terminate this Agreement early, in certain situations involving family violence or a military deployment or transfer.

B. Termination by Owner for Failure to Pay. Owner may terminate this Agreement upon thirty (30) days prior written notice if: (i) Resident or your Financially Responsible Party

fails to pay the Monthly Fee, Plan Fee, or other fees payable under this Agreement or comply with the requirement of any financial assistance policy that may result in residency termination, or, (ii) in the case of successor Financially Responsible Party or a successor Resident's Representative, a failure to comply with the provisions of Sections 18 and 19 below. Resident and Resident's Financially Responsible Party will continue to be responsible for the Monthly Fee, Plan Fee, and any other fees payable under this Agreement until Resident has vacated their Residence as described below.

C. Owner's Termination for Health or Safety Reasons. Except as provided below, based upon the discharge criteria set forth on **Exhibit D**, the Owner may terminate this Agreement upon thirty (30) days written notice. In the event of an emergency, notice shall be made as soon as practicable. Resident and Resident's Financially Responsible Party will continue to be responsible for the Monthly Fee, Plan Fee, and any other fees payable until Resident has vacated their Residence as described below.

D. Termination by Mutual Agreement. The Agreement may be terminated immediately at any time upon written agreement of the Parties.

E. Termination by Resident's Estate. This Agreement shall terminate on the date that Resident's Residence is vacated as described in Section 15.F below.

F. Vacating the Residence. Resident and Resident's Financially Responsible Party shall remain liable for the Monthly Fee and Plan Fee, and their Residence shall not be considered vacated, until all of Resident's property is removed from the Residence. If Resident's property is not removed from the Residence upon termination of the Agreement, the Owner may, upon fourteen (14) days advance written notice (i) remove Resident's property from Resident's Residence and charge for the actual costs of moving and storage or (ii) dispose of Resident's property in accordance with state law.

G. Refund of Prepaid Amounts. Amounts that Resident has prepaid will be returned to Resident pro rata within thirty (30) days following Resident's vacating the Residence (whether by transfer, discharge or death) minus all sums owing to the Owner, including (i) unpaid Monthly Fee, Plan Fees, and other charges that Resident owes to the Owner under this Agreement; (ii) the costs of repairing any of the Community's property that was damaged by Resident, their guests, or their Private Duty Assistant and/or Sitter, or that are incurred in restoring the original décor of the Residence (See Section 2.E above); and (iii) any expense incurred by the Owner to remove and/or store any of Resident's property that was not removed. Any such deductions shall be made in accordance with applicable law. If the amount Resident owes to the Owner exceeds the sum of the prepaid amounts, the Owner will bill Resident for the difference. If the Community discontinues operation, any advance payment for services not received shall be refunded to the resident or the resident's guardian within ten (10) days of the closure, whether or not such refund is requested, provided such refund payment is permitted under applicable law.

H. Holding Over. If either Resident or the Owner gives notice of termination and Resident remains in the Residence after the notice period, then Resident's Monthly Fee and Plan Fee shall increase to One Hundred Fifty Percent (150%) of its current level until the Residence is vacated.

16. A. WAIVER OF JURY TRIAL.

In any dispute arising between the Parties not involving a claim of medical liability, each Party hereto waives its right to a trial by jury in any action, proceeding or counterclaim brought by any Party against any other Party. The prevailing Party shall be entitled to an award of reasonable costs and attorneys' fees. See attached Addendum, Agreement to Arbitrate.

B. LIMITATIONS OF LIABILITY PROVISION.

The parties to this Agreement understand that the purpose of this "Limitation of Liability Provision" is to limit, in advance, each party's liability relation to this Agreement.

Liability for any claim brought by a party of this Agreement against the other party, including but not limited to a claim by the Owner for unpaid fees, or a claim by a Resident, or by a Resident's estate, agent or legal representative, arising out of the care or treatment received by the Resident at the Community, including without limitation, claims for medical negligence or violation(s) of Texas Statutes, arising from simple or gross negligence, shall be limited as follows:

- (1) Net economic damages shall be awardable, including, but not limited to, past and future medical expenses, offset by any collateral source payments.
- (2) Non-economic damages shall be limited to a maximum of two hundred fifty thousand dollars (\$250,000).
- (3) Interest on unpaid wellness service fees shall not be awarded.

17. ADVANCE DIRECTIVES.

If Resident has executed an advance directive, or if Resident executes such documents after Resident moves into the Community, it is their responsibility to inform the staff and supply a copy to the Community. (The term "advance directive" includes health care powers of attorney, designation of a guardian to make health care decisions, living wills, or other documents that describe the amount or type of health care that Resident would want to receive at a time when Resident can no longer communicate those decisions directly to a physician or other health care professional). It is also Resident's responsibility to inform the Community if Resident revokes or changes their advance directive. A copy of the Community's Advance Directive Policies has been provided to Resident. (See **Exhibit K**)

18. FINANCIALLY RESPONSIBLE PARTY.

The "Financially Responsible Party" is jointly and severally liable with the Resident for all monetary obligations under this Agreement; including the payment of the Monthly Fee, Plan Fee and all other amounts that become due to the Owner under this Agreement. The Financially Responsible Party may also be the Resident's Representative. If at any time after the Effective Date a different individual is designated as Financially Responsible Party, Resident and Resident's Representative shall immediately notify the Community of such successor in accordance with the provisions of Section 22.E below and such successor Financially Responsible Party shall agree to

be bound by this Agreement by executing a joinder to this Agreement within seven (7) business days of delivery of such notice. Such a successor Financially Responsible Party shall execute such other documents and agreements as the Community staff deem necessary and appropriate. Failure to comply with the foregoing shall constitute grounds for termination under Section 15.B above.

19. RESIDENT’S REPRESENTATIVE.

“Resident’s Representative” means an individual designated by the Resident to assist the Resident in making decisions about the Resident’s care or has been designated to make decisions on the Resident’s behalf regarding the Resident’s care. This may include an individual that holds a power of attorney or guardianship. The Resident’s Representative may also be the Financially Responsible Party. If at any time after the Effective Date a different individual is designated as Resident’s Representative, Resident and Resident’s Financially Responsible Party shall immediately notify the Community of such successor in accordance with the provisions Section 22.E below and such successor Resident’s Representative shall agree to be bound by this Agreement by executing a joinder to this Agreement within seven (7) business days of delivery of such notice. Such a successor Resident’s Representative shall execute such other documents and agreements as the Community staff deem necessary and appropriate. Failure to comply with the foregoing shall constitute grounds for termination under Section 15.B above.

20. NO RELIGIOUS AFFILIATION.

The Community is not affiliated with any religious organization.

21. ADDENDA AND EXHIBITS.

The Addenda and Exhibits attached to this Agreement are incorporated into and made a part of the Agreement.

22. MISCELLANEOUS

A. Fire or Casualty. If Resident’s Residence or the Community is damaged or destroyed by fire or casualty so as to make it uninhabitable, the Community may terminate this Agreement immediately on notice to Resident, and the Community shall abate the Monthly Fee until the Residence is restored to habitable condition. The Community shall have no obligation to repair or restore the Residence or the Community in the event of a fire or other casualty.

B. No Waiver. The failure by any Party to enforce any of its right under this Agreement shall not be deemed a waiver of any right, which that Party has under this Agreement.

C. Entire Agreement. This Agreement, along with the attached exhibits and addenda, constitute the entire agreement between Resident and the Owner and may be amended only in writing.

D. Assignment or Subletting. Resident shall not let, sublet, assign, or transfer this Agreement, or all or any part of this Agreement, without the prior written consent of the Owner. This Agreement may be freely assigned by the Owner to any of its affiliates, parents, subsidiaries, successors, or assigns.

E. Notice. Notices required by this Agreement shall be **in writing** and delivered either by personal delivery, overnight delivery service or U.S. mail (certified or registered mail, return receipt requested, and all postage and charges prepaid). Notice to the Owner and/or Manager shall be sent to the attention of the **Executive Director** at the Community’s address listed below. Notice to Resident shall be sent to Resident’s Residence at the Community’s address listed below, with a copy to the Financially Responsible Party (if there is one) at the following address:

Edgemere
Attention: Executive Director
8502 Edgemere
Dallas, TX 75225

and a copy to the Resident’s Representative (if there is one) at the following address:

RP NAME
ADDRESS
CITY, STATE, ZIP

F. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable, this Agreement shall be read as if such unenforceable provision was not included, and all other provisions of this Agreement shall continue in full force and effect.

G. Successors. The respective rights and obligations provided in this Agreement shall bind and shall inure to the benefit of the Parties hereto, their legal representatives, heirs, estates, successors and assigns.

H. Survival. The rights and obligations of the Parties set forth in Section 16 and the Addendum to Arbitrate shall survive the termination of this Agreement, together with all rights of indemnification.

I. Governing Law. Except as noted above in Section 16, this Agreement shall be governed by and construed under the laws of the state where the Community is located without regard for its conflict of laws principles.

J. Headings. The headings contained herein are for convenience of reference only and are not intended to define, limit, or describe the scope of intent of any provision of this Agreement.

K. Authorization to Release Medical Information. Resident hereby authorizes their health care providers to release their medical information and medical records to the Community as needed and Resident agrees to complete any forms provided by Community to allow for such release.

L. Incompetency. If Resident becomes legally incompetent, or is unable to properly care for themselves or their property, and Resident has made no other designation of a person or legal entity to serve as their guardian or conservator; Resident hereby grants authority to the

Community to apply to a court of competent jurisdiction for the appointment of a conservator or guardian.

M. Risk Management Process. The Community maintains a risk management process to identify and reduce potential liability, which includes providing Resident with the following information:

a. General Provisions

- i. No One-On-One Care. Resident understands that the Community will not be providing them with one-on-one staff assistance at all times. Rather, at limited time periods during the day, Resident will receive supervision or assistance from the staff as defined by the Wellness Services (as set forth in Exhibit C attached hereto) this Agreement. There will be times that Resident is in their private residence, hallway, or common areas of the Community, including outdoors, without a staff member present to supervise, observe or assist Resident. This is all part of the Assisted Living Community goal of allowing Resident to live as independently as possible, and with as much dignity, personal decision-making, and privacy as possible, and in a less restrictive environment.
- ii. Staff Response Time. Resident and their Resident Representative and/or their Financially Responsible Party (“Responsible Party”) also fully understand and appreciate the fact that, because Resident will not be receiving one-on-one staff supervision or assistance, their requests for non-emergency staff assistance, such as requests for assistance with a shower, bath, change of clothing, etc., may not be responded to immediately. If Resident desires a quicker response time, Resident and their Responsible Party understand that Resident will need to hire a private helper/companion. If Resident desires a quicker response time and Resident is not willing to pay for a Private companion, then this is not an appropriate Community for Resident. If Resident wishes to move into the Community and expects a shorter response time, Resident will need to hire a private companion/helper.
- iii. Independence. Resident and their Responsible Party understand that because Resident will be given as much independence, privacy, and personal decision-making as possible there may be times when Resident is injured trying to independently perform their activities of daily living to include walking, bathing, transferring from their bed to the bathroom, dressing, etc. Resident and their Responsible Party hereby agree that injuries, including those from falls, which occur while performing an activity that their physician has designated as an activity that Resident can perform independently, cannot reasonably be prevented.

iv. Activities Done Without Supervision/Assistance. Resident and their Responsible Party also agree that for any activity designated by their doctor as requiring supervision or assistance, which Resident decides to perform without reasonably requesting or waiting for staff assistance or supervision and which thereby results in an injury to Resident, is not the fault of the Owner.

b. **FURTHERMORE,** Resident and their Responsible Party agree that the following events may occur, and result in injury to Resident, and will not be reasonably prevented by the Community:

- i. Resident may choose not to request staff supervision or assistance before attempting to perform an activity of daily living such as walking, dressing, transferring, bathing, etc.
- ii. Resident may forget to request staff supervision or assistance before attempting to perform an activity of daily living such as walking, transferring, bathing, dressing, etc.
- iii. Resident may request staff supervision or assistance but then decide to perform the activity before the staff member has been able to reasonably respond to their request.
- iv. Resident may choose to exercise their right to refuse medications or refuse to follow their Doctor's advice.
- v. Resident may refuse to comply with staff's recommendations to use a cane, walker, wheelchair, or other safety precautions.
- vi. Resident may exercise their right to refuse therapy.
- vii. Resident may exercise their right to refuse to have a private companion/helper.

c. **Falls.** As we get older, generally we begin to experience an increase in falls, often due to our decreased eyesight, weaker muscles, slower response time, shuffling gait and/or side effect of our medications. Resident and their Responsible Party understand that the Owner cannot guarantee that Resident will not experience a fall, or an injury from a fall, at the Community.

d. **Role of Your Doctor.** Resident and their Responsible Party understand that only Resident's physician can do the following: (1) prescribe any medications or treatments for Resident; (2) diagnose any medical condition that Resident may have; (3) order any lab work, therapy or limitations on Resident's activities that the physician deems appropriate and (4) determine if any follow-up action is necessary based on the results of Resident's lab work. Community's staff cannot prescribe medications, nor can they make

a medical diagnosis, or order lab work, physical, speech, or occupational therapy, etc.

N. Ownership. The Community is owned by Bay 9 Holdings LLC, a Delaware limited liability company, having a business mailing address of 811 E. 17th Avenue, Denver, CO 80218. The Manager of the Community is Long Hill at Edgemere, LLC a Delaware limited liability company, having a business mailing address of 580 Long Hill Avenue Shelton, CT 06484.

[Signature page to follow]

DRAFT

IN WITNESS WHEREOF, this Assisted Living Resident Agreement is entered into as of the date set forth above.

By:

Bay 9 Holdings LLC, a Delaware limited liability company (“Owner”)
(As Owner’s Representative)

By: _____
Printed Name:
Title: Executive Director

Resident:

By: _____
Printed Name:

Second Resident (as applicable):

By: _____
Printed Name:

Resident’ Financial Representative:

By: _____
Printed Name:

Resident’s Representative:

By: _____
Printed Name:

ADDENDUM TO ASSISTED LIVING RESIDENT AGREEMENT TO ARBITRATE

This is an addendum to the Assisted Living Resident Agreement dated _____, 20____. This addendum is incorporated into and made a part of the Agreement.

The Parties desire to resolve disputes between them as expeditiously and economically as possible. Therefore, any claim or dispute (including those based on contract, negligence or statute) amongst the Parties, involving an amount in excess of \$15,000 arising out of or related to this Agreement, the Community or the services/care provided to the Resident, shall be resolved by binding arbitration administered by an arbitrator agreed upon by the Parties, and judgment may be entered in any court having jurisdiction thereof. In the event that the Parties cannot agree upon an arbitrator within thirty (30) days, each Party shall choose an arbitrator, unaffiliated with such Party and those two arbitrators shall pick a third arbitrator. Each such arbitrator shall have at least ten (10) years of experience in the industry and at least three (3) years' experience with the subject matter. The Parties agree that this Agreement evidences a transaction involving interstate commerce. The U.S. Arbitration Act ("USAA") shall govern the interpretation, enforcement, and proceedings pursuant to the arbitration provisions in this Agreement. The Parties stipulate that the USAA shall apply to this Agreement, and that the USAA shall preempt any inconsistent state law and shall not be reverse preempted. The arbitration panel shall have the discretion to order depositions of witnesses where such discovery is relevant and appropriate. The arbitration panel has the discretion to award economic and non-economic damages. The arbitration panel may also award attorneys' fees and or such other relief if the arbitrators find that a party's conduct arises to the legal standard to award such relief. The Parties agree that the arbitrators' ruling is final and binding. Each side shall bear an equal share of the arbitrators' fees and the costs of the arbitration unless the arbitrators decide otherwise. The rights and obligations of the Parties set forth in this Addendum to Arbitrate shall survive the termination of the corresponding Assisted Living Resident Agreement.

**Bay 9 Holdings LLC, a Delaware limited liability company ("Owner")
As Owner's Representative:**

By: _____ Date: _____
Printed Name: _____
Title: Executive Director

Resident:

By: _____ Date: _____
Printed Name: _____

Second Resident (as applicable):

By: _____ Date: _____
Printed Name: _____

Resident's Representative:

By: _____ Date: _____
Printed Name: _____

Resident's Financially Responsible Party:

By: _____ Date: _____
Printed Name: _____

**EXHIBIT A
ASSISTED LIVING SERVICES**

The Resident resides in an Assisted Living Residence. The Community will provide the following services covered by the Monthly Fee.

1. Dining – Three nutritionally well-balanced meals will be served daily in our dining room. In the event of illness, tray service is available upon request.
2. Housekeeping Services – Our housekeepers will clean the Residence, and launder one wash load of personal laundry and one load of bath and bed linens each week.
3. Leisure Activities – We offer a wide variety of recreational, cultural, and religious events for residents’ selection and enjoyment; off-site events may be at an additional charge.
4. Transportation – We will transport residents on a first come, first served basis to scheduled destinations, subject to vehicle and driver availability.
5. Utilities – Water, heat, electricity, and basic cable are provided. Telephone and optional cable television are available through the local service providers and must be arranged by the Resident or the Resident’s Representative.
6. Emergency Response – Our staff provides emergency assistance and, if appropriate summons emergency response personnel, the Resident’s physician, transportation and notifies family or the Resident’s designee.
7. Accommodations – Since we are not responsible for loss of or damage to Resident’s property, the Resident must obtain renter’s insurance. If we provide furnishings, the Resident will return them in good condition, reasonable wear and tear excepted.

RESIDENT:

Name: _____ DATE: _____

SECOND RESIDENT (AS APPLICABLE):

Name: _____ DATE: _____

RESPONSIBLE PARTY:

Name: _____ DATE: _____

EXECUTIVE DIRECTOR:

Name: _____ DATE: _____

**EXHIBIT B
ANCILLARY AND CONCIERGE SERVICE FEES**

Assisted Living

(Not all services are available in all communities; please refer to state regulations to determine availability)

The fees listed below are a la carte per session or for each time performed and may be in addition to Plan Fees. Resident or their Responsible Party are responsible for charges from any selected medical supply company.

Personal Services

Laundry (wash, dry and fold)	\$ ___ per load
Housekeeping (1 hour minimum)	\$ ___ (any cleaning in addition to weekly housekeeping services described on Exhibit "A")
Staff Transportation Escort/Assistance	\$ ___ per hour (1 hr. min.)
Transfer fee (size based on current residence)	
Studio/1-bedroom	\$ ___
2-bedroom	\$ ___
Carpet Cleaning	
Studio	\$ ___
1-Bedroom	\$ ___
2-Bedroom	\$ ___
Maintenance	\$ ___ per ½ hour
Key Replacement	\$ ___ per key
Lock Change	\$ ___ per change
Tray Service	\$ ___ per meal
Guest Meal	\$ ___ per meal
Special Events	Priced per event
Transportation	\$ ___ per hour
Non-Preferred Pharmacy Fee	\$ ___ per month

Administrative Services

Alert Pendent or Bracelet Replacement (if applicable)	\$ ___
Pet Fees	\$ ___ Fee/+\$ ___ mo.

RESIDENT:

DATE: _____

SECOND RESIDENT (AS APPLICABLE):

DATE: _____

RESPONSIBLE PARTY:

DATE: _____

EXECUTIVE DIRECTOR:

DATE: _____

DRAFT

EXHIBIT B-1

(To Be Delivered)

**This exhibit is intended to set forth specific references to wellness services as detailed in the
Resident Handbook in Force on the Effective Date of this Agreement**

DRAFT

EXHIBIT C

ASSISTED LIVING CARE PLANS/WELLNESS SERVICES

For additional fees, the Community provides several levels of plans to residents of the Community as more fully set forth in the Resident Handbook. These services include health related services, assistance with meeting medical and social needs, as well as medication management, assistance with activities of daily living, such as bathing, dressing, toileting, escorting and person hygiene. The level of services required by the resident is based upon a pre-admission assessment using the “Comprehensive Assessment” as referenced in the contract. The assessment is updated annually or with significant change in condition. A written Care Plan is developed from the “Comprehensive Assessment” and is available to you and your authorized representative, if applicable. Assessments may result in changes to your care plan and your Plan Fee or may lead to a determination that the Community can no longer meet your needs.

- \$ _____ Level 1
- \$ _____ Level 2
- \$ _____ Level 3
- \$ _____ Level 4
- \$ _____ Memory Care Plus
- \$ _____ Medication Level 1
- \$ _____ Medication Level 2
- \$ _____ Medication Management Only
- \$ _____ Medication Oversight – Self Administration

RESIDENT:

DATE: _____

SECOND RESIDENT (AS APPLICABLE):

DATE: _____

RESPONSIBLE PARTY:

DATE: _____

EXECUTIVE DIRECTOR:

DATE: _____

EXHIBIT D

ASSISTED LIVING RESIDENT AGREEMENT

Resident's Bill of Rights

1. Each assisted living facility must post the Resident's Bill of Rights, as provided by the department, in a prominent place in the facility and written in the primary language of each resident. A copy of the Resident's Bill of Rights must be given to each resident.

2. A resident has all the rights, benefits, responsibilities, and privileges granted by the Constitution and laws of this state and the United States, except where lawfully restricted. The resident has the right to be free of interference, coercion, discrimination, and reprisal in exercising these civil rights.

3. Each resident in the assisted living facility has the right to:

A. be free from physical and mental abuse, including corporal punishment or physical and chemical restraints that are administered for the purpose of discipline or convenience and not required to treat the resident's medical symptoms. A provider may use physical or chemical restraints only if the use is authorized in writing by a physician or the use is necessary in an emergency to protect the resident or others from injury. A physician's written authorization for the use of restraints must specify the circumstances under which the restraints may be used and the duration for which the restraints may be used. Except in an emergency, restraints may only be administered by qualified medical personnel;

B. participate in activities of social, religious, or community groups unless the participation interferes with the rights of others;

C. practice the religion of the resident's choice;

D. if the resident has an intellectual disability, with a court-appointed guardian of the person, participate in behavior modification program involving use of restraints, consistent with subparagraph (A) of this paragraph, or adverse stimuli only with the informed consent of the guardian; and

E. be treated with respect, consideration, and recognition of his or her dignity and individuality, without regard to race, color, religion, creed, national origin, sex, sexual orientation, gender identity, age, disability, marital status, or source of payment.

This means that the resident:

i. Has the right to make his/her own choices regarding personal affairs, care, benefits, and services;

ii. Has the right to be free from abuse, neglect, and exploitation; and

ii. If protective measures are required, has the right to designate a guardian or representative to ensure the right to quality stewardship of his/her affairs;

F. a safe and decent living environment;

G. not be prohibited from communicating in his or her native language with other individuals or employees for the purpose of acquiring or providing any type of treatment, care, or services;

H. complain about the resident's care or treatment. The complaint may be made anonymously or communicated by a person designated by the resident. The provider must promptly respond to resolve the complaint. The provider must not discriminate or take other punitive action against a resident who makes a complaint;

I. receive and send unopened mail, and the provider must ensure that the resident's mail is sent and delivered promptly;

J. unrestricted communication, including personal visitation with any person of the resident's choice, including family members and representatives of advocacy groups and community service organizations, at any reasonable hour;

K. make contacts with the community and to achieve the highest level of independence, autonomy, and interaction with the community of which the resident is capable;

L. manage his or her financial affairs. The resident may authorize in writing another person to manage his/her money. The resident may choose the manner in which his/her money is managed, including a money management program, a representative payee program, a financial power of attorney, a trust, or similar method, and the resident may choose the least restrictive of these methods. A person designated to manage a resident's financial affairs shall do so in accordance with each applicable policy, law, or rule. On request of the resident or the resident's representative, the person designated to manage the resident's financial affairs shall make available the related financial records and provide an accounting relating to the financial management. A resident's designation of another person to manage the resident's financial affairs does not affect the resident's ability to exercise another resident right articulated by law. If a resident is unable to designate another person to manage the resident's financial affairs and a guardian is designated by a court, the guardian shall manage the resident's financial affairs in accordance with the Texas Estates Code and other applicable laws;

M. access the resident's personal and clinical records, which are confidential and may not be released without the resident's consent, except:

i. to another provider, if the resident transfers residence; or

ii. if the release is required by another law;

N. be fully informed, in language that the resident can understand, of the resident's total medical condition and be notified whenever there is a change in the resident's medical condition;

O. choose and retain a personal physician and to be fully informed in advance about treatment or care that may affect the resident's well being;

P. participate in developing his/her individual service plan that describes the resident's medical, nursing, and psychological needs and how the needs will be met;

Q. be given the opportunity to refuse medical treatment or services after the resident:

i. is advised by the person providing services of the possible consequences of refusing treatment or services; and

ii. acknowledges that he/she understands the consequences of refusing treatment or services;

R. unaccompanied access to a telephone at a reasonable hour or in case of an emergency or personal crisis;

S. privacy, while attending to personal needs and a private place for receiving visitors or associating with other residents, unless providing privacy would infringe on the rights of other residents. This right applies to medical treatment, written communications, telephone conversations, meeting with family, and access to resident councils. If a resident is married and the spouse is receiving similar services, the couple may share a room;

T. retain and use personal possessions, including clothing and furnishings, as space permits. The number of personal possessions may be limited for the health and safety of other residents;

U. determine his or her dress, hair style, or other personal effects according to individual preference, except the resident has the responsibility to maintain personal hygiene;

V. retain and use personal property in his or her immediate living quarters and to have an individual locked area (cabinet, closet, drawer, foot locker, etc.) in which to keep personal property;

W. refuse to perform services for the facility, except as contracted for by the resident and operator;

X. be informed by the provider no later than the 30th day after admission:

i. whether the resident is entitled to benefits under Medicare or Medicaid; and

ii. which items and services are covered by these benefits, including items or services for which the resident may not be charged;

Y. not be transferred or discharged unless:

i. the transfer is for the resident's welfare, and the resident's needs cannot be met by the facility;

ii. the resident's health is improved sufficiently so that services are no longer needed;

iii. the resident's health and safety or the health and safety of another resident would be endangered if the transfer or discharge was not made;

iv. the provider ceases to operate or to participate in the program that reimburses for the resident's treatment or care; or

v. the resident fails, after a reasonable and appropriate notice, to pay for services;

Z. not be transferred or discharged, except in an emergency, until the 30th day after the date the facility provides written notice to the resident, the resident's legal representative, or a member of the resident's family, stating:

i. that the facility intends to transfer or discharge the resident;

ii. the reason for the transfer or discharge;

iii. the effective date of the transfer or discharge;

iv. if the resident is to be transferred, the location to which the resident will be transferred; and

v. any appeal rights available to the resident and to whom the appeal should be directed;

AA. leave the facility temporarily or permanently, subject to contractual or financial obligations;

BB. have access to the services of a representative of the state Long-term Care Ombudsman Program; and

CC. execute an advance directive, under the Advance Directives Act (Chapter 166, Health and Safety Code), execute a medical power of attorney, or designate a guardian in advance of need to make decisions regarding the resident's health care should the resident become incapacitated.

Resident's Bill of Rights

Acknowledgement Form

I/We have had the Resident's Bill of Rights reviewed with me/us. I/We have had my/our questions answered.

Signature of Incoming Resident Date: _____

Signature of Second Resident (as applicable) Date: _____

Signature of Resident's Representative Date: _____

Signature of Community's Representative Date: _____

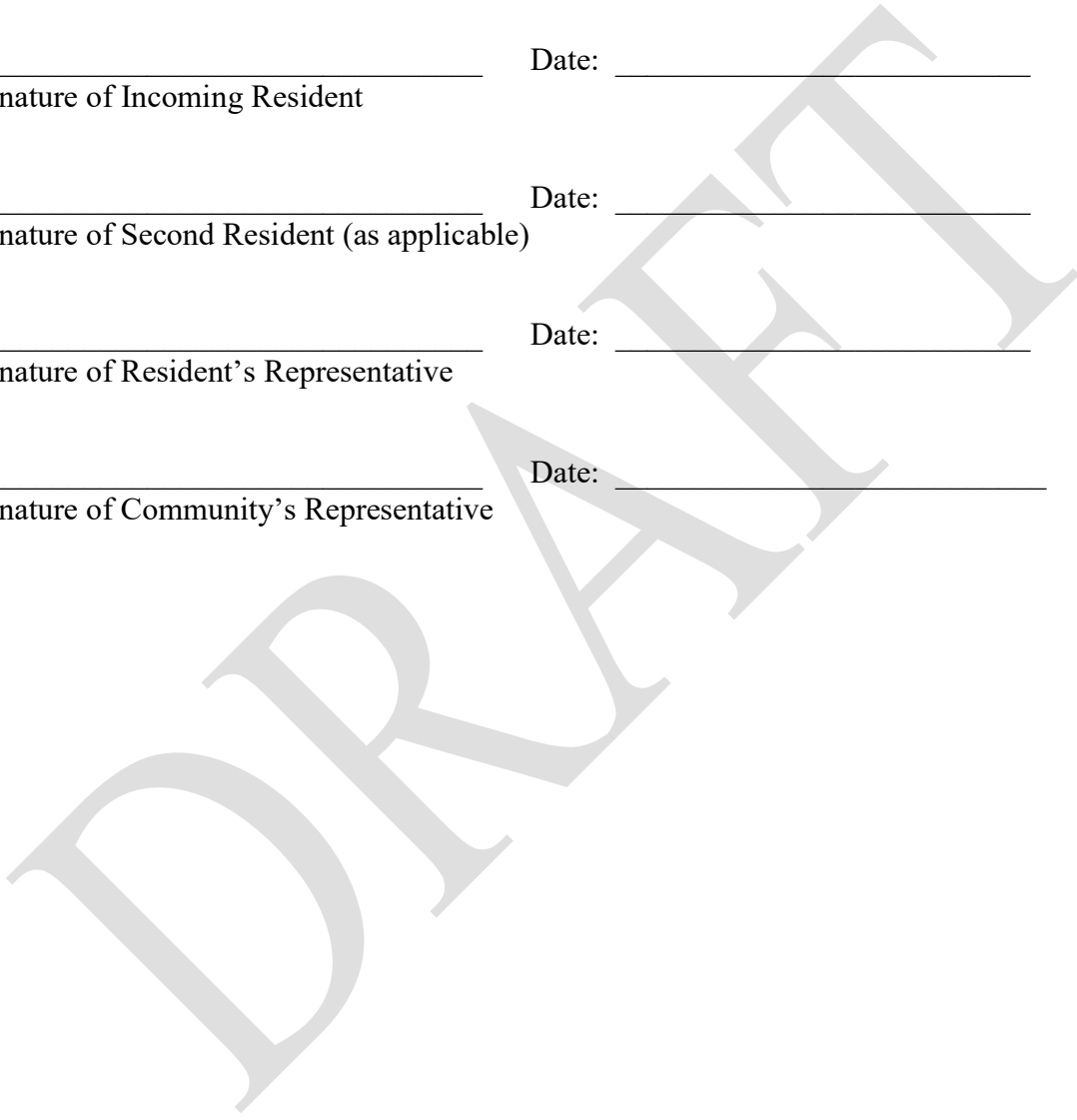


EXHIBIT E

ASSISTED LIVING RESIDENT AGREEMENT

TRANSPORTATION GUIDELINES

This assisted living community has a vehicle available for transporting residents to and from scheduled activities, outings and on assigned days, physician, or clinic appointments. Routinely, trips are scheduled to banks, stores, pharmacies, etc. Resident will see specific schedules printed on the activity calendar. Transportation is managed through the administrative staff of the Community. To be “dropped-off” at an appointment destination or unsupervised shopping trip residents must be capable of navigating buildings unassisted, recall method of contacting the driver when ready for pick-up and/or remembering the location of a pre-determined “pick-up” point.

Physician and clinic appointments will be scheduled within the established **10-mile** radius of the community and as approved by management. Appointments are scheduled on a first come, first served basis.

The community may provide chauffer services and escort service at an additional fee as set forth in **Exhibit B**. Residents must inform management of their need for these services well enough in advance to avoid conflict with the residence’s trip and activity schedule and to ensure availability of staff to perform escort services.

RESIDENT:

_____ DATE: _____

SECOND RESIDENT (AS APPLICABLE):

_____ DATE: _____

RESPONSIBLE PARTY:

_____ DATE: _____

EXECUTIVE DIRECTOR:

_____ DATE: _____

EXHIBIT F

RESIDENT HANDBOOK

I hereby acknowledge receipt and review of the Resident Handbook.

RESIDENT:

DATE: _____

SECOND RESIDENT (AS APPLICABLE):

DATE: _____

RESPONSIBLE PARTY:

DATE: _____

EXECUTIVE DIRECTOR:

DATE: _____

EXHIBIT G

PHARMACY SERVICES AGREEMENT

Resident has the right to select any pharmacy provider for their medication needs. The Community has selected **Omnicare Pharmacy** as our preferred pharmacy. As our preferred pharmacy, **Omnicare** implements approved Medication Management policies and programs which provide services to our residents geared towards enhancing their health and wellness. The Community works closely with various pharmacy providers to ensure that our residents’ needs are met by providing the following services;

- Screening for possible negative drug interactions
- Assessments for potential allergic reactions of medications
- Recommending therapeutic substitutions when appropriate
- Providing competitive pricing for comparable packaging and offering generic substitutions when appropriate
- Alerting staff and physicians when there is a duplication of prescriptions
- Individual wellness recommendations
- Regular scheduled review and monitoring of medications
- Routine or emergency delivery 24-hours a day, 365 days a year
- Medication packaging that meets the community’s standards for safety

Should you elect a different pharmacy you will be charged a monthly non-preferred pharmacy fee of \$ _____. The pharmacy Resident chooses must comply with the Community’s Pharmacy Standards. Additionally, the Community requires that Resident maintains a supply of medication(s) sufficient to meet the prescribed dosage without interruption for three (3) days. If at any time, Resident does not have a three (3) day supply of medication(s) available, Resident grants the Community authority to order a one-month supply of Resident’s required medications from **Omnicare Pharmacy** at Resident’s expense.

Resident:

By: _____ Date: _____
Name: _____

Second Resident (as applicable):

By: _____ Date: _____
Name: _____

Financially Responsible Party:

By: _____ Date: _____
Name: _____

Resident's Representative:

By: _____ Date: _____
Name: _____

DRAFT

EXHIBIT H EVACUATION FORM

In the event of an evacuation from the Community, I will do the following:

_____ Be evacuated by a family member
Name: _____
Address: _____
City: _____ State: TX Zip Code: _____
Phone Number: _____

_____ Be evacuated by the Community

Signature of Resident Date

Signature of Second Resident (as applicable) Date

Signature of Resident's Responsible Party Date

Executive Director Date

EVACUATION FEE

In the event of an evacuation from the Community, I will be evacuated by the Community's staff and agree to pay a non-refundable fee of \$_____ to the Owner upon **each evacuation occurrence. I understand that the fee will be paid at the time of the evacuation.**

Signed: _____ Date: _____
Resident's Name

Signed: _____ Date: _____
Second Resident's Name (as applicable)

Signed: _____ Date: _____
Resident's Responsible Party

Signed: _____ Date: _____
Executive Director

EXHIBIT I
PET CONSENT

Community: _____

Date: _____

Name of Resident: _____

Residence #: _____

Pet Species: _____ (Dog, Cat, etc.)

_____ has paid a pet fee of \$_____ and is given permission to have their pet on the premises in compliance with the regulations regarding pets in the Assisted Living Resident Agreement signed by the Lessee.

Pet Regulations:

- Pets may not weigh more than 25 pounds.
- There is a non-refundable pet fee of \$_____
- There is a monthly charge for pet of \$_____
- Dogs and cats need to be dipped every three months or use the new flea systems.
- All pets must maintain appropriate vaccination and health records required by Community rules and regulations.
- Dogs and cats are never allowed in the common areas or hallways of the community unless being transported outside.
- Dogs must be kept on a leash when in the courtyard areas.
- Resident is responsible for the care of their pet.
- Carpet will be replaced at the resident’s expense at time of move-out.
- Resident is responsible for payment to repair any damage to the Residence due to their pet as determined by Community administrative staff.

I agree to the above pet regulations.

Signature of Resident

Date

Signature of Second Resident (as applicable)

Date

Signature of Executive Director

Date

EXHIBIT J

MOTORIZED VEHICLE POLICY CONSENT

The Community is committed to promoting the safety and well-being of residents in its communities, while providing reasonable accommodations for residents who may be mobility impaired. Motorized wheelchairs, scooters, and similar motorized carts (“Motorized Vehicles”) may be operated on the premises or used in the Community if the following requirements are met:

1. **Maintenance and Operation.**

a. Vehicle Maintenance. The resident has an ongoing duty to maintain the Motorized Vehicle in a safe operating condition and to have it serviced, at the resident’s expense, in accordance with manufacturer’s recommendations.

b. Driving Skills Training. The resident may receive instruction from the Motorized Vehicle vendor/distributor or from another qualified source on the proper use of the vehicle prior to using the vehicle in the Community.

2. **Registration.** Each resident desiring to use a Motorized Vehicle shall register the device with the Community prior to its use. Registration includes an acknowledgement of an agreement to abide by the Community’s Motorized Vehicle Policy.

3. **Manner of Operation.**

a. Speed. Motorized Vehicles must be operated at a low setting and driven slowly in the hallways and common areas. Should a speed controller be deemed necessary by the Community, it shall be installed at the resident’s expense and set at the appropriate speed prior to operation.

b. Pedestrians. Motorized Vehicles must always grant first right of access to pedestrian traffic and allow adequate room for such traffic. Extra caution must be used when passing other residents, staff, or visitors. Motorized Vehicles may not be operated faster than the walking speed of pedestrians in the area of use.

c. Exercise of Caution. The driver of the Motorized Vehicle must exercise caution whenever entering or exiting elevators, doorways or when driving inclines and wheelchair ramps. The operator must come to a full stop at hallway and common area intersections and then proceed with caution.

d. Parking. When not in use, Motorized Vehicles must be parked in the resident’s residence/suite or designated parking area, or other area approved by the Executive Director or designee. At no time shall Motorized Vehicles be placed in areas where access to exits would be impaired or blocked.

e. Restrictions on Use. The Executive Director or designee may restrict use of Motorized Vehicles within certain areas of the Community or in Community vehicles (e.g., vans, buses) based on safety consideration. For example, an Executive Director may place certain

limitations on use of Motorized Vehicles in a Community’s dining area based upon the number of persons present, the size of the room and the room’s configuration. If restrictions are imposed, staff will provide reasonable accommodations to affected residents.

f. Use by Others. It is strictly prohibited to permit other individuals to use a resident’s Motorized Vehicle without approval of the Executive Director and compliance with the requirements of this policy.

g. Marking. Motorized Vehicles should be clearly marked with the resident’s name and residence/suite number.

h. Outside Use. Motorized Vehicles operated outside on the Community’s campus should only be used on sidewalks using the same safety procedures as followed during operation inside the building. Residents should avoid operating Motorized Vehicles directly behind parked vehicles.

i. Reporting Requirements. Any incident or injury involving a Motorized Vehicle must be reported immediately by the resident to the Executive Director or supervisor in charge.

4. **Financial Responsibility.**

a. Injury to Self or Others. The Motorized Vehicle owner and operator is responsible for financial losses incurred from injury to self and others, including other residents, employees and visitors that occur as a result of their Motorized Vehicle ownership or operation.

b. Injury to Property. The Motorized Vehicle owner and operator is financially responsible for any property damages, including, but not limited to, damages to flooring, furniture, walls, doors, and other property, that is a result of Motorized Vehicle ownership or operation. The Community will bill the resident for the costs associated with repairing any such damages.

5. **Conditions on Privileges.**

a. If there are concerns about Resident’s ability to safely operate the Motorized Vehicle, the Executive Director or designee may require an assessment of Resident’s ability to safely operate the Motorized Vehicle.

b. The Executive Director or designee reserves the right, at any time, to place conditions on the resident’s privilege to operate a Motorized Vehicle, including, but not limited to, requiring the installation of a speed regulator or rearview mirrors. The resident is responsible for any costs associated with acquiring and/or installing such equipment.

6. **Termination of Privileges.** The Executive Director or designee reserves the right, at any time, to suspend or terminate the resident’s privilege to operate a Motorized Vehicle when, in the Executive Director’s or designee’s sole judgment, the resident’s operation is not in compliance with these policies/conditions, or the resident’s operation of the Motorized Vehicle has placed the resident, other residents, visitors, staff or the property at risk for harm/damage.

Motorized Vehicles can present a danger if not operated in a safe and prudent manner. The Community’s residents can be injured and property may be damaged by careless operation. The Motorized Vehicle Operator (“Operator”) shall be responsible for all repair costs due to damage caused by operation of the Motorized Vehicle. Most importantly, people can be easily injured if the Motorized Vehicle is operated in an unsafe manner or parked improperly. **Operators must be aware that they are liable and may be sued if they injure another resident, guest, or visitor. For this reason, we recommend, but do not require, that all operators acquire liability insurance with coverage of not less than \$300,000 Bodily Injury and \$100,000 Property Damage or \$500,000 Combined Single Limit.**

Resident hereby indemnifies and holds harmless Owner and all of Owner’s employees and agents from and against all claims, damages, losses, and expenses, including attorneys’ fees, of every nature and description brought or recoverable against the indemnities arising out of or resulting from damage to the property or injuries related to the resident’s operation of the Motorized Vehicle.

Resident accepts responsibility for all maintenance on the Motorized Vehicle including regular preventative maintenance. An annual certification from Resident, stating that the Resident knows how to safely operate the Motorized Vehicle is required.

MOTORIZED VEHICLE REGISTRATION

Resident’s Name: _____ Suite/Apt. # _____
Date: _____ Vehicle Description: _____
Make: _____ Model: _____

I have been provided and have read the Community’s Motorized Vehicle Policy, and agree to abide by its terms.

Resident Date

Second Resident, as applicable Date

Executive Director Date

MOTORIZED VEHICLE APPLICATION

TO BE COMPLETED BY APPLICANT

Name _____ Birth Date _____ Age: _____
Physician's Name: _____ Telephone: _____
Address: _____

_____ City State Zip

Statement of Need

I hereby certify that the information on this application is true and accurate as of this date and that the person requires the use of a Motorized, Wheelchair, Scooter and/or Cart for mobility because of his/her medical condition and is capable of operating a motorized wheelchair, scooter and/or cart safely.

Name of Party Confirming Need: _____
(Please Print)

Signature: _____ Date: _____

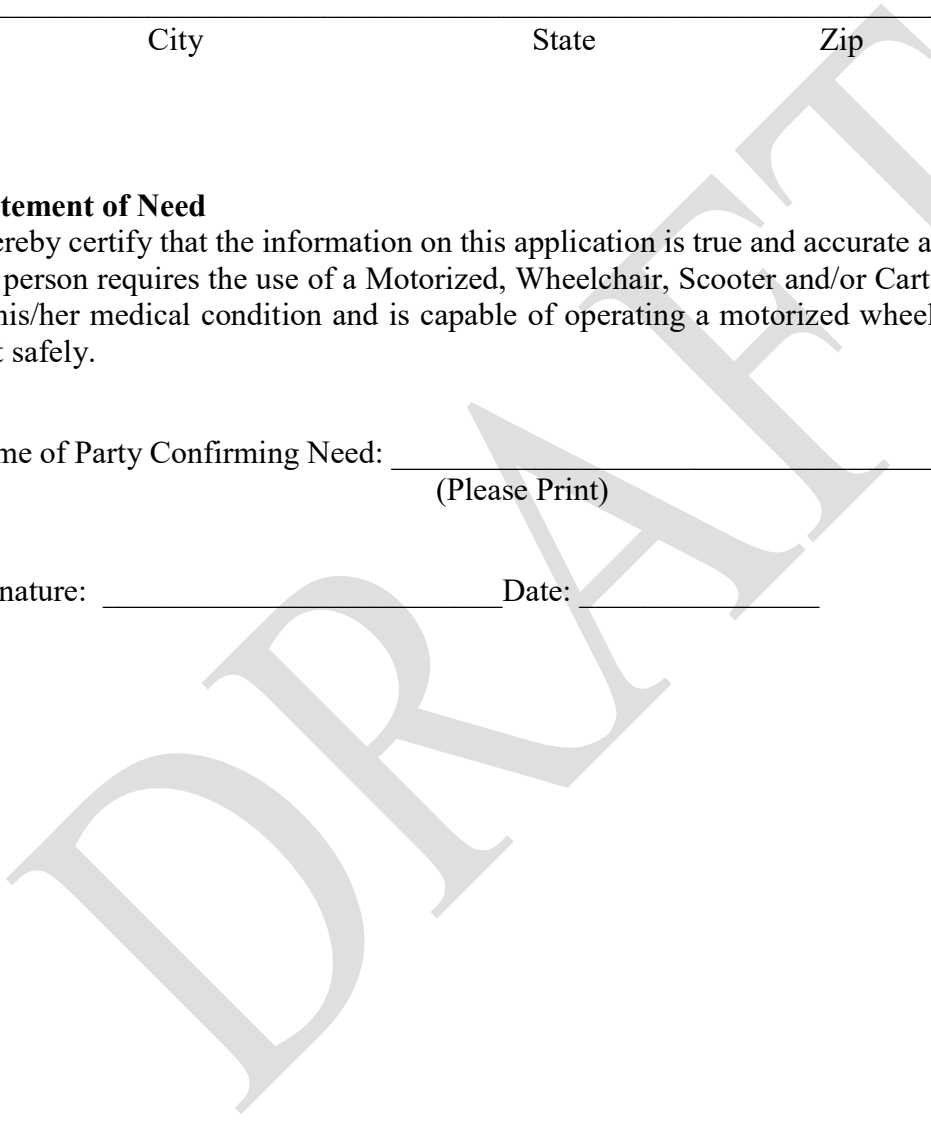


EXHIBIT K

ADVANCE DIRECTIVES

[UNDER REVIEW AND SUBJECT TO REVISION]

“**Advance Directive**” means an instruction made for the purpose of administering, withholding, or withdrawing life-sustaining treatment in the event of a terminal or irreversible condition to a “Qualified Patient”.

- (A) an out-of-hospital DNR order; or
- (B) A medical power of attorney

Related Defined Terms:

“Qualified Patient” means a patient with a terminal or irreversible condition that has been diagnosed and certified in writing by the attending physician.

“Artificial nutrition and hydration” means the provision of nutrients or fluids by a tube inserted in a vein, under the skin in the subcutaneous tissues, or in the stomach (gastrointestinal tract).

“Attending Physician” means a physician selected by or assigned to a patient who has primary responsibility for a patient’s treatment and care.

“Competent” means possessing the ability, based on reasonable medical judgment, to understand and appreciate the nature and consequences of a treatment decision, including the significant benefits and harms of and reasonable alternatives to a proposed treatment decision.

“Declarant” means a person who has executed or issued a directive.

“Health care or treatment decision” means consent, refusal to consent, or withdrawal of consent to health care, treatment, service, or a procedure to maintain, diagnose, or treat an individual’s physical or mental condition, including such a decision on behalf of a minor.

“Incompetent” means lacking the ability, based on reasonable medical judgment, to understand and appreciate the nature and consequences of a treatment decision, including the significant benefits and harms of and reasonable alternatives to a proposed treatment decision.

“Irreversible condition” means a condition, injury, or illness:

- (A) that may be treated but is never cured or eliminated;
- (B) that leaves a person unable to care for or make decisions for the person’s own self; and
- (C) that, without life-sustaining treatment provided in accordance with the prevailing standard of medical care, is fatal.

“Life-sustaining treatment” means treatment that, based on reasonable medical judgment, sustains the life of a patient and without which the patient will die. The term includes both life-sustaining medications and artificial life support, such as mechanical breathing machines, kidney dialysis treatment, and artificial nutrition and hydration. The term does not include the administration of pain management medication, or the performance of a medical procedure considered to be necessary to provide comfort care, or any other medical care provided to alleviate a patient’s pain.

“Medical power of attorney” means a document delegating to an agent authority to make health care decisions.

“Physician” means:

- (A) a physician licensed by the Texas State Board of Medical Examiners; or
- (B) a properly credentialed physician who holds a commission in the uniformed services of the United States and who is serving on active duty in this state.

“Terminal condition” means an incurable condition caused by injury, disease, or illness that according to reasonable medical judgment will produce death within six months, even with available life-sustaining treatment provided in accordance with the prevailing standard of medical care. A patient who has been admitted to a program under which the person receives hospice services provided by a home and community support services is presumed to have a terminal condition.

“Witness” means a person who may serve as a witness.

“Cardiopulmonary resuscitation” means any medical intervention used to restore circulatory or respiratory function that has ceased.

ADVANCE DIRECTIVES ACKNOWLEDGEMENT

Please read the following three statements. Place your initials after each statement.

1. I have received an explanation and written information regarding advance directives from the Community. I understand that it is the policy of the Community to respect individual choice and avoid discrimination based on whether or not I have an advance directive. _____ (initial here)

2. I understand that I am not required to have an Advanced Directive in order to receive treatment. _____ (initial here)

3. I understand that the terms of any Advanced Directives that I have executed will be followed. _____ (initial here)

Resident’s Signature: _____ Date: _____

Second Resident’s Signature (as applicable): _____ Date: _____

PLEASE CHECK ONE OF THE FOLLOWING STATEMENTS

- I HAVE executed an Advanced Directive.
- I HAVE NOT executed an Advanced Directive.

Signed: _____

Date: _____

Witness: _____

Date: _____

EXHIBIT L

PHYSICAL RESTRAINTS/SECLUSION

It is the Owner's philosophy to foster a restraint-free environment. The use of restraints, either chemical or physical are not permitted nor is the seclusion of residents.

RESIDENT:

_____ Date: _____

SECOND RESIDENT (AS APPLICABLE):

_____ Date: _____

RESPONSIBLE PARTY:

_____ Date: _____

EXECUTIVE DIRECTOR:

_____ Date: _____

EXHIBIT M

ELECTRONIC MONITORING ACKNOWLEDGEMENT FORM

The rooms of some residents may be monitored electronically by or on behalf of the residents. Monitoring may not be open and obvious in all cases.

RESIDENT:

_____ Date: _____

SECOND RESIDENT (AS APPLICABLE):

_____ Date: _____

RESPONSIBLE PARTY:

_____ Date: _____

EXECUTIVE DIRECTOR:

_____ Date: _____

EXHIBIT N

Resident Consent/Acknowledgement Form

Acknowledgement for Health Promotion Assistance

I consent to and authorize this Community, its staff, and associates to provide care and treatment to me per my request and/or as by prescribed by my physician. I understand that I will be responsible monetarily for any additional health services provided outside of the normal services provided at the Community. I agree to notify my physician and the Community’s staff of any significant health changes or events relating to my health.

Applicant’s Signature Date:

Second Applicant’s Signature (as applicable) Date:

Release Information

I consent to and authorize the Owner to disclose and release information contained in my clinical record to health care providers, third party payers, utilization review, professional standards review organizations, regulatory review entities and other organizations, company, community services, etc. that may/will assist me to meet my health and well-being needs.

Applicant’s Signature Date:

Second Applicant’s Signature (as applicable) Date:

Photograph/Video/Audio Recording Consent

___ I DO ___ I DO NOT authorize the Owner to take/use my photograph, video/audio recording or my name for purposes of identification, Community publications or media promotions.

Applicant’s Signature Date:

Second Applicant’s Signature (as applicable) Date:

Social Media Acknowledgement

I hereby acknowledge that I have received a copy of the Community’s Social Media Policy. I further acknowledge that I have read such policy and will abide by its provisions.

Applicant’s Signature Date: _____

Second Applicant’s Signature (as applicable) Date: _____

I understand what I have read above, or what was read to me as printed, and I agree to the terms and conditions/indicated above. I understand that I may terminate any of the above authorizations at any time.

Financial Guarantor’s Signature Date: _____

Resident’s Signature Date: _____

Second Resident’s Signature (as applicable) Date: _____

Owner’s Representative Date: _____

Exhibit 17

Exhibit D-3

Form of Memory Care Rental Agreement for Current Residents¹

¹ The attached form of agreement is in substantially final form as of the date hereof. Bay 9 Holdings LLC reserves the right to make modifications to the agreement as it determines necessary and appropriate in its sole discretion.

EDGEMERE

MEMORY CARE RESIDENT AGREEMENT

This Memory Care Resident Agreement (the “Agreement”) dated _____, 20____, is made by and between Bay 9 Holdings LLC, a Delaware limited liability company, having a business mailing address of 811 E. 17th Avenue, Denver, CO 80218 (“Owner”), the owner of Edgemere in Dallas, Texas (“Community”), located at 8502 Edgemere, Dallas, Texas 75225 (“Property”) and _____ (referred to singly, as “Resident”). The Community is licensed as an Assisted Living Facility with Alzheimer’s Certification by the Texas Health and Human Services Commission. The Community provides residency, care and services to qualified seniors with a diagnosis of Alzheimer’s disease or other related dementia(s). The Community operates on a non-discriminatory basis and affords equal treatment and access to services to all eligible persons. In consideration of the Owner’s acceptance of you as a resident at the Community, _____ agrees to act the financially responsible party as described in Section 17 below (“Financially Responsible Party”) and _____ agrees to act as the Resident’s representative as described in Section 18 below (“Resident’s Representative,” accepting their respective rights and obligations as set forth in this Agreement. Owner has engaged Long Hill at Edgemere, LLC (“Manager”) to act as manager of the Community. Owner, Resident, Financially Responsible Party, and Resident’s Representative are collectively referred to herein as the “Parties,” or individually as a “Party.” Resident, Financially Responsible Party and Resident’s Representative are referred to herein at times collectively as “Responsible Parties.”

1. TERM

This Agreement shall become effective on _____, 20____ (the “Effective Date”) and shall have a term of twelve (12) months (the “Initial Term”), unless earlier terminated as provided below. Following the end of the Initial Term, this Agreement shall automatically renew for additional twelve (12) month terms (each a “Renewal Term” and, collectively with the Initial Term, the “Term”), provided that (a) Resident is not in default under this Agreement and (b) neither Party sends a written notice of termination as provided below.

2. ACCOMMODATIONS

A. Your Residence. Resident will reside in Residence Number _____ at the Community (the “Residence”). Resident may furnish the Residence with Resident’s own furniture. Each Responsible Party understand that this Community, including the Residence, is non-smoking and tobacco-free. Smoking, vaping, use of smokeless tobacco and chewing tobacco are not allowed on the grounds or in the Community.

B. Common Areas. Resident can use the general-purpose rooms of the Community, such as lounges, library, activity, and meeting rooms, as applicable and pursuant to the policies of the Community.

C. Personal Residence. Each of the Responsible Parties agrees to have Resident occupy the Residence only as a personal residence and will not use the Residence for any unlawful

purpose. No one other than the Resident is permitted to live at the Residence. This restriction does not apply to Private Duty Assistants. Each of the Responsible Parties agrees Resident will not create or allow in Resident's Residence a nuisance or a condition that is a potential fire, safety or health hazard. Each of the Responsible Parties agrees Resident will not store or possess at the Community or the Residence any explosives, firearms, noxious chemicals, or hazardous substances. Resident will be the only occupant(s) of the Residence.

D. Maintenance and Alterations. Each of the Responsible Parties agrees Resident shall maintain the Residence in a clean, sanitary and orderly condition. When Resident vacates the Residence, the Residence shall be in as good condition as on the Effective Date, excluding normal wear and tear to the Residence. Resident can decorate the Residence as Resident wishes provided that Resident complies with the rules of the Community. The Owner must give prior written approval for any changes or alterations to the Residence that require the assistance of electricians, contractors or similar professionals; and Each of the Responsible Parties will be responsible for restoring the original décor when Resident vacates the Residence. If Resident fails to restore the Residence to its condition on the Effective Date, normal wear and tear excluded, Resident and Financially Responsible Party shall be responsible for the costs of such restoration, as described in Section 14.G. Any alterations or improvements shall become the Property of the Owner. You may not change any lock or add any lock or locking device to the Residence.

E. Liability for Damage. Each of the Responsible Parties agrees to reimburse the Owner for any loss of or damage to the Community's real or personal property, inside or outside of the Residence, caused by Resident, the Resident's guests, or Private Duty Assistant (defined below).

F. Move to New Residence/Transfer. If Resident wishes to change residences within the Community and the Community's Executive Director approves Resident's request for a residence change/transfer, Resident shall pay a relocation fee as determined by the Executive Director at the time of the residence change/transfer request. Each of the Responsible Parties agrees will be responsible to arrange for Resident's move and to handle related expenses.

G. Absences from the Community and Bed Hold Policy. Except as otherwise set forth herein, if Resident is temporarily absent from the Community, Resident and the Financially Responsible Party will continue to be responsible for the Monthly Fee, Plan Fee, and other charges due under this Agreement. Should Resident's absence from the Community exceed fourteen (14) days, Resident will not be responsible to pay the Plan Fee beyond the fourteenth day.

H. Authorized Electronic Monitoring. This Community allows Authorized Electronic Monitoring. In accordance with the State mandate, a sign is posted at the front door advising and warning of possible monitoring in residences. Each Resident will receive a copy of the policy as well as an Acknowledgement Form (See **Exhibit M**) which must be signed by the Resident/Responsible Party, and the Owner. This form will be kept in the resident's file.

I. Fair Housing. Owner is committed to the principles of fair housing. In accordance with fair housing laws, Owner will make reasonable accommodations to the Community's policies, practices, procedures, and services. Owner also will allow reasonable modifications to

allow disabled persons the same rights and access to the Community as all others. Persons requesting accommodation may be required to sign an addendum to this Agreement outlining the accommodation provided and any restoration requirements.

3. SERVICES.

A. Services. **Exhibit A** to this Agreement details the basic services provided at the Community as part of Resident's Monthly Fee. **Exhibit B** to this Agreement describes additional services that Resident may request for an additional fee. Wellness Services are described in Section 4 below and in **Exhibit C**.

B. Meals. The Community will make available three (3) nutritionally well-balanced meals per day. Basic modified diets will be available to Resident if prescribed by Resident's physician as a medical necessity, or if otherwise requested by Resident, at no additional charge if the Community is able to provide the requested diet. Resident may invite guests to any meal for an extra charge, but the Community requests twenty-four (24) hours' advance notice. Snacks will be available between meals and in the evening before bedtime.

C. Activities. The Community will provide planned activities, opportunities for Community participation, and fitness programs, subject to Resident's physical ability to participate. Participation in some exercise or fitness programs may require a liability waiver. An additional charge may apply to activities outside of the Community.

D. Transportation. As part of Resident's Monthly Fee, the Community will provide regularly scheduled transportation services or arrange for Resident's transportation to planned social events, local attractions, shopping destinations and Resident's medical, dental, nursing, or mental health appointments within parameters outlined in **Exhibit E**. The Community's staff can provide Resident with schedules and destinations for the regular transportation service. If the Community makes other transportation arrangements available to Resident, Resident will be charged an extra fee as set forth in **Exhibit B**. If a family member or other responsible person does not arrange to accompany Resident in such instances when it is needed, we will provide an escort, and Resident will be charged an extra fee set forth in **Exhibit B**. All other transportation is Resident's responsibility.

E. Emergency Evacuation. In the event of a mandatory emergency evacuation, Resident has the option of being evacuated by the Community's Staff, or being evacuated by Resident's Family. The Executive Director will endeavor to follow the Emergency Evacuation Form (**Exhibit H**) in your Resident File, provided, however, in certain emergency situations the Executive Director may determine a Resident's Family may not be available to evacuate the Resident, and, in such a case each Resident Party agrees Resident will be evacuated by the Community's Staff. In the event that Resident is evacuated by the Community's Staff, Resident will be charged a fee, per each occurrence, as set forth on your Evacuation Form in your Resident Admission paperwork.

F. Maintenance. The Community shall maintain in good order and repair all plumbing, toilet facilities and other fixtures installed for the general supply of hot and cold water, and HVAC.

G. Laundry and Housekeeping Services. The Community will provide the laundry and housekeeping services set forth in **Exhibit A**. The Resident/Responsible Party is responsible for providing laundry detergent for cleaning the resident's laundry. Additional laundry and housekeeping services are offered for an extra charge as set forth in **Exhibit B**.

H. Personal Supplies. Resident shall provide, or purchase from Community your own supplies for personal care and hygiene.

I. Notification of Third Parties. In the event that the Resident requires emergency services or experiences a significant change in condition, the Community will attempt to contact the Resident's Representative and/or Financially Responsible Party timely, using best efforts. The Resident is responsible for ensuring that the Community has current telephone numbers for the individuals to be notified. The Resident's Representative and/or Financially Responsible Party will also be contacted in the event that this Agreement is being terminated.

J. Pet Fee and Monthly Charge. \$_____ ("Pet Fee") \$____ ("Monthly Charge")
See **Exhibit I**;

K. Security. To protect residents at the Community, the exterior doors are equipped with emergency button, wander protection system, smoke detector and sprinkler system. In order to protect residents, the outside doors are locked at night. The Responsible Party(s) of the residents should sign the resident log book when both leaving and returning to the Community.

L. Nondiscrimination. The Community will be operated on a non-discriminatory basis and will provide the facilities and services described in this Agreement to individuals regardless of race, color, sex, gender identity, religion, creed, disability, or national origin, and in compliance with federal and state fair housing laws.

4. WELLNESS SERVICES

A. Required Initial Medical Evaluation. The Resident shall provide to Community a medical assessment completed by a physician, no earlier than thirty (30) days prior to the Effective Date of the Agreement. The Resident shall undergo an initial assessment by the Community prior to admission to the Community and Resident or your Resident's Representative shall acknowledge the information contained in this assessment. The Resident agrees to have a TB test upon admission to the Community.

B. Resident Service Plan. A service plan will be developed based on the medical assessment completed by the Resident's physician and the comprehensive assessment completed by the Community. The Resident's service plan will be developed with the Resident and/or any individual the Resident designates with the Community staff within fourteen (14) days of admission. The service plan will outline the services the Resident is to receive. The service plan

will be reviewed annually. Whenever the Resident experiences a significant change in condition, the service plan will be revised and updated accordingly. The Resident may examine his/her service plan at any scheduled time. The Resident or Resident's Representative must approve and sign the service plan.

C. Assistance with Activities of Daily Living. The Community will provide to the Resident the assisted living services agreed upon and described in **Exhibits A, B and C**. The Community will conduct an initial assessment, and an annual assessment of the Resident. If at any time the Community or the Resident's physician determines that the Resident requires more services than are currently being provided pursuant to **Exhibit C**, the Resident agrees to immediately increase the **Exhibit C** services to meet his/her needs as determined by the Community or the Resident's physician. If the Community determines that it cannot provide to the Resident the services to meet his/her needs, each of the Responsible Parties agrees Resident will transfer to an appropriate care setting in accordance with Section 9.G below.

D. Observation. The staff, in the ordinary course of their daily interaction by Resident, shall periodically observe Resident's health condition, activities and diet, in order to identify changes in Resident's health and Resident's physical, mental, and emotional functioning. Resident will not be under constant observation or supervision.

E. Arranging for Outside Services. The staff will assist Resident in making needed appointments with professionals offering medical, dental, nursing, or mental health services and with accessing Community resources and transferring to outside facilities as needed and prescribed by Resident's physician. Transportation services outside the parameters outlined in **Exhibit E** may incur an extra fee as set forth in **Exhibit B**.

F. Medications. The staff will provide Resident help and/or supervision with Resident's medications as set forth in **Exhibit C**. If the Community determines that applicable state law prohibits it from providing to the Resident the amount of help and/or supervision with medications that Resident needs, Resident agrees to transfer to an appropriate care setting in accordance with Section 9.G below.

G. Resident Records. The Community maintains certain records on each of its residents that may contain medical and other personal information. The Resident has the right to review their record or to authorize, in writing, members of their family to review their record. All resident information and records are confidential and, unless legally required, are not released without your written consent or the written consent of your authorized legal representative. The Resident's right to refuse release of personal and medical records does not apply when the Resident is transferred to another health care facility or record release is required by law or third-party payment contract.

H. Medical or Other Emergency. In the event of an emergency, Resident shall contact the staff and, if appropriate, the staff will summon emergency service personnel to assist Resident. If the situation is not deemed an emergency by the staff, the staff has the discretion to instead contact the Resident's Financially Responsible Party, Resident Representative and/or Resident's physician as appropriate. Where the staff judges a situation to be a possible emergency

(and Resident does not agree or the staff determines the Resident to be unresponsive), the staff has the right (but not the obligation) to take whatever steps are necessary to meet Resident's emergency medical needs, including summoning emergency service personnel. Any costs incurred, even if the staff ordered the emergency medical services, will be the sole responsibility of the Resident and the Resident's Financially Responsible Party.

I. Excluded Services. The Owner has no express or implied duty to provide services not listed in **Exhibits A, B or C** (the "Contractual Services"). The Owner shall not be responsible for furnishing or paying for any supplies or services not expressly included in this Agreement, including, without limitation, services which could be a Medicare benefit, hospital services, physicians' services, nursing services, skilled nursing facility services, Private Duty Assistants, third party contractors, Sitters, medications, personal supplies, toiletries, vitamins, eyeglasses, eye examinations, hearing aids, ear examinations, dental work, dental examinations, dental or orthopedic appliances, laboratory tests, x-ray services, rehabilitative services, or any other care or equipment beyond the Community's routine levels of staffing and equipment (the "Excluded Services"). Residents have the right to receive the services covered by this Agreement and the Excluded Services from service providers with which the Owner does not have a contractual agreement. The Owner is no way liable for any issues associated with Excluded Services or any other services provided by another provider engaged by Resident or Resident's Representative.

5. MONTHLY FEE.

Resident and the Financially Responsible Party each agree to pay in advance on the first (1st) day of each month during the Term the amount of _____ (\$ _____) (the "Monthly Fee"). When there are charges for less than one (1) full month, the Monthly Fee will be prorated based on the number of days in the given month. The Community anticipates that the Monthly Fee will be adjusted annually, but reserves the right to adjust the Monthly Fee upon thirty (30) days prior written notice to Resident. The fees resulting from **Exhibit B** services are due on the first (1st) day of the immediately succeeding month after services are performed; the Owner will provide Resident with a statement of fees owed each month.

A Service Charge of fifty dollars (\$50.00) is collected on each check returned unpaid by the bank upon which it was drawn. The Service Charge on unpaid returned check(s) is subject to change in accordance with state law. A returned check, draft, or order against a closed account or an account with insufficient fund (NSF) written to the Owner may be in violation of civil law and/or criminal law.

6. MEMORY CARE FEE.

Resident and the Financially Responsible Party each agrees to pay in advance on the first (1st) day of each month during the Term the Plan Fee (defined below) associated with the services provided to Resident as set forth in **Exhibit C**. Resident's initial plan fee (the "Plan Fee") shall be _____ Dollars (\$ _____). Medication and care management services provided to Resident are reviewed by Community staff on an ongoing basis to ensure we continually meet Resident's care needs. A change of condition may warrant an increase or decrease in service. If Resident increases or decreases the services they receive, the Plan Fee shall

be adjusted immediately, and Resident will either pay or receive the pro rata adjustment for that month. Thereafter, the new rate will be due on the first day of the month. The Community may modify the cost of the services set forth in **Exhibit C** to this Agreement upon advance notice to Resident.

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7. PAYMENT AND LATE CHARGES.

Your stay at the Community will be paid for by _____. If a third party pays your bills, their non-payment of any amounts due pursuant to this Agreement shall not relieve Resident or Financially Responsible Party of any obligation to pay such amounts. If the Monthly Fee, Plan Fee or any other amount due under this Agreement is not paid on the fifth of the month, the Owner will charge Resident and Financially Responsible Party One Hundred (\$100.00) to cover administrative expenses, plus interest at the lesser of one and one-half percent (1 ½%) per month or the maximum legal rate allowed by law. Failure to make timely payments may result in the Owner terminating this Agreement. Medicare and Medicaid do not pay for assisted living or memory care services provided at the Community.

8. COMMUNITY SERVICE FEE.

Resident shall pay a ***non-refundable*** Community Service Fee of _____ Dollars (\$_____), which is paid to the Owner concurrently with the execution of this Agreement, and which covers administrative costs regarding your application and other administrative fees.

9. MEMORY CARE

A. Admission/Retention Criteria. The criteria applied by the Community for the admission, transfer and discharge of assisted living residents have been provided to Resident.

B. Resident Admission Information. Upon admission, the Responsible Parties agree to provide all pertinent identifying information to Community as required by Texas law.

C. Licensing. The Community is licensed as an Assisted Living Facility with Alzheimer's Certification governed by the State of Texas. The State of Texas conducts an annual, unannounced, on-site visit of the Community to determine compliance with applicable licensure requirements and standards. Additional unannounced onsite visits may be conducted without prior notice to the Community. During on-site reviews, State representatives may observe staff and residents in the common areas of the Assisted Living Section of the Community, communicate privately with any resident who consents, and inspect the resident's clinical and administrative records without the resident's consent.

D. Memory Care. The Community consists of residences for seniors who are capable of living on their own, provided they have assistance with certain activities of daily living ("Assisted Living"). The Community is not licensed to provide 24-hour skilled nursing care or care for serious psychiatric disorders and is not intended as a substitute for a nursing home. The Community has no duty to provide, or obtain for the Resident, nursing, or health care services other than what is agreed to in **Exhibits A, B and C**. Each Responsible Party agrees that the Community has no duty (except as may be required under applicable law) to assess, diagnose, examine, or treat any medical, psychological or health care condition that Resident might have or develop.

E. Release and Assumption of Risk. With the freedom and independence of Memory Care come certain risks of personal injury, such as falls or broken bones. Each Responsible Party knowingly and voluntarily agrees to assume all risks related to or arising from living in the Community, which each Responsible Party understands is not a facility that offers a higher level of care. Each Responsible Party agrees to waive, release, indemnify, defend and hold harmless the Owner, its Manager, and their employees and affiliates from and against all liability, loss, costs (including attorneys' fees) or claims pertaining to or arising from their failure to obtain or furnish services beyond the Contractual Services.

F. Injury by Others. Each Responsible Party agrees that the Owner, its Manager, and their employees and affiliates are not responsible or liable for injury or loss sustained by Resident as a result of the act or omission of other residents, guests, their Sitter, or their Private Duty Assistant.

G. Transfer to Meet Care Needs. If at any time, the Community's staff or a physician determines that the Community cannot meet the Resident's needs, this Agreement will be terminated and each Responsible Party agrees the Resident will transfer to another facility that is appropriate for their needs (See Sections 14.A and 14.C below). The criteria used by the Community for the health or safety discharge of assisted living residents as set forth on **Exhibit D**. Upon determination by the Community that the Resident needs services beyond those provided by the Community, the Resident (together with the Resident's Representative and Financially Responsible Party) shall be notified that the Agreement is terminated and the Resident shall be transferred to an appropriate care setting. The Community shall assist the Financially Responsible Party or Resident's Representative with discharge planning and referrals.

10. PRIVATE DUTY ASSISTANTS/SITTERS

A. Services from Third Parties. All third party contractors, outside caregivers, companions, private duty aides and other personnel (collectively "Private Duty Assistants") and non-medical caregivers ("Sitters") employed or engaged by Resident to render services to Resident at the Community can do so only if both Resident and the Private Duty Assistants and/or Sitters comply with the Community's policy on Third Party Contractors (as defined in the Resident Handbook) and complete forms and agreements referenced therein. All Private Duty Assistants must at a minimum be a Certified Nursing Assistant hired through an agency. Resident and/or Resident's family may choose an individual to serve as a Sitter. All contracts or other arrangements for the services of a Private Duty Assistant and/or a Sitter must be executed by the Resident or the Resident's Representative. Resident or Resident's Representative must provide the Community with the name and contact information of the Sitter, and the Sitter may be asked to sign the Community's Authorized Electronic Monitoring Acknowledgment Form. The Private Duty Assistant needs the prior permission of the Community to provide services to the Resident, which may be revoked by the Community in its sole discretion. It is Resident's responsibility to ensure that their Private Duty Assistant and/or Sitter complies with the Community's Rules and Regulations, Resident Handbook, and general policies, together with any specific policies and rules governing Private Duty Assistants and Sitters. Each Responsible Party hereby authorizes and directs that all of the Private Duty Assistant's and/or Sitter's records, care plans and notes regarding the Resident will be released to the Community upon request.

B. Injury Caused by Private Duty Assistant. The Resident and the Financially Responsible Party are each responsible for all injury or damage caused by a Private Duty Assistant and/or Sitter, including injury to the Resident. The Owner has no responsibility for the care (or lack thereof) provided by the Private Duty Assistant and/or Sitter. The Resident and the Financially Responsible Party each hereby indemnifies, holds harmless and releases the Owner, its Manager, and their employees and affiliates from and against all liability, loss, costs (including attorneys' fees) or claims pertaining to or arising from the acts or omissions of the Private Duty Assistant and/or Sitter.

11. PETS AND PET FEE.

Pet fish are permitted in the Residence, but aquariums are limited to ten gallons. One pet dog or cat is permitted per Residence, not to exceed 25 pounds, and subject to Resident(s) first paying Owner the non-refundable, one-time Pet Fee. There is a monthly charge for a pet. No other pet is permitted in the Residence, without Owner's prior written consent, and thereafter, on payment of the Pet Fee. As Owner, on Move Out of any residence with a pet occupant, replaces the carpet, pad and blinds, the Pet Fee is non-refundable, and such is agreed to be a non-refundable charge to defray the cost to Owner of these Residence replacements; and is not a deposit, nor offset to any other damage claim (See **Exhibit I**).

12. ACCESS TO YOUR RESIDENCE.

The staff may enter your Residence for any reasonable purpose, but not limited to, performing housekeeping, maintenance and other services described in this Agreement. The Community will attempt to notify Resident in advance that a staff member will enter your Residence for non-routine events. Resident agrees to allow the Community to show the Residence during reasonable hours to prospective residents within the last thirty (30) days of the Term.

13. YOUR RIGHTS AND RESPONSIBILITIES.

A. Rules, Regulations and Resident Handbook. Each Responsible Party agrees to abide by the Community's Rules, Regulations and Resident Handbook as they now exist and as amended. A copy of the Community's Rules and Regulations, and the Resident Handbook have been provided to the Resident. Each Responsible Party, Resident's guests, and any Sitter or Private Duty Assistant shall conduct themselves pursuant to the Community's Rules and Regulations, the Resident Handbook, general policies, together with any specific policies and rules governing Private Duty Assistants and Sitters and in a manner that is peaceful and harmonious, and will not engage in conduct that interferes with or jeopardizes the health, safety, or peaceful lodging of the residents, staff, and others at the Community.

B. Loss/Theft and Insurance. Each Responsible Party is responsible for providing at their own expense insurance to protect Resident and Resident's personal belongings against loss or injury. Each Responsible Party is required to procure insurance including health, life, disability, property, renter's and, if applicable, motor vehicle insurance for Resident's own protection. The Owner shall not be responsible for the loss of any property belonging to Resident due to theft or any other reason unless such loss is caused by the Community's staff.

C. Resident's Liability to Others. Each Responsible Party accepts joint and several responsibility for any loss, injury, or damage to others, to themselves, the Residence, the Community, and the Community caused by or resulting from, in whole or in part, the Resident's acts or omissions or those of the Resident's guests and Private Duty Assistant. Each Responsible Party agrees to indemnify, defend, and hold harmless the Owner, its Manager, and their employees and affiliates from and against all liability, loss, costs (including attorneys' fees) or claims pertaining to or arising from such loss, injury, or damage.

D. Admission Information. Each Responsible Party represents that the information set forth on their application forms, the Resident's health history and medical report, personal interview, and emergency information records, as applicable, is true and correct. Any substantive inaccurate statement made by any Responsible Party, including their age, finances, resources, and health history may render this Agreement voidable and/or immediately terminated at the option of the Community. Each Responsible Party agrees to submit updated copies of the above forms upon request from the Community, when required by state regulations or when any Responsible Party becomes aware of a change in Resident's medical condition.

Each Responsible Party has been advised and received a copy of Texas' statutory Resident Rights which are attached as **Exhibit D**, and posted in the Community. The Community shall not deprive Residents of any rights, benefits, or privileges guaranteed by law, the Constitution of the State of Texas, or the Constitution of the United States solely on account of his or her status as a resident.

E. Complaint Resolution Procedure. Each Responsible Party has been provided with a copy of the Community's complaint resolution procedures as set out in the Resident Handbook. All Residents are encouraged to exercise their rights as a resident and citizen. Grievances, and recommendations for changes in policies and services, may be voiced to Community staff or outside representatives without interference, discrimination, reprisal, coercion, or restraint. Residents are encouraged to bring their concerns to the Executive Director. The following Parties are also available to assist the Resident with resolution of complaints:

Edgemere
Attention: Executive Director
8502 Edgemere
Dallas, TX 75225

Texas Health and Human Services Commission
Complaint and Incident Intake
Mail Code E-249
P.O. Box 149030-78714
Austin, TX 78751
Phone: 1-800-458-9858
Fax: 1-512-438-5827

F. Resident's Copy of the Agreement. Resident will be given a duplicate original of this Agreement.

G. Notice of Absences. When Resident is going to be temporarily absent from the Community, Resident and their Responsible Party agree to give prior written notice to the Community's staff. Resident and their Responsible Party agree to let the Community know Resident's general whereabouts at all times.

14. TERMINATION OF AGREEMENT.

A. Termination by Resident. Resident or their Responsible Party may terminate this Agreement for any reason by giving the Community at least thirty (30) days prior written notice of termination. Resident and the Financially Responsible Party will continue to be responsible for Resident's Monthly Fee, Plan Fee and any other fees payable under this Agreement until the notice period has expired or until Resident has vacated their Residence as described below, whichever is later. If the physician certifies that Resident requires an emergency relocation to a higher level of care than provided at the Community, Resident or their Responsible Party may terminate this Agreement by giving the Community written notice of termination, together with a copy of the certification and the Agreement will be terminated on the date that Resident's Residence is vacated as described below. Resident may have special statutory rights, which may eliminate the requirement for prior written notice to terminate this Agreement early, in certain situations involving family violence or a military deployment or transfer.

B. Termination by Owner for Failure to Pay. Owner may terminate this Agreement upon thirty (30) days prior written notice if (i) Resident or your Financially Responsible Party fails to pay the Monthly Fee, Plan Fee, or other fees payable under this Agreement or comply with the requirement of any applicable financial assistance policy that may result in residency termination, or, (ii) in the case of successor Financially Responsible Party or a successor Resident's Representative, a failure to comply with the provisions of Sections 18 and 19 below. Resident and your Financially Responsible Party will continue to be responsible for Resident's Monthly Fee, Plan Fee, and any other fees payable under this Agreement until Resident has vacated their Residence as described below.

C. Owner's Termination for Health or Safety Reasons. Except as provided below, based upon the discharge criteria set forth on **Exhibit D**, the Owner may terminate this Agreement upon thirty (30) days written notice. In the event of an emergency, notice shall be made as soon as practicable. Resident and your Financially Responsible Party will continue to be responsible for the Monthly Fee, Plan Fee, and any other fees payable until Resident has vacated their Residence as described below.

D. Termination by Mutual Agreement. The Agreement may be terminated immediately at any time upon written agreement of the Parties.

E. Termination by Resident's Estate. This Agreement shall terminate on the date that Resident's Residence is vacated as described in Section 14.F below.

F. Vacating the Residence. Resident and Resident's Financially Responsible Party shall remain liable for the Monthly Fee and Plan Fee, and the Residence shall not be considered vacated, until all of Resident's property is removed from the Residence. If Resident's property is

not removed from the Residence upon termination of the Agreement, the Owner may, upon fourteen (14) days advance written notice (i) remove Resident's property from Resident's Residence and charge for the actual costs of moving and storage or (ii) dispose of Resident's property in accordance with state law.

G. Refund of Prepaid Amounts. Amounts that Resident has prepaid will be returned to Resident pro rata within thirty (30) days following Resident's vacating the Residence (whether by transfer, discharge or death) minus all sums owing to the Owner, including (i) unpaid Monthly Fee, Plan Fees, and other charges that Resident owes to the Owner under this Agreement; (ii) the costs of repairing any of the Community's property that was damaged by Resident, their guests, or their Private Duty Assistant and/or Sitter, or that are incurred in restoring the original décor of the Residence (See Section 2.D above); and (iii) any expense incurred by the Owner to remove and/or store any of Resident's property that was not removed. Any such deductions shall be made in accordance with applicable law. If the amount Resident owes to the Owner exceeds the sum of the prepaid amounts, the Owner will bill Resident for the difference. If the Community discontinues operation, any advance payment for services not received shall be refunded to the resident or the resident's guardian within ten (10) days of the closure, whether or not such refund is requested, provided such refund payment is permitted under applicable law.

H. Holding Over. If either Resident or the Owner gives notice of termination and Resident remains in the Residence after the notice period, then Resident's Monthly Fee and Plan Fee shall increase to One Hundred Fifty Percent (150%) of its current level until the Residence is vacated.

15. A. WAIVER OF JURY TRIAL.

In any dispute arising between the Parties not involving a claim of medical liability, each Party hereto waives its right to a trial by jury in any action, proceeding or counterclaim brought by any Party against any other Party. The prevailing Party shall be entitled to an award of reasonable costs and attorneys' fees. See attached Addendum, Agreement to Arbitrate.

B. LIMITATIONS OF LIABILITY PROVISION.

The parties to this Agreement understand that the purpose of this "Limitation of Liability Provision" is to limit, in advance, each party's liability relation to this Agreement.

Liability for any claim brought by a party of this Agreement against the other party, including but not limited to a claim by the Owner for unpaid fees, or a claim by a Responsible Party, or by a Resident's estate, agent or legal representative, rising out of the care or treatment received by the Resident at the Community, including without limitation, claims for medical negligence or violation(s) of Texas Statutes, arising from simple or gross negligence, shall be limited as follows:

- (1) Net economic damages shall be awardable, including, but not limited to, past and future medical expenses, offset by any collateral source payments.

- (2) Non-economic damages shall be limited to a maximum of two hundred fifty thousand dollars (\$250,000).
- (3) Interest on unpaid wellness service fees shall not be awarded.

16. ADVANCE DIRECTIVES.

If Resident has executed an advance directive, or if Resident executes such documents after Resident moves into the Community, it is their responsibility to inform the staff and supply a copy to the Community. (The term “advance directive” includes health care powers of attorney, designation of a guardian to make health care decisions, living wills, or other documents that describe the amount or type of health care that Resident would want to receive at a time when Resident can no longer communicate those decisions directly to a physician or other health care professional). It is also Resident’s responsibility to inform the Community if Resident revokes or changes their advance directive. A copy of the Community’s Advance Directive Policies has been provided to Resident. (See **Exhibit J**)

17. FINANCIALLY RESPONSIBLE PARTY.

The “Financially Responsible Party” is jointly and severally liable with the Resident for all monetary obligations under this Agreement; including the payment of the Monthly Fee, Plan Fee and all other amounts that become due to the Owner under this Agreement. The Financially Responsible Party may also be the Resident’s Representative. If at any time after the Effective Date a different individual is designated as Financially Responsible Party, Resident and Resident’s Representative shall immediately notify the Community of such successor in accordance with the provisions of Section 21.E below and such successor Financially Responsible Party shall agree to be bound by this Agreement by executing a joinder to this Agreement within seven (7) business days of delivery of such notice. Such a successor Financially Responsible Party shall execute such other documents and agreements as the Community staff deem necessary and appropriate. Failure to comply with the foregoing shall constitute grounds for termination under Section 14.B above.

18. RESIDENT’S REPRESENTATIVE.

“Resident’s Representative” means an individual designated by the Resident to assist the Resident in making decisions about the Resident’s care or has been designated to make decisions on the Resident’s behalf regarding the Resident’s care. This may include an individual that holds a power of attorney or guardianship. The Resident’s Representative may also be the Financially Responsible Party. If at any time after the Effective Date a different individual is designated as Resident’s Representative, Resident and Resident’s Financially Responsible Party shall immediately notify the Community of such successor in accordance with the provisions Section 21.E below and such successor Resident’s Representative shall agree to be bound by this Agreement by executing a joinder to this Agreement within seven (7) business days of delivery of such notice. Such a successor Resident’s Representative shall execute such other documents and agreements as the Community staff deem necessary and appropriate. Failure to comply with the foregoing shall constitute grounds for termination under Section 14.B above.

19. NO RELIGIOUS AFFILIATION.

The Community is not affiliated with any religious organization.

20. ADDENDA AND EXHIBITS.

The Addenda and Exhibits attached to this Agreement are incorporated into and made a part of the Agreement.

21. MISCELLANEOUS

A. Fire or Casualty. If Resident’s Residence or the Community is damaged or destroyed by fire or casualty so as to make it uninhabitable, the Community may terminate this Agreement immediately on notice to Resident, and the Community shall abate the Monthly Fee until the Residence is restored to habitable condition. The Community shall have no obligation to repair or restore the Residence or the Community in the event of a fire or other casualty.

B. No Waiver. The failure by any Party to enforce any of its right under this Agreement shall not be deemed a waiver of any right, which that Party has under this Agreement.

C. Entire Agreement. This Agreement, along with the attached exhibits and addenda, constitute the entire agreement between Resident and the Owner and may be amended only in writing.

D. Assignment or Subletting. Resident shall not let, sublet, assign, or transfer this Agreement, or all or any part of this Agreement, without the prior written consent of the Owner. This Agreement may be freely assigned by the Owner to any of its affiliates, parents, subsidiaries, successors, or assigns.

E. Notice. Notices required by this Agreement shall be in writing and delivered either by personal delivery, overnight delivery service or U.S. mail (certified or registered mail, return receipt requested, and all postage and charges prepaid). Notice to the Owner and/or Manager shall be sent to the attention of the Executive Director at the Community’s address listed below. Notice to Resident shall be sent to Resident’s Residence at the Community’s address listed below, with a copy to the Financially Responsible Party (if there is one) at the following address:

**Edgemere
Attention: Executive Director
8502 Edgemere
Dallas, TX 75225**

and a copy to the Resident’s Representative (if there is one) at the following address:

RP NAME

ADDRESS
CITY, STATE, ZIP

F. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable, this Agreement shall be read as if such unenforceable provision was not included and all other provisions of this Agreement shall continue in full force and effect.

G. Successors. The respective rights and obligations provided in this Agreement shall bind and shall inure to the benefit of the Parties hereto, their legal representatives, heirs, estates, successors and assigns.

H. Survival. The rights and obligations of the Parties set forth in Section 15 and the Addendum to Arbitrate shall survive the termination of this Agreement, together with all rights of indemnification.

I. Governing Law. Except as noted above in Section 15, this Agreement shall be governed by and construed under the laws of the state where the Community is located without regard for its conflict of laws principles.

J. Headings. The headings contained herein are for convenience of reference only and are not intended to define, limit, or describe the scope of intent of any provision of this Agreement.

K. Authorization to Release Medical Information. Each Responsible Party hereby authorizes Resident's health care providers to release Resident's medical information and medical records to the Community as needed and each Responsible Party agrees to complete any forms provided by Community to allow for such release.

L. Incompetency. If Resident becomes legally incompetent, or is unable to properly care for themselves or their property, and Resident has made no other designation of a person or legal entity to serve as their guardian or conservator, Resident hereby grants authority to the Community to apply to a court of competent jurisdiction for the appointment of a conservator or guardian.

M. Risk Management Process. The Community maintains a risk management process to identify and reduce potential liability, which includes providing Resident with the following information:

a. General Provisions

i. No One-On-One Care. Each Responsible Party understands that the Community will not be providing Resident with one-on-one staff assistance at all times. Rather, at limited time periods during the day, Resident will receive supervision or assistance from the staff as defined by the Wellness Services (as set forth in Exhibit C attached hereto) under this Agreement. There will be times that Resident is in their private

residence, hallway, or common areas of the Community, including outdoors, without a staff member present to supervise, observe or assist Resident. This is all part of the Assisted Living Community goal of allowing Resident to live as independently as possible, and with as much dignity, personal decision-making and privacy as possible, and in a less restrictive environment. While Residents are encouraged to enjoy freedom of movement while living in our Community, residents who are easily confused, suffer from Alzheimer's disease or a form of dementia, may occasionally wander in or about the Community's premises. Wandering residents may not be alert to situations that may pose a possible injury to themselves. We ask that Residents and family members be realistic and forthcoming in discussing changes in their loved one's mental state because one-on-one care is not available.

ii. Staff Response Time. Each Responsible Party also fully understand and appreciate the fact that, because Resident will not be receiving one-on-one staff supervision or assistance, their requests for non-emergency staff assistance, such as requests for assistance with a shower or bath, change of clothing, etc., will often not be responded to immediately. If Resident desires a quicker response time, Resident and their Responsible Party understand that Resident will need to hire a private helper/companion. If Resident desires a quicker response time and Resident is not willing to pay for a Private companion, then this is not an appropriate Community for Resident. If Resident wishes to move into the Community and expects a shorter response time, Resident will need to hire a private companion/helper.

iii. Independence. Each Responsible Party understands that because Resident will be given as much independence, privacy, and personal decision-making as possible there may be times when Resident is injured trying to independently perform their activities of daily living to include walking, bathing, transferring from their bed to the bathroom, dressing, etc. Resident and their Responsible Party hereby agree that injuries, including those from falls, which occur while performing an activity that their physician has designated as an activity that Resident can perform independently, cannot reasonably be prevented.

iv. Activities Done Without Supervision/Assistance. Resident and their Responsible Party also agree that for any activity designated by their doctor as requiring supervision or assistance, which Resident decides to perform without reasonably requesting or waiting for staff assistance or supervision and which thereby results in an injury to Resident, is not the fault of the Owner.

b. FURTHERMORE, Resident and their Responsible Party agree that the following events may occur, and result in injury to Resident, and will not be reasonably prevented by the Community:

i. Resident may choose not to request staff supervision or assistance before attempting to perform an activity of daily living such as walking, dressing, transferring, bathing, etc.

ii. Resident may forget to request staff supervision or assistance before attempting to perform an activity of daily living such as walking transferring, bathing, dressing, etc.

iii. Resident may request staff supervision or assistance but then decide to perform the activity before the staff member has been able to reasonably respond to their request.

iv. Resident may choose to exercise their right to refuse medications or refuse to follow their Doctor's advice.

v. Resident may refuse to comply with staff's recommendations to use a cane, walker, wheelchair, or other safety precautions.

vi. Resident may exercise their right to refuse therapy.

vii. Resident may exercise their right to refuse to have a private companion/helper.

c. Falls. As we get older, generally we begin to experience an increase in falls, often due to our decreased eyesight, weaker muscles, slower response time, shuffling gait and/or side effect of our medications. Resident and their Responsible Party understand that the Owner cannot guarantee that Resident will not experience a fall, or an injury from a fall, at the Community.

d. Role of Your Doctor. Resident and their Responsible Party understand that only Resident's physician can do the following: (1) prescribe any medications or treatments for Resident; (2) diagnose any medical condition that Resident may have; (3) order any lab work, therapy or limitations on Resident's activities that the physician deems appropriate and (4) determine if any follow-up action is necessary based on the results of Resident's lab work. Community's staff cannot prescribe medications, nor can they make a medical diagnosis, or order lab work, physical, speech, or occupational therapy, etc.

N. Ownership. The Community is owned by Bay 9 Holdings LLC, A Delaware limited liability company, having a business mailing address of 811 E. 17th Avenue, Denver, CO 80218. The Manager of the Community is Long Hill at Edgemere, LLC, a Delaware limited liability company, having a business mailing address of 580 Long Hill Avenue, Shelton, CT 06484.

[Signature page to follow]

IN WITNESS WHEREOF, this Memory Care Resident Agreement is entered into as of the date set forth above.

By:

**Bay 9 Holdings LLC, a Delaware limited liability company (“Owner”)
(As Owner’s Representative)**

By: _____
Printed Name: _____
Title: Executive Director

Resident:

By: _____
Printed Name: _____

Resident’s Representative:

By: _____
Printed Name: _____

Resident’s Financial Representative:

By: _____
Printed Name: _____

**ADDENDUM TO MEMORY CARE RESIDENT AGREEMENT
TO ARBITRATE**

This is an addendum to the Memory Care Resident Agreement dated _____, 20__.
This addendum is incorporated into and made a part of the Agreement.

The Parties desire to resolve disputes between them as expeditiously and economically as possible. Therefore, any claim or dispute (including those based on contract, negligence or statute) amongst the Parties, involving an amount in excess of \$15,000 arising out of or related to this Agreement, the Community or the services/care provided to the Resident, shall be resolved by binding arbitration administered by an arbitrator agreed upon by the Parties, and judgment may be entered in any court having jurisdiction thereof. In the event that the Parties cannot agree upon an arbitrator within thirty (30) days, each Party shall choose an arbitrator, unaffiliated with such Party and those two arbitrators shall pick a third arbitrator. Each such arbitrator shall have at least ten (10) years of experience in the industry and at least three (3) years' experience with the subject matter. The Parties agree that this Agreement evidences a transaction involving interstate commerce. The U.S. Arbitration Act ("USAA") shall govern the interpretation, enforcement, and proceedings pursuant to the arbitration provisions in this Agreement. The Parties stipulate that the USAA shall apply to this Agreement, and that the USAA shall preempt any inconsistent state law and shall not be reverse preempted. The arbitration panel shall have the discretion to order depositions of witnesses where such discovery is relevant and appropriate. The arbitration panel has the discretion to award economic and non-economic damages. The arbitration panel may also award attorneys' fees and or such other relief if the arbitrators find that a party's conduct arises to the legal standard to award such relief. The Parties agree that the arbitrators' ruling is final and binding. Each side shall bear an equal share of the arbitrators' fees and the costs of the arbitration unless the arbitrators decide otherwise. The rights and obligations of the Parties set forth in this Addendum to Arbitrate shall survive the termination of the corresponding Assisted Living Resident Agreement.

Bay 9 Holdings LLC, a Delaware limited liability company ("Owner")
As Owner's Representative:

By: _____
Printed Name: _____
Title: Executive Director

Date: _____

Resident:

By: _____
Printed Name: _____

Date: _____

Resident's Representative:

By: _____
Printed Name: _____

Date: _____

Resident's Financially Responsible Party:

By: _____
Printed Name: _____

Date: _____

**EXHIBIT A
MEMORY CARE SERVICES**

The Resident resides in a Memory Care Residence. The Community will provide the following services covered by the Monthly Fee.

1. Dining – Three nutritionally well-balanced meals will be served daily in our dining room. In the event of illness, tray service is available upon request.
2. Housekeeping Services – Our housekeepers will clean the Residence, and launder one wash load of personal laundry and one load of bath and bed linens each week.
3. Leisure Activities – We offer a wide variety of recreational, cultural and religious events for residents’ selection and enjoyment; off-site events may be at an additional charge.
4. Transportation – We will transport residents on a first come, first served basis to scheduled destinations, subject to vehicle and driver availability.
5. Utilities – Water, heat, electricity and basic cable are provided. Telephone and optional cable television are available through the local service providers and must be arranged by the Resident or the Resident’s Representative.
6. Emergency Response – Our staff provides emergency assistance and, if appropriate summons emergency response personnel, the Resident’s physician, transportation and notifies family or the Resident’s designee.
7. Accommodations – Since we are not responsible for loss of or damage to Resident’s property, the Resident must obtain renter’s insurance. If we provide furnishings, the Resident will return them in good condition, reasonable wear and tear excepted.

RESIDENT:

Name: DATE: _____

RESPONSIBLE PARTY:

Name: DATE: _____

Name: DATE: _____

EXECUTIVE DIRECTOR:

Name: DATE: _____

EXHIBIT B
ANCILLARY AND CONCIERGE SERVICE FEES

Memory Care

(Not all services are available in all communities; please refer to state regulations to determine availability)

The fees listed below are a’ la carte per session or for each time performed and may be in addition to Plan Fees. Resident or their Responsible Party are responsible for charges from any selected medical supply company.

Personal Care Services

Physician Ordered Compression Stockings	\$ ___ per month
Eye, Nose or Ear Drops	\$ ___ per treatment
Bath/Shower	\$ ___ per treatment
Caring for Braces/Cast/Splint	\$ ___ per day
Pacemaker Testing	\$ ___ per test
Vital Sign Checks with correspondent to Physician	\$ ___ per day
Additional ADL Care	
15 minutes	\$ ___ per 15 minutes
30 minutes	\$ ___ per 30 minutes

Personal Services

Laundry (wash, dry and fold)	\$ ___ per load
Housekeeping (1 hour minimum)	\$ ___ (any cleaning in addition to the weekly housekeeping services described on Exhibit "A")
Staff Transportation Escort/Assistance	\$ ___ per hour
Transfer fee (size based on current residence)	
Studio/1-bedroom	\$ ___
2-bedroom	\$ ___
Carpet Cleaning	
Studio	\$ ___
1-Bedroom	\$ ___
2-Bedroom	\$ ___
Maintenance	\$ ___ per 1/2 hour
Key Replacement	\$ ___ per key
Lock Change	\$ ___ per change
Tray Service	\$ ___ per meal
Guest Meal	\$ ___ per meal
Special Events	Priced per event
Transportation	\$ ___ per hour
Non-Preferred Pharmacy Fee	\$ ___ per month

Administrative Services

Alert Pendent or Bracelet Replacement (if applicable)	\$ ___
Pet Fees	\$ ___ Fee/+\$ ___ mo.

RESIDENT:

_____ DATE: _____

RESPONSIBLE PARTY:

_____ DATE: _____

EXECUTIVE DIRECTOR:

_____ DATE: _____

DRAFT

EXHIBIT C
MEMORY CARE PLANS/WELLNESS SERVICES

Community provides different levels of plans to residents of the Community as more fully set forth in the Resident Handbook. The level of services required by the Resident is based upon a pre-admission assessment using the “Comprehensive Assessment” as referenced in the contract. The assessment is updated annually or when there is a significant change in condition. Assessments may result in a change in level of Memory Care.

Memory Care \$ _____
Memory Care Plus \$ _____

RESIDENT:

_____ DATE: _____

RESPONSIBLE PARTY:

_____ DATE: _____

EXECUTIVE DIRECTOR:

_____ DATE: _____

EXHIBIT D
MEMORY CARE RESIDENT AGREEMENT

Resident's Bill of Rights

1. Each assisted living facility must post the Resident's Bill of Rights, as provided by the department, in a prominent place in the facility and written in the primary language of each resident. A copy of the Resident's Bill of Rights must be given to each resident.
2. A resident has all the rights, benefits, responsibilities and privileges granted by the Constitution and laws of this state and the United States, except where lawfully restricted. The resident has the right to be free of interference, coercion, discrimination, and reprisal in exercising these civil rights.
3. Each resident in the assisted living facility has the right to:
 - A. be free from physical and mental abuse, including corporal punishment or physical and chemical restraints that are administered for the purpose of discipline or convenience and not required to treat the resident's medical symptoms. A provider may use physical or chemical restraints only if the use is authorized in writing by a physician or the use is necessary in an emergency to protect the resident or others from injury. A physician's written authorization for the use of restraints must specify the circumstances under which the restraints may be used and the duration for which the restraints may be used. Except in an emergency, restraints may only be administered by qualified medical personnel;
 - B. participate in activities of social, religious, or community groups unless the participation interferes with the rights of others;
 - C. practice the religion of the resident's choice;
 - D. if the resident has an intellectual disability, with a court-appointed guardian of the person, participate in behavior modification program involving use of restraints, consistent with subparagraph (A) of this paragraph, or adverse stimuli only with the informed consent of the guardian;
 - E. be treated with respect, consideration, and recognition of his or her dignity and individuality, without regard to race, religion, national origin, sex, age, disability, marital status, or source of payment. This means that the resident:
 - i. Has the right to make his/her own choices regarding personal affairs, care, benefits, and services;
 - ii. Has the right to be free from abuse, neglect, and exploitation; and
 - iii. If protective measures are required, has the right to designate a guardian or representative to ensure the right to quality stewardship of his/her affairs;

- F. a safe and decent living environment;
- G. not be prohibited from communicating in his or her native language with other individuals or employees for the purpose of acquiring or providing any type of treatment, care, or services;
- H. complain about the resident's care or treatment. The complaint may be made anonymously or communicated by a person designated by the resident. The provider must promptly respond to resolve the complaint. The provider must not discriminate or take other punitive action against a resident who makes a complaint;
- I. receive and send unopened mail, and the provider must ensure that the resident's mail is sent and delivered promptly;
- J. unrestricted communication, including personal visitation with any person of the resident's choice, including family members and representatives of advocacy groups and community service organizations, at any reasonable hour;
- K. make contacts with the community and to achieve the highest level of independence, autonomy, and interaction with the community of which the resident is capable;
- L. manage his or her financial affairs. The resident may authorize in writing another person to manage his/her money. The resident may choose the manner in which his/her money is managed, including a money management program, a representative payee program, a financial power of attorney, a trust, or similar method, and the resident may choose the least restrictive of these methods. A person designated to manage a resident's financial affairs shall do so in accordance with each applicable policy, law, or rule. On request of the resident or the resident's representative, the person designated to manage the resident's financial affairs shall make available the related financial records and provide an accounting relating to the financial management. A resident's designation of another person to manage the resident's financial affairs does not affect the resident's ability to exercise another right articulated by law. If a resident is unable to designate another person to manage the resident's financial affairs and a guardian is designated by a court, the guardian shall manage the resident's financial affairs in accordance with Texas Estates Code and other applicable laws;
- M. access the resident's person and clinical records, which are confidential and may not be released without the resident's consent, except:
 - i. to another provider, if the resident transfers residence; or
 - ii. if the release is required by another law;

- N. be fully informed, in language that the resident can understand, of the resident's total medical condition and be notified whenever there is a change in the resident's medical condition;
- O. choose and retain a personal physician and to be fully informed in advance about treatment or care that may affect the resident's well being;
- P. participate in developing his/her individual service plan that describes the resident's medical, nursing, and psychological needs and how the needs will be met;
- Q. be given the opportunity to refuse medical treatment or services after the resident:
 - i. is advised by the person providing services of the possible consequences of refusing treatment or services; and
 - ii. acknowledges that he/she understands the consequences of refusing treatment or services;
- R. unaccompanied access to a telephone at a reasonable hour or in case of an emergency or personal crisis;
- S. privacy, while attending to personal needs and a private place for receiving visitors or associating with other residents, unless providing privacy would infringe on the rights of other residents. This right applies to medical treatment, written communications, telephone conversations, meeting with family, and access to resident councils. If a resident is married and the spouse is receiving similar services, the couple may share a room;
- T. retain and use personal possessions, including clothing and furnishings, as space permits. The number of personal possessions may be limited for the health and safety of other residents;
- U. determine his or her dress, hair style, or other personal effects according to individual preference, except the resident has the responsibility to maintain personal hygiene;
- V. retain and use personal property in his or her immediate living quarters and to have an individual locked area (cabinet, closet, drawer, foot locker, etc.) in which to keep personal property;
- W. refuse to perform services for the facility, except as contracted for by the resident and operator;
- X. be informed by the provider no later than the 30th day after admission:
 - i. whether the resident is entitled to benefits under Medicare or Medicaid; and

- ii. which items and services are covered by these benefits, including items or services for which the resident may not be charged;
- Y. not be transferred or discharged unless:
- i. the transfer is for the resident's welfare, and the resident's needs cannot be met by the facility;
 - ii. the resident's health is improved sufficiently so that services are no longer needed;
 - iii. the resident's health and safety or the health and safety of another resident would be endangered if the transfer or discharge was not made;
 - iv. the provider ceases to operate or to participate in the program that reimburses for the resident's treatment or care; or
 - v. the resident fails, after a reasonable and appropriate notice, to pay for services;
- Z. not be transferred or discharged, except in an emergency, until the 30th day after the date the facility provides written notice to the resident, the resident's legal representative, or a member of the resident's family, stating:
- i. that the facility intends to transfer or discharge the resident;
 - ii. the reason for the transfer or discharge;
 - iii. the effective date of the transfer or discharge;
 - iv. if the resident is to be transferred, the location to which the resident will be transferred; and
 - v. any appeal rights available to the resident and to whom the appeal should be directed;
- AA. leave the facility temporarily or permanently, subject to contractual or financial obligations;
- BB. have access to the services of a representative of the state Long-term Care Ombudsman Program; and
- CC. execute an advance directive, under the Advance Directives Act (Chapter 166, Health and Safety Code), execute a medical power of attorney, or designate a guardian in advance of need to make decisions regarding the resident's health care should the resident become incapacitated.

DRAFT

Resident's Bill of Rights

Acknowledgement Form

I/We have had the Resident's Bill of Rights reviewed with me/us. I/We have had my/our questions answered.

Signature of Incoming Resident

Date: _____

Signature of Resident's Representative

Date: _____

Signature of Community's Representative

Date: _____

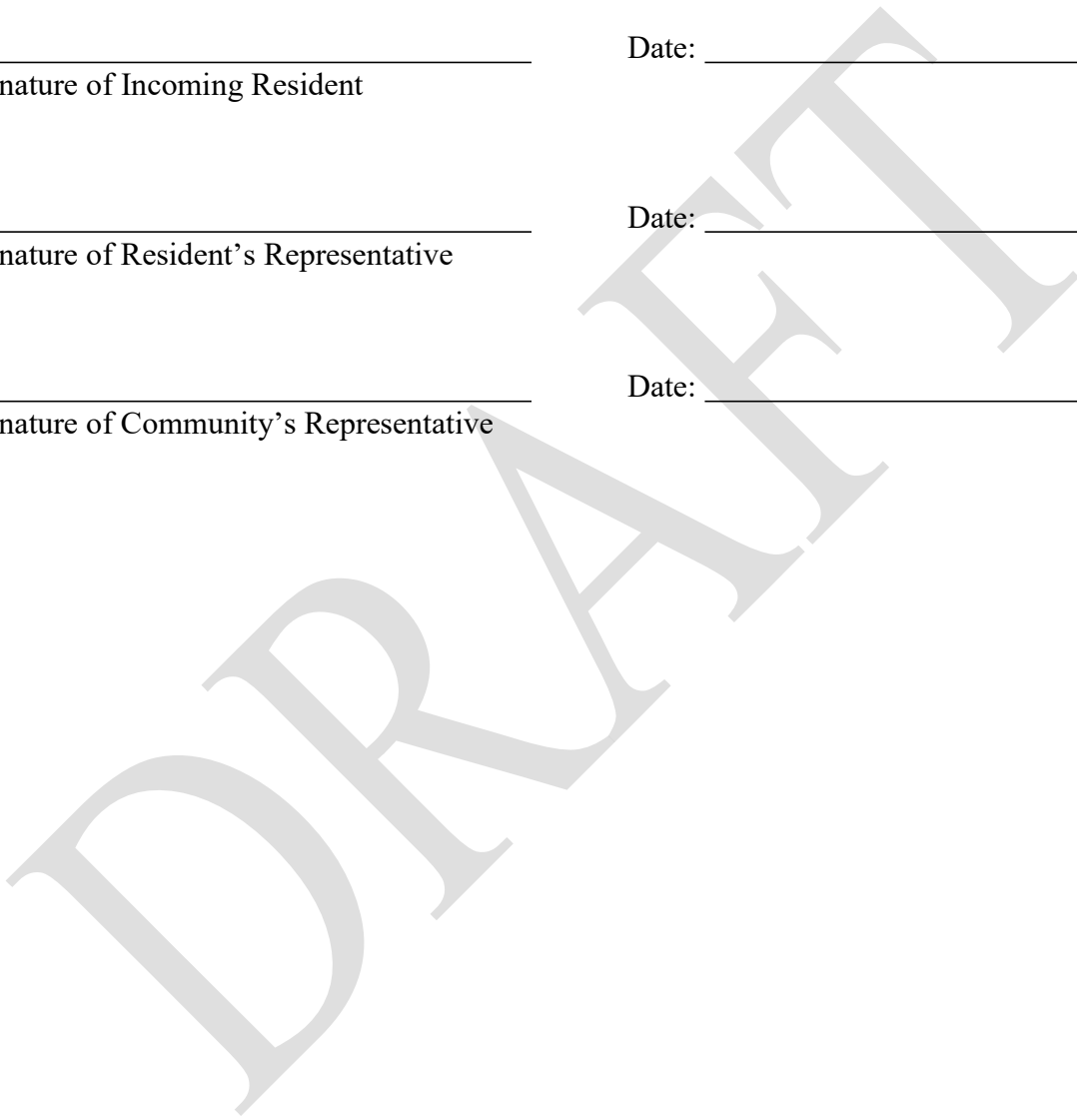


EXHIBIT E

MEMORY CARE RESIDENT AGREEMENT

TRANSPORTATION GUIDELINES

This assisted living/memory care community has a vehicle available for transporting residents to and from scheduled activities, outings and on assigned days, physician or clinic appointments. Routinely, trips are scheduled to banks, stores, pharmacies, etc. Resident will see specific schedules printed on the activity calendar. Transportation is managed through the administrative staff of the Community. Physician and clinic appointments will be scheduled within the established 10 mile radius of the community and as approved by management. Appointments are scheduled on a first come, first served basis. The Community may provide chauffer services and escort service at an additional fee as set forth in **Exhibit B**.

Residents must inform management of their need for these services well enough in advance to avoid conflict with the residence’s trip and activity schedule and to ensure availability of staff to perform escort services.

RESIDENT:

_____ DATE: _____

RESPONSIBLE PARTY:

_____ DATE: _____

EXECUTIVE DIRECTOR:

_____ DATE: _____

EXHIBIT F
RESIDENT HANDBOOK

I hereby acknowledge receipt and review of the Resident Handbook.

RESIDENT:

DATE: _____

RESPONSIBLE PARTY:

DATE: _____

EXECUTIVE DIRECTOR:

DATE: _____

DRAFT

EXHIBIT G

PHARMACY SERVICES AGREEMENT

Resident has the right to select any pharmacy provider for their medication needs. The Community has selected **Omnicare Pharmacy** as our preferred pharmacy. As our preferred pharmacy, **Omnicare** implements approved Medication Management policies and programs which provide services to our residents geared towards enhancing their health and wellness. The Community works closely with various pharmacy providers to ensure that our residents’ needs are met by providing the following services;

- Screening for possible negative drug interactions
- Assessments for potential allergic reactions of medications
- Recommending therapeutic substitutions when appropriate
- Providing competitive pricing for comparable packaging and offering generic substitutions when appropriate
- Alerting staff and physicians when there is a duplication of prescriptions
- Individual wellness recommendations
- Regular scheduled review and monitoring of medications
- Routine or emergency delivery 24-hours a day, 365 days a year
- Medication packaging that meets the community’s standards for safety

Should you elect a different pharmacy you will be charged a monthly non-preferred pharmacy fee of \$ _____. The pharmacy Resident chooses must comply with the Community’s Pharmacy Standards. Additionally, the Community requires that Resident maintains a supply of medication(s) sufficient to meet the prescribed dosage without interruption for three (3) days. If at any time, Resident does not have a three (3) day supply of medication(s) available, Resident grants the Community authority to order a one-month supply of Resident’s required medications from **Omnicare Pharmacy** at Resident’s expense.

Resident:

By: _____
Name: _____

Date: _____

Financially Responsible Party:

By: _____
Name: _____

Date: _____

Resident’s Representative:

By: _____
Name: _____

Date: _____

DRAFT

EXHIBIT H

EVACUATION FORM

In the event of an evacuation from the Community, I will do the following:

_____ Be evacuated by a family member
Name: _____
Address: _____
City: _____ State: _____ Zip Code: _____
Phone Number: _____

_____ Be evacuated by the Community

RESIDENT:

_____ DATE: _____

RESPONSIBLE PARTY:

_____ DATE: _____

EXECUTIVE DIRECTOR:

_____ DATE: _____

EVACUATION FEE

In the event of an evacuation from the Community, I will be evacuated by the Community's staff and agree to pay a non-refundable fee of \$_____ to the Owner upon each evacuation occurrence. I understand that the fee will be paid at the time of the evacuation.

RESIDENT:

_____ DATE: _____

RESPONSIBLE PARTY:

_____ DATE: _____

EXECUTIVE DIRECTOR:

_____ DATE: _____

DRAFT

EXHIBIT I
PET CONSENT

Community: _____

Date: _____

Name of Resident: _____

Residence #: _____

Pet Species: _____ (Dog, Cat, etc.)

_____ has paid a pet fee of \$ _____ and is given permission to have their pet on the premises in compliance with the regulations regarding pets in the Memory Care Resident Agreement signed by the Lessee.

Pet Regulations:

- Pets may not weigh more than 25 pounds.
- There is a non-refundable pet fee of \$ _____
- There is a monthly charge for pet of \$ _____
- Dogs and cats need to be dipped every three months or use the new flea systems.
- All pets must maintain appropriate vaccination and health records required by Community rules and regulations.
- Dogs and cats are never allowed in the common areas or hallways of the community unless being transported outside.
- Dogs must be kept on a leash when in the courtyard areas.
- Resident is responsible for the care of their pet.
- Carpet will be replaced at the resident's expense at time of move-out.
- Resident is responsible for payment to repair any damage to the Residence due to their pet as determined by Community administrative staff.

I agree to the above pet regulations.

RESIDENT:

DATE: _____

RESPONSIBLE PARTY:

DATE: _____

EXECUTIVE DIRECTOR:

DATE: _____

EXHIBIT J

ADVANCE DIRECTIVES

[UNDER REVIEW AND SUBJECT TO REVISION]

“**Advance Directive**” means an instruction made for the purpose of administering, withholding, or withdrawing life-sustaining treatment in the event of a terminal or irreversible condition to a “Qualified Patient”.

- (A) an out-of-hospital DNR order; or
- (B) A medical power of attorney

Related Defined Terms:

“Qualified Patient” means a patient with a terminal or irreversible condition that has been diagnosed and certified in writing by the attending physician.

“Artificial nutrition and hydration” means the provision of nutrients or fluids by a tube inserted in a vein, under the skin in the subcutaneous tissues, or in the stomach (gastrointestinal tract).

“Attending Physician” means a physician selected by or assigned to a patient who has primary responsibility for a patient’s treatment and care.

“Competent” means possessing the ability, based on reasonable medical judgment, to understand and appreciate the nature and consequences of a treatment decision, including the significant benefits and harms of and reasonable alternatives to a proposed treatment decision.

“Declarant” means a person who has executed or issued a directive.

“Health care or treatment decision” means consent, refusal to consent, or withdrawal of consent to health care, treatment, service, or a procedure to maintain, diagnose, or treat an individual’s physical or mental condition, including such a decision on behalf of a minor.

“Incompetent” means lacking the ability, based on reasonable medical judgment, to understand and appreciate the nature and consequences of a treatment decision, including the significant benefits and harms of and reasonable alternatives to a proposed treatment decision.

“Irreversible condition” means a condition, injury, or illness:

- (A) that may be treated but is never cured or eliminated;
- (B) that leaves a person unable to care for or make decisions for the person’s own self; and

- (C) that, without life-sustaining treatment provided in accordance with the prevailing standard of medical care, is fatal.

“Life-sustaining treatment” means treatment that, based on reasonable medical judgment, sustains the life of a patient and without which the patient will die. The term includes both life-sustaining medications and artificial life support, such as mechanical breathing machines, kidney dialysis treatment, and artificial nutrition and hydration. The term does not include the administration of pain management medication, or the performance of a medical procedure considered to be necessary to provide comfort care, or any other medical care provided to alleviate a patient’s pain.

“Medical power of attorney” means a document delegating to an agent authority to make health care decisions.

“Physician” means:

- (A) a physician licensed by the Texas State Board of Medical Examiners; or
- (B) a properly credentialed physician who holds a commission in the uniformed services of the United States and who is serving on active duty in this state.

“Terminal condition” means an incurable condition caused by injury, disease, or illness that according to reasonable medical judgment will produce death within six months, even with available life-sustaining treatment provided in accordance with the prevailing standard of medical care. A patient who has been admitted to a program under which the person receives hospice services provided by a home and community support services is presumed to have a terminal condition.

“Witness” means a person who may serve as a witness.

“Cardiopulmonary resuscitation” means any medical intervention used to restore circulatory or respiratory function that has ceased.

ADVANCE DIRECTIVES ACKNOWLEDGEMENT

Please read the following three statements. Place your initials after each statement.

- 1. I have received an explanation and written information regarding advance directives from the Community. I understand that it is the policy of the Community to respect individual choice and avoid discrimination based on whether or not I have an advance directive. _____ (initial here)
- 2. I understand that I am not required to have an Advanced Directive in order to receive treatment. _____ (initial here)
- 3. I understand that the terms of any Advanced Directives that I have executed will be followed. _____ (initial here)

Resident's Signature: _____ Date: _____

PLEASE CHECK ONE OF THE FOLLOWING STATEMENTS

- I HAVE executed an Advanced Directive.
- I HAVE NOT executed an Advanced Directive.

Signed: _____
 Date: _____
 Witness: _____

EXHIBIT K

PHYSICAL RESTRAINTS/SECLUSION

It is the Owner’s philosophy to foster a restraint-free environment. The use of restraints, either chemical or physical are not permitted nor is the seclusion of residents.

RESIDENT:

_____ DATE: _____

RESPONSIBLE PARTY:

_____ DATE: _____

EXECUTIVE DIRECTOR:

_____ DATE: _____

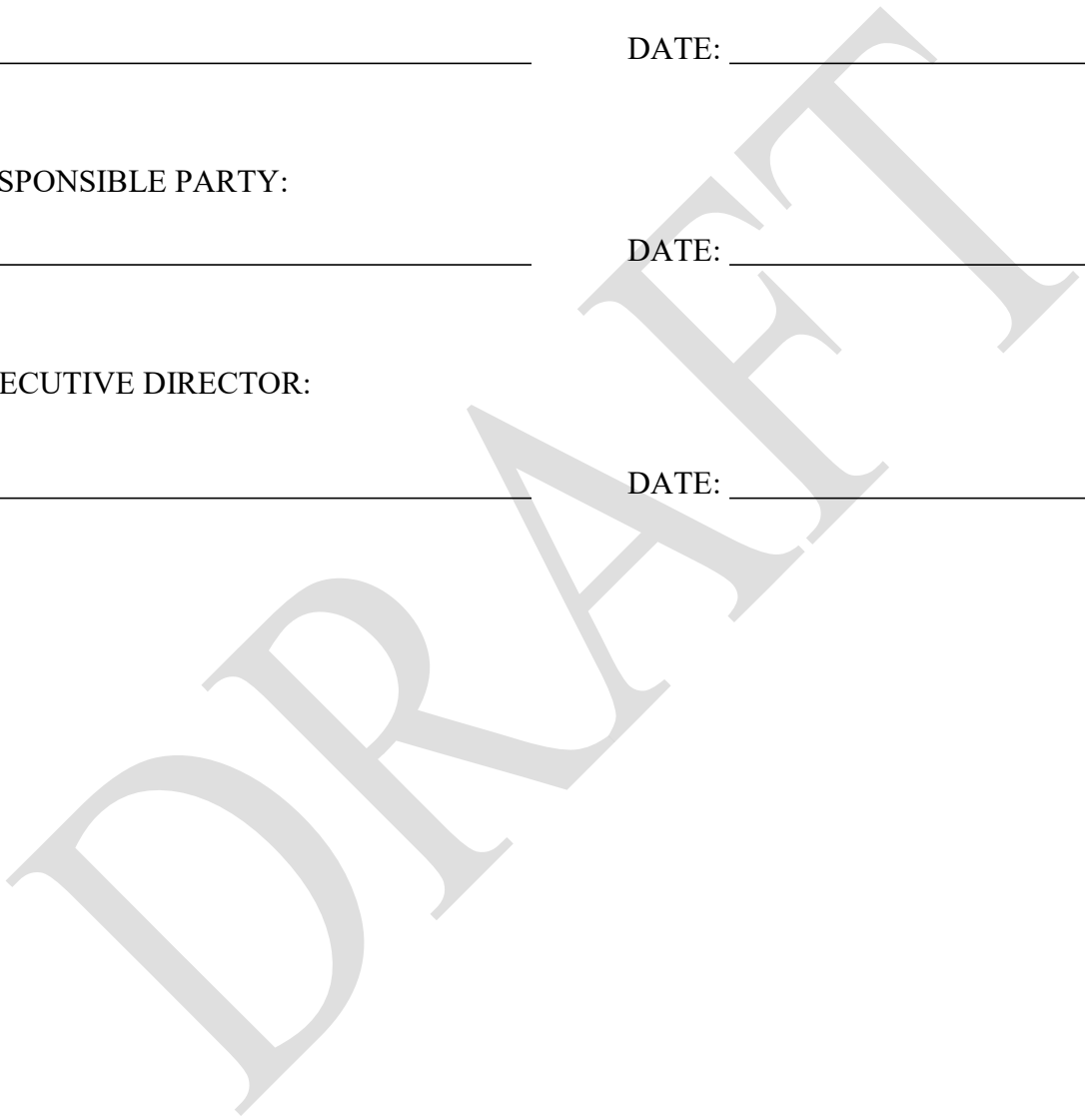


EXHIBIT L

ELECTRONIC MONITORING ACKNOWLEDGEMENT FORM

The rooms of some residents may be monitored electronically by or on behalf of the residents. Monitoring may not be open and obvious in all cases.

RESIDENT:

_____ DATE: _____

RESPONSIBLE PARTY:

_____ DATE: _____

EXECUTIVE DIRECTOR:

_____ DATE: _____

DRAFT

EXHIBIT M

Resident Consent/Acknowledgement Form

Acknowledgement for Health Promotion Assistance

I consent to and authorize this Community, its staff, and associates to provide care and treatment to me per my request and/or as by prescribed by my physician. I understand that I will be responsible monetarily for any additional health services provided outside of the normal services provided at the Community. I agree to notify my physician and the Community's staff of any significant health changes or events relating to my health.

Applicant's Signature

Date

Release Information

I consent to and authorize the Owner to disclose and release information contained in my clinical record to health care providers, third party payers, utilization review, professional standards review organizations, regulatory review entities and other organizations, company, community services, etc. that may/will assist me to meet my health and well-being needs.

Applicant/Responsible Party's Signature

Date

Photograph/Video/Audio Recording Consent

I DO I DO NOT authorize the Owner to take/use my photograph, video/audio recording or my name for purposes of identification, Community publications or media promotions.

Applicant/Responsible Party's Signature

Date

Social Media Acknowledgement

I hereby acknowledge that I have received a copy of the Community's Social Media Policy. I further acknowledge that I have read such policy and will abide by its provisions.

Applicant/ Responsible Party's Signature

Date:

I understand what I have read above, or what was read to me as printed, and I agree to the terms and conditions/indicated above. I understand that I may terminate any of the above authorizations at any time.

Financial Guarantor's Signature

Date

Resident's Signature

Date

Executive Director's Signature

Date

DRAFT

Exhibit 18

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Northwest Senior Housing Corporation, *et al.*¹

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

**AMENDED CERTIFICATION OF ANDRES A. ESTRADA WITH RESPECT TO THE
TABULATION OF VOTES ON THE THIRD AMENDED PLAN OF
REORGANIZATION OF THE PLAN SPONSORS DATED DECEMBER 19, 2022**

I, Andres A. Estrada, depose and say under the penalty of perjury:

1. I am a Managing Director of Corporate Restructuring Services, employed by Kurtzman Carson Consultants LLC (“KCC”), located at 222 N. Pacific Coast Highway, 3rd Floor, El Segundo, California 90245. I am over the age of 18 and not a party to this action.

2. James Lee, Vice President of Public Securities Services for KCC, also assisted in the tabulation described herein.

3. On January 24, 2023, the above-caption Debtors filed the *Certification of Andres A. Estrada with Respect to the Tabulation of Votes on the Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022* [Docket No. 1101] (the “**Voting Certification**”).

4. In accordance with the Solicitation Procedures Order (the “**Solicitation Procedures Order**”), the Plan Sponsors may waive any defects or irregularities as to any particular Ballot at any time, either before or after the Voting Deadline. KCC received eleven late

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is 8523 Thackery Street, Dallas, Texas 75225.



filed ballots from creditors in Classes 5 and 6. At the direction of the Plan Sponsors, KCC tabulated the late filed ballots and prepared an updated tabulation of votes.

5. The updated tabulation of votes, including Ballots cast after the voting deadline is attached hereto as **Exhibit A**. The detailed ballot reports for Voting Classes 2, 4, 5 and 6 are attached to this Certification as **Exhibits A-1, A-2, A-3, and A-4**.

6. Attached as **Exhibit B** to this Certification is a detailed report of any Ballots that were not included in the tabulation above because they did not satisfy the requirements for a valid Ballot as set forth in the Solicitation Procedures Order.

7. In addition, KCC reviewed and tabulated the elections recorded on the Ballots and Opt Out Forms received by the Voting Deadline from holders entitled to opt out of the Plan's third-party releases. A report of any such holders that checked the opt out box on their ballot or opt out form is attached hereto as **Exhibit C**. For the avoidance of doubt, this Certification does not certify the validity or enforceability of any opt out elections received and reported on **Exhibit C** hereto, but rather this Certification is providing such information for reporting and informational purposes only.

Conclusion

To the best of my knowledge, information and belief, the foregoing information concerning the distribution, submission and tabulation of Ballots in connection with the Plan is true. The Ballots received by KCC are stored at KCC's office and are available for inspection by or submission to this Court.

Dated: February 16, 2023

/s/ Andres A. Estrada
Andres A. Estrada
Kurtzman Carson Consultants LLC

Exhibit A

Exhibit A-9 Page 2628
 (Amended) Ballot Tabulation Summary

Class Name	Class Description	Unacceptable Votes	Members Voted	Members Accepted	Members Rejected	% Members Accepted	% Members Rejected	Total \$ Voted	\$ Accepted	\$ Rejected	\$ Abstained	% \$ Accepted	% \$ Rejected
2	Bond Claims	0	109	106	3	97.25	2.75	\$60,255,555.00	\$60,225,555.00	\$30,000.00	\$0.00	99.95	0.05
4	General Unsecured Claims	0	129	124	5	96.12	3.88	\$60,656,855.53	\$60,355,970.58	\$300,884.95	\$29,892.86	99.50	0.50
5	Participating Former Resident Refund Claims	1	86	86	0	100.00	0.00	\$35,735,576.26	\$35,735,576.26	\$0.00	\$259,127.00	100.00	0.00
6	Participating Current Resident Refund Claims	12	203	203	0	100.00	0.00	\$97,916,275.03	\$97,916,275.03	\$0.00	\$561,599.80	100.00	0.00

Bond Claims and Bond Deficiency Claims

DTC Part No.	Nominee	Total Number of Accounts Voting	Number of Accounts Accepted	Number of Accounts Rejected	Total Principal Amount Voted	Principal Amount Accept	Principal Amount Reject
901	BANK OF NY	3	3	0	\$2,585,000.00	\$2,585,000.00	\$0.00
10	BROWN BROS	2	2	0	\$2,190,000.00	\$2,190,000.00	\$0.00
164	CHS SCHWAB	4	4	0	\$475,000.00	\$475,000.00	\$0.00
8862	MLPFS/8862	1	1	0	\$185,000.00	\$185,000.00	\$0.00
226	NFS LLC	2	2	0	\$195,000.00	\$195,000.00	\$0.00
571	OPPENHEIME	1	1	0	\$45,000.00	\$45,000.00	\$0.00
443	PERSHING	16	16	0	\$13,975,000.00	\$13,975,000.00	\$0.00
547	R W BAIRD	1	1	0	\$5,000.00	\$5,000.00	\$0.00
235	RBCCAPMKTS	26	26	0	\$390,000.00	\$390,000.00	\$0.00
997	SSB&T CO	16	16	0	\$39,240,555.00	\$39,240,555.00	\$0.00
2950	SSB/TETF	3	3	0	\$535,000.00	\$535,000.00	\$0.00
793	STIFEL	32	30	2	\$415,000.00	\$395,000.00	\$20,000.00
62	VANGUARD	1	0	1	\$10,000.00	\$0.00	\$10,000.00
141	WELLS CLRG	1	1	0	\$10,000.00	\$10,000.00	\$0.00
	TOTAL	109	106	3	\$60,255,555.00	\$60,225,555.00	\$30,000.00

**Class 4 Ballot Detail
General Unsecured Claims**

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote
AMC Construction	01/19/2023	253	\$64,375.00	01/11/2023	Accept
Andrew Corridori	01/03/2023	32	\$125.00	01/03/2023	Accept
Contemporary, Inc.	01/10/2023	113	\$563.65	01/10/2023	Accept
Emerald Irish Dance and Cultural Society	12/30/2022	23	\$157.00	12/30/2022	Accept
For Love & Art	01/19/2023	254	\$200.00	01/10/2023	Accept
Green Planet, Inc.	12/28/2022	4	\$668.50	12/28/2022	Accept
Haier US Appliance Solutions, Inc. d/b/a GE Appliances	01/19/2023	297	\$34,641.34	01/19/2023	Accept
Intercity Investment Properties, Inc.	01/17/2023	228	\$113,210.50	01/17/2023	Reject
Lagniappe National Construction LLC	01/17/2023	227	\$157,674.45	01/17/2023	Reject
PointClickCare Technologies Inc	01/09/2023	95	\$7,355.93	01/09/2023	Accept
Resident ID 1387	01/20/2023	308	\$1.00	01/20/2023	Accept
Resident ID 1438	01/10/2023	111	\$294.13	01/10/2023	Accept
Resident ID 202	01/13/2023	213	\$683.36	01/13/2023	Accept
Resident ID 2040	01/11/2023	206	\$910.00	01/04/2023	Accept
Resident ID 74	01/03/2023	34	\$7,141.50	01/03/2023	Accept
Resident ID 86	01/20/2023	312	\$803.51	01/20/2023	Accept
Southwest Mobile Imaging Inc	01/09/2023	91	\$9,234.54	01/09/2023	Accept
Tom Gilchrist	01/05/2023	43	\$600.00	12/28/2022	Accept
United Protective Services LP	01/20/2023	310	\$2,273.25	01/20/2023	Accept
VINTAGE WASHES LTD	12/28/2022	5	\$387.87	12/28/2022	Accept

**Class 4 Ballot Detail
General Unsecured Claims**

Nominee	Total Number of Accounts Voting	Number of Accounts Accepted	Number of Accounts Rejected	Total Principal Amount Voted	Principal Amount Accept	Principal Amount Reject
BANK OF NY	3	3	0	\$2,585,000	\$2,585,000	\$0
BROWN BROS	2	2	0	\$2,190,000	\$2,190,000	\$0
CHS SCHWAB	4	4	0	\$475,000	\$475,000	\$0
MLPFS/8862	1	1	0	\$185,000	\$185,000	\$0
NFS LLC	2	2	0	\$195,000	\$195,000	\$0
OPPENHEIME	1	1	0	\$45,000	\$45,000	\$0
PERSHING	16	16	0	\$13,975,000	\$13,975,000	\$0
R W BAIRD	1	1	0	\$5,000	\$5,000	\$0
RBCCAPMKTS	26	26	0	\$390,000	\$390,000	\$0
SSB&T CO	16	16	0	\$39,240,555	\$39,240,555	\$0
SSB/TETF	3	3	0	\$535,000	\$535,000	\$0
STIFEL	32	30	2	\$415,000	\$395,000	\$20,000
VANGUARD	1	0	1	\$10,000	\$0	\$10,000
WELLS CLRG	1	1	0	\$10,000	\$10,000	\$0

Participating Former Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote	Defect / Irregularity Waived by The Plan Sponsors
Resident ID 12	12/30/2022	21	\$188,694.00	12/30/2022	Accept	
Resident ID 23	01/27/2023	219	\$268,019.00	01/27/2023	Accept	Late Filed Ballot - Changing vote to accept
Resident ID 32	01/02/2023	29	\$227,700.00	01/02/2023	Accept	
Resident ID 61	01/19/2023	296	\$490,507.60	01/19/2023	Accept	
Resident ID 74	01/03/2023	35	\$510,511.50	01/03/2023	Accept	
Resident ID 79	01/19/2023	251	\$461,862.00	01/11/2023	Accept	
Resident ID 83	01/18/2023	238	\$294,236.06	01/18/2023	Accept	
Resident ID 84	01/18/2023	236	\$522,810.00	01/18/2023	Accept	
Resident ID 86	01/20/2023	309	\$217,165.51	01/20/2023	Accept	
Resident ID 89	01/20/2023	325	\$436,671.00	01/20/2023	Accept	Late Filed Ballot
Resident ID 95	01/20/2023	316	\$528,918.30	01/10/2023	Accept	
Resident ID 115	01/09/2023	100	\$297,456.00	01/09/2023	Accept	
Resident ID 162	01/20/2023	320	\$51,703.86	01/20/2023	Accept	
Resident ID 202	01/13/2023	212	\$245,752.36	01/13/2023	Accept	
Resident ID 203	01/09/2023	97	\$612,046.00	01/09/2023	Accept	
Resident ID 212	01/03/2023	36	\$274,763.00	01/03/2023	Accept	
Resident ID 220	01/05/2023	44	\$589,095.00	12/28/2022	Accept	
Resident ID 229	01/19/2023	204	\$442,710.00	01/10/2023	Accept	
Resident ID 230	01/20/2023	315	\$536,463.00		Accept	
Resident ID 284	01/13/2023	225	\$527,138.00	01/13/2023	Accept	
Resident ID 292	01/18/2023	237	\$555,273.00	01/18/2023	Accept	
Resident ID 1387	01/20/2023	313	\$449,100.00	01/20/2023	Accept	
Resident ID 1390	01/11/2023	120	\$481,680.00	01/11/2023	Accept	
Resident ID 1391	01/10/2023	114	\$621,193.00	01/10/2023	Accept	
Resident ID 1393	01/11/2023	116	\$132,567.37	01/11/2023	Accept	
Resident ID 1394	01/12/2023	125	\$316,478.00	01/12/2023	Accept	
Resident ID 1398	01/20/2023	322	\$649,485.00	01/20/2023	Accept	
Resident ID 1400	01/05/2023	70	\$716,288.40	01/05/2023	Accept	
Resident ID 1401	01/18/2023	231	\$643,968.00	01/18/2023	Accept	
Resident ID 1402	01/04/2023	20	\$589,095.00	01/03/2023	Accept	
Resident ID 1403	01/12/2023	121	\$269,910.00	01/12/2023	Accept	
Resident ID 1406	01/19/2023	306	\$430,470.00	01/19/2023	Accept	

Participating Former Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote	Defect / Irregularity Waived by The Plan Sponsors
Resident ID 1407	01/20/2023	318	\$539,343.00	01/12/2023	Accept	
Resident ID 1408	01/19/2023	305	\$540,068.00	01/19/2023	Accept	
Resident ID 1409	01/19/2023	299	\$509,803.00	01/19/2023	Accept	
Resident ID 1410	01/11/2023	123	\$397,575.00	01/04/2023	Accept	
Resident ID 1411	01/20/2023	324	\$420,300.00	01/20/2023	Accept	
Resident ID 1414	12/28/2022	10	\$302,360.40	12/28/2022	Accept	
Resident ID 1416	01/31/2023	331	\$604,035.00	01/31/2023	Accept	Late Filed Ballot
Resident ID 1417	01/19/2023	298	\$301,410.00	01/19/2023	Accept	
Resident ID 1418	01/17/2023	224	\$508,391.00	01/17/2023	Accept	
Resident ID 1420	12/27/2022	3	\$620,100.00	12/27/2022	Accept	
Resident ID 1421	02/02/2023	332	\$525,690.00	02/02/2023	Accept	Late Filed Ballot
Resident ID 1422	01/20/2023	317	\$507,098.80	01/12/2023	Accept	
Resident ID 1424	12/30/2022	22	\$137,340.00	12/30/2022	Accept	
Resident ID 1424	12/28/2022	8	\$137,340.00	12/28/2022	Accept	
Resident ID 1424	12/28/2022	11	\$137,340.00	12/28/2022	Accept	
Resident ID 1425	01/19/2023	249	\$648,945.00	01/19/2023	Accept	
Resident ID 1427	01/09/2023	99	\$216,362.00	01/09/2023	Accept	
Resident ID 1428	12/29/2022	15	\$250,349.40	12/29/2022	Accept	
Resident ID 1433	01/14/2023	216	\$471,743.00	01/14/2023	Accept	
Resident ID 1436	01/07/2023	86	\$808,430.00	01/07/2023	Accept	
Resident ID 1437	01/13/2023	209	\$377,910.00	01/13/2023	Accept	
Resident ID 1438	01/10/2023	110	\$875,602.00	01/10/2023	Accept	
Resident ID 1439	01/19/2023	248	\$463,934.69	01/19/2023	Accept	
Resident ID 1441	01/04/2023	40	\$618,921.00	01/04/2023	Accept	
Resident ID 1442	01/18/2023	242	\$416,610.00	01/18/2023	Accept	
Resident ID 1443	01/16/2023	221	\$452,952.00	01/16/2023	Accept	
Resident ID 1444	01/20/2023	321	\$243,594.00	01/20/2023	Accept	
Resident ID 1445	01/19/2023	295	\$451,533.77	01/19/2023	Accept	
Resident ID 1446	01/27/2023	330	\$335,327.00	01/05/2023	Accept	Late Filed Ballot
Resident ID 1447	01/12/2023	122	\$463,729.50	01/12/2023	Accept	
Resident ID 1452	01/19/2023	300	\$189,404.11	01/19/2023	Accept	
Resident ID 1455	01/19/2023	246	\$333,164.00	01/19/2023	Accept	
Resident ID 1456	01/05/2023	69	\$293,593.16	01/05/2023	Accept	

Participating Former Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote	Defect / Irregularity Waived by The Plan Sponsors
Resident ID 1457	01/04/2023	38	\$318,273.00	01/04/2023	Accept	
Resident ID 1458	01/23/2023	326	\$217,826.77	01/23/2023	Accept	Late Filed Ballot
Resident ID 1459	01/15/2023	217	\$341,793.00	01/15/2023	Accept	
Resident ID 1460	01/09/2023	92	\$557,100.00	01/09/2023	Accept	
Resident ID 1462	01/26/2023	329	\$470,529.00	01/26/2023	Accept	Late Filed Ballot
Resident ID 1464	01/18/2023	240	\$385,110.00	01/18/2023	Accept	
Resident ID 1465	01/20/2023	252	\$623,675.70	01/11/2023	Accept	
Resident ID 1470	01/13/2023	214	\$327,810.00	01/13/2023	Accept	
Resident ID 1514	01/18/2023	245	\$311,564.00	01/18/2023	Accept	
Resident ID 1516	01/11/2023	118	\$670,806.00	01/04/2023	Accept	
Resident ID 1517	01/05/2023	67	\$470,530.00	01/05/2023	Accept	
Resident ID 1518	01/17/2023	222	\$350,910.00	01/17/2023	Accept	
Resident ID 1521	01/05/2023	68	\$589,055.00	01/05/2023	Accept	
Resident ID 1522	01/20/2023	314	\$837,810.00	01/10/2023	Accept	
Resident ID 1523	01/18/2023	233	\$500,145.00	01/10/2023	Accept	
Resident ID 1719	12/28/2022	9	\$104,383.50	12/28/2022	Accept	
Resident ID 1719	12/31/2022	25	\$104,383.50	12/31/2022	Accept	
Resident ID 1719	01/18/2023	203	\$208,767.00	01/03/2023	Accept	
Resident ID 1719	01/05/2023	45	\$208,767.00		Accept	
Resident ID 1719	01/14/2023	226	\$9.00	01/14/2023	Accept	
Resident ID 19820	01/17/2023	223	\$456,300.00	01/17/2023	Accept	

Participating Current Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote	Defect / Irregularity Waived by The Plan Sponsors
Resident ID 2	01/10/2023	106	\$350,910.00	01/10/2023	Accept	
Resident ID 3	01/09/2023	96	\$220,563.00	01/09/2023	Accept	
Resident ID 17	01/03/2023	37	\$162,360.00	01/03/2023	Accept	
Resident ID 38	01/17/2023	229	\$665,163.00	01/17/2023	Accept	
Resident ID 52	01/19/2023	304	\$499,746.00	01/19/2023	Accept	
Resident ID 53	01/19/2023	257	\$449,100.00	01/09/2023	Accept	
Resident ID 59	01/13/2023	211	\$421,470.00	01/13/2023	Accept	
Resident ID 60	01/18/2023	241	\$482,816.70	01/18/2023	Accept	
Resident ID 64	01/03/2023	33	\$296,100.00	01/03/2023	Accept	
Resident ID 81	01/10/2023	39	\$589,905.00	01/10/2023	Accept	
Resident ID 96	01/05/2023	81	\$190,610.00	01/05/2023	Accept	
Resident ID 99	12/31/2022	26	\$366,573.00	12/31/2022	Accept	
Resident ID 109	01/19/2023	80	\$263,661.00	01/09/2023	Accept	
Resident ID 113	01/19/2023	262	\$624,658.00	12/31/2022	Accept	
Resident ID 114	12/28/2022	6	\$869,103.00	12/28/2022	Accept	
Resident ID 116	01/11/2023	139	\$377,910.00	01/06/2023	Accept	
Resident ID 117	01/20/2023	323	\$216,362.00	01/20/2023	Accept	
Resident ID 119	01/19/2023	301	\$256,050.00	01/12/2023	Accept	
Resident ID 120	01/19/2023	273	\$485,190.00	01/10/2023	Accept	
Resident ID 122	01/11/2023	165	\$470,530.00	01/01/2023	Accept	
Resident ID 123	01/19/2023	265	\$194,387.40	01/10/2023	Accept	
Resident ID 125	01/11/2023	152	\$692,973.00	01/04/2023	Accept	
Resident ID 126	01/11/2023	169	\$493,970.00	01/04/2023	Accept	
Resident ID 127	01/19/2023	279	\$537,881.00	01/08/2023	Accept	
Resident ID 128	01/18/2023	79	\$445,140.00	01/12/2023	Accept	
Resident ID 130	01/09/2023	104	\$400,680.00	01/09/2023	Accept	
Resident ID 131	01/05/2023	57	\$226,170.00	12/30/2022	Accept	
Resident ID 133	01/18/2023	194	\$460,493.00	01/12/2023	Accept	
Resident ID 136	01/19/2023	280	\$260,116.20	01/08/2023	Accept	
Resident ID 138	01/11/2023	161	\$639,900.00	01/01/2023	Accept	
Resident ID 140	01/11/2023	130	\$585,063.00	01/02/2023	Accept	
Resident ID 142	01/05/2023	65	\$297,612.00	12/30/2022	Accept	
Resident ID 143	01/19/2023	258	\$196,204.00	01/12/2023	Accept	
Resident ID 144	12/29/2022	12	\$168,750.00	12/29/2022	Accept	

Exhibit A-15C Page 4 of 28
(Amended) Class 6 Ballot Detail

Participating Current Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote	Defect / Irregularity Waived by The Plan Sponsors
Resident ID 144	12/29/2022	2	\$168,750.00	12/28/2022	Accept	
Resident ID 144	12/29/2022	1	\$337,500.00	12/28/2022	Accept	
Resident ID 145	01/06/2023	82	\$205,070.00	01/06/2023	Accept	
Resident ID 146	01/05/2023	48	\$586,590.00	12/27/2022	Accept	
Resident ID 148	01/19/2023	250	\$617,463.00	01/09/2023	Accept	
Resident ID 149	01/19/2023	108	\$432,224.10	01/04/2023	Accept	
Resident ID 151	01/11/2023	136	\$738,000.00	01/06/2023	Accept	
Resident ID 152	01/11/2023	134	\$413,910.00	12/31/2022	Accept	
Resident ID 154	01/11/2023	132	\$697,500.00	01/06/2023	Accept	
Resident ID 156	01/11/2023	176	\$517,349.00	01/02/2023	Accept	
Resident ID 159	01/11/2023	115	\$617,463.00	01/11/2023	Accept	
Resident ID 160	01/05/2023	56	\$674,973.00	12/28/2022	Accept	
Resident ID 161	01/11/2023	180	\$602,100.00	01/03/2023	Accept	
Resident ID 163	01/19/2023	288	\$425,610.00	01/07/2023	Accept	
Resident ID 166	01/05/2023	63	\$566,190.00	12/30/2022	Accept	
Resident ID 169	01/19/2023	266	\$508,390.00	01/11/2023	Accept	
Resident ID 170	01/05/2023	78	\$564,879.00	12/29/2022	Accept	
Resident ID 171	01/02/2023	66	\$508,391.00	01/02/2023	Accept	
Resident ID 172	01/19/2023	270	\$555,717.00	01/11/2023	Accept	
Resident ID 175	01/09/2023	98	\$177,175.80	01/09/2023	Accept	
Resident ID 176	01/11/2023	179	\$622,918.00	01/02/2023	Accept	
Resident ID 178	01/11/2023	146	\$583,037.10	01/01/2023	Accept	
Resident ID 179	01/19/2023	267	\$424,569.00	01/11/2023	Accept	
Resident ID 180	01/11/2023	168	\$405,527.00	01/04/2023	Accept	
Resident ID 181	01/05/2023	51	\$378,810.00	01/03/2023	Accept	
Resident ID 182	01/10/2023	107	\$341,100.00	01/10/2023	Accept	
Resident ID 183	01/07/2023	87	\$538,979.00	01/07/2023	Accept	
Resident ID 184	01/11/2023	155	\$549,630.00	01/04/2023	Accept	
Resident ID 185	01/19/2023	276	\$323,100.00	01/08/2023	Accept	
Resident ID 188	01/05/2023	55	\$398,055.00	12/30/2022	Accept	
Resident ID 189	01/19/2023	272	\$530,100.00	01/06/2023	Accept	
Resident ID 190	01/05/2023	62	\$536,463.00	12/29/2022	Accept	
Resident ID 191	01/11/2023	187	\$539,100.00	12/30/2022	Accept	
Resident ID 192	01/18/2023	244	\$274,763.00	01/18/2023	Accept	

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(Amended) Class 6 Ballot Detail

Participating Current Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote	Defect / Irregularity Waived by The Plan Sponsors
Resident ID 194	01/11/2023	142	\$509,571.00	01/04/2023	Accept	
Resident ID 196	01/19/2023	281	\$585,000.00	01/06/2023	Accept	
Resident ID 199	01/19/2023	307	\$522,810.00	01/19/2023	Accept	
Resident ID 200	01/11/2023	141	\$439,200.00	01/03/2023	Accept	
Resident ID 201	01/19/2023	259	\$480,834.90	01/07/2023	Accept	
Resident ID 204	01/11/2023	195	\$510,420.60	01/05/2023	Accept	
Resident ID 205	01/27/2023	319	\$288,000.00	01/27/2023	Accept	Late Filed Ballot - Changing vote to accept
Resident ID 206	01/05/2023	49	\$498,893.00	12/28/2022	Accept	
Resident ID 207	01/11/2023	200	\$312,115.30	12/29/2022	Accept	
Resident ID 214	01/03/2023	31	\$756,545.00	01/03/2023	Accept	
Resident ID 215	01/05/2023	58	\$253,158.00	12/30/2022	Accept	
Resident ID 217	01/10/2023	109	\$417,087.00	01/10/2023	Accept	
Resident ID 218	01/11/2023	198	\$330,220.00	12/30/2022	Accept	
Resident ID 219	01/05/2023	60	\$377,243.00	12/30/2022	Accept	
Resident ID 221	01/18/2023	234	\$4,515.50	01/11/2023	Accept	
Resident ID 222	01/19/2023	112	\$609,219.90	01/10/2023	Accept	
Resident ID 224	01/11/2023	140	\$333,164.00	01/06/2023	Accept	
Resident ID 225	01/09/2023	85	\$437,846.00	01/07/2023	Accept	
Resident ID 227	01/11/2023	167	\$233,469.00	01/04/2023	Accept	
Resident ID 228	01/11/2023	154	\$213,704.00	01/02/2023	Accept	
Resident ID 231	01/18/2023	235	\$468,000.00	01/07/2023	Accept	
Resident ID 232	01/11/2023	137	\$319,518.90	01/06/2023	Accept	
Resident ID 233	01/19/2023	275	\$468,000.00	01/19/2023	Accept	
Resident ID 235	01/05/2023	64	\$338,585.00	12/30/2022	Accept	
Resident ID 236	01/09/2023	102	\$507,600.00	01/09/2023	Accept	
Resident ID 237	01/18/2023	243	\$643,968.00	01/18/2023	Accept	
Resident ID 238	01/20/2023	311	\$561,600.00	01/20/2023	Accept	
Resident ID 239	01/04/2023	42	\$458,235.00	01/04/2023	Accept	
Resident ID 240	01/02/2023	28	\$341,100.30	01/02/2023	Accept	
Resident ID 242	01/19/2023	247	\$418,249.00	01/19/2023	Accept	
Resident ID 244	01/19/2023	283	\$468,432.00	01/08/2023	Accept	
Resident ID 245	12/29/2022	13	\$541,890.00	12/29/2022	Accept	
Resident ID 246	01/11/2023	148	\$426,454.20	01/04/2023	Accept	

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 (Amended) Class 6 Ballot Detail

Participating Current Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote	Defect / Irregularity Waived by The Plan Sponsors
Resident ID 247	01/24/2023	327	\$343,797.30	01/18/2023	Accept	Late Filed Ballot
Resident ID 248	01/09/2023	94	\$269,063.10	01/09/2023	Accept	
Resident ID 249	01/11/2023	158	\$514,796.00	12/31/2022	Accept	
Resident ID 251	01/19/2023	285	\$665,163.00	01/09/2023	Accept	
Resident ID 252	01/11/2023	138	\$458,442.00	01/06/2023	Accept	
Resident ID 253	01/11/2023	188	\$396,897.30	12/30/2022	Accept	
Resident ID 255	01/11/2023	183	\$271,851.30	01/03/2023	Accept	
Resident ID 256	01/09/2023	103	\$486,000.00	01/09/2023	Accept	
Resident ID 257	01/11/2023	201	\$585,405.00	01/02/2023	Accept	
Resident ID 259	01/05/2023	71	\$643,968.00	01/05/2023	Accept	
Resident ID 260	01/16/2023	220	\$377,910.00	01/16/2023	Accept	
Resident ID 261	01/19/2023	268	\$698,400.00	01/10/2023	Accept	
Resident ID 263	01/11/2023	150	\$623,675.70	01/03/2023	Accept	
Resident ID 264	01/11/2023	133	\$566,190.00	01/06/2023	Accept	
Resident ID 265	01/19/2023	287	\$530,100.00	01/09/2023	Accept	
Resident ID 266	01/19/2023	263	\$504,000.00	01/10/2023	Accept	
Resident ID 268	01/12/2023	205	\$433,440.00	01/07/2023	Accept	
Resident ID 269	01/05/2023	50	\$692,100.00	12/27/2022	Accept	
Resident ID 270	01/11/2023	83	\$527,138.00	01/06/2023	Accept	
Resident ID 271	01/19/2023	256	\$359,188.20	01/03/2023	Accept	
Resident ID 272	01/11/2023	186	\$680,473.80	01/03/2023	Accept	
Resident ID 273	01/11/2023	128	\$555,717.00	01/03/2023	Accept	
Resident ID 274	01/11/2023	174	\$273,910.00	02/02/2023	Accept	
Resident ID 275	01/11/2023	173	\$270,000.00	01/03/2023	Accept	
Resident ID 276	01/11/2023	184	\$372,510.00	12/31/2022	Accept	
Resident ID 278	01/11/2023	151	\$350,000.00	01/03/2023	Accept	
Resident ID 279	01/05/2023	47	\$540,000.00	12/28/2022	Accept	
Resident ID 280	01/19/2023	292	\$536,635.00	01/05/2023	Accept	
Resident ID 281	01/19/2023	284	\$359,100.00	01/04/2023	Accept	
Resident ID 283	01/16/2023	215	\$199,676.00	01/11/2023	Accept	
Resident ID 285	01/09/2023	90	\$245,070.00	01/09/2023	Accept	
Resident ID 286	01/16/2023	218	\$396,576.00	01/16/2023	Accept	
Resident ID 287	02/10/2023	333	\$472,500.00	02/10/2023	Accept	Late Filed Ballot
Resident ID 288	01/13/2023	208	\$436,800.00	01/13/2023	Accept	

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(Amended) Class 6 Ballot Detail

Participating Current Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote	Defect / Irregularity Waived by The Plan Sponsors
Resident ID 290	01/11/2023	160	\$433,777.50	01/02/2023	Accept	
Resident ID 291	01/11/2023	172	\$408,138.00	01/01/2023	Accept	
Resident ID 293	01/19/2023	264	\$263,661.00	01/09/2023	Accept	
Resident ID 294	01/11/2023	171	\$276,291.00	01/04/2023	Accept	
Resident ID 295	01/05/2023	46	\$420,244.20	12/29/2022	Accept	
Resident ID 296	01/11/2023	197	\$247,217.40	01/04/2023	Accept	
Resident ID 298	01/19/2023	271	\$894,446.70	01/06/2023	Accept	
Resident ID 299	01/19/2023	255	\$379,323.00	01/01/2023	Accept	
Resident ID 300	01/05/2023	53	\$261,019.50	12/28/2022	Accept	
Resident ID 301	01/11/2023	164	\$449,100.00	01/06/2023	Accept	
Resident ID 302	01/05/2023	59	\$150,781.00	12/29/2022	Accept	
Resident ID 303	01/24/2023	328	\$538,979.00	01/10/2023	Accept	Late Filed Ballot
Resident ID 304	01/04/2023	41	\$274,763.00	01/04/2023	Accept	
Resident ID 305	01/19/2023	291	\$364,914.00	01/09/2023	Accept	
Resident ID 307	01/19/2023	286	\$400,500.00	01/07/2023	Accept	
Resident ID 308	01/19/2023	294	\$315,000.00	01/17/2023	Accept	
Resident ID 309	01/11/2023	127	\$408,125.90	12/28/2022	Accept	
Resident ID 310	01/09/2023	101	\$536,463.00	01/09/2023	Accept	
Resident ID 311	01/19/2023	277	\$280,162.80	01/06/2023	Accept	
Resident ID 312	01/01/2023	27	\$377,370.00	01/01/2023	Accept	
Resident ID 313	01/05/2023	73	\$612,077.00	12/29/2022	Accept	
Resident ID 314	01/05/2023	76	\$728,190.00	12/29/2022	Accept	
Resident ID 315	01/11/2023	166	\$333,164.00	01/04/2023	Accept	
Resident ID 316	01/09/2023	93	\$333,164.00	01/09/2023	Accept	
Resident ID 317	01/19/2023	261	\$246,149.00	01/12/2023	Accept	
Resident ID 318	01/11/2023	135	\$508,391.00	01/06/2023	Accept	
Resident ID 319	01/11/2023	144	\$641,541.00	01/06/2023	Accept	
Resident ID 321	01/11/2023	163	\$691,536.60	01/02/2023	Accept	
Resident ID 322	01/11/2023	191	\$369,741.00	01/01/2023	Accept	
Resident ID 324	01/11/2023	156	\$316,478.00	01/02/2023	Accept	
Resident ID 325	01/19/2023	290	\$259,127.00	01/09/2023	Accept	
Resident ID 326	01/11/2023	162	\$419,310.00	01/02/2023	Accept	
Resident ID 327	01/04/2023	16	\$419,310.00	01/01/2023	Accept	
Resident ID 328	01/03/2023	30	\$639,000.00	01/03/2023	Accept	

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(Amended) Class 6 Ballot Detail

Participating Current Resident Refund Claims

Creditor Name	Date Filed	Ballot No.	Voting Amount	Date Signed	Vote	Defect / Irregularity Waived by The Plan Sponsors
Resident ID 329	01/11/2023	129	\$900,000.00	01/03/2023	Accept	
Resident ID 331	01/11/2023	126	\$450,000.00	12/31/2022	Accept	
Resident ID 332	01/10/2023	105	\$710,100.00	01/10/2023	Accept	
Resident ID 334	01/19/2023	282	\$826,067.70	01/09/2023	Accept	
Resident ID 336	01/19/2023	274	\$969,219.00	01/10/2023	Accept	
Resident ID 337	01/11/2023	199	\$740,673.00	01/01/2023	Accept	
Resident ID 339	01/05/2023	75	\$742,500.00	12/30/2022	Accept	
Resident ID 340	01/11/2023	185	\$509,840.73	01/01/2023	Accept	
Resident ID 341	01/05/2023	77	\$522,810.00	12/29/2022	Accept	
Resident ID 342	01/11/2023	149	\$837,810.00	01/02/2023	Accept	
Resident ID 343	01/11/2023	117	\$808,430.00	01/11/2023	Accept	
Resident ID 344	01/11/2023	190	\$427,635.00	01/02/2023	Accept	
Resident ID 345	01/11/2023	153	\$244,930.00	01/04/2023	Accept	
Resident ID 347	01/11/2023	124	\$768,456.00	01/02/2023	Accept	
Resident ID 348	01/11/2023	177	\$504,000.00	01/02/2023	Accept	
Resident ID 349	01/11/2023	178	\$1,249,173.00	01/02/2023	Accept	
Resident ID 351	01/05/2023	74	\$626,310.00	12/28/2022	Accept	
Resident ID 353	01/05/2023	61	\$641,277.00	12/28/2022	Accept	
Resident ID 354	01/11/2023	193	\$818,100.00	01/04/2023	Accept	
Resident ID 355	01/11/2023	196	\$706,401.00	01/03/2023	Accept	
Resident ID 357	01/19/2023	269	\$485,546.40	01/02/2023	Accept	
Resident ID 360	12/29/2022	14	\$837,810.00	12/29/2022	Accept	
Resident ID 361	01/08/2023	88	\$727,588.00	01/08/2023	Accept	
Resident ID 363	01/19/2023	278	\$400,500.00	01/04/2023	Accept	
Resident ID 365	01/11/2023	175	\$1,339,173.00	01/03/2023	Accept	
Resident ID 366	01/11/2023	147	\$621,193.00	01/06/2023	Accept	
Resident ID 367	01/11/2023	182	\$412,020.00	01/02/2023	Accept	
Resident ID 368	01/05/2023	54	\$785,673.00	12/29/2022	Accept	
Resident ID 370	01/11/2023	131	\$768,009.00	12/28/2022	Accept	
Resident ID 371	01/12/2023	207	\$785,673.00	01/12/2023	Accept	
Resident ID 372	01/19/2023	260	\$768,009.00	01/10/2023	Accept	
Resident ID 373	01/11/2023	145	\$478,116.00	12/30/2022	Accept	
Resident ID 374	01/13/2023	210	\$969,219.00	01/09/2023	Accept	
Resident ID 1836	12/28/2022	7	\$405,900.00	12/28/2022	Accept	

Exhibit B

Creditor Name	Date Filed	Ballot No.	Class	Voting Amount	Vote	Opt Out of Third Party Releases?	Reason Not Tabulated
Resident ID 34	01/19/2023	289	6 Participating Current Resident Refund Claims	\$225,990.00	Accept	No	Escrowed Resident
Resident ID 168	01/11/2023	170	6 Participating Current Resident Refund Claims	\$579,571.20	Accept	No	Escrowed Resident
Resident ID 177	01/11/2023	119	5 Participating Former Resident Refund Claims	\$279,000.00	Accept	No	Not Signed
Resident ID 198	01/11/2023	189	6 Participating Current Resident Refund Claims	\$386,100.00	Accept	No	Escrowed Resident
Resident ID 210	12/31/2022	24	6 Participating Current Resident Refund Claims	\$495,000.00	Accept	No	Escrowed Resident
Resident ID 211	01/19/2023	293	6 Participating Current Resident Refund Claims	\$561,599.80	Abstain	No	Abstain
Resident ID 1471	01/11/2023	143	6 Participating Current Resident Refund Claims	\$384,750.00	Accept	No	Escrowed Resident
Resident ID 1472	01/08/2023	89	6 Participating Current Resident Refund Claims	\$605,685.60	Accept	No	Escrowed Resident
Resident ID 1474	01/11/2023	181	6 Participating Current Resident Refund Claims	\$372,600.00	Accept	No	Escrowed Resident
Resident ID 1476	01/09/2023	84	6 Participating Current Resident Refund Claims	\$605,685.60	Accept	No	Escrowed Resident
Resident ID 1477	01/05/2023	52	6 Participating Current Resident Refund Claims	\$605,685.60	Accept	No	Escrowed Resident
Resident ID 1488	01/19/2023	303	6 Participating Current Resident Refund Claims	\$770,004.00	Accept	No	Escrowed Resident
Resident ID 1490	01/11/2023	202	6 Participating Current Resident Refund Claims	\$537,919.20	Accept	No	Escrowed Resident
Resident ID 1495	01/11/2023	192	6 Participating Current Resident Refund Claims	\$517,230.00	Accept	No	Escrowed Resident
Resident ID 2039	01/17/2023	230	5 Participating Former Resident Refund Claims	\$259,127.00	Abstain	No	Abstain
Unidine Corporation	01/18/2023	232	4 General Unsecured Claims	\$29,892.86	Abstain	Yes	Abstain

Exhibit C

Creditor Name	Date Filed	Opt Out of Third Party Releases?
A+ Staffing	12/29/2022	Yes
COOKING EQUIPMENT SPECIALIST, LLC	12/29/2022	Yes
Haier US Appliance Solutions, Inc. d/b/a GE Appliances	01/19/2023	Yes
Intercity Investment Properties, Inc.	01/17/2023	Yes
Nina Hickox	01/17/2023	Yes
Resident ID 31	01/11/2023	Yes
Unidine Corporation	01/18/2023	Yes
United Protective Services LP	01/20/2023	Yes