

STAMFORD ELDERLY HOUSING CORPORATION

22 Clinton Avenue
Stamford, Connecticut 06901

NOTICE OF BOARD MEETING

October 27, 2021

7:15 p.m.

To: Susan Rutz
Rich Ostuw
Lester McKoy
Bianca Shinn-Desras
Sheila Williams-Brown

AGENDA

- a. Call to Order
- b. -Approve Minutes of September 22, 2021
- c. Resolution:
 - 21-S-03: Approve Operations Transfer Agreement for Scofield Manor Residential Care Home between Charter Oak Communities & Stamford Elderly Housing Corporation and Center Management, Inc.
- d. Adjourn

MINUTES OF THE MEETING OF
THE DIRECTORS OF THE
STAMFORD ELDERLY HOUSING CORPORATION
SEPTEMBER 22, 2021

The Board of Directors of the Stamford Elderly Housing Corporation held a meeting on Wednesday, September 22, 2021. The meeting was held using a remote connection meeting platform, Zoom.

The meeting was called to order by Director Ostuw at 7:07 p.m.

A. Attendees

Present: Susan Rutz
Rich Ostuw
Sheila Williams-Brown
Bianca Shinn-Desras

Advisory Board Members: Ronice Latta

Present: Vin Tufo
Natalie Coard
Jackie Figueroa
Lisa Reynolds
Janice Tantimonico
Christine Young

B. Executive Session

At 6:02 p.m., after a motion duly made by Commissioner Ostuw and seconded by Commissioner Rutz, the Board went into an Executive Session. Mr. Tufo reported to the Board on legal matters for Scofield Manor.

C. Adjournment

At 6:59 p.m., as there was no other business before the Board, the meeting was adjourned after a motion duly made by Director Ostuw and seconded by Director Williams-Brown.

- a. -Approve Minutes of March 24, 2021
-Approve Minutes of July 21, 2021
- b. Resolution:
 - 21-S-02: Approve 2021/2022 Operating Budget for Scofield Manor

STAMFORD ELDERLY HOUSING CORPORATION

22 Clinton Avenue
Stamford, Connecticut 06901

Board Meeting Date: **October 27, 2021**

Resolution Number: **21-S-03**

RESOLUTION

Subject **Approve Operations Transfer Agreement for Scofield Manor Residential Care Home between Charter Oak Communities & Stamford Elderly Housing Corporation and Center Management, Inc.**

Background: Charter Oak Communities (COC) and Stamford Elderly Housing Corporation (SEHC) have determined that continued operation of Scofield Manor as a licensed Residential Care Home (RCH) is not viable under the terms of the current Operating Lease (1990) between SEHC and the City of Stamford. Accordingly, the City and Center Management, Inc. have negotiated an amendment to their Ground Lease (2017), encompassing the Scofield Manor site at 614 Scofieldtown Road, that provides for Center to assume operation of the RCH. COC and Center have negotiated the details of that transfer in an accompanying Operations Transfer Agreement that stipulates the terms and conditions of the transference, along with protections for principal parties, residents and employees.

Resolution: **Be it resolved by the Directors of the Stamford Elderly Housing Corporation that the Operations Transfer Agreement between Charter Oak Communities & Stamford Elderly Housing Corporation and Center Management, Inc. be approved for execution.**

Vincent Tufo
Staff Member Submitting Report

DRAFT

OPERATIONS TRANSFER AGREEMENT

by and between

Housing Authority of the City of Stamford d/b/a Charter Oak Communities

and

Stamford Elderly Housing Corporation

(collectively, “Transferor”),

and

[Scofield Operating LLC]

(“New Operator”)

[DATE]

OPERATIONS TRANSFER AGREEMENT

This **OPERATIONS TRANSFER AGREEMENT** (the “Agreement”), dated as of _____, 2021 (the “Execution Date”), is by and between Stamford Elderly Housing Corporation, a Connecticut corporation (“SEHC”) and the Housing Authority of the City of Stamford d/b/a Charter Oak Communities, a municipal housing authority (“COC”) together with SEHC, the “Transferor”), and [Scofield Operating LLC], a [_____] limited liability company (the “New Operator”).

RECITALS:

WHEREAS, the Transferor is currently the tenant and operator of that certain fifty (50) bed Residential Care Home, duly licensed by the applicable authorities of the State of Connecticut (the “State”) known as “Scofield Manor” (the “Facility”), which is situated on a property located at 614 Scofieldtown Road Stamford, CT 06905 (the “Real Property”), pursuant to that certain lease, dated as of April 26, 1990, (the “Operating Lease”), by and between the City of Stamford (the “City” or the “Real Property Owner”) and Transferor, as tenant;

WHEREAS, the parties wish to enter into this transaction whereby Transferor will transfer the Facility operations to the New Operator, subject to the terms and conditions of this Agreement; and

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

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

ARTICLE I

ASSETS, LIABILITIES, AND OTHER MATTERS

1.1 Transferred Assets.

(a) Subject to the terms and conditions of this Agreement, at the Closing (as herein defined) Transferor will transfer to New Operator all of Transferor’s right, title and interest in and to the following assets (collectively the “Transferred Assets”), free and clear of all liens, except as set forth on Section 1.1 of Transferor’s Disclosure Schedule or as otherwise provided herein (“Permitted Liens”):

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

substantially the same levels and volumes as are necessary for normal operations consistent with industry practices;

(ii) all resident and prospect lists, marketing information, telephone and fax numbers, telephone listings, and computer software and computer licenses, as available, used by the Facility. Notwithstanding anything to the contrary contained herein, all resident and prospect lists will be transferred to New Operator at the Closing Date;

(iii) all transferable licenses, transferable permits and other transferable governmental approvals or authorizations which are used, or may be used, in connection with the Facility (including, without limitation, any authorizations to participate in any state or federal reimbursement program such as Medicaid/SSI in accordance with Section 1.2 below), whether issued or granted by any governmental authority or by any other person, and all transferable operating, license and certification rights with respect to the 50 licensed beds (except as otherwise provided in Section 1.2 below);

(iv) all furniture, fixtures, equipment, furnishings, appliances, tools, instruments, machinery, servers, tablets, office equipment, parts, and other tangible personal property located at the Facility as of the Execution Date and owned by Transferor (including, without limitation, all respiratory equipment and ventilators, and all computer terminals and monitors). Any furniture, fixtures, equipment, furnishings, appliances, tools, instruments, machinery, servers, tablets, office equipment, parts, and other tangible personal property located at the Facility located at the Facility that is not owned by Transferor and therefore, not subject to the transfer to New Operator shall be listed on Schedule 1.1(a)(iv) attached hereto;

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

(vi) all of the Transferor's rights under the Contracts to which the Transferor is a party that the New Operator agrees to assume, to be listed on Schedule 1.1(a)(vi) to be attached hereto (collectively, the "Assumed Contracts");

(vii) all intellectual property of Transferor relating to the Facility, including Transferor's rights, if any, in, to and under the name "Scofield Manor", and any derivatives of the same and any goodwill in connection therewith;

(viii) any other trade names, trademarks, service marks, symbols, logos, know-how, copyrights and other proprietary materials or intellectual property rights used or held for use in connection with the operation of the Facility and all goodwill associated with the Facility or any of the foregoing, provided that any and all proprietary materials and intellectual property rights owned by COC and used in the Facility, to be listed in Schedule 1.1(a)(viii) shall be retained by COC;

(ix) subject to applicable law and the provisions hereof, all employee records, including all personnel files, employee employment applications, W-4's, I-9's and any disciplinary reports or performance evaluations for all retained employees;

(x) Intentionally Omitted

(xi) all agreements with then current residents of the Facility as of the Effective Time (including individuals temporarily not in occupancy) regarding admission and residency at the Facility;

(xii) Intentionally Omitted.

(xiii) all computer software, computer systems and computer programs, including any equipment subject to any lease included in the Assumed Contracts.

(b) Notwithstanding anything to the contrary contained in Section 1.1(a) or elsewhere in this Agreement, the following items (collectively, the “Excluded Assets”) are excluded from the Transferred Assets and shall remain the property of Transferor after the Closing:

(i) all cash and cash equivalents and short-term investments that are held by Transferor prior to the Closing Date, including but not limited to all operating reserves, capital reserves, donated funds and receivables;

(ii) all rights of Transferor under this Agreement and all Transaction Documents;

(iii) all rights of Transferor in connection with, and assets of, the Transferor’s Employee Plans (as defined below) and all right to payment of monies that relate to the period prior to the Closing Date;

(iv) all rights in, claims to and payments of any and all amounts relating to the Excluded Assets, the Facility and/or the ownership or operation thereof, including all accounts receivable, rebates, refunds or credits of whatever nature, including all claims for refund of Taxes, whether real, personal, tangible or intangible, other governmental charges, and COVID related reimbursement funds from state or Federal government, whenever and however paid, issued or credited, in each case, to the extent the same relate to any period prior the Closing Date; and

(v) all Contracts to which Transferor is a party, other than the Assumed Contracts and Resident Admission Agreements.

1.2 Assumed Liabilities. New Operator will assume at the Closing only the following liabilities of Transferor (collectively, the “Assumed Liabilities”): (a) the ongoing obligations of Transferor arising on and after the Closing Date with respect to the Transferred Assets.

1.3 Excluded Liabilities. Except for the Assumed Liabilities expressly assumed by New Operator in Section 1.2 above, New Operator shall not assume any claims, lawsuits, liabilities, obligations, contracts, agreements or debts of Transferor, whether statutory, regulatory, judicially created or constitutional (the “Excluded Liabilities”), including without limitation: (a) malpractice or other tort claims, statutory or regulatory claims, claims of state or federal agencies whether civil or criminal, fraud-based claims or claims for breach of contract to the extent any such claims are based on acts or omissions of Transferor occurring before the Closing Date; (b) any taxes or other obligation or liability of Transferor to pay money incurred by Transferor prior to the Closing Date; (c) any collective bargaining agreements or other agreements or

understandings with any labor union or collective bargaining unit or any employment or consulting agreements of any kind; and (d) any other obligations or liabilities arising in whole or in part from Transferor's acts or omissions prior to the Closing Date or in any way related to the operations of the Facility prior to the Closing Date.

1.4 Transfer of Resident Trust Funds and Deposits.

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

(b) At the Closing, Transferor shall transfer the Resident Trust Funds and Resident Deposits to New Operator and New Operator shall accept the Resident Trust Funds and Resident Deposits in trust for the residents, in accordance with applicable statutory and regulatory requirements. Within ten (10) business days after the Closing Date, Transferor and New Operator shall prepare a final schedule of the Resident Trust Funds and Resident Deposits and thereafter reconcile the Resident Trust Funds and Resident Deposits transferred from Transferor to New Operator.

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

1.5 Employees

(a) Schedule 1.6 attached hereto is a schedule (the "Employee Schedule") which reflects, in all material respects, the following as of the most recent available date: (i) the name of all Transferor employees providing services to the Facility, whether full-time or part-time and (ii) their positions, rates of pay, original hire dates and full/part time status and whether they are on medical disability or leave of absence (the "Facility Employees"). On the Closing Date, New Operator shall offer positions to all Facility Employees that satisfy New Operator's standard employment policies and criteria. Transferor may, at its option, continue to discuss the contemplated operating transfer of the Facility with the registered nurse and administrator of the Facility in order to facilitate a smooth transfer of operations, provided that Transferor shall provide prior notice to New Operator of any such discussions.

b) From the Execution Date of this Agreement until Closing, Transferor shall provide the New Operator with reasonable access during normal business hours to the Facility so that the New Operator may discuss potential employment of any Facility Employees by the New Operator pursuant to the New Operator's standard employment policies and criteria, provided that any such discussions do not interfere with the ongoing operation of the Facility. Transferor shall, as of the Effective Time, terminate the employment of all Facility Employees. Without providing prior notice to the other party, neither party shall separately deliver any written communications to, or hold any group meetings with, any Facility Employees for the purpose of addressing or discussing the transactions contemplated herein, provided, however, that nothing set forth herein shall restrict employees and managers to plan, coordinate and conduct the various tasks and actions necessary for each party to effect and complete the transactions set forth herein. Each party shall endeavor to coordinate with the other party, the delivery of any written communications and/or any meetings or discussion in an effort to facilitate a smooth transfer of operations. The parties acknowledge that the Transferor will, in connection with preparing for the transfer, consult with certain Facility administrators (the "Facility Administrators"). Transferor will obtain non-disclosure agreements from each such Facility Administrator prior to engaging in any such discussions.

(c) Nothing in this Agreement shall create any rights in favor of any person not a party hereto, including the Facility Employees, or constitute an employment agreement or condition of employment for any employee of Transferor or New Operator or any affiliate thereof, nor shall this Agreement be deemed the assignment to or assumption by New Operator of any collective bargaining agreement, employment agreement or terms or conditions of employment (except as set forth herein), and New Operator shall not assume any liabilities or obligations under any employee benefit plan or defined benefit plan of Transferor or its affiliates.

(d) Transferor shall remain liable for all group health plan continuation coverage pursuant to the requirements of Section 601, et seq. of ERISA and Section 4980B of the Code ("COBRA"), for all of its employees to whom it is required to offer the same under applicable law. Transferor acknowledges and agrees that New Operator is not assuming any of Transferor's obligations to its employees and/or qualified beneficiaries under COBRA or otherwise, except as specifically provided in this Agreement.

(e) Transferor agrees to indemnify, defend and hold harmless New Operator from any losses, liabilities, damages, claims, actions, causes of action, costs, expenses, including, without limitation, reasonable attorneys' fees, which New Operator may incur under COBRA or any comparable state law in the event of the violation by Transferor of its obligations under subsection 1.5, provided any such violation is not caused by any act or omission of New Operator.

1.6 Prorations.

(a) At the Closing and for the billing period in which the Effective Time occurs, all expenses and income arising from the conduct of the business of the Facility in the ordinary course, including, without limitation, resident care revenue, trade payables, all employee benefits (including, but not limited to, salaries, bonuses, vacation time, sick time, and holiday time, including all such amounts previously earned but not yet paid and all applicable withholdings and assessments and costs associated therewith) telephone expenses and utility charges, real and

personal property taxes attributable to the Facility, including any such items held in escrow (all such income and expenses to be referred to herein as the “Prorated Items”), shall be apportioned between Transferor and New Operator as of the Effective Time, it being the agreement of the parties that Transferor shall be entitled to and responsible for all revenue, expenses and obligations arising from the operation of the Facility prior to the Effective Time and New Operator shall be entitled to and responsible for all revenue, expenses and obligations arising from the operation of the Facility after the Effective Time, except, in each case, as otherwise expressly set forth herein (including, but not limited to, the Excluded Assets). This provision shall be implemented by New Operator or Transferor, as the case may be, remitting to the other any invoices for Prorated Items that it receives that reflect a service date for which the other party is responsible and by Transferor or New Operator, as applicable, assuming responsibility for the payment of any invoices for Prorated Items that reflect a service date for which it is responsible with any overage or shortage in payments by either party to be adjusted and paid as provided in Sections 1.6 (b) and (c).

(b) All such prorations shall be made based on actual amounts where ascertainable including, without limitation, resident care revenue, trade payables, all employee benefits (including, but not limited to, salaries, bonuses, vacation time, sick time, and holiday time, including all such amounts previously earned but not yet paid and all applicable withholdings and assessments and costs associated therewith), and otherwise on the basis of actual days elapsed in the relevant accounting, billing or revenue period and shall be based on the most recent information available to Transferor. Utility charges which are not metered and read for the Closing shall be estimated based on prior charges, and shall be re-prorated upon receipt of statements therefor.

(c) To the extent possible and based on reasonable estimates, the parties shall make all prorations at the Closing. All amounts owing from one party hereto to the other party hereto that require adjustment after the Closing shall be settled within one hundred eighty (180) days after the Closing Date or, in the event the information necessary for such adjustment is not available within said one hundred eighty (180) day period, then as soon thereafter as practicable. The provisions of this section shall survive Closing.

(d) Any payments received after the Effective Date for services shall be applied first, against the outstanding account receivable due from such payor to New Operator, and, second, against the outstanding account receivable due from such payor to Transferor.

1.7 Access to Records.

(a) All: (i) resident records, resident trust account records and admission agreements (the “Resident Care Records”) for the period prior to the Effective Time; and (ii) business records relating to the operation of the Facility, including maintenance records, policies and procedures, employment records for Facility Employees, including employment applications, W-9 Forms and performance evaluations; and governmental authority compliance records (including surveys and plans of correction) for the period prior to the Effective Time (the “Operations Records”) shall remain the property of the Transferor, provided, however, that, with respect to the Resident Care Records of individuals who are or were residents of the Facility within the three year period prior to the Effective Time and the portion of the Operations Records that relate to the seven (7) year period prior to the Effective Time (the “Current Records”), Transferor shall leave all such Current Records at the Facility and shall also provide complete online access

to all Current Records stored online. New Operator shall assume responsibility for retaining the Current Records in accordance with law.

(b) Transferor may remove all Resident Care Records and Operations Records other than the Current Records from the Facility. Transferor shall file all notices required to be filed by it under applicable law (with a copy to New Operator) with respect to the location of all files.

(c) Subsequent to the Effective Time, each of New Operator and Transferor shall allow the other and its agents and representatives to have reasonable access to (upon reasonable prior notice, during normal business hours), and to make copies of, at the requesting party's expense, of the Resident Care Records and Operations Records and supporting material of the Facility relating to any period prior to or after the Effective Time, to the extent reasonably necessary to enable the requesting party to investigate and defend any claim (to include, without limitation, employee and resident claims), to file or defend tax returns and to verify payments, adjustments or allocations provided by this Agreement and involving the requesting party, which access shall not unreasonably disrupt the requested party's operations.

(d) Each of New Operator and Transferor agrees to maintain such books, records and other material comprising records of its operations of the Facility, including, but not limited to, resident records and records of resident funds, to the extent required by law, but in no event for less than seven (7) years, and thereafter each party may request that such records be retained by it upon a showing to the requested party of the requesting party's reasonable need for such records.

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

1.8 Assumed Operating Contracts and Resident Agreements. Within five (5) business days following the execution of this Agreement, Transferor shall provide New Operator with a schedule (the "Operating Contracts Schedule") of all vendor, service, maintenance, laundry, hospital transfer, hospice, pharmacy and other agreements relating to the operation of the Facility, including, if applicable, copier, telecommunications and other equipment leases (said contracts, being referred to as the "Operating Contracts"). Prior to Closing, New Operator shall notify Transferor of any Operating Contract which it desires to assume at Closing (all of the Operating Contracts to be assumed by the New Operator hereunder being collectively referred to as the

“Assumed Operating Contracts”). Transferor shall provide commercially reasonable cooperation to New Operator in connection with the assignment and assumption of all Operating Contracts to be assumed by New Operator hereunder. Each of the Operating Contracts disclosed or required to be disclosed pursuant to this Section by Transferor is a valid and binding agreement of Transferor and is in full force and effect, and neither the Transferor nor, to the knowledge of the Transferor, is any other party thereto, in default or breach in any material respect under the terms of any such agreement, contract, plan, lease, arrangement or commitment

ARTICLE II

THE CLOSING

2.1 Time and Place of Closing. The actions contemplated to consummate the transactions under this Agreement (the “Closing”) shall occur on the last day of the month during which New Operator, or its representative or designee, has received the written, non-contingent approval from the State of Connecticut Department of Public Health of the Application (as hereinafter defined) (the “Closing Date”); provided that there are at least fourteen (14) days between the date such approval has been obtained and such last day of the month. Otherwise, the Closing shall occur on the last day of the month following the month in which such approval was obtained. The Closing shall commence at 10:00 a.m. at a location agreed by the parties or by such remote methodology as the parties may agree. Notwithstanding the actual time at which the Closing occurs, the time (the “Effective Time”) at which the Closing shall be deemed to be effective shall be 12:01 a.m. on the day immediately following the Closing Date (which shall in all cases be the first day of a month).

ARTICLE III

TRANSFEROR’S REPRESENTATIONS AND WARRANTIES

3.1 Transferor’s Representations and Warranties Transferor represents and warrants, as of the date hereof and the Closing Date, to New Operator as follows:

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

(b) Authority. Transferor has the full power and authority to make, execute, deliver and perform this Agreement and the other instruments to be executed and delivered by it pursuant hereto (the “Transferor’s Transaction Documents”). Such execution, delivery and performance have been duly authorized by all necessary action on the part of Transferor and its members and managers, as applicable. Transferor also has the full right, power and authority to consummate the sale of the Transferred Assets and the other transactions contemplated by this Agreement. Each Person executing this Agreement on behalf of Transferor is authorized to do so. This Agreement and, upon the execution and delivery thereof in accordance with this Agreement, each of the other Transaction Documents, have been duly executed and delivered by Transferor.

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

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

(e) Financial Statements. Transferor has previously provided to New Operator the financial statements listed on Section 3.1(e) of the Transferor Disclosure Schedule which shall include information regarding any loans or stimulus funds received from any state or governmental entity which have not yet been repaid. Such financial statements and the notes thereto, if any, are complete and accurate in all material respects and fairly present the financial condition of the Transferor at the respective dates thereof and the results of operations for the periods then ended and were prepared in accordance with the books and records of the Transferor in conformity with generally accepted accounting principles, consistently applied during the periods covered thereby (except for the absence of footnotes).

(f) Material Adverse Changes. Since the date of the most recent financial statements listed on Section 3.1(e) of the Transferor Disclosure Schedule, the Transferor has operated the Facility in the usual and ordinary course, and, except as arising in the ordinary course of business consistent with past practices, there has been no (i) acquisition or disposition of capital assets, or commitment therefor by the Transferor, (ii) increase in the compensation or employee benefits payable by the Transferor to any employee of the Facility other than scheduled increases in accordance with existing practice or policy or prior commitments, or (iii) event or condition relating specifically to the Transferor and its operation of the Facility (rather than to general economic conditions or generally to the healthcare industry, unless such conditions disproportionately affect Transferor) which has had or, together with any other events or conditions, is reasonably expected to have a material adverse effect on the Facility or the assets, financial condition or results of operation of the Transferor.

(g) Personal Property. Transferor has good and marketable title to or a valid leasehold or license interest in each item of tangible personal property included in the Transferred Assets, free and clear of any security interests, liens, restrictions and encumbrances of every kind, nature and description, except such liens and encumbrances as will be released at Closing Date. None of the Transferred Assets is subject to any (i) contract of sale or lease, or (ii) Lien, except the Permitted Liens.

(h) Contracts. The Operating Contracts Schedule set forth in Section 3.1(h) of the Transferor Disclosure Schedule includes a true and correct list as of the date of this Agreement of all outstanding Operating Contracts to which Transferor is a party. Except as disclosed on Section 3.1(h) of the Transferor Disclosure Schedule, each Operating Contract described thereon is in full force and effect; and neither Transferor, nor, to the knowledge of Transferor, any other party to such Operating Contract, is in default in any material respect thereunder; and no waiver, indulgence or postponement of Transferor's obligations thereunder has been granted by the other party or of such other party's obligations by Transferor; there exists no occurrence, event, condition or act which, upon the giving of notice or the lapse of time or both, would become a default by Transferor (or, to the knowledge of Transferor, any other party) under any such Operating Contract and, except as noted on Section 3.1(h) of the Transferor Disclosure Schedule, none of such Operating Contracts by its terms requires the consent of the other party thereto to be obtained in order to consummate its transfer to New Operator as contemplated hereby without violation thereof.

(i) Leases. The Operating Contracts Schedule set forth in Section 3.1(h) of the Transferor Disclosure Schedule contains a true and correct list of all leases of machinery, equipment and other tangible property leased by Transferor and included in the Operating Contracts. except as disclosed on Section 3.1(h) of the Transferor Disclosure Schedule, each lease described thereon is in full force and effect; all rents due on or before the date hereof on each such lease have been timely paid (there is no ongoing issue as to past rental payments that were disputed); in each case, Transferor, as lessee, has been in peaceable possession since the commencement of the original term of such lease and neither Transferor, nor, to the knowledge of Transferor, any other party to such lease, is in default in any material respect thereunder; and no waiver, indulgence or postponement of Transferor's obligations thereunder has been granted by the lessor or of lessor's obligations by Transferor; there exists no occurrence, event, condition or act which, upon the giving of notice or the lapse of time or both, would become a default by Transferor (or, to the knowledge of Transferor, any other party) under any such lease and, except as noted on Section 3.1(h) of the Transferor Disclosure Schedule, none of such leases by its terms requires the consent of the lessor thereof to be obtained in order to consummate its transfer to New Operator as contemplated hereby without violation thereof.

(j) No Undisclosed Liabilities. To Transferor's knowledge, and except as and to the extent set forth in Section 3.1(j) of the Transferor Disclosure Schedule or reflected in the Financial Statements, and except for current liabilities incurred by Transferor in connection with or with respect to the Facility in the ordinary course since the date of the most recent Financial Statement of Transferor, Transferor has no debts, liabilities or obligations of any nature or kind (whether absolute, accrued, contingent, unliquidated or otherwise, whether due or to become due and regardless of when asserted) arising out of transactions entered into at or prior to the Closing Date which could materially adversely affect the Transferred Assets.

(k) Regulatory and Legal Compliance.

(i) To Transferor's knowledge, the Facility is a duly and properly licensed residential care home with 50 licensed beds, and Transferor is in compliance with all federal, State and local statutes, laws, ordinances, judgments, decrees, orders or governmental rules, regulations, policies and guidelines applicable to the Facility. Transferor has not received any notice from any governmental or regulatory authority of any alleged violation or noncompliance that has not been cured or addressed by a plan of corrective action. Except for the Excluded Assets and Real Property, all rights, properties and assets used or necessary in the operation of the Facility are either owned by Transferor or licensed or leased to Transferor and are included in the Transferred Assets, and all such rights, properties and assets are used by Transferor in the ordinary course of its business.

(ii) To Transferor's knowledge, no action has been taken or recommended, nor is there any basis for any action, by any governmental or regulatory official, body or authority, either to revoke, withdraw or suspend its license to operate the Facility or to terminate or decertify any participation of the Facility in the Medicaid/SSI program, or to take any action of any other type (other than actions applicable to long-term care facilities generally) which would have a material adverse effect on the Facility or its operations or business.

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

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

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

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

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

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

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

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

(v) Transferor has furnished New Operator with true, accurate and complete copies of all surveys, inspection reports, any waivers of deficiencies, plans of correction, and any similar investigation or examination reports relating to any inspections, investigations or examinations by any federal, state or local regulatory agency or administration having jurisdiction over the Facility during the past twenty four (24) months (with respect to same as to the real property only, such representation is limited to those records that are currently in the Transferor's possession) (collectively, the "Surveys"), and such Surveys do not contain any material violations of federal, state and local statutes, laws, ordinances, judgments, decrees, orders or governmental rules, regulations, policies and guidelines applicable to it except as have been cured or addressed by a plan of corrective action. For outstanding violations that may exist as of the Closing Date pursuant to Section 5.6, all deficiencies and violations have been corrected or will be corrected as of the Closing and except as set forth in Section 3.1(k)(v) of the Transferor Disclosure Schedule, there are no bans, remedies, sanctions, prohibitions on payment, or limitations in effect, pending or to Transferor's knowledge, threatened with respect to admissions to the Facility, or any licensure curtailments in effect, pending or to Transferor's knowledge, threatened with respect to the Facility; provided, however, the aforementioned representation with respect to the real property only is limited to the best of Transferor's knowledge.

(l) Cost Reports. Transferor has filed all cost reports required to be filed as of the date hereof and prior to Closing Date under applicable law. Transferor has furnished New Operator with copies of all cost reports filed by the Transferor with the appropriate State agency, with respect to the operation of the Facility for the years ended December 31, 2018, 2019, and 2020, and such cost reports did not contain, to Transferor's knowledge, any disallowable costs or expenses or any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading, and such cost reports have been and prior to Closing shall be prepared in all material respects in accordance with and in compliance with all applicable government rules and regulations.

(m) Life Safety Code Waivers, Etc. Section 3.1(m) of the Transferor Disclosure Schedule contains a complete and accurate list of all decertification proceedings or licensure revocations, and termination or suspension proceedings affecting the Real Property during the prior twenty-four (24) months and any life safety code waivers.

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

(o) Litigation. Except as set forth on Section 3.1(o) of the Transferor Disclosure Schedule, there are no actions, suits (including, but not limited to, class action or third party suits or actions concerning reimbursements), or legal, administrative, arbitration or other proceedings or governmental investigations pending or, to the best of the Transferor's knowledge, threatened against the Transferor or relating to the Transferred Assets or this Agreement before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, and, the Transferor is not a party to or subject to provisions of any judgment, order, writ, injunction, decree or award of any court, arbitrator or governmental or regulatory official, body or authority. Whether with respect to ownership or operation of the Transferred Assets or otherwise, Transferor has not received any written allegation of, and to Transferor's knowledge, has not been investigated in connection with, or received an adverse order, decree, judgment or stipulation in any proceeding relating to, any false or fraudulent claims under any state or federal health care program.

(p) Insurance. (i) Section 3.1(p) of the Transferor Disclosure Schedule discloses the insurance policies covering the ownership and operations of the Transferred Assets and the Facility, showing the policies' numbers, terms, type, identity of insurers, amounts and coverage. All of such policies are now and will be until the Closing Date in full force and effect with no premium arrearages. True and correct copies of all such policies and any endorsements thereto have been or will be delivered to the New Operator prior to the Closing. The Facility maintains, and has maintained, without interruption, adequate and sufficient policies or binders of insurance covering such risks and events, including personal injury, property damage and general liability, as are maintained by similar facilities in the ordinary course of business.

(ii) Transferor has not received any notice or request from any insurance company or board of fire underwriters setting forth any defects or inadequacies in the Transferred Assets which might affect the insurability thereof, or requesting the performance of any work or alteration of the Transferred Assets, or identifying any defect or inadequacy in the operations thereof that would materially and adversely affect the prospective ability to operate the Facility as a residential care home with the number of beds applicable to the Facility. To Transferor's knowledge, there are not any claims, requirements or demands of any licensing or certifying agency supervising or having authority over the Facilities to rework or redesign it or to provide additional furniture, fixtures, equipment or inventory so as to conform or comply with any existing law, code or standard which has not been fully satisfied prior to the date hereof or which will not be satisfied prior to the Closing.

(q) Permits. The Transferor and the Facility have all certificates of need, licenses, permits, approvals and other governmental authorizations and waivers (collectively, the “Permits”) for the operation of the Facility as a residential care home and as are necessary in order to enable it to conduct its business as now conducted, including all Permits necessary for the generation, transport, storage, treatment, handling, release, emission, discharge and disposal of medical wastes, solid or hazardous wastes, hazardous substances and/or pollutants, except for such Permits, the absence of which would not cause a material adverse effect upon the operations of the Facility. Section 3.1(q) of the Transferor Disclosure Schedule is an accurate list and copy of all such Permits. All of said Permits are in full force and effect and the Transferor has not received any notice, nor has any reason to believe, that any of such Permits may or shall be rescinded, revoked, terminated, suspended or not renewed. Transferor has not received notice from any governmental authority or other person of, nor has any knowledge of, any violation of zoning, building, fire, health, environmental, or other statutes, ordinances, regulations or orders (including, without limitation, those respecting the Americans with Disabilities Act), or any restriction, condition, covenant or consent in regard to the Facility or any part thereof which have not been corrected to the satisfaction of the issuer.

(r) Environmental Matters. To the best of Transferor’s knowledge, the Facility is in compliance with all federal, state or local laws, ordinances, rules, regulations, orders or directives or under common law relating to the environment (“Environmental Laws and neither the Transferor, nor, to the Transferor’s knowledge, any other party, has caused any hazardous wastes or hazardous substances (as defined in any applicable Environmental Law) to enter into the soil or groundwater of the Facility.

(s) Employees; Employee Benefit Plans. Transferor shall provide New Operator with a true and complete list of all pension, profit sharing, retirement, deferred compensation, stock purchase, stock option, incentive, bonus, vacation, severance, disability, hospitalization, medical insurance, life insurance and other employee benefit plans, programs or arrangements, maintained by the Transferor (other than obligations to make current wage or salary payments) in respect of, or which otherwise cover, any of the current employees of the Facility, or their beneficiaries (hereinafter individually referred to as a “Plan” and collectively referred to as the “Plans”). The Transferor has made available or delivered to the New Operator true and complete copies of all documents, as they may have been amended to the date hereof, embodying or relating to the Plans. None of the employees employed at the Facility are a party to any employment agreement, consulting agreement, collective bargaining agreement, or similar contract, commitment or arrangement which, after the giving of notice, cannot be terminated at will by Transferor, nor will any such agreement be binding upon New Operator. The Transferor shall be fully liable and obligated in respect of, and New Operator shall have no liability or obligation in respect of, any unemployment or workers' compensation benefits or any liability arising out of wrongful discharge, sexual harassment, employment discrimination or unfair labor practices or any other violation of any applicable federal, state or local employment law, rule or regulation, in each case, for the period prior to the Closing Date.

(t) Licensed Bed and Current Rate Schedule. The Transferor has provided to New Operator a true, correct and complete statement, as of a recent date, of (i) the number and type of licensed beds at the Facility, (ii) the current rates charged by the Facility to its residents

and (iii) the number of beds or units presently occupied in, and the occupancy percentage at, the Facility.

(u) Utilities. All utilities customary for a building similar in size, location and use of the Facility are installed and available to the Facility in an amount adequate and sufficient for the purpose of operating the Facility in the manner operated by Transferor as of the date of this Agreement.

(v) Related Party Transactions. Section 3.1(y) of the Transferor Disclosure Schedule specifies all entities that are “related” through common ownership or control to Transferor under the Medicare definition of such term, or the definition of such term under the State Medicaid/SSI program, that have transacted business with Transferor or the Facility. For each such entity, Section 3.1(y) of the Transferor Disclosure also states the nature of the transaction and the nature of the relationship.

(w) Personal Needs Allowances. Transferor and the Facility are, to the best of Transferor’s knowledge, currently in material compliance with all provisions of applicable law relating to maintaining and accounting for the personal needs allowance (“PNA”) for residents who request the establishment of a PNA account. Except as set forth in Section 3.1(w) of the Transferor Disclosure Schedule, Transferor has no knowledge of and has not received any notice from any Governmental Authority citing or alleging any violation by Transferor or the Facility of applicable law.

(x) Audits. Except as set forth in Schedule 3.1(x) of the Transferor Disclosure Schedule, there have been no audits or payment reviews by any third-party payors, other reimbursement sources, or any governmental authority or utilization review companies which have had a material adverse impact on the utilization of the beds at the Facility.

(y) Finder's Fee. Transferor has dealt with no real estate broker, investment banker, person, firm or entity who would, by reason of such dealings be able to claim a real estate brokerage, business opportunity, brokerage or finder's fee as the procuring cause of this transaction.

(z) Immigration and Nationality Act. To Transferor’s knowledge, Transferor is in material compliance with the terms and provisions of the Immigration and Nationality Act (the “Immigration Act”) for each of Transferor's employees for whom compliance with the Immigration Act is required. Transferor has obtained and has retained a complete and true copy of each of Transferor's employees' Form 1-9 (Employment Eligibility Verification Form) and all other records or documents prepared, procured or retained by Transferor pursuant to the Immigration Act. Transferor has not been cited, fined, served with a notice of intent to fine or with a cease and desist order, nor, to the best knowledge of Transferor, has any action or administrative proceeding been initiated or threatened against Transferor by reason of any actual or alleged failure to comply with the Immigration Act.

(aa) Taxes. (i) All taxes including, without limitation, income, property, sales, use, franchise, value added, employees' income withholding and social security taxes, imposed by the United States or by any state, municipality, subdivision or instrumentality of the United States,

or by any other taxing authority and all other requirements relating to taxing authorities which are due and owing and/or which are due and payable by Transferor in connection with the ownership and leasing of the Transferred Assets, and all interest and penalties thereon, whether disputed or not (hereinafter, the “Taxes”), have been paid in full, (ii) all Tax returns required to be filed in connection therewith have been accurately prepared and duly and timely filed, (iii) Transferor is not delinquent in the payment of any Tax, assessment or governmental charge in connection with the Transferred Assets and Transferor has no Tax deficiency or claim outstanding or assessed against it in connection with the ownership and leasing of the Transferred Assets, (iv) no Tax returns of Transferor required to be filed have been or are being examined by the Internal Revenue Service or any state or local taxing authority and to Transferor’s knowledge no such examinations are pending, and (v) there have been no waivers of statutes of limitations with respect to any Taxes of Transferor required to be filed in connection with the Transferred Assets. All personnel have been characterized correctly as employees or independent contractors according to the rules of the IRS. There are no liens for Taxes (other than for current Taxes not yet due and payable) upon any of the Transferred Assets. None of the Transferred Assets (i) is property which is required to be treated as being owned by any other person pursuant to the so-called "safe harbor lease" provisions of former Section 168(f)(8) of the Code, (ii) directly or indirectly secures any debt the interest on which is tax exempt under Section 103(a) of the Code, or (iii) is "tax-exempt use property" within the meaning of Section 168(h) of the Code. The transactions contemplated by this Agreement are not subject to the tax withholding provisions of Code Section 3406, or of subchapter A of Chapter 3 of the Code or of any other provision of law.

(bb) Prepaid Deposits and Funds on Account. Transferor has no deposits, prepayments or other funds on account which relate to the ongoing operations or services to be rendered by New Operator on or after the Closing Date.

ARTICLE IV

NEW OPERATOR’S REPRESENTATIONS AND WARRANTIES

4.1 New Operator’s Representations and Warranties. New Operator represents and warrants, as of the date hereof and the Closing Date, to Transferor as follows:

(a) Organization and Standing of New Operator. New Operator is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Connecticut. New Operator has the power and authority to own the property and assets now owned by it and to conduct the business presently being conducted by it.

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

(c) Binding Effect. New Operator’s Transaction Documents, when executed by New Operator, constitute the valid and binding obligations of New Operator, enforceable

against New Operator in accordance with their respective terms, except as limited by bankruptcy, insolvency, reorganization and other laws now or hereafter in effect affecting creditors' rights and remedies or by equitable principles.

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

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

ARTICLE V

OBLIGATIONS OF THE PARTIES PRIOR TO CLOSING

5.1 Regulatory Approvals. Transferor shall cooperate with New Operator in connection with the obtaining of the licensure of New Operator as the operator of the Facility ("New Operator License"). Within five (5) days of the issuance or receipt thereof, and, in any event, prior to the Closing, New Operator shall provide to Transferor evidence of New Operator's receipt of the New Operator License or approval of Connecticut Department of Public Health ("DPH") to issue the same. Transferor shall cooperate with New Operator and shall promptly execute and deliver all forms and other documentation to be executed by it in connection with the foregoing.

5.2 Condition of Facility. Between the Execution Date and the Closing Date, except as otherwise permitted under this Agreement, Transferor shall: (a) maintain the Facility in substantially the same condition as the Facility is in as of the Execution Date, ordinary wear and tear excepted; (b) operate the Facility in compliance with all applicable laws, rules and regulations and in the ordinary course and in substantially the same manner as the Facility was operated before the Execution Date, including all marketing, advertising and other efforts to attract and retain residents; (c) maintain not less than the minimum amount of supplies as may be required under

applicable law and as shall be necessary for the proper operation of the Facility consistent with industry standards; (d) take no actions to close the Facility, change the number of licensed beds, or change the Medicaid/SSI certification status of the Facility; (e) promptly notify New Operator upon becoming aware of any third party claims or action that will give rise to any filings, or actual filings, with any regulatory or government agencies that affect Transferor or the Facility; (f) maintain in force the existing property, hazard and liability insurance policies, or comparable coverage, for the Facility as now in effect; (g) other than in the ordinary course of business with the prior consent of New Operator, not enter into any new leases or contracts or change any lease or contract or perform any action that would negatively affect the value of the Transferred Assets or the Facility; (h) maintain all of its books and records in accordance with past practices; (i) keep in full force and effect, without qualification or limitation, all Licenses and Permits currently in effect with respect to the Facility and the Real Property; (j) satisfy and discharge all claims, liens, security interests, tenancies, liabilities or other financial obligations which constitute a lien or encumbrance on any of the Transferred Assets (other than Permitted Liens); (k) file all returns, reports and filings of any kind or nature, including but not limited to, cost reports, required to be filed by Transferor on a timely basis; and (l) pay when due (or withhold and pay over, as required) all payables, debts, taxes, assessments, charges, and levies imposed upon Transferor, the Transferred Assets, the Facility or the Real Property (or any portion thereof), but shall have the right to challenge any such taxes, assessments, charges and levies following payment thereof and procedures established by the taxing authority.

5.3 Costs of Implementing Corrective Measures. New Operator shall be responsible for all Ordinary Corrective Measures and all Facility Corrective Measures resulting from governmental surveys received in connection with any change in licensure application or resulting from any actions conducted after the Closing Date.

5.4 Access. Transferor shall afford to officers, equity holders, managers, directors, employees, accountants, contractors, consultants, counsel and other representatives of New Operator reasonable access, during regular business hours, and upon reasonable prior written notice, to all of the assets, properties, personnel, books and records of Transferor, subject to arrangements mutually acceptable to Transferor and New Operator.

5.5 Prohibited Actions Pending the Closing. Between the Execution Date and the Closing Date or the earlier termination of this Agreement, Transferor shall not, except as otherwise consented to by New Operator in writing: (a) create or assume any new mortgage, security interest or other lien that is not prepayable, of any nature upon any of the Transferred Assets, except in the aggregate amount of less than \$20,000 and incurred in the ordinary course of business; (b) except in the ordinary course of business, sell, assign or otherwise transfer or dispose of any Transferred Asset and, if valued in excess of \$1,000.00 per item, without obtaining a comparable replacement; (c) make any new commitment with any third party for capital expenditures or capital additions or improvements under which payment or expenditure obligations exceeding \$10,000 individually or \$25,000 in the aggregate; (d) (1) increase in any manner the rate or terms of compensation or benefits of any of its employees, except as may be required under existing employment agreements and except in connection with any, if any, retention bonuses offered by Transferor, in Transferor's sole discretion, to key employees (collectively, the "Retention Bonuses"), (2) hire any new employees except in the ordinary course of business consistent with past practices, (3) pay or agree to pay any pension, retirement allowance or other employee benefit not required or permitted by

any existing benefit plan or other agreement or arrangement to any such director, officer or employee, whether past or present except in connection with any, if any, Retention Bonuses or (4) enter into or amend any employment, bonus, severance or retirement contract or adopt or amend any benefit plan except in connection with any, if any, Retention Bonuses; (e) enter into any contract with any governmental authority; (f) cease using the name Scofield Manor or related trade/service marks; (g) take any action which would prevent performance of its obligations under this Agreement; (h) knowingly take or agree or commit to take any action that would make any representation and warranty of Transferor hereunder inaccurate in any material respect; (i) modify any accounting policies, procedures or methods or (j) agree or commit to do any of the foregoing.

5.6 Tail Insurance. At the Closing, Transferor shall procure “tail” (property and casualty) coverage insurance for claims made against Transferor which took place, accrued or arose prior to the date of Closing, and provide evidence at Closing to New Operator that such tail coverage has been procured. The tail coverage shall have the same coverage terms as the insurance currently in effect. Transferor shall cause such tail coverage insurance to remain in place for twenty-four (24) months following the Closing Date.

5.7 Notices of Certain Events. The Transferor shall promptly notify the New Operator of:

- a. any notice or other communication from any person alleging that the consent of such person is or may be required in connection with the transactions contemplated by this Agreement, including copies of all correspondence to or from any party having or claiming to have any right of first offer or first refusal to purchase the Facility;
- b. any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement and any notice or other communication from (i) any payors, or (ii) any licensing authorities;
- c. any actions, suits, claims, investigations or proceedings commenced or, to the knowledge of the Transferor, threatened in writing relating to or involving or otherwise affecting the Transferor, the Transferred Assets or the Transferor’s business that, if it had existed on the date of this Agreement, would have been required to have been disclosed pursuant to Article III or that relate to the consummation of the transactions contemplated by this Agreement; and
- d. any matter arising or discovered after the date hereof that, if existing or known on the date of this Agreement, would have been required to be disclosed pursuant to the terms hereof, or that constitutes a breach or prospective breach of this Agreement by the Transferor. The delivery of any such notice shall not affect the New Operator's remedies hereunder.

5.8 Transition Services. For a period of up to thirty (30) days following the Effective Time (the “Transition Period”), the Transferor, upon the reasonable request of the New Operator agrees to use commercially reasonable efforts to cooperate in good faith to provide transition services to the New Operator with respect to the transition of telephone, electronic mail and other information technology utilized by the Facility and all computer software used for keeping the financial records of the Facility (the “Transition Services”), provided, however, that the Transferor shall not be required to incur any out-of-pocket expense. New Operator shall compensate COC, at COC’s standard rates, for any such Transition Services performed by COC after the expiration of the Transition Period.

5.9 Repayment Obligations. The Transferor shall repay or make arrangements to repay to all Governmental Authorities with jurisdiction over the Facility (including the Connecticut Department of Public Health, Connecticut Department of Social Services, and U.S. Department of Health and Human Services) any amounts owed to such Governmental Authorities by the Transferor with respect to the ownership of the Facility or the operation of the Facility prior to the Effective Time (including without limitation (i) all depreciation recapture or other adjustment which may arise as a result of any health care reimbursement cost report adjustments, audit adjustments, disallowances or reclassifications, including any adjustments or recoupments related to any interim rates granted to Transferor (ii) any loss realized by the Transferor as a result of a rebasing of the Facility's reimbursement rate due to any improper billing or cost reporting procedures on the part of the Transferor prior to the Effective Time or (iii) other penalties or payment adjustments pertaining to Medicaid/SSI for services provided prior to the Effective Time by the Transferor (i), (ii) and (iii) are collectively referred to herein as the "Repayment Obligations"). The parties acknowledge that underpayments to the Transferor by the Medicaid/SSI program for periods ending prior to the Effective Time which are discovered after the Closing, whether in connection with an audit of the Facility or otherwise shall be paid to Transferor and shall be subject to the indemnification provisions set forth in Article IX. The Transferor, at its own expense, shall have the right to file whatever appeals or objections are available to challenge any amounts due which may become Repayment Obligations.

5.10 Cost Reports. Transferor shall be responsible for accurately completing and filing on a timely basis all Medicaid Cost Report, including stub period filings, for the period up to the Closing Date. Transferor shall provide New Operator copies of final Medicaid Cost Report previously filed or filed prior to Closing within three (3) days after filing. New Operator shall be responsible for completing and filing Medicaid Cost Report for the periods beginning on and after the Closing Date. Each of the parties shall provide reasonable access to their respective employees and the records to the other party for the purpose of completing all such Cost Reports.

ARTICLE VI

CONDITIONS PRECEDENT TO NEW OPERATOR’S OBLIGATIONS

Unless waived by New Operator, its obligation to consummate the transactions contemplated by this Agreement is subject to the satisfaction, prior to or at the Closing, of each of

the following conditions. Upon failure of any of the following conditions, New Operator may terminate this Agreement pursuant to and in accordance with Article VIII.

6.1 Representations and Warranties. The representations and warranties of Transferor contained in this Agreement or on any Schedule or in any Transaction Document (a) that are not qualified by materiality shall be true and correct in all material respects at and as of the Closing Date as though such representations and warranties were made at and as of such time and (b) that are qualified by materiality shall be true and correct in all respects at and as of the Closing Date as though such representations and warranties were made at and as of such time.

6.2 Performance of Covenants. Transferor shall have performed or complied with each of its agreements and covenants required by this Agreement to be performed or complied with by it prior to or at the Effective Time.

6.3 Delivery of Closing Certificate and Good Standing. Transferor shall have executed and delivered to New Operator a certificate in the form and substance of Exhibit 6.3, attached hereto and made a part hereof, together with a subsistence certificate or certificate of legal existence of Transferor, issued by the Secretary of State of the State of Connecticut, dated no earlier than thirty (30) calendar days prior to the Closing Date.

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

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

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

6.7 Regulatory Approvals. New Operator shall have received the New Operator License, or otherwise shall have received such assurances or approvals for its issuance as New Operator shall reasonably deem sufficient.

6.8 Operating Lease. The Operating Lease between Transferor and Real Property Owner shall be terminated effective as of the Closing Date. As of the Closing Date, Smith House Operating, LLC (an entity controlled by Mr. Charles-Edouard Gros and/or Mr. Shlomo Boehm) (“Smith House Operating”), which currently leases 88 Rock Rimmon Road, Stamford, Connecticut, including 614 Scofieldtown Road, Stamford, Connecticut pursuant to a lease agreement by and between Smith House Operating and the City of Stamford (the “Smith House Lease”), or permitted assignee, shall enter into an amended and restated lease by the City and Smith House Operating, effective as of the Closing Date, to incorporate the Facility in the Smith House Lease and upon such other terms and conditions as the New Operator deems necessary (the “Amended and Restated Lease”). If New Operator and the City shall fail to enter

into the Amended and Restated Lease, or if New Operator otherwise determines, in its sole and absolute discretion, that the City has imposed other unacceptable conditions on New Operator's leasing of the Facility, then New Operator shall have the right, at its option to terminate this Agreement.

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

6.10 General Assignment. Transferor shall have executed and delivered a general assignment substantially in the form and substance of Exhibit 6.10 ("General Assignment"), attached hereto and made a part hereof.

6.11 Material Change. There shall have been no change in the business, properties, operations or condition (financial, title, licensing, environmental or otherwise) of Transferor or the Facility that has or will have a material adverse effect, which has not been cured to New Operator's satisfaction

6.12 Default. There shall be no material default on the part of Transferor or any other party under any agreement to be assigned to, or obligation to be assumed by, New Operator under this Agreement.

6.13 DSS. New Operator shall, at its sole cost and expense, obtain written confirmation from the Department of Social Services ("DSS") that the per diem rate for State aided Medicaid/SSI residents at the Facility to be paid to New Operator after the Closing will not be less than those rates currently in effect as of the date of this Agreement. If New Operator shall fail to obtain such confirmation, or if New Operator otherwise determines, in its sole and absolute discretion, that DSS has imposed other unacceptable conditions on New Operator's right to receive Medicaid reimbursement for residents at the Facility after the Closing, then New Operator shall have the right, at its option to terminate this Agreement.

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

ARTICLE VII
CONDITIONS PRECEDENT TO TRANSFEROR'S OBLIGATIONS

Unless waived by Transferor, its obligation to consummate the transactions contemplated by this Agreement is subject to the satisfaction, prior to or at the Closing, of each of the following conditions.

7.1 Representations and Warranties. The representations and warranties of New Operator contained in this Agreement or any other Transaction Document (a) that are not qualified by materiality shall be true and correct in all material respects at and as of the Closing Date as though such representations and warranties were made at and as of such time and (b) that are qualified by materiality shall be true and correct in all respects at and as of the Effective Time as though such representations and warranties were made at and as of such time.

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

7.3 Delivery of Closing Certificate and Good Standing. New Operator shall have delivered to Transferor a certificate in the form and substance of Exhibit 7.3, attached hereto and made a part hereof, together with a subsistence certificate or certificate of legal existence of New Operator, issued by the Secretary of State of the State of Connecticut, dated no earlier than thirty (30) calendar days prior to the Closing Date.

7.4 Closing Documents. New Operator shall have executed and delivered each of the (1) the Bill of Sale, (2) Assignment and Assumption of Contracts and (3) General Assignment.

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

7.6 Assumption of Assumed Liabilities. New Operator shall have executed and delivered an assumption of liabilities substantially in the form and substance of Exhibit 7.6 ("Assumption of Liabilities"), attached hereto and made a part hereof, pursuant to which New Operator shall assume and agree to discharge and perform the Assumed Liabilities to be assumed by it hereunder.

7.7 Regulatory Approvals. New Operator shall have received the New Operator License or otherwise shall have received such assurances or approvals for its issuance as Transferor shall reasonably deem sufficient.

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

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

ARTICLE VIII

TERMINATION

8.1 Termination. In addition to the express provisions contained herein regarding termination of this Agreement, this Agreement may be terminated at any time prior to the Closing Date by either party upon five (5) days written notice or immediately by either party if the representations and warranties of the other party are not true and correct in all material respects on and as of the Closing Date.

ARTICLE IX

INDEMNIFICATION

9.1 Indemnification by Transferor. Transferor shall indemnify and defend New Operator and New Operator's officers, agents, representatives, employees, heirs, successors and assigns and hold them harmless against and with respect to any and all damage, loss, claim, action, demand, liability, cost and expense (including, without limitation, reasonable attorney's fees and expenses) (all of the foregoing hereinafter collectively referred to as "Loss") resulting from (i) any third party, including any governmental claim arising from or related to the operation of the Facility prior to and ending on the Effective Time, (ii) Transferor's failure to pay, discharge or perform any of the Excluded Liabilities, (iii) the failure of any representation or warranty of Transferor set forth in this Agreement to be true and correct as of the Closing Date as though such representations and warranties were made at and as of such date, (iv) the failure of Transferor to comply with any covenant or obligation set forth herein, (v) all tax liabilities of Transferor, and (v) fraud of Transferor, (vi) the operation of the Facility prior to the Effective Time, and (vii) claims made by or relating to any employee of the Facility relating to the period prior to the Effective Time.

9.2 Indemnification by New Operator. New Operator shall indemnify and defend Transferor and its officers, agents, representatives, employees, heirs, successors and assigns and hold them harmless against and with respect to any and all Losses (including, but not limited to, reasonable attorneys' fees) resulting from (i) New Operator's failure to pay, satisfy, discharge or perform the Assumed Liabilities or Assumed Operating Contracts from and after the Closing Date, (ii) the failure of any representation or warranty of New Operator to be true and correct at and as of the Closing Date as though such representations and warranties were made at and as of such date, (iii) any inaccuracies or liabilities arising solely or in part from New Operator's actions or omissions after the Closing Date, which are disclosed in any audits performed with respect to periods of time after the Closing Date and (iv) the failure of New Operator to comply with any covenant or obligation set forth herein.

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

9.4 Other Claims. New Operator acknowledges and agrees that it has no claim or any contractual relationship with Real Property Owner and further has no claim nor any contractual relationship with the shareholders of Real Property Owner.

9.5 Survival. The representations and warranties of the Transferor and New Operator set forth in this Agreement shall survive for a period of three (3) years.

ARTICLE X

MISCELLANEOUS PROVISIONS

10.1 Drafting. The parties hereto have carefully reviewed and negotiated the terms of this Agreement and the Transaction Documents, and Transferor and New Operator hereby acknowledge and agree that they have had a full and fair opportunity to review and negotiate the

Agreement and the Transaction Documents with the advice of its counsel. Therefore, there shall be no presumption in favor of the non-drafting party.

10.2 Costs and Expenses. Except as expressly otherwise provided in this Agreement, each party hereto shall bear its own costs and expenses in connection with this Agreement and the transactions contemplated hereby.

10.3 Performance. In the event of a breach by either party of its obligations hereunder, the other party shall have the right, in addition to any other remedies which may be available, to obtain specific performance of the terms of this Agreement and injunctive relief, and the breaching party hereby waives the defense that there may be an adequate remedy at law.

10.4 Benefit and Assignment. This Agreement binds and inures to the benefit of each party hereto and its successors and proper assigns. New Operator may assign its rights and obligations under this Agreement with the prior consent of Transferor, such consent not to be unreasonably withheld, conditioned or delayed, provided, however, consent of Transferor shall not be required for an assignment to a Permitted Assignee. New Operator shall be an entity 51% or more controlled by Mr. Charles-Edouard Gros and/or Mr. Shlomo Boehm. A "Permitted Assignee" shall mean one or more entities 51% or more controlled by Mr. Charles-Edouard Gros and/or Mr. Shlomo Boehm ("Permitted Assignee"). .

10.5 Effect and Construction of this Agreement. The captions used herein are for convenience only and shall not control or affect the meaning or construction of the provisions of this Agreement. All gender employed in this Agreement shall include all genders, and the singular shall include the plural and the plural shall include the singular whenever and as often as may be appropriate. When used in this Agreement, the term "including" shall mean "including but not limited to."

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

If to New Operator: [Scofield Operating LLC]
460 Bayview Avenue
Inwood, NY 11096
Attn: Charles-Edouard Gros
mrgros@gmail.com

with a copy to: Murtha Cullina LLP
265 Church Street, 9th Floor
New Haven, CT 06510
Attn: Heather O. Berchem, Esq.
hberchem@murthalaw.com

If to Transferor: Stamford Elderly Housing Corporation
40 Clinton Avenue, Suite 101
Stamford, Connecticut 06901
Attn: Vincent J. Tufo, Secretary

Housing Authority of the City of Stamford
d/b/a Charter Oak Communities
22 Clinton Avenue
Stamford, Connecticut 06901
Attn: Vincent J. Tufo, CEO

with a copy to: Hoopes Morganthaler Rausch & Scaramozza LLC
CityPlace II
185 Asylum Street
Hartford, CT 06103
Attn: Melanie S. Rausch

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

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

10.9 Governing Law; Disputes. This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut, without regard to any contrary rules relating to the choice or conflict of laws. The parties agree that the Courts in the State of Connecticut shall have exclusive jurisdiction over any dispute related to this Agreement.

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

10.11 Entire Agreement. This Agreement including the schedules, exhibits and the other Transaction Documents, together with the Lease Agreement and the agreements and instruments referenced therein, constitute the entire agreement between the parties hereto with respect to the

subject matter hereof and thereof, and there are no agreements, understandings, restrictions, warranties, or representations between the parties with respect to the subject matter hereof other than as set forth herein or therein.

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

10.13 Confidentiality.

(a) New Operator agrees that, between the Execution Date and the Closing Date (or thereafter if the Closing does not occur), without the prior written consent of Transferor, it shall not disclose any information to be provided or previously provided by Transferor in connection with the transactions contemplated herein (the “Transferor Confidential Information”) to any third party, except as provided herein or as required by law. New Operator agrees that the Transferor Confidential Information shall be used solely for the purposes of its investigation of the Facility, the operation of the Facility, facilitating an orderly transition with respect to operations of the Facility, providing continuing resident care for residents of the Facility, and not in any way directly or indirectly detrimental to Transferor. In addition, New Operator agrees to disclose Transferor Confidential Information only to New Operator's employees, officers, agents, contractors, consultants and representatives who have a legitimate need to know such information and who shall: (a) be advised by New Operator of the confidentiality provisions of this Agreement; and (b) agree with New Operator to be bound by the confidentiality provisions hereof. New Operator shall be responsible for any breach of this Agreement by any of New Operator's representatives (including employees who, subsequent to the first date of disclosure of Transferor Confidential Information hereunder, become former employees, if disclosed during term of employment). New Operator agrees, at its sole expense, to take all reasonable measures, including but not limited to court proceedings, to restrain New Operator's representatives (and former employees) from unauthorized disclosure or use of Transferor Confidential Information.

(b) New Operator hereby acknowledges that if any breach of this section occurs, Transferor would be irreparably and immediately harmed and could not be made whole by monetary damages. Accordingly, in addition to any other remedy to which it may be entitled in law or in equity, Transferor shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and/or to compel specific performance of this section, and New Operator shall not oppose the granting of such relief on the basis that monetary damages are adequate. New Operator also agrees to reimburse Transferor for all reasonable costs and expenses, including reasonable out-of-pocket attorney's fees, incurred by it in enforcing New Operator's or New Operator's representatives' obligations under this section.

(c) Transferor Confidential Information does not include all or any portion of information which (i) becomes generally available to the public other than as a result of a disclosure by New Operator or New Operator's representative, or (ii) was or becomes rightfully available to New Operator on a non-confidential basis from a source other than Transferor or Transferor's representatives; provided, that such source is not prohibited from disclosing such

information to New Operator by a contractual, legal or fiduciary obligation to Transferor or Transferor's representatives.

(d) Notwithstanding any other provision of this Agreement, the terms of this Section 10.13 shall survive the termination of this Agreement.

10.14 Counterparts; Facsimile Copy. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. A facsimile or electronic (e.g. .pdf) copy of any party's signature to this Agreement shall be deemed an original for all purposes.

[Remainder of page intentionally left blank.]

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

TRANSFEROR:

STAMFORD ELDERLY HOUSING CORPORATION

By: _____
Name: Vincent J. Tufo
Title: Secretary

=

HOUSING AUTHORITY OF THE CITY OF STAMFORD
d/b/a Charter Oak Communities

By: _____
Name: Vincent J. Tufo
Title: CEO

[Scofield Operating LLC]

By: _____
Name:
Title:

DRAFT

EXHIBIT 6.3

TRANSFEROR'S OFFICER'S CERTIFICATE

Pursuant to Section 6.3 of the Operations Transfer Agreement (the “**Agreement**”), dated as of _____, 2021 by and between [Scofield Operating LLC] (the “New Operator”) and Stamford Elderly Housing Corporation and Housing Authority of the City of Stamford d/b/a Charter Oak Communities (collectively, “**Transferor**”), the undersigned, being a duly authorized executive officer of Transferor, does hereby certify that the representations and warranties made by Transferor in the Agreement are true and correct in all material respects as of the Closing Date (as defined in the Agreement) and the covenants to be performed by Transferor pursuant to the Agreement have been performed in all material respects as of the Closing Date, except with respect to representations and warranties made in the Agreement that relate to a specific point in time or timeframes within the terms of such representation and warranty which are true and correct in all material respects as of such time or times.

Date: _____, 2021

STAMFORD ELDERLY HOUSING CORPORATION

By: _____
Name: Vincent J. Tufo
Title: Secretary

=

HOUSING AUTHORITY OF THE CITY OF STAMFORD
d/b/a Charter Oak Communities

By: _____
Name: Vincent J. Tufo
Title: CEO

DRAFT

EXHIBIT 6.4

BILL OF SALE

This BILL OF SALE (this “Instrument”) dated as of _____, is made and delivered pursuant to, and subject to the terms of, that certain Operations Transfer Agreement dated as of _____, 2021 (as amended and restated from time to time, the “OTA”), by and between Stamford Elderly Housing Corporation, a Connecticut corporation (“SEHC”) and the Housing Authority of the City of Stamford d/b/a Charter Oak Communities, a municipal housing authority (“COC”) together with SEHC, “Transferor”) and [Scofield Operating LLC], a [_____] (“New Operator”) relating to the transfer of certain assets set forth in the OTA and the business and operations of the Facility. Capitalized terms used but not defined herein shall have the meaning provided in the OTA.

WITNESSETH:

WHEREAS, the New Operator has the right to acquire certain personal property related to the Facility from Transferor under the OTA as more specifically described therein (the “Personal Property”); and

WHEREAS, New Operator and Transferor desire to evidence and effectuate the transfer and conveyance of the Personal Property to New Operator.

NOW THEREFORE, subject to the terms and conditions of the OTA and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, New Operator and Transferor hereby agree as follows:

1. Transferor does hereby convey, transfer, assign and deliver to New Operator all of Transferor’s right, title and interest in and to the Personal Property, free of all liens, encumbrances and security interests, and the New Operator hereby accepts from Transferor all of the Personal Property.
2. Subject to the terms of the OTA, New Operator hereby assumes all liabilities and obligations related to the Personal Property with respect to periods from and after the date hereof.
3. This Instrument shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
4. This Instrument may not be amended, modified or changed nor shall any waiver of any provision hereof be effective, except only by an instrument in writing and signed by the party against whom enforcement of any waiver, amendment, change, modification or discharge is sought.
5. This Instrument will be construed, performed and enforced in accordance with the laws of the State of Connecticut without regard to the conflict of laws rules of such State.

6. This Instrument may be executed in any number of counterparts, whether original or by facsimile or portable document format (.pdf), each of which shall be deemed an original, but all of which shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned, being duly authorized, has executed and delivered this instrument effective as of _____, 2021.

STAMFORD ELDERLY HOUSING CORPORATION

By: _____
Name: Vincent J. Tufo
Title: Secretary

HOUSING AUTHORITY OF THE CITY OF STAMFORD
d/b/a Charter Oak Communities

By: _____
Name: Vincent J. Tufo
Title: CEO

DRAFT

EXHIBIT 6.5

ASSIGNMENT AND ASSUMPTION OF CONTRACTS

This Assignment and Assumption Agreement (the “Assignment”) is effective as of _____, 2021 and is between Stamford Elderly Housing Corporation, a Connecticut corporation (“SEHC”) and the Housing Authority of the City of Stamford d/b/a Charter Oak Communities, a municipal housing authority (“COC”) together with SEHC, the “Transferor”, and [Scofield Operating LLC] (the “New Operator”).

Background

A. Transferor and New Operator are parties to an Operations Transfer Agreement (the “Agreement”) dated as of _____, 2021, which Agreement is incorporated into this Assignment as if fully rewritten in this Assignment (defined terms therein having the same meaning when used herein).

B. It is a condition to the Closing under the Agreement that Transferor assign to New Operator all of Transferor’s right, title and interest in, to, and under (i) those contracts identified on Exhibit A (the “Assumed Operating Contracts”) and (ii) all Resident Agreements, and that New Operator assume Transferor’s obligations with respect to such Assumed Operating Contracts and Resident Agreements from and after the Effective Time, as defined, and in accordance with Section 1.9 of the Transfer Agreement.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the parties hereto, intending to be bound, hereby agree to incorporate the foregoing recitals as if fully rewritten in this Assignment and further agree as follows:

1. Transferor hereby assigns, transfers and conveys all of its right, title and interest in, to, and under the Assumed Operating Contracts and Resident Agreements to New Operator.

2. New Operator hereby agrees to assume, discharge and satisfy, in accordance with their respective terms, all liabilities of the Transferor set forth in the Assumed Operating Contracts and Resident Agreements, to the extent arising or accruing after the Effective Time.

3. Notwithstanding anything contained herein to the contrary, New Operator does not assume or agree to discharge or satisfy any of the Excluded Liabilities or any liabilities or obligations under the Assumed Operating Contracts related to periods prior to the Effective Time.

4. Transferor’s Indemnity. Transferor hereby agrees to indemnify, defend and hold harmless New Operator from and against any and all cost, liability, loss, damage or expense, including, without limitation, reasonable attorneys' fees and expenses (collectively, "Losses and Liabilities"), arising out of or in any way related to Transferor's obligations under the Assumed Operating Contracts and related to the period prior to the Closing Date, except for Losses and

Liabilities on account of any fact or circumstance occurring or existing on or after the Closing Date.

5. New Operator's Indemnity. New Operator hereby agrees to indemnify, defend and hold harmless Transferor from and against any and all Losses and Liabilities arising out of the New Operator's obligations under the Assumed Operating Contracts and related to the period on and after the Closing Date, except for Losses and Liabilities on account of any fact or circumstance occurring or existing prior to the Closing Date.

[next page is signature page]

DRAFT

IN WITNESS WHEREOF, the undersigned, being duly authorized, have executed and delivered this Agreement as of the date set forth above.

STAMFORD ELDERLY HOUSING CORPORATION

By: _____
Name: Vincent J. Tufo
Title: Secretary

HOUSING AUTHORITY OF THE CITY OF STAMFORD
d/b/a Charter Oak Communities

By: _____
Name: Vincent J. Tufo
Title: CEO

[Scofield Operating LLC]

By: _____
Name:
Title:

DRAFT

EXHIBIT A

ASSUMED OPERATING CONTRACTS

[TBD]

DRAFT

EXHIBIT 6.6

ASSIGNMENT AND ASSUMPTION OF RESIDENT TRUST FUNDS AND DEPOSITS

This Assignment and Assumption Agreement (the “Assignment”) is effective as of _____, 2021 and is between Stamford Elderly Housing Corporation, a Connecticut corporation (“SEHC”) and the Housing Authority of the City of Stamford d/b/a Charter Oak Communities, a municipal housing authority (“COC”) together with SEHC, the “Transferor”, and [Scofield Operating LLC] (the “New Operator”).

Background

A. Transferor and New Operator are parties to an Operations Transfer Agreement (the “Agreement”) dated as of [-----], which is incorporated into this Assignment as if fully rewritten in this Assignment (terms defined therein having the same meaning when used herein).

B. It is a condition to the Closing under the Agreement that Transferor assign all of its right, title and interest in, to, and under the Resident Trust Funds and Resident Deposits (as such terms are defined in the Agreement) to New Operator, and that New Operator assume Transferor’s obligations with respect to such Resident Trust Funds and Resident Deposits arising after the Effective Time.

Now, therefore, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the parties hereto, intending to be bound, hereby agree to incorporate the foregoing recitals into this Assignment and further agree as follows:

1. Transferor hereby assigns, transfers and conveys all of its right, title and interest in, to, and under the Resident Trust Funds and Resident Deposits to New Operator.

2. New Operator hereby accepts and assumes all liabilities arising after the Effective Time with respect to the Resident Trust Funds and Resident Deposits.

[next page is signature page]

IN WITNESS WHEREOF, the undersigned, being duly authorized, have executed and delivered this Agreement as of the date set forth above.

STAMFORD ELDERLY HOUSING CORPORATION

By: _____
Name: Vincent J. Tufo
Title: Secretary

HOUSING AUTHORITY OF THE CITY OF STAMFORD
d/b/a Charter Oak Communities

By: _____
Name: Vincent J. Tufo
Title: CEO

[Scofield Operating LLC]

By: _____
Name:
Title:

DRAFT

EXHIBIT 6.10

GENERAL ASSIGNMENT

THIS ASSIGNMENT is made effective as of [_____, 2021], by Stamford Elderly Housing Corporation, a Connecticut corporation (“SEHC”) and the Housing Authority of the City of Stamford d/b/a Charter Oak Communities, a municipal housing authority (“COC”) together with SEHC, the “Assignor”), and [Scofield Operating LLC], a _____ limited liability company (“Assignee”).

WITNESSETH:

WHEREAS, by that certain Operations Transfer Agreement (the “OTA”) by and among Assignor and Assignee, Assignor agreed to transfer to Assignee certain personal property and such other assets, as more fully described in the OTA (the “Assets”) (capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the OTA); and

WHEREAS, the OTA provides, inter alia, that Assignor shall assign to Assignee, certain intangible personal property, including, without limitation, all of the goodwill symbolized and associated with the Facility (collectively, the “Intangible Personal Property”), and any bed rights and other assets located at or used in connection with the Facility, and such other items applicable to the Assets, as more fully provided in the OTA;

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

1. **Transfer of Intangible Property.** To the extent permitted by law, Assignor hereby assigns, sets over and transfers to Assignee all of its right, title and interest in, to and under all of Intangible Personal Property including all goodwill symbolized and associated with the Facility, and any bed rights and other assets located at or used in connection with the Facility.
2. **Transfer of Permits.** To the extent permitted by law, Assignor hereby assigns, sets over and transfers to Assignee all of its right, title and interest in, to and under Permits as set forth in the OTA.
3. **Transfer of Warranties.** To the extent permitted by law, Assignor hereby assigns, sets over and transfers to Assignee all of its right, title and interest in, to and under all Warranties as set forth in the OTA.
4. **Assumption.** Assignee hereby accepts the foregoing assignment set forth in Sections 1, 2 and 3 hereof, provided, that said assignment and assumption shall in all respects be subject to the terms of the OTA with regard to the rights and obligations of each of the parties hereto with respect to the items assigned hereunder, and in the event that any term of this Assignment shall contradict the OTA, the OTA shall control.

5. **Miscellaneous.** This Assignment and the obligations of Assignor and Assignee hereunder shall survive the closing of the transactions referred to in the OTA shall be binding upon and inure to the benefit of Assignor and Assignee, and their respective successors and assigns, shall be governed by and construed in accordance with the laws of the State of Connecticut and may not be modified or amended in any manner other than by a written agreement signed by the party to be charged therewith. This Assignment may be executed in counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute but one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Assignment as of the day and year first above written.

ASSIGNOR

STAMFORD ELDERLY HOUSING CORPORATION

By: _____
Name: Vincent J. Tufo
Title: Secretary

=

HOUSING AUTHORITY OF THE CITY OF STAMFORD
d/b/a Charter Oak Communities

By: _____
Name: Vincent J. Tufo
Title: CEO

ASSIGNEE

[_____, LLC]

By: _____
Name:
Title:

EXHIBIT 7.3
NEW OPERATOR'S CLOSING CERTIFICATE

Pursuant to Section 7.3 of the Operations Transfer Agreement (the “**Agreement**”), dated as of _____, 2021 between Stamford Elderly Housing Corporation, a Connecticut corporation (“SEHC”) and the Housing Authority of the City of Stamford d/b/a Charter Oak Communities, a municipal housing authority ((“COC”) together with SEHC, the “**Transferor**”), and [Scofield Operating LLC] (“**New Operator**”), the undersigned, being a duly authorized executive officer of New Operator, does hereby certify that the representations and warranties made by New Operator in the Agreement are true and correct in all material respects as of the Closing Date (as defined in the Agreement) and the covenants to be performed by New Operator pursuant to the Agreement have been performed in all material respects as of the Closing Date (as defined in the Agreement), except with respect to representations and warranties made in the Agreement that relate to a specific point in time or timeframes within the terms of such representation and warranty which are true and correct in all material respects as of such time or times.

Date: _____, 2021

[_____, LLC]

By: _____

Name:

Title:

EXHIBIT 7.6

ASSUMPTION OF ASSUMED LIABILITIES

This Assumption Agreement (the “Assumption”) is effective as of _____, 2021 and is executed and delivered by [Scofield Operating LLC] (the “New Operator”) to and for the benefit of Stamford Elderly Housing Corporation, a Connecticut corporation (“SEHC”) and the Housing Authority of the City of Stamford d/b/a Charter Oak Communities, a municipal housing authority (“COC”) together with SEHC, the “Transferor”).

Background

A. Transferor and New Operator are parties to an Operations Transfer Agreement (the “Agreement”) dated as of _____, 2021, which Agreement is incorporated into this Assignment as if fully rewritten in this Assumption.

B. It is a condition to the Closing under the Agreement that New Operator assume Transferor’s obligations with respect to those certain Assumed Liabilities from and after the Effective Time, as defined in, and in accordance with, the provisions of the Agreement.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, New Operator hereby agrees to assume, discharge and satisfy, in accordance with their respective terms, all liabilities of the Transferor under the Assumed Liabilities, to the extent arising or accruing after the Effective Time (as defined in the Agreement).

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

[Scofield Operating LLC]

By: _____
Name:
Title:

SCHEDULES TO OPERATIONS TRANSFER AGREEMENT

Schedule 1.1

Permitted Liens

Schedule 1.1(a)(iv)

FFE Ineligible for Transfer

Schedule 1.1(a)(vi)

Assumed Contracts

Schedule 1.1(a)(viii)

Excluded Intellectual Property

Schedule 1.1(a)(x)

Vehicles

Schedule 1.6

Employees

Schedule 3

Transferor Disclosure Schedule

Section 3.1(e) of Transferor Disclosure Schedule (Financial Statements)

Section 3.1(h) (Operating Contracts)

Section 3.1(j) (Undisclosed Liabilities)

Section 3.1(k)(v) (Regulatory and Legal Compliance)

Section 3.1(m) (Life Safety Code Waivers)

Section 3.1(o) (Litigation)

Section 3.1(p) (Insurance)

Section 3.1(q) (Permits)

Section 3.1(r) Environmental Matters

Section 3.1(y) (Related Party Transactions)

Section 3.1(w) (Personal Needs Allowance)

Section 3.1(x) (Audits)