




CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed September 8, 2025


United States Bankruptcy Judge

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

In re:

GENESIS HEALTHCARE, INC., *et al.*,¹

Debtors.

) Chapter 11

) Case No. 25-80185 (SGJ)

) (Jointly Administered)

) Related to Docket No. 296

**ORDER (I) AUTHORIZING AND APPROVING PROCEDURES TO REJECT
EXECUTORY CONTRACTS AND UNEXPIRED LEASES, (II) APPROVING THE
TRANSFER OF THE ASSETS AND OPERATIONS OF CERTAIN FACILITIES
PURSUANT TO OPERATIONS TRANSFER AGREEMENTS OR SIMILAR
AGREEMENTS, (III) AUTHORIZING THE DEBTORS TO IMPLEMENT A
CONTINGENCY PLAN FOR CERTAIN FACILITIES, IF NECESSARY,
AND (IV) GRANTING RELATED RELIEF**

¹ The last four digits of Genesis Healthcare, Inc.'s federal tax identification number are 4755. There are 299 Debtors in these chapter 11 cases, which are being jointly administered for procedural purposes only. A complete list of the Debtors and the last four digits of their federal tax identification numbers are not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://dm.epiq11.com/Genesis>. The location of Genesis Healthcare, Inc.'s corporate headquarters and the Debtors' service address is 101 East State Street, Kennett Square, PA 19348.

Upon the motion (the “Motion”)² of the Debtors for entry of an order (this “Order”), authorizing, but not directing, the Debtors to (a) authorizing and approving procedures (as described herein, the “Rejection Procedures”) for rejecting executory contracts, including any amendments or modifications thereto (each, a “Contract,” and collectively, the “Contracts”) and unexpired leases, including any guaranties thereof and any amendments, modifications, or subleases thereto (each, a “Lease,” and collectively, the “Leases”) for certain skilled nursing and assisted living facilities (each, a “Facility” and, collectively, the “Facilities”) the Debtors currently operate, (b) approving the transfer of the assets and operations of the Facilities free and clear of all liens, claims, encumbrances, and interests pursuant to one or more operations transfer agreements (each, an “OTA”), (c) approving the consummation of the Debtors’ transfer of certain Facilities to new operators for which the applicable OTA was negotiated prepetition (each, a “Prepetition OTA”), (d) authorizing, but not directing, the Debtors to implement a Contingency Plan (as defined below) for the Facilities to the extent necessary, and (e) granting related relief, all as more fully set forth in the Motion; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Order of Reference of Bankruptcy Cases and Proceedings Nunc Pro Tunc* dated August 3, 1984; and the matter being a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and venue of this proceeding and the Motion in this District being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court being able to issue a final order consistent with Article III of the United States Constitution; and due and sufficient notice of the Motion having been given under the particular circumstances; and the Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion or the form operations transfer agreement attached hereto as Exhibit 2 (the “OTA”).

Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and it appearing that no other or further notice is necessary; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation thereon; and good and sufficient cause appearing therefor; it is hereby

ORDERED, ADJUDGED, AND DECREED that:

1. The Motion is granted as set forth herein.
2. The Debtors are authorized, but not required, to reject Contracts and Leases in

accordance with the following Rejection Procedures:

- a. ***Rejection Notice.*** The Debtors will file one or more notices, substantially in the form attached as **Exhibit 1** to this Order, with the Court (each, a "Rejection Notice") in each case with an attached schedule (the "Rejection Schedule") of those Contracts and/or Leases that the Debtors seek to reject pursuant to Bankruptcy Code section 365. The Rejection Schedule shall set forth, among other relevant information: (i) each Contract and/or Lease to be rejected; (ii) the Debtor or Debtors party to such Contract or Lease, as applicable; (iii) the names and addresses of the counterparties to such Contract or Lease, as applicable (the "Rejection Counterparties"); (iv) the effective date of the rejection for each Contract or Lease, as applicable, which (A) for Contracts, shall be the proposed effective date of the rejection for such Contract, or (B) for Leases, shall be either (1) the later of (a) the date upon which the Debtors in writing (email being sufficient) surrender the premises to the landlord and return the keys, key codes, or security codes, as applicable or (b) the effective date of the applicable OTA (as defined herein), or (2) if applicable, the Date upon which the Debtors are authorized to implement a Contingency Plan pursuant to the Contingency Plan Procedures (as defined herein) (such date, the "Rejection Date"); (v) with respect to Leases, the personal property to be abandoned, if any; and (vi) the deadlines and procedures for filing objections to the Rejection Notice (as set forth below). The Rejection Notice may list multiple Contracts or Leases. Further, the Rejection Notice shall include the proposed form of order approving the rejection of the Contracts, which shall be substantially in the form of **Exhibit 1-A** to the Rejection Notice. The Debtors shall obtain consent of the DIP Lenders prior to including on a Rejection Notice any Real Property Lease or Contract pursuant to which a DIP Lender or one of its affiliates is also a counterparty thereunder.

- b. ***Service of the Rejection Notice.*** The Debtors will cause the Rejection Notice to be served by: (i) first-class mail and electronic mail, if known, upon (A) the Rejection Counterparties affected by the Rejection Notice at the notice address provided in the applicable Contract or Lease and (B) where known, any third parties that may, to the best of the Debtors' knowledge, have a known interest in the Debtors' personal property located at the Facilities; and (ii) electronic mail upon (A) the U.S. Trustee; (B) counsel to the Committee; (C) counsel to the DIP Lenders; and (D) counsel to the Rejection Counterparties (collectively, the "Rejection Notice Parties").
- c. ***Proposed Rejection and/or Contingency Plan for Operational Facilities.*** Following service of the Rejection Notice and solely in connection with the rejection of Leases with one or more Facilities currently operated by the Debtors, the Debtors shall work with each of the Landlords to the Facilities to determine the best course of action for each Facility, as outlined herein:
- i. **Transfer of Operations:** The Landlords shall have no more than 90 days following the service of the Rejection Notice (the "Transfer Period") to identify and select new operators (each, a "New Operator") and negotiate and execute an OTA in form and substance reasonably acceptable to the Debtors and the New Operator for each Facility; *provided, however*, that the foregoing deadline may be extended with the consent of the Debtors and the applicable Landlord as a result of, among other things and without limitation, any regulatory or licensure delay;³ *provided, further* that the foregoing deadline may be automatically extended once by 30 days with respect to Brier Oak on Sunset following receipt of 10-day written notice from BFW, LLC and Sunset-Herman-Frankel-Fleishman, LLC (together, the "Brier Oak Landlords"), which shall include written proof of regulatory and/or licensure delay.⁴
- ii. **Notice to Private Payors.** The Debtors shall provide as much notice as reasonably practicable to Elevance Health, Inc. (collectively with all of its affiliates and subsidiaries, "Elevance"), Cigna Health and Life Insurance Company (collectively with all of its affiliates and subsidiaries, "Cigna"), and UnitedHealthcare Insurance Company (collectively with all of its affiliates and subsidiaries, "UnitedHealthcare") and, collectively with Elevance and Cigna, the "Private Payors") of the identity of a New Operator and the execution of an OTA with respect to a Facility on the Rejection Notice. Each of the Private Payors may request a weekly

³ For instance, certain states have lengthier regulatory timelines, and such documentation may be in the form of a Management Operations Transfer Agreement.

⁴ To the extent further regulatory delays arise with Brier Oak on Sunset, the Brier Oak Landlords, the Debtors, and any applicable New Operator will negotiate any additional extension in good faith.

update from the Debtors through a representative from Ankura Consulting Group, LLC during the Transfer Period.

- iii. **Implementation of Contingency Plan.** If transferring the operations of the Facilities is not a viable option, particularly in the event the applicable Landlord cannot locate a viable New Operator willing to step in to operate the applicable Facility in the time period provided, the Debtors shall take any such action that the Debtors believe is necessary in their business judgment and in the best interests of their estates, creditors, and the patients and residents in each of the Facilities (each, a “Contingency Plan”). Potential Contingency Plans may include, but are not limited to, seeking any alternatives that may be available to the Debtors under applicable state law, including, among others, discharging or relocating patients and residents in connection with a safe and orderly wind down of the applicable Facility. The Debtors shall, in consultation with the applicable patient care ombudswoman (each, a “PCO”), establish a Contingency Plan, the terms of which shall be contained in a notice to be filed with the Court (the “Contingency Plan Notice”) and served on the Core Service List, including the Rejection Notice Parties. Parties shall have 14 days to object to any Contingency Plan Notice (the “Contingency Plan Objection Period”) by filing such objection with the Court and serving the same on the Debtors and the Rejection Notice Parties. If any such objection is filed within the Contingency Plan Objection Period, the Debtors shall set the Contingency Plan for hearing by filing a notice (the “Contingency Plan Hearing Notice”) with the Court at least ten days in advance of the date of the hearing. If no objections are filed to any Contingency Plan following expiration of the Contingency Plan Objection Period, the Debtors are authorized, but not directed, to implement a Contingency Plan without further Court approval in consultation with the applicable PCO. All parties’ rights with respect to any proposed Contingency Plan are expressly preserved.
- d. ***Objections to Proposed Rejection.*** Any objections to a proposed rejection of a Contract or Lease⁵ must be in writing, filed with the Court, and served by *electronic mail* on the following parties so as to be *actually received* by such parties fourteen (14) days after the date that the Debtors served the Rejection Notice to reject such Contract (the “Rejection Objection Deadline”):
 - i. **Counsel to the Debtors:** McDermott Will & Schulte LLP, 2801 N. Harwood Street, Suite 2600, Dallas, Texas 75201-1574, Attn:

⁵ An objection to the rejection of a particular Contract or Lease listed on a Rejection Notice shall not constitute an objection to the rejection of any other Contract or Lease listed on such Rejection Notice, unless otherwise specified in such objection.

Marcus Helt (mhelt@mwe.com) and Jack Haake (jhaake@mwe.com) and McDermott Will & Schulte LLP, 444 West Lake Street, Suite 4000, Chicago, Illinois 60606, Attn: Daniel M. Simon (dsimon@mwe.com), Emily C. Keil (ekeil@mwe.com), and William A. Guerrieri (wguerrieri@mwe.com);

- ii. **The U.S. Trustee:** The Office of the United States Trustee, Office of the United States Trustee for Region 6, 1100 Commerce Street, Room 976, Dallas, TX 75242, Attn: Meredyth Kippes (meredyth.kippes@usdoj.gov);
- iii. **Counsel to the DIP Lenders:** (A) counsel to OHI Mezz Lender LLC, Ferguson Braswell Fraser Kubasta PC, 2500 Dallas Parkway, Suite 600, Plano, TX 75093 (Attn: Leighton Aiken (laiken@fbfk.law)) and Goodwin Proctor LLP, The New York Times Building, 620 Eighth Avenue, New York, NY 10018 (Attn: Robert J. Lemons (rlemons@goodwinlaw.com)); (B) counsel to Markglen, LLC, Gibson, Dunn & Crutcher LLP, 333 South Grand Avenue, Los Angeles, CA 90071 (Attn: Jeffrey C. Krause (jkrause@gibsondunn.com), Francis Petrie (fpetrie@gibsondunn.com), and Michael G. Farag (mfarag@gibsondunn.com)); (v) counsel to CPE 88988 LLC, DLA Piper LLP, 1900 N. Pearl St., Suite 2200, Dallas, TX 75201 (Attn: James Muenker (james.muenker@us.dlapiper.com)); and
- iv. **Proposed counsel to the Committee.** Proskauer Rose LLP, 11 Time Square, New York, New York 10036 (Attn: Ehud Barak (ebarak@proskauer.com), Brian Rosen (brosen@proskauer.com), and Daniel Desatnik (ddesatnik@proskauer.com)), and Stinson LLP, 1201 Walnut Street, Suite 2900, Kansas, City, Missouri 64106 (Attn: Nicholas Zluticky (nicholas.zluticky@stinson) and Zachary Hemenway (zachary.hemenway@stinson.com)).
- e. ***Amended Rejection Schedule and Rejection Order.*** For those Contracts or Leases where no objection is filed and served by the Rejection Objection Deadline, the Debtors may generate an amended Rejection Schedule (the “Amended Rejection Schedule”). The Amended Rejection Schedule, or Rejection Schedule, as applicable, may be attached to a proposed order to reject the Contracts or Leases, as applicable, listed in the Amended Rejection Schedule or Rejection Schedule, as applicable, in each case substantially in the form of Exhibit 1-A attached to the Rejection Notice (the “Rejection Order”), and filed with the Court under a certificate of no objection or certificate of counsel, as applicable, after the expiration of the Rejection Objection Deadline. No Contract or Lease shall be deemed rejected absent entry of an applicable Rejection Order.

- f. **Hearings (If Necessary).** If an objection is properly filed and served as specified above and not withdrawn or resolved, unless such parties agree otherwise in writing, a hearing will be scheduled on not less than ten (10) days' notice of such hearing (subject to Court availability) to each objecting party, each Rejection Counterparty to such Contract, and the Rejection Notice Parties. Such Contract will only be deemed rejected upon entry by the Court of a consensual form of Rejection Order resolving the objection as between the objecting party and the Debtors or, if resolution is not reached and/or the objection is not withdrawn, upon further order of the Court.
- g. **Modifications to Rejection Schedule.** The Debtors reserve the right to remove, but not add, any Contract or Lease from a Rejection Schedule or an Amended Rejection Schedule at any time prior to the entry of the Rejection Order; *provided, however*, that the consent of the DIP Lenders shall be required for the removal of any Real Property Lease or Contract from the schedule to any Rejection Notice in accordance with this provision if a DIP Lender or one of its affiliates is also a counterparty under such Real Property Lease or Contract.
- h. **Set Off and Recoupment.** If the Debtors have deposited monies with a counterparty as a security deposit or other arrangement, such counterparty may not set off or recoup or otherwise use such deposit without (i) the prior approval of the Court or (ii) agreement of the Debtors.
- i. **Removal and/or Abandonment of Personal Property.** In connection with the rejection of a Lease, with respect to any personal property of the Debtors located at any of the Facilities subject to any Rejection Notice, the Debtors are authorized, but not directed, to remove any such property prior to the Rejection Date. If the Debtors determine that any personal property at a particular Facilities has no or *de minimis* value or the cost of removing such property exceeds the value of such property, the Debtors shall generally describe such property in the Rejection Notice and their intent to abandon such property. Absent a timely objection that is sustained by the Court or a transfer of property pursuant to an OTA, any and all personal property located on the Facilities on the Rejection Date of the applicable Lease, including miscellaneous fixtures, furniture, and equipment, will be deemed abandoned pursuant to Bankruptcy Code section 554, as is, effective as of the Rejection Date. For the avoidance of doubt, the Debtors shall not abandon medical, pharmacy, and business records (the "Medical Records") and medications, including controlled substances, chemicals, medical waste, infectious materials, and other hazardous materials (the "Medical Waste") except as permitted by applicable law. Landlords may, subject to the liens, interests, claims, rights, and encumbrances of secured parties, utilize and/or dispose of such abandoned personal property in their sole discretion and without further notice to any third party or the Debtors or any order of the Court. To the extent applicable, the automatic stay is

modified to allow such disposition. The rights of the applicable Lease counterparty to assert claims with respect to such disposition of the abandoned property are reserved, as are all parties' rights to object to such claims. Further, notwithstanding anything to the contrary in the Proposed Order, nothing in the Proposed Order shall modify or eliminate any requirements of the Debtors under applicable non-bankruptcy law with respect to the removal of any hazardous materials (as defined under such law) from any leased premises.

3. Each Rejection Counterparty is required to file a proof of claim relating to the rejection of its applicable Contract(s) or Lease(s), if any, by the later of (a) the applicable dates designated by the Bankruptcy Court (or pursuant to the Bankruptcy Rules) as the last date for filing proofs of claims in these chapter 11 cases, (b) on the date that is thirty (30) days following the entry of the order approving such rejection of the applicable Contract, and (c) on the date that is thirty (30) days following the effective date of such rejection of the applicable Contract or Lease.

4. The Debtors are authorized, but not directed, to enter into one or more OTAs, substantially in the form attached hereto as Exhibit 2, with one or more New Operators within 90 days of the applicable Rejection Date; *provided, however*, that the foregoing deadline may be extended with the consent of the Debtors and the applicable Landlord as a result of, among other things and without limitation, any regulatory or licensure delay. The Debtors and their professionals are authorized, empowered, and directed to perform their obligations under the OTA(s) and to take such actions as are necessary or appropriate to effectuate the terms thereof and this Order. Once finalized, the Debtors shall file each executed OTA on the docket.

5. The Private Payors shall have 75 days from the date on which notice of the identity of the applicable New Operator is provided pursuant to paragraph 2(c)(ii) hereof to negotiate with the applicable New Operator regarding (a) assumption of the existing payor agreements with the Private Payors or (b) negotiation and execution of new payor agreements; *provided, however*, that to the extent that an OTA is effectuated prior to the end of this 75-day period, the applicable New

Operator, in connection with the assumption of any residency agreements for any Facility to be transferred, shall, in compliance with applicable non-bankruptcy law, ensure that any increased costs to residents that would occur as a result of any additional out-of-network costs for residents arising from the New Operator's failure to assume a payor agreement (or otherwise negotiate a new payor agreement) with Cigna, Elevance, or UnitedHealthcare, are the responsibility of New Operator and not the applicable resident for the remainder of such 75-day period referenced herein.

6. The Debtors are authorized, but not directed, to consummate the transactions contemplated by the terms of the Prepetition OTA for the operations of Elaine Center at Hadley, and upon Closing (as defined in the Prepetition OTA) under the Prepetition OTA, the transfer of the Assets (as defined in the Prepetition OTA) pursuant to this Order and the Prepetition OTA: (a) shall be a legal, valid, and effective transfer of the Assets from the Existing Operator (as defined in the Prepetition OTA) to the New Operator (as defined in the Prepetition OTA); (b) shall vest in New Operator all rights, titles, and interests of the Existing Operator to the Assets and good and marketable title thereto; (c) shall constitute a transfer for reasonably equivalent value and full, adequate, and fair consideration under the Bankruptcy Code and all other law applicable to such transfer; (d) shall be on an "as is, where is" basis without any representations or warranties, except as provided in the Prepetition OTA; and (e) shall be, pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, free and clear of all liens, claims, security interests, restrictions, and encumbrances, other than Permitted Exceptions (as defined in the Prepetition OTA), regardless of whether any such liens, security interests, restrictions, claims, and encumbrances are in law or in equity, known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-material,

disputed or undisputed, direct or indirect, and whether arising by agreement, understanding, law, equity or otherwise, and whether occurring or arising before, on or after the filing of the Debtors' bankruptcy petitions, or occurring or arising prior to the Closing Date (as defined in the Prepetition OTA).

7. To the extent (a) the Debtors are unable to transfer operations of any Facility to a New Operator or (b) the Debtors determine, in the exercise of their business judgment, that entry into an OTA is not in the best interests of their estates, creditors, and residents, the Debtors shall, in consultation with the applicable PCO, establish a Contingency Plan for the applicable Facility and shall file a Contingency Plan Notice of the same, which shall be served on the Core Service List, including the Rejection Notice Parties. The Contingency Plan Notice shall be subject to the Contingency Plan Objection Period. If any such objection is filed within the Contingency Plan Objection Period, the Debtors shall set the Contingency Plan for hearing before this Court by filing the Contingency Plan Hearing Notice, which shall be served on the Core Service List and the Rejection Notice Parties. If no objections are filed to any Contingency Plan following expiration of the Contingency Plan Objection Period, the Debtors are authorized, but not directed, to implement a Contingency Plan without further Court approval in consultation with the applicable PCO.

8. Upon the closing of the Transactions (the "Operations Closing"), the transfer of the Transferred Assets pursuant to this Order and the OTA: (a) shall be a legal, valid, and effective transfer of the Transferred Assets from the Debtor Operator to New Operator; (b) shall vest in New Operator all rights, titles, and interests of the Debtor Operator to the Transferred Assets and good and marketable title thereto; (c) shall constitute a transfer for reasonably equivalent value and full, adequate, and fair consideration under the Bankruptcy Code and all other law applicable to such

transfer; and (d) shall be on an “as is, where is” basis without any representations or warranties, except as provided in the OTA.

9. Pursuant to Bankruptcy Code sections 105(a) and 363(f), upon the Operations Closing, the Transactions and the transfer of the Transferred Assets to New Operator shall be free and clear of the following (other than Assumed Liabilities): (a) any mortgage, lien (as such term is defined in Bankruptcy Code section 101(37), including any mechanic’s, materialman’s, statutory, and any other consensual or non-consensual lien), security interest, charge, hypothecation, deed of trust, pledge, right of use, first offer or refusal, easement, servitude, restrictive covenant, lease, sublease, covenant, right of way, option, restriction (including, without limitation, any restriction on transfer or on the use, voting, receipt of income or other rights or exercise of any attributes of ownership), conditional sale or other title retention agreements, interest (including as that term is used in Bankruptcy Code section 363(f)), encroachment, “Encumbrance” (as defined in the OTA), or other encumbrance of any kind arising from or related in any way to the Debtors or the Transferred Assets (all of the foregoing collectively referred to as “Encumbrances”), and (b) any claim, “Claim” (as defined in the OTA), debt, liability, interest, or obligation arising from or related in any way to the Debtors or the Transferred Assets (all of the foregoing collectively referred to as “Claims”). Without limitation, the transfer of the Transferred Assets to New Operator shall be free and clear of all Claims and Encumbrances (other than Assumed Liabilities) regardless of whether any such Claim or Encumbrance is in law or in equity, known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-material, disputed or undisputed, direct or indirect, and whether arising by agreement, understanding, law,

equity or otherwise, and whether occurring or arising before, on or after the filing of the Debtors' bankruptcy petitions, or occurring or arising prior to the Operations Closing Date.

10. Entry of this Order and approval of the Rejection Procedures set forth herein shall not prevent the Debtors from seeking to reject a Contract or a Lease by separate motion or pursuant to a chapter 11 plan.

11. In resolution of the limited objection filed by the Brier Oak Landlords with respect to the Motion at Docket No. 750, the Debtors shall pay postpetition rent to the Brier Oak Landlords for three consecutive months postpetition (the "Postpetition Rent Period"), beginning as of the date of filing of the Motion (August 1, 2025). The Brier Oak Landlords reserve all rights with respect to any other rent amounts now owing or that may accrue for periods before or after the Postpetition Rent Period, including, but not limited to, their rights under Bankruptcy Code section 365(d)(3), and the Debtors reserve all rights to object or respond to the same.

12. All rights and defenses of the Debtors are preserved, including all rights and defenses of the Debtors with respect to a claim for damages arising from the rejection of a Contract or a Lease, including any right to assert an offset, recoupment, counterclaim, or deduction. In addition, nothing in this Order or the Motion shall limit the Debtors' ability to subsequently assert that any particular Contract is terminated and is no longer an executory contract.

13. With respect to Target Building Construction, Inc., nothing contained in this Order shall (a) prime, affect, modify or impair the Mechanics' Lien Claim filed on May 30, 2025 by Target Building Construction, Inc. in the Court of Common Pleas of Montgomery County, Pennsylvania, asserting a mechanic's lien claim against the property located at 3430 Huntington Pike, Huntingdon Valley, Pennsylvania, to the extent such mechanic's lien was validly perfected

under applicable law or (b) affect, modify or impair the rights of the Debtors or any other parties in interest with respect to the foregoing.

14. Notwithstanding anything to the contrary contained herein, any payment to be made hereunder, and any authorization contained herein, shall be subject to any interim and final orders, as applicable, approving the use of cash collateral and/or the Debtors' entry into any postpetition financing facilities or credit agreements, and any budgets in connection therewith governing any such postpetition financing and/or use of cash collateral (each such order, a "DIP Order"). To the extent there is any inconsistency between the terms of the DIP Order and any action taken or proposed to be taken hereunder, the terms of the DIP Order shall control.

15. Nothing contained in the Motion or this Order nor any actions taken pursuant to the relief granted herein is intended or shall be construed as: (a) an implication or admission as to the amount of, basis for, or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable non-bankruptcy law; (b) an impairment or waiver of the Debtors' or any other party in interest's rights to dispute the amount of, basis for, or validity of any claim against, or interest in, any Debtor, its property, or its estate on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any claim is of a type specified or defined in the Motion, or in this Order granting the relief requested by the Motion, or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a waiver of any claim or cause of action that may exist against any creditor or interest holder; (f) a waiver or limitation of the Debtors', or any other party in interest's, rights under the Bankruptcy Code or any other applicable law; (g) an implication or admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance of property of the Debtors' estates; (h) a concession by the Debtors that any liens (contractual, common law, statutory, or

otherwise) that may be satisfied pursuant to this Order are valid and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens; (i) a waiver of the obligation of any party in interest to file a proof of claim; or (j) an impairment or waiver of any claims or causes of action that may exist against any entity under the Bankruptcy Code or any other applicable law. Any payment made pursuant to this Order is not intended and should not be construed as an admission as to the validity or priority of any claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute the extent, perfection, priority, validity, or amount of such claim.

16. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a), the Local Rules, and the Complex Case Procedures are satisfied by such notice.

17. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

18. The Debtors are authorized to take all actions necessary to implement the relief granted in this Order.

19. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

END OF ORDER

Prepared and presented by:

/s/ Marcus A. Helt

Marcus A. Helt (TX 24052187)

Jack G. Haake (TX 24127704)

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Counsel for the Debtors and Debtors-in-Possession

EXHIBIT 1

Rejection Notice

rejection of executory contracts (each, a “Contract”) and unexpired leases (each, a “Lease”) for certain of their skilled nursing and assisted living facilities (each, a “Facility”) and granting related relief [Docket No. ___] (the “Procedures Order”).²

The Debtors hereby provide this notice (this “Notice”) of their intent to reject the Contract(s) and/or Lease(s) listed in **Schedule 1** attached hereto. Pursuant to the terms of the Procedures Order, the Contract(s) and/or Lease(s) shall be deemed rejected effective as of the date set forth in **Schedule 1** (the “Rejection Date”).

The Landlords shall have no more than 90 days following the service of this Notice to identify and select a new operator(s) (each, a “New Operator”) and negotiate and execute an operations transfer agreement (each, an “OTA”), substantially in the form attached to the Procedures Order as **Exhibit 2**, in form and substance reasonably acceptable to the Debtors and the New Operator for each Facility; *provided, however*, that the foregoing deadline may be extended with the consent of the Debtors and the applicable Landlord as a result of, among other things and without limitation, any regulatory or licensure delay. Once a New Operator is selected, the Debtors shall transfer certain assets necessary for the operation of the Facilities pursuant to one or more OTAs.

If a transfer to a New Operator is not a viable option, the Debtors intend to abandon, in consultation with the DIP Lenders, the personal property remaining in or on the property that is the subject of the above-referenced Contract(s) that are unexpired leases as described in **Schedule 1** (if any). Pursuant to the terms of the Procedures Order, upon entry of the Rejection Order (as defined herein), the applicable Landlord shall be entitled to dispose of such abandoned personal property without further notice or order from this Court and without liability for such disposal.

If you object to the Debtors’ rejection of the Contract(s) listed in **Schedule 1**, you must file a written objection with the Court and serve such objection by *electronic mail* so as to be *actually received* by the following parties (collectively, the “Notice Parties”) no later than fourteen (14) days after the date that the Debtors served this Notice:

- i. **Counsel to the Debtors:** McDermott Will & Schulte LLP, 2801 N. Harwood Street, Suite 2600, Dallas, Texas 75201-1574, Attn: Marcus Helt (mhelt@mwe.com) and Jack Haake (jhaake@mwe.com) and McDermott Will & Schulte LLP, 444 West Lake Street, Suite 4000, Chicago, Illinois 60606, Attn: Daniel M. Simon (dsimon@mwe.com), Emily C. Keil (ekeil@mwe.com), and William A. Guerrieri (wguerrieri@mwe.com);
- ii. **The U.S. Trustee:** The Office of the United States Trustee, Office of the United States Trustee for Region 6, 1100 Commerce Street, Room 976, Dallas, TX 75242, Attn: Meredyth Kippes (meredyth.kippes@usdoj.gov);
- iii. **Counsel to the DIP Lenders:** (A) counsel to OHI Mezz Lender LLC, Ferguson Braswell Fraser Kubasta PC, 2500 Dallas Parkway, Suite 600,

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Procedures Order.

Plano, TX 75093 (Attn: Leighton Aiken (laiken@fbfk.law)) and Goodwin Proctor LLP, The New York Times Building, 620 Eighth Avenue, New York, NY 10018 (Attn: Robert J. Lemons (rlemons@goodwinlaw.com)); (B) counsel to Markglen, LLC, Gibson, Dunn & Crutcher LLP, 333 South Grand Avenue, Los Angeles, CA 90071 (Attn: Jeffrey C. Krause (jkrause@gibsondunn.com), Francis Petrie (fpetrie@gibsondunn.com), and Michael G. Farag (mfarag@gibsondunn.com)); (v) counsel to CPE 88988 LLC, DLA Piper LLP, 1900 N. Pearl St., Suite 2200, Dallas, TX 75201 (Attn: James Muenker (james.muenker@us.dlapiper.com)); and

- iv. **Proposed counsel to the Committee** Proskauer Rose LLP, 11 Time Square, New York, New York 10036 (Attn: Ehud Barak (ebarak@proskauer.com), Brian Rosen (brosen@proskauer.com), and Daniel Desatnik (ddesatnik@proskauer.com)), and Stinson LLP, 1201 Walnut Street, Suite 2900, Kansas, City, Missouri 64106 (Attn: Nicholas Zluticky (nicholas.zluticky@stinson) and Zachary Hemenway (zachary.hemenway@stinson.com)).

Pursuant to the terms of the Procedures Order, if no objection is filed and served in accordance with the above procedures, the Debtors may include and file with the Court the applicable Contract(s) or Lease(s) in a rejection schedule attached to the proposed form of order under a certificate of no objection, substantially in the form attached hereto as **Exhibit 1-A** (the "**Rejection Order**"). No Contract or Lease shall be deemed rejected absent entry of an applicable Rejection Order.

If an objection is properly filed and served on the Debtors and the Notice Parties, as specified above,³ unless such parties agree otherwise in writing, a hearing will be scheduled to consider that objection. The applicable Contract(s) and/or Lease(s) subject to the objection will only be deemed rejected upon entry by the Court of a consensual form of Rejection Order filed under certificate of counsel resolving the objection as between the objecting party and the Debtors, or, if resolution is not reached and/or the objection is not withdrawn, upon further order of the Court.

Pursuant to the terms of the Procedures Order, if you have a claim for any damages as a result of the Debtors' rejection of the above-referenced Contract(s) and/or Lease(s), you must submit a proof of claim by the later of (a) the applicable dates designated by the Bankruptcy Court (or pursuant to the Bankruptcy Rules) as the last date for filing proofs of claims in these chapter 11 cases, (b) on the date that is thirty (30) days following the entry of the order approving such rejection of the applicable Contract or Lease, and (c) on the date that is thirty (30) days following the effective date of such rejection of the applicable Contract or Lease.

IF YOU FAIL TO TIMELY SUBMIT A PROOF OF CLAIM IN THE APPROPRIATE FORM BY THE DEADLINE SET FORTH HEREIN, YOU WILL BE FOREVER BARRED, ESTOPPED, AND ENJOINED FROM (I) ASSERTING SUCH

³ An objection to the rejection of a particular Contract or Lease listed on this Notice shall not constitute an objection to the rejection of any other Contract or Lease listed on this Notice.

CLAIM AGAINST ANY OF THE DEBTORS AND THEIR CHAPTER 11 ESTATES, (II) VOTING ON ANY CHAPTER 11 PLAN OF REORGANIZATION FILED IN THESE CASES ON ACCOUNT OF SUCH CLAIM, AND (III) PARTICIPATING IN ANY DISTRIBUTION IN THE DEBTORS' CHAPTER 11 CASES ON ACCOUNT OF SUCH CLAIM.

Schedule 1

Schedule of Rejected Contracts and Leases

Lease / Contract	Debtor(s)	Facility Name and Address	Counterparty
Lease Agreement, dated as of January 13, 2006, as amended by that certain First Amendment to Lease dated June 1, 2011, as further amended by that certain Consent, Lease Amendment, and Waiver Agreement dated as of February 2, 2015, as further amended by that certain Third Amendment to Lease dated as of August 16, 2021 (collectively, the " <u>Brier Oak Lease</u> ")	Leasehold Resource Group, LLC	Brier Oak on Sunset 5154 Sunset Blvd. Los Angeles, CA 90027	BFW, LLC c/o Alan Nahmias and Michael Bubman Email: anahmias@mbn.law Email: mbubman@mbn.law Mirman, Bubman & Nahmias 16133 Ventura Blvd., Suite 1175 Encino, California 91436 Sunset-Herman-Frankel-Fleishman, LLC c/o Michael Myers and Noelle Cooper Email: myersm@ballardspahr.com Email: coopern@ballardspahr.com Ballard Spahr LLP 2029 Century Park East, Suite 1400 Los Angeles, California 90067
Amended and Restated Lease Guaranty, dated as of February 2, 2015 (the " <u>Brier Oak Guaranty</u> ")	Genesis Healthcare, Inc.; FC-GEN Operations Investment LLC; Genesis Healthcare LLC		
Sublease, dated as of August 15, 2003 (the " <u>Brier Oak Sublease</u> ")	Leasehold Resource Group, LLC	Brier Oak on Sunset 5154 Sunset Blvd. Los Angeles, CA 90027	Brier Oak on Sunset, LLC
Master Lease, dated as of June 29, 2018, as amended by that certain First Amendment to Master Lease dated November 1, 2018, as further amended by that certain Second Amendment to	Harborside Rhode Island Limited Partnership	Greenwood Center 1139 Main Avenue Warwick, RI 02886	GMF Capital 650 Madison Avenue New York, NY 10022 Attn: Jonah J. Lobell jay@gmfcapital.com

Lease / Contract	Debtor(s)	Facility Name and Address	Counterparty
Master Lease dated as of July 1, 2019, as further amended by that certain Third Amendment to Master Lease dated as of January 22, 2020, as further amended by that certain Fourth Amendment to Master Lease dated as of February 1, 2020 (collectively, the " <u>GMF Master Lease</u> ")	Peak Medical Assisted Living, LLC	<p style="text-align: center;">The Village at Northrise 2880, 2882, and 2884 North Roadrunner Parkway Las Cruces, NM 88011</p>	<p style="text-align: center;">(with a copy to) Novack Burnbaum Crystal LLP 675 Third Avenue, 8th Floor New York, NY 10017 Attn: Edward H. Burnbaum eburnbaum@nbclaw.com</p>
Guaranty of Master Lease, dated as of June 29, 2018 (the " <u>GMF Lease Guaranty</u> ")	Genesis Healthcare, Inc.	<p style="text-align: center;">Greenwood Center 1139 Main Avenue Warwick, RI 02886</p>	
		<p style="text-align: center;">The Village at Northrise 2880, 2882, and 2884 North Roadrunner Parkway Las Cruces, NM 88011</p>	
Lease Agreement, dated as of February 5, 2014 (as subsequently amended, modified, or supplemented, the " <u>Troy Hills Lease</u> ")	200 Reynolds Avenue Operations LLC	<p style="text-align: center;">Troy Hills Center 200 Reynolds Ave. Parsippany, NJ 07054</p>	Troy NH, LLC & Troy 1997 LLC c/o Melohn Capital, LLC 250 West 55th Street, 13th Floor New York, NY 10019
	Genesis HealthCare LLC		

Lease / Contract	Debtor(s)	Facility Name and Address	Counterparty
Guaranty of Lease Agreement, dated February 5, 2014 (the " <u>Troy Hills Lease Guaranty</u> ")			
Amended and Restated Lease Agreement, dated January 1, 2011 (as subsequently amended, modified, or supplemented, the " <u>Elaine Center Lease</u> ")	SunBridge Healthcare, LLC	Elaine Center at Hadley 20 North Maple St. P.O. Box 720 Hadley, MA 01035	Elaine Manor Limited Partnership 52 Overlook Drive Windsor, CT 06095 Attn: John Chakalos
Guaranty of Lease Agreement, dated January 1, 2011 (the " <u>Elaine Lease Guaranty</u> ")	Sun Healthcare Group, Inc.		
Settlement Agreement, dated February 26, 2025 (the " <u>Elaine Settlement Agreement</u> ")	SunBridge Healthcare, LLC		

Exhibit 1-A

Proposed Rejection Order

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

In re:

GENESIS HEALTHCARE, INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 25-80185 (SGJ)
)
) (Jointly Administered)
)
) Related to Docket No. ____

**[NUMBER] ORDER APPROVING THE REJECTION
OF CERTAIN EXECUTORY CONTRACTS AND/OR UNEXPIRED
LEASES AND THE ABANDONMENT OF PERSONAL PROPERTY, IF ANY**

Pursuant to the order approving the procedures for the rejection of executory contracts and unexpired leases of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) and granting related relief [Docket No. ____] (the “Procedures Order”),² and the

¹ The last four digits of Genesis Healthcare, Inc.’s federal tax identification number are 4755. There are 299 Debtors in these chapter 11 cases, which are being jointly administered for procedural purposes only. A complete list of the Debtors and the last four digits of their federal tax identification numbers are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://dm.epiq11.com/Genesis>. The location of Genesis Healthcare, Inc.’s corporate headquarters and the Debtors’ service address is 101 East State Street, Kennett Square, PA 19348.

² Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Procedures Order.

Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Order of Reference of Bankruptcy Cases and Proceedings Nunc Pro Tunc* dated August 3, 1984; and the matter being a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and venue of this proceeding and the Motion in this District being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court being able to issue a final order consistent with Article III of the United States Constitution; and this Court having found that the relief requested is in the best interests of the Debtors' estates, their creditors, and other parties-in-interest; and the Debtors having properly filed and served a Rejection Notice on each applicable party as set forth in the Rejection Schedule, attached hereto as **Exhibit A**, in accordance with the terms of the Procedures Order; and no timely objections have been filed to the Rejection of such Contracts and/or Leases; and due and proper notice of the Procedures Order and the Rejection Notice having been provided to each applicable Rejection Counterparty as set forth in the Rejection Schedule and it appearing that no other notice need be provided; and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED that:

1. The Contracts listed on the Rejection Schedule attached hereto as **Exhibit A** are rejected under Bankruptcy Code section 365 effective as of the date of rejection proposed in the Rejection Schedule (the "Contract Rejection Date").

2. The Leases listed on the Rejection Schedule attached hereto as **Exhibit A** are rejected under Bankruptcy Code section 365 effective as of the shall be either (a) the later of (i) the date upon which the Debtors in writing (email being sufficient) surrender the premises to the landlord and return the keys, key codes, or security codes, as applicable or (ii) the effective date of the applicable OTA (as defined herein), or (b) if applicable, the Date upon which the Debtors are authorized to implement a Contingency Plan pursuant to the Contingency Plan Procedures

(such date, the “Lease Rejection Date” and together with the Contract Rejection Date, the “Rejection Dates”).

3. Pursuant to Bankruptcy Code section 544(a), the Debtors are authorized, but not directed, to abandon any de minimis or otherwise burdensome property located at any of the real property that is the subject of the Leases, including miscellaneous fixtures, furniture, and equipment as of the Rejection Date. Landlords may, subject to the liens, interests, claims, rights, and encumbrances of secured parties, utilize and/or dispose of such abandoned personal property in their sole discretion and without further notice to any third party or the Debtors or any order of the Court. To the extent applicable, the automatic stay is modified to allow such disposition. The rights of the applicable Lease counterparty to assert claims with respect to such disposition of the abandoned property are reserved, as are all parties’ rights to object to such claims.

4. Any claims against the Debtors arising from the rejection of any applicable Contracts and/or Leases set forth in the Rejection Schedule must be filed on or before the later of (a) the applicable dates designated by the Bankruptcy Court (or pursuant to the Bankruptcy Rules) as the last date for filing proofs of claims in these Chapter 11 Cases, (b) on the date that is thirty (30) days following the entry of the order approving such rejection of the applicable Contract, and (c) on the date that is thirty (30) days following the effective date of such rejection of the applicable Contract and/or Lease.

5. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order and the rejection without further order from this Court.

6. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

END OF ORDER

Prepared and presented by:

/s/ Marcus A. Helt

Marcus A. Helt (TX 24052187)

Jack G. Haake (TX 24127704)

MCDERMOTT WILL & SCHULTE LLP

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- and -

Daniel M. Simon (admitted *pro hac vice*)

Emily C. Keil (admitted *pro hac vice*)

William A. Guerrieri (admitted *pro hac vice*)

Catherine T. Lee (admitted *pro hac vice*)

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cleel@mwe.com

lfoody@mwe.com

Counsel for the Debtors and Debtors-in-Possession

EXHIBIT A

First Rejection Schedule

Lease / Contract	Debtor(s)	Facility Name and Address	Counterparty
Lease Agreement, dated as of January 13, 2006, as amended by that certain First Amendment to Lease dated June 1, 2011, as further amended by that certain Consent, Lease Amendment, and Waiver Agreement dated as of February 2, 2015, as further amended by that certain Third Amendment to Lease dated as of August 16, 2021 (collectively, the " <u>Brier Oak Lease</u> ")	Leasehold Resource Group, LLC	Brier Oak on Sunset 5154 Sunset Blvd. Los Angeles, CA 90027	<p>BFW, LLC c/o Alan Nahmias and Michael Bubman Email: anahmias@mbn.law Email: mbubman@mbn.law Mirman, Bubman & Nahmias 16133 Ventura Blvd., Suite 1175 Encino, California 91436</p> <p>Sunset-Herman-Frankel-Fleishman, LLC c/o Michael Myers and Noelle Cooper Email: myersm@ballardspahr.com Email: coopern@ballardspahr.com Ballard Spahr LLP 2029 Century Park East, Suite 1400 Los Angeles, California 90067</p>
Amended and Restated Lease Guaranty, dated as of February 2, 2015 (the " <u>Brier Oak Guaranty</u> ")	Genesis Healthcare, Inc.; FC-GEN Operations Investment LLC; Genesis Healthcare LLC		
Sublease, dated as of August 15, 2003 (the " <u>Brier Oak Sublease</u> ")	Leasehold Resource Group, LLC	Brier Oak on Sunset 5154 Sunset Blvd. Los Angeles, CA 90027	Brier Oak on Sunset, LLC
Master Lease, dated as of June 29, 2018, as amended by that certain First Amendment to Master Lease dated November 1, 2018, as further amended by that certain Second Amendment to	Harborside Rhode Island Limited Partnership	Greenwood Center 1139 Main Avenue Warwick, RI 02886	<p>GMF Capital 650 Madison Avenue New York, NY 10022 Attn: Jonah J. Lobell jay@gmfcapital.com</p>

Lease / Contract	Debtor(s)	Facility Name and Address	Counterparty
Master Lease dated as of July 1, 2019, as further amended by that certain Third Amendment to Master Lease dated as of January 22, 2020, as further amended by that certain Fourth Amendment to Master Lease dated as of February 1, 2020 (collectively, the " <u>GMF Master Lease</u> ")	Peak Medical Assisted Living, LLC	<p>The Village at Northrise 2880, 2882, and 2884 North Roadrunner Parkway Las Cruces, NM 88011</p>	<p>(with a copy to) Novack Burnbaum Crystal LLP 675 Third Avenue, 8th Floor New York, NY 10017 Attn: Edward H. Burnbaum eburnbaum@nbclaw.com</p>
Guaranty of Master Lease, dated as of June 29, 2018 (the " <u>GMF Lease Guaranty</u> ")	Genesis Healthcare, Inc.	<p>Greenwood Center 1139 Main Avenue Warwick, RI 02886</p>	
		<p>The Village at Northrise 2880, 2882, and 2884 North Roadrunner Parkway Las Cruces, NM 88011</p>	
Lease Agreement, dated as of February 5, 2014 (as subsequently amended, modified, or supplemented, the " <u>Troy Hills Lease</u> ")	200 Reynolds Avenue Operations LLC	<p>Troy Hills Center 200 Reynolds Ave. Parsippany, NJ 07054</p>	Troy NH, LLC & Troy 1997 LLC c/o Melohn Capital, LLC 250 West 55th Street, 13th Floor New York, NY 10019
	Genesis HealthCare LLC		

Lease / Contract	Debtor(s)	Facility Name and Address	Counterparty
Guaranty of Lease Agreement, dated February 5, 2014 (the " <u>Troy Hills Lease Guaranty</u> ")			
Amended and Restated Lease Agreement, dated January 1, 2011 (as subsequently amended, modified, or supplemented, the " <u>Elaine Center Lease</u> ")	SunBridge Healthcare, LLC	Elaine Center at Hadley 20 North Maple St. P.O. Box 720 Hadley, MA 01035	Elaine Manor Limited Partnership 52 Overlook Drive Windsor, CT 06095 Attn: John Chakalos
Guaranty of Lease Agreement, dated January 1, 2011 (the " <u>Elaine Lease Guaranty</u> ")	Sun Healthcare Group, Inc.		
Settlement Agreement, dated February 26, 2025 (the " <u>Elaine Settlement Agreement</u> ")	SunBridge Healthcare, LLC		

EXHIBIT 2

Form OTA

OPERATIONS TRANSFER AGREEMENT

This OPERATIONS TRANSFER AGREEMENT (“Agreement”) is entered into as of [____], 2025 (“Effective Date”), by and among the entities listed as “Existing Operators” on Exhibit A attached hereto (each, an “Existing Operator” and, collectively, the “Existing Operators”) and the entities listed as “New Operators” on Exhibit A attached hereto (each, a “New Operator” and, collectively, the “New Operators”). Existing Operators and New Operators are sometimes each referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

A. [____], a [____], [____], a [____], [____], a [____] and [____], a [____] (collectively, “Owners”) own those certain skilled nursing facilities set forth on Exhibit A attached hereto (each, a “Facility” and, collectively, the “Facilities”).

B. [Owners lease the Facilities to Existing Operators pursuant to that certain [Master Lease Agreement dated as of [____] (as amended, the “Existing Master Lease”).]

C. Each Existing Operator is the licensed operator of the Facility set forth opposite its name on Exhibit A attached hereto.

D. On July 9, 2025, Existing Operators and certain of their parent companies and affiliates (the “Debtors”) filed for protection under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the “Bankruptcy Court”), the chapter 11 cases of which are being jointly administered under Case No. 25-80185;

E. Pursuant to the terms and conditions herein, and subject to the Bankruptcy Court’s entry of the Approval Order (as hereinafter defined), Existing Operators are transferring their assets and the Facilities’ operations to New Operators.

F. Simultaneously with the consummation of the transactions contemplated under this Agreement, [Purchasers/Owners] and New Operators will enter into a lease for the lease and operation of the Facilities by New Operator from and after the Closing Date (the “Post-Closing Lease”).

G. Certain capitalized terms used herein have the meanings given to them on Exhibit B attached hereto.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereto agree that:

SECTION 1 TRANSFERRED ASSETS; CONDITIONS TO CLOSING; DELIVERIES UPON CLOSING DATE

1.1 Transferred Assets. Effective upon the satisfaction of the conditions set forth in Sections 1.3, 1.4 and 1.5 of this Agreement (collectively, the “Closing”), and subject to the Bankruptcy Court’s entry of the Approval Order, Existing Operators shall assign, transfer, convey and deliver to the applicable New

Operator, and such New Operator shall accept from Existing Operators, with respect to the applicable Facility, the following, solely to the extent the same are owned by Existing Operators, hereinafter collectively referred to as the “Assets”:

(a) To the extent permitted under the applicable agreements, and subject to Section 2.14 hereof and the other terms and conditions of this Agreement, all rights of Existing Operators in, to and under the Assumed Facility Agreements;

(b) To the extent permitted under state laws and regulations, and subject to Section 2.14 hereof and the other terms and conditions of this Agreement, all occupancy, residency, tenancy and similar written agreements entered into in the ordinary course of business with residents, and any amendments or modifications thereof (collectively, the “Resident Agreements”);

(c) All Collective Bargaining Agreements;

(d) All licenses, permits and approvals other than certificates of need (or the equivalent) related to the Facilities, to the extent Existing Operators’ interests are assignable and/or transferrable pursuant to Legal Requirements;

(e) All rights, title and interest of Existing Operators in and to any trade names and all variations thereof connected with the Facilities, other than trade names containing the word “Genesis” or any variations thereof;

(f) All telephone and facsimile numbers relating solely to the Facilities (including all “800” numbers) and all post office box addresses associated with the Facilities;

(g) Any and all other items of tangible and intangible personal property owned by Existing Operators and used solely in connection with the operation, leasing and maintenance of the Facilities (collectively, the “Personal Property”), and any goodwill of Existing Operators associated with the business operated at the Facilities.

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Assets shall not include the following items (collectively, the “Excluded Assets”):

(a) Existing Operators’ rights under this Agreement or any other agreement between Existing Operators and New Operators;

(b) all of Existing Operators’ bank accounts, cash, cash equivalents, securities and accounts receivable (including third party settlements and excluding accounts receivable of the Facilities relating to services provided on and after the Closing), prepaid accounts, deposit accounts, deposits, real estate and insurance escrows, inter-company accounts and utility deposits;

(c) all refunds for taxes, fees, assessments and charges for the period prior to the Closing Date;

(d) amounts of any nature which are or might be due to Existing Operators for goods provided, services rendered, or any other transaction of any type prior to the Closing Date;

(e) refunds, rebates and dividends paid in respect of workers compensation or other insurance premiums paid by Existing Operators prior to the Closing, and refunds and additional

recoveries by or payments to Existing Operators from any Person for services, provision of goods or supplies, or any other transactions prior to the Closing Date;

(f) all refunds arising out of retrospective premium adjustments under insurance policies covering the Facilities or operations thereof relating to the period prior to the Closing Date;

(g) inventory disposed of in the ordinary course of business prior to the Closing Date;

(h) any provider tax payments related to periods prior to the Closing Date;

(i) all security deposits and prepayments paid by Existing Operators to third parties for future services, if any;

(j) any and all Medicaid and Medicare audit and case mix appeal rights and payments for periods prior to the Closing Date;

(k) any state Medicaid or Medicare reimbursements or adjustments for services rendered prior to the Closing Date;

(l) equipment leased pursuant to any lease that is not an Assumed Facility Agreement;

(m) all Rejected Facility Agreements;

(n) Existing Operators' corporate minute books and seals;

(o) any insurance proceeds paid or payable to Existing Operators for claims to the extent arising prior to the Closing Date;

(p) all right, title and interest of Existing Operators in and to any trade names containing the word "Genesis" and all variations thereof connected with the Facilities;

(q) all registered trademarks or service marks and applications to register any trademarks or service marks and all common law rights to trademarks and service marks, including all goodwill associated therewith, owned by Existing Operators or any of their Affiliates, other than as associated with the trade names specified in Section 1.1(e) above;

(r) all licenses, permits, approvals and certifications that are not assignable or transferable pursuant to Legal Requirements;

(s) subject to Section 2.20, the policy and procedure manuals of the Facilities;

(t) all of Existing Operators or their Affiliates' rights under the Existing Master Lease;

(u) all computer hardware, software, network equipment, peripherals, data circuits and time clocks located at the Facilities or used in the operation of the Facilities; and

(v) all vehicles used in the operation of the Facilities.

1.3 Conditions to Closing. The obligations of Existing Operators and New Operators under this Agreement that are to be performed on the day on which the Closing occurs (the "Closing Date") shall be subject to the following conditions precedent on, and as of, the Closing Date, to the reasonable satisfaction of or the waiver thereof by the Party benefitting from such condition, in the absence of which

the benefitting Party may terminate this Agreement (following written notice to the other Party and ten (10) business days to cure such failure):

(a) the simultaneous closing of the transactions contemplated by the Post-Closing Lease and accordingly all of the conditions to closing set forth therein are hereby incorporated by reference, it being understood and agreed that, other than those rights granted to and obligations imposed on Existing Operators and/or New Operators that are specifically required to be performed prior to Closing, neither Existing Operators nor New Operators shall have any rights or obligations hereunder if the closing of the transactions set forth in the Post-Closing Lease fails to occur, or the Post-Closing Lease is terminated for any reason;

(b) New Operators shall have received all Government Authorizations required for the operation of the Facilities (with the same number of licensed beds as set forth opposite each Facility on Exhibit A attached hereto) by New Operators (collectively, the “Licenses”), or otherwise shall have confirmed the unconditional and non-contingent approval from the appropriate Governmental Entities for the issuance of such Government Authorizations to New Operators upon receipt of evidence of the transfer of the Facilities to New Operators;

(c) each Party shall have materially performed all of its obligations and covenants under this Agreement that are to be performed prior to or at Closing, provided that with respect to those obligations and covenants that are qualified by materiality, such Party shall have performed such obligations and covenants, as so qualified, in all respects; and

(d) each Party’s representations and warranties contained in this Agreement and any document to be executed and delivered at the Closing shall be true and correct in all respects on the Effective Date, as applicable, and all material respects as of the Closing Date with the same force and effect as if made on the Closing Date except that those representations and warranties that contain materiality qualifications and other qualifications based on the word “material” shall be required to be true and correct in all respects and not merely material respects as of the Closing Date.

(e) for the benefit of both Parties, the Bankruptcy Court shall have entered the Approval Order and, unless otherwise expressly agreed to in writing by New Operators, in New Operators’ sole discretion, such Approval Order shall be a Final Order.

1.4 Existing Operators’ Deliveries Upon the Closing Date. Existing Operators shall deliver the following to New Operators on the Closing Date:

(a) A bill of sale for each Facility executed by the applicable Existing Operator, substantially in the form attached as Exhibit C hereto (collectively, the “Bills of Sale”);

(b) An assignment and assumption agreement for the Facilities executed by Existing Operators, substantially in the form attached hereto as Exhibit D (the “Assignment and Assumption Agreement”);

(c) The Employee Schedule for the Facilities including a schedule showing the method of calculation of ETO;

(d) The inventory and supplies included within the Assets, which Existing Operators shall deliver to New Operators by leaving the same at the Facilities on the Closing Date;

(e) A closing statement setting forth in reasonable detail the financial transactions contemplated by this Agreement, including, without limitation, all prorations, as reasonably approved by Existing Operators and New Operators (the “Closing Statement”);

(f) The accounting of Resident Trust Funds required by Section 2.3(b) hereof;

(g) A certificate executed by an authorized officer of Existing Operators that all representations and warranties of Existing Operators set forth in Section 4 of this Agreement are true and correct in all material respects as of the Closing Date with the same force and effect as if made on the Closing Date except that those representations and warranties that contain materiality qualifications and other qualifications based on the word “material” shall be required to be true and correct in all respects and not merely all material respects;

(h) An amendment of the Existing Master Lease removing the Facilities therefrom, duly executed by Owners and Existing Operators;

(i) A copy of the Approval Order; and

(j) Such other documents as are reasonably requested by New Operators to effectuate the transactions contemplated hereby.

1.5 New Operators’ Deliverables on the Closing Date. New Operators shall deliver the following to Existing Operators on the Closing Date:

(a) The Bills of Sale executed by the applicable New Operator;

(b) The Assignment and Assumption Agreement executed by New Operators;

(c) A certificate executed by an authorized officer of New Operators that all representations and warranties of New Operators set forth in Section 3 of this Agreement are true and correct in all material respects as of the Closing Date with the same force and effect as if made on the Closing Date except that those representations and warranties that contain materiality qualifications and other qualifications based on the word “material” shall be required to be true and correct in all respects and not merely all material respects;

(d) The Closing Statement executed by New Operators;

(e) Evidence reasonably satisfactory to Existing Operators that the Licenses will be issued to New Operators effective as of the Closing Date upon receipt of evidence of the transfer of the Facilities to New Operator; and

(f) Such other documents as are reasonably requested by Existing Operators to effectuate the transactions contemplated hereby.

1.6 Payment. Any payment obligations hereunder owing between Existing Operators on the one hand and New Operators on the other on the Closing Date pursuant to this Agreement shall be offset against each other and reflected on the Closing Statement. To the extent a Party is owed a Closing Date payment after such offset, such payment shall be made in cash on the Closing Date by wire transfer pursuant to the wire instructions of the Party owed such payment.

SECTION 2 TRANSFER OF OPERATIONS

2.1 Cooperation. The Parties hereto agree to cooperate with each other to effect an orderly transfer of the operation of the Facilities on the Closing Date. In furtherance and not in limitation of the foregoing, New Operators shall have until [] to conduct such financial, legal, operating and managerial due diligence review and inspection of Existing Operators and the Facilities as New Operators deem appropriate in the exercise of their sole and absolute discretion, subject to the limitations set out in this Agreement. Existing Operators shall provide to New Operators, their assignees or prospective assignees and their representatives, agents or consultants acting on their behalf access, upon not less than 24-hours' prior notice to Natalie Holland, or such other representative as Existing Operators may designate from time to time, to the Facilities and the offices where any records relating to the same are maintained, for the purpose of performing the due diligence inspection. Following such notification, the New Operators shall have the right to go to the Facilities, at times reasonably agreed upon by the Parties, and perform environmental audits, inspections, tests and to conduct all other reasonable and necessary activities as New Operators deem necessary in order to conduct a full due diligence inspection. Notwithstanding the foregoing, New Operators shall not conduct or permit any invasive environmental or other investigations, such as a Phase II site assessment, on, at or under any Facility without Existing Operators' prior written consent as to the nature and scope of such testing, which consent may be granted or withheld in Existing Operators' sole discretion. New Operators shall be responsible for the cost of the due diligence inspection and shall indemnify, defend and hold Existing Operators harmless from any and all physical damage or physical injuries (including any claims, causes of action, demand, liabilities, damages, costs and expenses related to such physical damage or injuries) arising from, relating to, on account of or in any way as a result of any such inspection of the Facilities by or on behalf of New Operators or their representatives or contractors, except to the extent such damage or physical injuries are due to the negligence or willful acts of Existing Operators, their employees, representatives or contractors, which covenant shall survive any termination of this Agreement; provided, however, in no event shall the foregoing indemnity apply to the mere discovery of any pre-existing physical defect or environmental condition by New Operators or their representatives or contractors. New Operators agree to keep the Assets free and clear of any liens that may arise as a result of such inspection. New Operators shall, at their sole expense, obtain and maintain prior to entering any Facility, and shall cause all of their independent contractors or consultants (the "Consultants") to obtain and maintain prior to entering any Facility, from a financially sound insurance company or companies reasonably acceptable to Existing Operators, comprehensive general public liability insurance with limits of not less than \$1,000,000 combined single limit for claims arising from bodily injury and/or property damage, written on an "occurrence" basis, provided New Operators may satisfy such insurance requirements by having the Consultants provide such insurance. Notwithstanding anything to the contrary set out in this Agreement, nothing in this Agreement shall require Existing Operators to permit access to the Facilities, or to allow New Operators or their employees, agents, independent contractors or other designees access to the Facilities, in each case to the extent such access would violate any guidance or Legal Requirement of any Governmental Entity, or the corporate policies of Existing Operators or their Affiliates, including any access restrictions that may relate to COVID-19. Furthermore, nothing in this Section 2.1 shall be construed to affect any party's rights under the [Sale Agreement/Post-Closing Lease], or require Existing Operators to take any action except as expressly provided in this Section 2.1, with respect to the Facilities, their operation, or otherwise.

2.2 Licensure. New Operators shall use commercially reasonable efforts to transfer or obtain the new Health Care Licenses as required for the operation of the Facilities by New Operators as of the Closing Date. Prior to the Effective Date, New Operators have filed such applications and provided any required Medicaid notices as are necessary for New Operators to obtain such Health Care Licenses. Existing Operators shall cooperate with New Operators to take all actions necessary for New Operators to transfer

or obtain the new Health Care Licenses as required for the operation of the Facilities by New Operators as of the Closing Date, and, in that regard, Existing Operators agree, promptly upon request by New Operators, to execute any reasonably necessary documents or notifications required in connection with such efforts. Existing Operators agree to promptly provide or make available to New Operators for photocopying, upon request, to the extent such documentation is within Existing Operators' possession or control, any and all existing documentation requested by New Operators necessary for the issuance of the new Health Care Licenses. Existing Operators agree to use commercially reasonable efforts to cooperate with New Operators in obtaining any other approval from a Governmental Entity that is required as a result of the transactions contemplated hereby or to continue operations at the Facilities in the same manner as were conducted by Existing Operators prior to the Closing Date. New Operators shall be solely responsible for any and all costs associated with securing the Health Care Licenses, including, without limitation, any costs or expenses required or imposed by any Governmental Entity as a result of any inspection or survey conducted in connection with New Operators' application for such Health Care Licenses, including, without limitation, any health inspections, safety inspections, fire inspections, zoning inspections, life safety inspections, or other similar inspections or surveys.

2.3 Patient Funds; Advance Payments.

(a) Prior to the Closing Date, Existing Operators shall prepare a true, correct and complete Resident Census Report. Within thirty (30) days following the Closing Date, Existing Operators shall update the Resident Census Report to reflect the residents at the Facilities as of the Closing Date.

(b) Prior to the Closing Date, Existing Operators shall prepare a true, correct and complete accounting, properly reconciled, of any Resident Trust Funds then held by Existing Operators for residents at the Facilities. On the Closing Date, Existing Operators shall transfer the Resident Trust Funds to bank accounts designated by New Operators, and New Operators shall, in writing, acknowledge receipt of and expressly assume all of Existing Operators' financial and custodial obligations with respect to such Resident Trust Funds actually delivered by Existing Operators, it being the intent and purpose of this provision that, at the Closing, Existing Operators will be relieved of all fiduciary and custodial obligation with respect to such Resident Trust Funds actually delivered to New Operators, and that New Operators will assume all such obligations and be directly accountable to the residents with respect thereto. Within thirty (30) days following the Closing Date, Existing Operators shall update such accounting, properly reconciled, as of the Closing Date. The provisions of this Section 2.3(b) shall survive the Closing as provided in Section 5.

(c) New Operators agree to indemnify and hold Existing Operators harmless from all liabilities, claims, demands and settlements, including, without limitation, reasonable attorneys' fees that may be asserted against Existing Operators in connection with New Operators' custody and treatment from and after the Closing Date of the Resident Trust Funds delivered by Existing Operators to New Operators. This Section 2.3(c) shall survive the Closing as provided in Section 5.

2.4 Employees.

(a) At a time mutually agreed to by Existing Operators and New Operators prior to the Closing Date, New Operators shall notify the individuals employed by Existing Operators or any of their Affiliates at the Facilities (collectively, the "Employees", which shall not include (i) any employee of Existing Operators or their Affiliates who is employed both by the Facilities and any other facilities or operations (collectively, the "Regional Employees") or (ii) any employee of Powerback Rehabilitation, LLC, Genesis ElderCare Physician Services, LLC, Respiratory Health Services, LLC or any other contractor of the Facilities that is an Affiliate of Existing Operators (collectively, the "Contractor Employees")) of the transactions contemplated in this Agreement (the "Employee Notification"). Prior to

the Employee Notification, New Operators shall not meet or talk to any Employees except as specifically agreed to by Existing Operators in their sole discretion. Following the Employee Notification, New Operators shall be entitled to meet and talk to the Employees at times reasonably agreed upon by the Parties to avoid disrupting the Facilities, the residents and the Employees.

(b) Concurrently with the delivery of the Employee Notification, Existing Operators shall notify the Employees employed by them or their Affiliates (which, for the avoidance of doubt, shall not include the Regional Employees or the Contractor Employees) that they will terminate their employment as of 11:59 p.m. [Eastern] Time on the day prior to the Closing Date. With respect to Employees that are not subject to a Collective Bargaining Agreement (collectively, the “Non-Union Employees”), in New Operators’ sole discretion, New Operators may offer full-time and part-time Non-Union Employees at the Facilities (which, for the avoidance of doubt, shall not include Regional Employees or Contractor Employees) employment with New Operators upon terms and conditions as may be determined by the New Operators in their sole discretion. With respect to Employees who are subject to a Collective Bargaining Agreement (collectively, the “Union Employees”), New Operators shall assume each such Collective Bargaining Agreement at Closing and shall offer the Union Employees at the Facilities (which, for the avoidance of doubt, shall not include Regional Employees or Contractor Employees) employment with New Operators as required by and on terms and conditions that are in compliance with the Collective Bargaining Agreements. Notwithstanding the foregoing, New Operators shall not be entitled to offer employment to those certain Employees listed on Schedule 2.4(b) hereto, whom New Operators acknowledge and agree shall continue to be employed by Existing Operators or their Affiliates following the Closing Date. Those Employees who receive and accept an offer of employment with New Operators as of or after the Closing shall be “Transitioned Employees” as of the Closing. New Operators shall provide Existing Operators with a list of all Employees that it anticipates will become Transitioned Employees no later than five (5) business days prior to the Closing, and shall provide a list of all actual Transitioned Employees no later than ten (10) business days after the Closing. Existing Operators shall take such action as required by law necessary for Existing Operators to maintain all liability for non-Transitioned Employees’ health benefits under the Consolidated Omnibus Budget Reconciliation Act (“COBRA”). Existing Operators acknowledge and agree that New Operators are not assuming any of Existing Operators’ obligations to their employees and/or qualified beneficiaries under COBRA or otherwise, except as specifically provided in this Agreement. New Operators will offer to the Transitioned Employees the right to participate in New Operators’ health insurance program as of the Closing Date without any waiting periods.

(c) Notwithstanding the foregoing, New Operators shall offer employment to such number of the Employees, and upon such terms and conditions of employment, so as not to constitute a mass layoff or a plant closing under the Worker Adjustment and Retraining Notification (“WARN”) Act, 29 U.S.C. § 2101 et seq., provided, however, New Operators shall not be obligated to hire any employee who does not meet New Operators’ current standards for employment. The Parties do not anticipate that the transactions contemplated by this Agreement will trigger obligations under the WARN Act, or under any similar provision of any federal, state, regional, foreign, or local law, rule, or regulation (referred to collectively as “WARN Obligations”). To the extent that any WARN Obligations might arise with respect to the Employees at the Facilities solely as a consequence of the applicable New Operators’ failure to offer employment to such number of the Employees, and upon such terms and conditions of employment, so as not to constitute a mass layoff or a plant closing under the WARN Act, including, but not limited to, New Operators’ failure to offer employment to such number of Employees or plant closing upon the termination of the Existing Lease. New Operators shall be responsible for, and shall jointly and severally indemnify, protect, defend and hold harmless Existing Operators from and against any WARN liabilities, losses, or claims arising therefrom. New Operators shall provide notice to Existing Operators by no later than [] if New Operator is unable to offer employment to such number of Employees at Closing, such that the required sixty (60) days’ advance notice can be delivered to the appropriate Persons

in accordance with any WARN Obligations. The terms and provisions of this Section 2.4(c) shall survive the Closing.

(d) At Closing, Existing Operators shall deliver to New Operators a schedule (the “Employee Schedule”) setting forth: (1) the name of each of the Employees (which, for the avoidance of doubt, shall not include the Regional Employees or Contractor Employees), (2) their positions and rates of pay, (3) all benefits that Existing Operators are obligated by all Legal Requirements, their policies, or both, to provide the Employees as of the most recent payroll date prior to Closing (the “Payroll Date”), and (4) Existing Operators’ liability for the Employees’ awarded and unused vacation (“ETO”) as of the Payroll Date.

(e) The provisions of this Section 2.4(e) shall apply with respect to any Transitioned Employees who are Non-Union Employees: At least ten (10) days prior to the Closing Date, New Operators may elect, in their sole discretion, to assume the liability for fifty percent (50%) of the ETO of the Transitioned Employees who are Non-Union Employees (the “Assumed ETO”). In the event New Operators elect to assume the liability for the Assumed ETO of the Transitioned Employees who are Non-Union Employees, (i) New Operators shall be responsible for the Assumed ETO of all Transitioned Employees who are Non-Union Employees on and after the Closing Date and (ii) Existing Operators shall pay to New Operators on the Closing Date the amount of such Assumed ETO, subject to adjustment following the Closing Date in accordance with Section 2.7 hereof. In the event that New Operators elect not to assume the liability for the Assumed ETO, Existing Operators shall pay to each Transitioned Employee who is a Non-Union Employee, on or prior to the first payroll date following the Closing Date, an amount equal to such Non-Union Employee’s Assumed ETO. Existing Operators shall be responsible for paying or providing all applicable Non-Union Employees with all other benefits to be provided to such Non-Union Employees for all periods prior to the Closing Date, which obligations shall be discharged by Existing Operators in the ordinary course, in accordance with applicable Legal Requirements. Notwithstanding anything to the contrary set out in this Section 2.4(e) or otherwise, to the extent required by applicable law or regulation, Existing Operators shall pay the amount of any awarded and unused vacation directly to the Transitioned Employees, and not to New Operators.

(f) Notwithstanding anything to the contrary set forth in Section 2.4(e) or otherwise, the following provisions shall apply with respect to any Transitioned Employees who are Union Employees:

(i) In the event any Collective Bargaining Agreement requires the assignment by Existing Operators and assumption by New Operators of any awarded and unused vacation, accrued vacation, sick days, personal days, holidays or other paid time off with respect to the Transitioned Employees who are Union Employees (collectively, the “CBA Required ETO”), including, without limitation, any such amounts that are agreed to in any settlement agreement with the applicable union or awarded pursuant to any arbitration with respect to the applicable Collective Bargaining Agreement, (A) New Operators shall be responsible for the CBA Required ETO of all Transitioned Employees who are Union Employees on and after the Closing Date, and (B) Existing Operators shall pay to New Operators on the Closing Date an amount equal to one hundred percent (100%) of such CBA Required ETO, subject to adjustment following the Closing Date in accordance with Section 2.7 hereof.

(ii) In the event any Collective Bargaining Agreement requires payout to the Union Employees of any CBA Required ETO upon termination of such Union Employees by Existing Operators, including, without limitation, any such amounts that are agreed to in any settlement agreement with the applicable union or awarded pursuant to any arbitration with respect to the applicable Collective Bargaining Agreement, Existing Operators shall pay to each Union Employee, on or prior to the first payroll date following the Closing Date, or such other date as required by the applicable Collective Bargaining Agreement, the amount of such CBA Required ETO of such Union Employee.

(iii) Notwithstanding anything to the contrary set forth in this Agreement, New Operators hereby agree that as of the Closing Date they shall assume any and all obligations of Existing Operators with respect to any multiemployer pension plans applicable to the Union Employees (collectively, the “Pension Plans”) to the extent such obligations arise on or after the Closing Date. With respect to any withdrawal liability assessment or claim against Existing Operators following the Closing Date due to the withdrawal from any of the Pension Plans as a result of the consummation of the transactions contemplated under this Agreement or New Operators’ failure to meet its obligations under the Pension Plans on or following the Closing Date (“Withdrawal Liability”), New Operators agree that they shall be jointly and severally responsible for any such Withdrawal Liability assessment or claim (or any settlement thereof).

(iv) Following the Closing Date, New Operators shall jointly and severally indemnify, defend and hold harmless Existing Operators and its partners, officers, directors, employees, affiliates, successors and assigns from and against, any and all losses, penalties, judgments, suits, costs, claims, liabilities, damages, settlements and expenses including, without limitation, reasonable attorneys’ fees and disbursements (collectively, “Losses”) relating to, arising out of or resulting from (a) New Operators’ failure to satisfy their obligations arising under the Pension Plans from and after the Closing Date and (b) New Operators’ failure to pay any Withdrawal Liability pursuant to Section 2.4(f)(iii).

(v) Existing Operators shall keep New Operators reasonably apprised of any negotiations Existing Operators may have with any union or Pension Plan with respect to any CBA Required ETO or Withdrawal Liability, and New Operators shall be entitled to consult with Existing Operators in any such negotiations; provided that New Operators shall not engage in any discussions with any union or Pension Fund related to such matters without Existing Operators’ consent, and New Operators shall have no authority to bind Existing Operators or the Facilities with respect to such matters.

(vi) Except as otherwise set forth in this Section 2.4(f), Existing Operators shall be responsible for paying or providing to all such Union Employees all other benefits pursuant to or as required by the Collective Bargaining Agreements, Existing Operators’ employment policies or applicable Legal Requirements, for all periods prior to the Closing Date, which obligations shall be discharged by Existing Operators in the ordinary course, in accordance with the applicable Collective Bargaining Agreements and Legal Requirements. Notwithstanding anything to the contrary set out in this Section 2.4(f) or otherwise, to the extent required by applicable law or regulation, Existing Operators shall pay the amount of any paid time off directly to the Union Employees, and not to New Operators.

(g) Upon reasonable advance written notice to New Operators and at reasonable times that will not unreasonably interfere with the business of New Operators at the Facilities, New Operators agree to provide Existing Operators with reasonable access to the Facilities’ employees after the Closing Date if necessary for Existing Operators’ defense of any professional liability or general liability litigation. The provisions of this Section 2.4(g) shall survive the Closing as provided in Section 5.

(h) Nothing in this Agreement shall create any rights in favor of any person not a party hereto, including the Employees, or constitute an employment agreement or condition of employment for any employee of Licensee or the Manager or any affiliate thereof.

2.5 Accounts Receivable.

(a) New Operators shall assume responsibility for the billing for and collection of payments on account of services rendered by them at the Facilities on and after the Closing Date. Existing Operators

shall retain all rights in and title to accounts receivable for services rendered at the Facilities prior to the Closing Date (the “Existing Operators’ Accounts Receivable”) and shall retain full responsibility for the billing and collection thereof. The Existing Operators’ Accounts Receivable shall include all amounts due Existing Operators, whether billed or unbilled, prior to the Closing Date, for all services and ancillary services or products provided to any current or former residents at the Facilities by Existing Operators prior to the Closing Date and any accounts receivable arising from the rate adjustments which relate to periods prior to the Closing Date even if such adjustments occur after the Closing Date.

(b) All private pay or third party payor payments that designate the dates of service or other identifying data on the remittance received by New Operators from and after the Closing Date shall relate to the period prior to the Closing Date or after the Closing Date, as the case may be, in connection with the account of the resident of the Facilities for whom the payment is made in accordance with the dates of service or other identifying data indicated on the remittance, and New Operators shall remit to Existing Operators any payment received by New Operators that applies to Existing Operators’ Accounts Receivable, together with a copy of the remittance advice on the next to occur of the fifth (5th) day or the twentieth (20th) day of each calendar month after the Closing Date provided such date is at least five (5) business days following receipt of such payment by New Operators; provided, however, in the event payment is made without remittance advice (or where the remittance advice does not specify the dates of service) and within sixty (60) days after the Closing Date, such payment will be first applied to the appropriate Existing Operator’s Accounts Receivable if properly and fully identified to New Operators within six (6) days following the Closing, as updated within thirty (30) days following the Closing Date for residents’ ancillary charges for the month immediately preceding the Closing Date, with any excess to New Operators. In the event payment is made without remittance advice (or where the remittance advice does not specify the dates of service) and subsequent to the sixtieth (60th) day following the Closing Date, such payment will be applied first to the New Operators’ accounts receivable, with any excess to the Existing Operators’ Accounts Receivable if properly and fully identified to New Operators within six (6) days following the Closing, as updated within thirty (30) days following the Closing Date for residents’ and patients’ ancillary charges for the month immediately preceding the Closing Date (to the extent of any unpaid balance thereon). Notwithstanding anything contained herein to the contrary, advance payments received from private pay residents and patients billed by New Operators shall be retained by New Operators; provided such payments are for services received after the Closing Date.

(c) In addition, New Operators shall remit to Existing Operators any repayment or reimbursement received by New Operators arising out of cost reports filed for the cost reporting period ending prior to the Closing Date. Such remittances shall be made on the next to occur of the fifth (5th) day or the twentieth (20th) day of each calendar month after the Closing Date provided such date is at least five (5) business days following receipt of such repayment or reimbursement by New Operators. Existing Operators agree that any payment, whether received by New Operators from private pay residents and patients, third party payors or as repayment or reimbursement arising out of cost reports, that pertain to services provided in the period commencing from and after the Closing Date shall be remitted by Existing Operators to New Operators on the next to occur of the fifth (5th) day or the twentieth (20th) day of each calendar month after the Closing Date provided such date is at least five (5) business days following receipt of such repayment or reimbursement by Existing Operators.

(d) To the extent either Party receives any proceeds from the accounts receivable of the other Party, the Parties acknowledge that the Party receiving the payment belonging to the other Party shall hold the payment in trust. Neither Party shall have any right to offset with respect to such accounts receivable, and the Party erroneously receiving the payment shall have no right, title or interest whatsoever in the payment and shall remit the same to the other on the next to occur of the fifth (5th) day or the twentieth (20th) day of each calendar month after the Closing Date provided such date is at least five (5) business days following receipt of such payment by the remitting Party. For a period of six (6)

months following the Closing Date, Existing Operators and New Operators shall provide each other with an accounting by the twentieth (20th) day of each month setting forth all amounts received by either of them during the preceding month with respect to accounts receivable. Nothing herein shall be deemed to limit in any way either Party's rights and remedies to recover accounts receivable due and owing to it under the terms of this Agreement.

(e) To the extent the provisions of this Section 2.5 provide for remittance of amounts received by a Party to the other Party on a day that is not a business day, such remittance shall be made on the next succeeding business day.

(f) Existing Operator and New Operator acknowledge that due to a cyberattack on Change Healthcare, reimbursements from certain providers were delayed. As a result, Optum Health (“Optum”) and CMS implemented temporary funding assistance programs pursuant to which Optum and CMS advanced funds with respect to goods sold and services provided at the Facility (the “Temporary Funding Program Advances”) in order to provide short term cash flow for the Facility affected by the Change Healthcare cyberattack. Existing Operator shall be permitted to retain any Temporary Funding Program Advances received by it or its Affiliates prior to the Closing Date. Neither Existing Operator nor its Affiliates shall at any time have any obligation to transfer to New Operator or its Affiliates any Pre-Closing.

(g) [DRAFTING NOTE: Reserved for any state specific reimbursement programs that need to be addressed.]

(h) This Section 2.5 shall survive the Closing.

2.6 Payment of Operating Costs, Prorations and Deposits.

(a) Except as otherwise expressly provided herein, Existing Operators shall be responsible for, and shall pay on a timely basis, claims or charges which are owed to third parties arising from Existing Operators' use, operation or control of the Facilities, including payroll, taxes, insurance premiums, utilities, including water, fuel, gas, oil, heat, electricity and other utilities, operating charges, prepaid service contracts, amounts due under executory obligations, amounts due to any third party vendors, including amounts due under any Operating Agreements, and similar obligations for all periods prior to the Closing Date. In addition, with respect to all agreements of Existing Operators that do not constitute Operating Agreements, Existing Operators shall be responsible for, and shall pay on a timely basis, claims or charges which are owed to third parties arising thereunder, for all periods prior to, on or after the Closing Date.

(b) New Operators, to the extent they utilize the services provided by third parties, shall be responsible for, and shall pay on a timely basis, any claims or charges which are due to such third parties arising from the use, operation or control of the Facilities from and after the Closing Date.

(c) Revenues and expenses pertaining to utility charges for the billing period in which the Closing takes place, prepaid expenses and like items of revenue or expense attributable to the Facilities shall be prorated between Existing Operators and New Operators as of the Closing Date. All such prorations shall be made on the basis of actual days elapsed in the relevant accounting or revenue period and shall be based on the most recent information available to Existing Operators. In general, such prorations shall be made so as to reimburse Existing Operators for actual prepaid expense items, and to charge Existing Operators for prepaid revenue items, to the extent that the same are attributable to periods after the Closing Date (but only to the extent permitted by the Bankruptcy Court).

(d) To the extent any third party utility provider delivers final readings as of the Closing Date, the Existing Operators shall be responsible for paying such final invoice amount, which shall be reflected in the Closing Statement as a debit to Existing Operators.

(e) On the Closing Date, Existing Operators shall remove from the Facilities any petty cash and any other funds maintained at or for the Facilities immediately prior to the Closing Date, other than Resident Trust Funds, which shall be handled in the manner set forth in Section 2.3.

(f) If at any time on or after the Effective Date, Existing Operators pursue any real estate or personal property tax appeals with respect to the period in which the Closing occurs, and such appeals result in a reduction in real estate and/or personal property taxes with respect to the Facilities for the tax year in which the Closing occurs, such reduction for such tax year shall be prorated between Existing Operators and New Operators as of the Closing Date, subject to adjustment following the Closing Date in accordance with Section 2.7 hereof. Furthermore, in the event that Existing Operators owe any amounts to third parties in connection with any such appeal that results in a reduction in real estate and/or personal property taxes with respect to the Facilities for the period in which the Closing takes place, such costs shall be prorated between Existing Operators and New Operators in proportion to the benefit of the applicable tax reduction that is realized as a result of such appeal by Existing Operators and New Operators, respectively.

(g) Any transfer of property pursuant hereto shall not be subject to any stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, mortgage recording tax, personal property tax, sales tax, use tax, privilege tax, or other similar tax or government assessment in the United States. The Approval Order directs any Governmental Entity seeking such a tax to forgo its collection and to accept for filing and recordation or other document pursuant to such transfers of property without the payment of any such tax or governmental assessment.

2.7 Future Settlement. All amounts owing from one Party hereto to the other Party hereto, excluding amounts in respect of Section 2.3 hereof, that require adjustment after the Closing Date, including without limitation, adjustments to the amount of Assumed ETO paid to New Operators under Section 2.4 hereof and prorations or re-prorations of any claims or charges according to Section 2.6 hereof regardless of whether such claims or charges are included in the Closing Statement, shall be settled within three (3) months after the Closing Date. If, thereafter, a Party hereto determines that any further adjustment is to be made, such Party shall submit a statement to the owing Party setting forth any and all such items and the calculation of the amounts due hereunder. Such statement shall be submitted with appropriate backup materials. If amounts are owing from New Operators to Existing Operators, New Operators shall have thirty (30) days from the date of receipt of such statement to tender payment to Existing Operators or to question or dispute in writing any item thereon. If amounts are determined to be owing from Existing Operators to New Operators, Existing Operators shall have thirty (30) days from the date of receipt of such statement to tender payment to New Operators or to question or dispute in writing any item thereon.

2.8 Medicare and Medicaid.

(a) As of the Closing Date, New Operators shall assume any and all of Existing Operators' rights and interests in and to Existing Operators' Medicare provider numbers and Medicare provider reimbursement agreements, and New Operators shall secure Medicaid provider numbers and Medicaid provider reimbursement agreements in their own names. Existing Operators and New Operators acknowledge and agree that New Operators are not expected to have received their "tie in" notices from the United States Department of Health and Human Services' Centers for Medicare & Medicaid Services with respect to Existing Operators' Medicare provider agreements or new Medicare provider agreements as of the Closing Date. So long as New Operators submit, within five (5) days of the Closing Date, their

applications and all required documents and information for the assignment of Existing Operators' Medicare Provider Agreement to New Operators, including Form 855A, Existing Operators agree that New Operators shall be permitted to bill for services performed following the Closing under Existing Operators' Medicare numbers, to the extent permitted by applicable Legal Requirements until the first to occur of (a) New Operators' receipt of its tie in notices and provider agreements, or (b) the date that is six (6) months after the Closing Date. [New Operators agree that they will not bill for services under Existing Operators' Medicaid provider numbers.]¹ For any period during which New Operators are billing for services performed following the Closing under Existing Operators' Medicare provider numbers, New Operators shall be responsible for and shall pay directly to the applicable Medicare providers, fiscal intermediaries or other governmental or non-governmental authorities any and all costs associated with New Operators' use of such Medicare provider numbers, including, without limitation, any provider taxes associated therewith. Existing Operators agree to cooperate with New Operators in the assignment of such Existing Operators' Medicare provider agreements to New Operators and the issuance of new Medicaid provider agreements to New Operators, including completing those portions of Form 855A which confirm the change of ownership of the Facilities and the assignment by Existing Operators of Existing Operators' Medicare provider agreements to New Operators and providing to New Operators or any Governmental Entity any information requested to effect the transfer of Existing Operators' Medicare provider numbers or the issuance to New Operators of new Medicaid provider numbers and Medicaid provider reimbursement agreements. New Operators expressly do not assume, and the assumption by New Operators of Existing Operators' Medicare provider agreements shall not be construed to impose upon New Operators, any obligations under Existing Operators' Medicare or Medicaid provider agreements arising with respect to occurrences during the period before the Closing Date.

(b) Nothing set forth herein shall be deemed to limit in any way (i) Existing Operators' right, title, and interest in their cash and accounts receivable for services rendered prior to the Closing Date, which cash and accounts receivable are property of Existing Operators and shall be reimbursed or retained, as applicable, in accordance herewith, (ii) Existing Operators' ability to complete (in accordance with Legal Requirements) any remaining billing for services rendered prior to the Closing Date under Existing Operators' Medicare and Medicaid provider numbers, or (iii) New Operators' right, title, and interest in their cash and accounts receivable for services rendered on and after the Closing Date, which cash and accounts receivable are property of New Operators and shall be reimbursed or retained, as applicable, in accordance herewith. To the extent permitted by such contracts and Legal Requirements, New Operators agree that (i) following receipt by New Operators of their "tie in" notices with respect to Existing Operators' Medicare provider agreement, Existing Operators may continue to bill under such Medicare provider agreement for services rendered prior to the Closing Date, and (ii) Existing Operators may file for reimbursable bad debt on New Operators' Medicare cost report for the first cost report year following the Closing Date. Following the Closing Date, New Operators shall cooperate with Existing Operators in filing for such reimbursable bad debt on New Operators' Medicare cost report, provide Existing Operators with access to New Operators' records regarding the filing for, receipt of and any communications with respect to such reimbursable bad debt, promptly provide Existing Operators with any Notice of Program Reimbursement received with respect to such reimbursable bad debt, promptly provide Existing Operators with notice of New Operators' receipt of such reimbursable bad debt, and remit any such reimbursable bad debt received by New Operators to Existing Operators in the same manner as Existing Operators' Accounts Receivable under Section 2.5.

(c) Existing Operators and New Operators understand that reimbursements from Medicare or Medicaid for items/services provided/rendered after the Closing Date may continue to be issued to Existing Operators for a period of time. If and to the extent they include payment for periods on and after

¹ DRAFTING NOTE: Medicaid billing to be discussed if permitted by the applicable jurisdiction.

the Closing Date and New Operators are entitled to such payments in accordance with the priority for such remittances as set forth in Section 2.5(b) of this Agreement, Existing Operators shall forward all such Medicare or Medicaid reimbursements in accordance with Section 2.5(b) to the accounts designated in writing by New Operators to Existing Operators until such time as reimbursements are remitted directly to New Operators by Medicare and Medicaid. New Operators, in their reasonable discretion, may approve an alternative method of receiving such funds. Existing Operators shall, or shall cause the applicable Affiliates of Existing Operators to, prepare and file with the appropriate Governmental Entities final cost reports for the Facilities within the time frame required by law; provided, however, in no event shall Existing Operators be in breach of this covenant if New Operators have failed to cooperate or provide any information necessary for Existing Operators to prepare and file such final cost reports within the time frame required by law.

(d) Upon receipt of any notice or inquiry concerning an audit or investigation by any auditor or Governmental Entity that may impact periods both before and after the Closing Date, the Party receiving the notice shall notify the other Party of such notice within five (5) business days of receipt (provided, the noticing Party shall have no liability for failure to deliver such notice except to the extent the noticed Party is actually prejudiced as a result thereof). Each Party shall respond to the notice or inquiry as appropriate to preserve its legal rights or to appeal such actions and each Party shall provide the other Party with access to accounting data, clinical records, financial documentation and other information as may be necessary to formulate a response or an appeal.

(e) New Operators agree that they shall not bill for services under Existing Operators' Medicaid managed care provider plans using Existing Operators' provider information. In addition, New Operators acknowledge and agree that they will obtain their own commercial managed care provider plans and shall not be permitted to bill under Existing Operators' commercial managed care provider plans without New Operators having obtained the prior written consent of such commercial managed care provider plans allowing for interim billing; provided, that, if consented to by the applicable commercial managed care provider plan, New Operators shall be permitted to bill under Existing Operators' provider agreements until the first to occur of (i) New Operators having been fully credentialed and approved under their own provider agreements or (ii) the date that is one hundred eighty (180) days after the Closing Date. Prior to the Closing Date, Existing Operators agree to provide New Operators with contact information for all appropriate points of contact for all managed care and HMO third party payors of the Facilities so that New Operators can discuss interim billing under Existing Operators' managed care and HMO contracts and obtaining their own managed care and HMO contracts with respect to such third party payors. For the avoidance of doubt, Existing Operators make no representations, warranties or covenants with respect to New Operators' ability to interim bill under or obtain managed care or HMO contracts with such third party payors, nor shall Existing Operators have any obligations with respect to New Operators' contact or negotiations with such third party payors other than to provide appropriate contact information to New Operators, upon request, as specified in the immediately preceding sentence.

2.9 Facility Records. As of the Closing Date, Existing Operators shall provide to New Operators the Facility Records by either (i) leaving at the Facilities such Facility Records that are maintained by Existing Operators at the Facilities or (ii) providing reasonable access, upon New Operators' request, with respect to any Facility Records that are maintained in electronic format or otherwise not maintained in hard copy at the Facilities, provided that Existing Operators shall have no obligation to provide access to any of their or their Affiliates' proprietary data or information technology systems, which are maintained by Existing Operators, their Affiliates, or any of their vendors, contractors, agents or representatives. Notwithstanding the foregoing, Existing Operators shall be entitled to keep such copies of all Facility Records as they may deem necessary and as permitted by law. New Operators will maintain the Facility Records, to the extent required by law. New Operators shall be permitted for a period of thirty (30) days following the Closing Date, at New Operators' expense, to make copies of the Facility Records that are

maintained in paper format. During such thirty (30) day period, New Operators shall allow Existing Operators and their Affiliates, agents and representatives, at Existing Operators' sole cost and expense, to have reasonable access during regular business hours upon reasonable prior written notice to [_____] and to make copies of, the Facility Records, to the extent reasonably necessary to enable Existing Operators to investigate and defend malpractice, employee or other claims, to file or defend cost reports and tax returns, to verify accounts receivable collections due Existing Operators, and to perform similar matters. Following such thirty (30) day period, Existing Operators shall be entitled to remove any Facility Records in their sole discretion to the extent permitted by law; provided that Existing Operators shall give New Operators reasonable access to information in any such removed Facility Records as is necessary for the efficient and lawful operation of the Facilities by New Operators or as otherwise required by law. To facilitate Existing Operators' efficient removal of such Facility Records, New Operators shall organize and package the Facility Records to be removed by Existing Operators; provided that Existing Operators shall provide a list of the Facility Records to be removed by Existing Operators at least three (3) business days prior to the date of removal. Existing Operators make no representations relating to the accuracy or the completeness of the Facility Records and any reliance upon the Facility Records shall be done at New Operators' sole risk and liability. Notwithstanding anything to the contrary in this Agreement, New Operators agree that all information, records and data collected or maintained regarding residents of the Facilities shall be confidential. From and after the Closing Date, New Operators shall be solely responsible for caring for the residents of the Facilities in accordance with their contractual rights and in accordance with law. New Operators shall preserve the existence and maintain the confidentiality of the resident records transferred to New Operators pursuant to this Agreement in accordance with applicable federal and state law.

2.10 Deposits. All deposits, if any, held by a utility or other party to an executory contract shall remain the property of Existing Operators, and New Operators shall be required to post their own replacement security deposits, including, but not limited to, any security deposits required under any Assumed Facilities Agreements.

2.11 Compliance with Laws. The Parties shall comply in all material respects with all applicable Legal Requirements, and with all applicable rules and regulations of all Governmental Entities, in conjunction with the execution, delivery and performance of this Agreement and the transactions contemplated hereby.

2.12 Accounts Payable. New Operators agree to assume all accounts payable for supplies and other goods or equipment ordered in the ordinary course of business and consistent with past practice which are received at the Facilities on and subsequent to the Closing Date, and for services rendered and performed on and subsequent to the Closing Date.

2.13 Inspections and Surveys.

(a) Existing Operators shall be responsible for the payment of all fines and penalties imposed by Governmental Entities which fines and penalties arise in connection with any regulatory investigations, inspections or surveys occurring prior to the Closing Date, or which fines and penalties arise in connection with any regulatory investigations, inspections or surveys occurring on or after the Closing Date, to the extent related to events that occurred at the Facilities prior to the Closing Date. New Operators shall be responsible for the payment of all fines and penalties imposed by Governmental Entities which fines and penalties arise in connection with any regulatory inspections or surveys on or after the Closing Date and which are related to the physical condition or operations of the Facilities on or

² New Operators to insert appropriate contact and e-mail address.

after the Closing Date. Existing Operators shall assist, as appropriate, New Operators in establishing any plans of correction or other responses to be submitted by New Operators after the Closing Date for surveys or inspections that relate to events or circumstances occurring both prior to and on or after the Closing Date within the time allowed for such submissions; however, New Operators' determination as to such plan of correction or other submission shall be controlling, and New Operators shall be responsible for and bear all costs and expenses (including fines for any delays in submission) as a result of implementing such plan of correction or other submission. In no event shall Existing Operators be responsible for any fines, penalties or other costs or expenses related to any regulatory inspections or surveys on or after the Closing Date that relate to a physical condition or operational practice at the Facilities that was in effect both prior to and on or after the Closing Date.

(b) Existing Operators shall provide to New Operators, promptly after receipt of the same, any survey reports, waivers of deficiencies, plans of correction or any other investigation reports issued with respect to the Facilities between the Effective Date and the Closing Date and received by Existing Operators. Existing Operators shall notify New Operators immediately upon the occurrence of any survey or investigation of the Facilities, regardless of whether the applicable Health Care Authority has issued a formal report or finding (such notice may be done verbally by telephone if promptly followed by written notification).

2.14 Operating Agreements.

(a) With respect to the Resident Agreements, as of the Closing Date, pursuant to Section 365(a) of the Bankruptcy Code, Existing Operators shall assign to New Operators, and New Operators shall accept assignment of the Resident Agreements subject to the representation and warranty of Existing Operators that none of such Resident Agreements (i) deviate in any material respect from the standard form of resident agreement provided by Existing Operators to New Operators, (ii) entitle any private pay resident to care at no cost, nor (iii) entitle any resident to care for a reduced cost from that charged to other private pay residents of the Facilities, other than discounts that may be offered to a resident in the ordinary course of business.

(b) Set forth on Schedule 2.14(b) for information purposes is a true, complete, and correct schedule of all material third party vendors whom Existing Operators or their Affiliates used during the 12-month period immediately preceding the Effective Date with respect to the operations of the Facilities. Existing Operators shall not assign and New Operators shall not assume any of the written contracts, leases, subleases, agreements, commitments and other arrangements, or any amendments or modifications thereof, used or useful in the operations of the Facilities (collectively, the "Facility Agreements") except that New Operators shall assume, pursuant to Section 365(a) of the Bankruptcy Code, any cable television agreements and related equipment leases applicable to the Facilities (collectively, the "Assumed Facility Agreements", which, together with the Resident Agreements shall be referred to herein individually as an "Operating Agreement" and, collectively, as "Operating Agreements") on the Closing Date. All Facility Agreements (i) that are not Assumed Facility Agreements (ii) that are not assignable by their terms and accordingly cannot be included in the Assumed Facilities Agreements or (iii) for which consent to assign cannot be obtained by Existing Operators by the Closing shall be deemed "Rejected Facility Agreements". Notwithstanding anything herein to the contrary, and subject to the provisions of Section 2.8 hereof, Existing Operators' Medicare provider agreements shall be and be deemed a part of the "Assumed Facility Agreements" hereunder.

(c) With respect to the Assumed Facility Agreements, as of the Closing Date:

(i) The same shall be assigned to, and assumed by, New Operators pursuant to the Assignment and Assumption Agreement.

(ii) If required by the applicable Assumed Facility Agreements, the other party (i.e. vendor, etc.) shall, utilizing a form reasonably acceptable to Existing Operators and New Operators, be notified by Existing Operators that the applicable Assumed Facility Agreement is being assigned to, and assumed by, New Operators. Such assumption shall not be deemed to make New Operators liable for any obligations related to the Assumed Facility Agreements prior to the Closing Date.

(iii) Existing Operators shall use commercially reasonable efforts to obtain the consent of the vendors of each Assumed Facility Agreement that requires consent to assignment and shall provide New Operators with periodic status reports with respect thereto.

(d) With respect to any Facility Agreement that is not assignable or for which the other party's (i.e. lessor, etc.) consent to assign is required but cannot be obtained, the other party (i.e. vendor, etc.) shall be notified by Existing Operators that the Facility Agreement shall be terminated as of the Closing and that any liability which has accrued prior to the Closing remains the sole responsibility of Existing Operators and that neither the Facilities nor New Operators are liable for payment or performance on account thereof. Existing Operators shall be liable for all penalties and fees associated with such terminations.

(e) To the extent that Existing Operators and/or the Facilities are party to any contract between the applicable party and the Department of Veterans Affairs (the "VA") with respect to the Facilities (collectively, the "VA Contracts"), such VA Contract will terminate as of the Closing Date and be of no further force and effect. For the period on and after the Closing Date, New Operators acknowledge that they will not be permitted to assume (via novation or otherwise) or bill under the VA Contracts and will be required, if New Operators so choose in their sole discretion, to enter into their own contracts with the VA with respect to the Facilities.

(f) New Operators will indemnify, defend and hold Existing Operators harmless against any and all Losses incurred by, imposed upon or asserted against Existing Operators, their affiliates and representatives, as a result of, relating to or arising out of any vendor, service or other operating contract entered into by New Operators that is not an Operating Agreement, or if an Operating Agreement, for any obligation thereunder that arises and relates to any period on or after the Closing Date. The indemnity obligations of the Parties under this paragraph shall survive the Closing as provided in Section 5 and shall be subject to the procedures and limitations set forth in Section 5.

(g) Upon written request from New Operators prior to Closing, Existing Operators agree that they shall continue, for a period of sixty (60) days following the Closing Date, as the named parties on the following Facility Agreements to the extent such Facility Agreements are Rejected Facility Agreements:

- (i) Any telephone service agreements; and
- (ii) Any data or voice circuit agreements.

Such Facility Agreements shall continue following the Closing Date in a manner and at levels consistent with how such services were provided to the Facilities immediately prior to the Closing Date. In the event New Operators elects to have such Facility Agreements continue following the Closing Date, New Operators shall pay Existing Operators at the Closing an amount equal to the "prevailing rate" (as defined herein) for such sixty (60) day period for the service to be provided to New Operators, which amount shall be subject to adjustment after the Closing Date in accordance with Section 2.7 based on actual charges incurred by Existing Operators for such services with respect to such sixty (60) day period. For purposes hereof, the term "prevailing rate" means the then current rate charged to Existing Operators by

the provider of such utilities, including any applicable taxes and other charges. New Operators shall use their commercially reasonable efforts to obtain these services directly from the current service provider or another service provider prior to the end of the 60-day term, and Existing Operators shall have the right to terminate any applicable Facility Agreements following the end of such 60-day term.

(h) New Operators shall be responsible for providing evidence of adequate assurance of future performance as required under section 365 of the Bankruptcy Code for the Operating Agreements. New Operators agree that they will take all actions reasonably necessary to assist in obtaining a Bankruptcy Court finding that there has been a demonstration of adequate assurance of future performance under the Operating Agreements, such as furnishing affidavits, non-confidential financial information, and other documents or information for filing with the Bankruptcy Court and making a representative of New Operators available to testify before the Bankruptcy Court.

2.15 Remittances, Mail and Other Communications. All remittances, mail and other communications relating to the operations of the Facilities or the Operating Agreements received by Existing Operators or their Affiliates at any time after the Closing Date relating to periods of operations on and after the Closing Date shall be promptly turned over to New Operators. All remittances, mail and other communications relating to the operations of the Facilities or the Operating Agreements received by New Operators or their Affiliates at any time after the Closing Date relating to periods of operations prior to the Closing Date shall be promptly turned over to Existing Operators.

2.16 Obligations of New Operators. Any obligation this Agreement imposed upon New Operators shall not preclude New Operators from also imposing that obligation upon, or implementing that obligation through a management company; provided, however, that it is expressly understood and agreed that nothing contained in this sentence shall relieve New Operators from their liability for such obligations under this Agreement.

2.17 Excluded Liabilities. Except as specifically provided for in this Agreement, New Operators shall not assume any liabilities or obligations of Existing Operators whatsoever, fixed or contingent (including, without limitation, any liability or obligation arising under any claim for amounts paid to Existing Operators by any federal or state agency or commercial third party payor for any services provided at the Facilities prior to the Closing Date which is alleged to have resulted in an overpayment or other determination by such payor, which determination results in (x) an offset against amounts owed to New Operators, or (y) any penalty, sanction or repayment obligation being assessed against New Operators).

2.18 Computer Systems. On and after the Closing Date, New Operators shall not have the right to use any of Existing Operators' operating systems, such as time clocks or information technology systems. Prior to the Closing Date, the Parties will work cooperatively to develop a plan to put New Operators' operating systems in place at the Facilities in order to insure orderly transition of the operations at the Facilities, and each Party will use its commercially reasonable efforts to coordinate logistics relating to the implementation of New Operators' operating systems at the Facilities.

2.19 Transition Services. For a period of three (3) business days following the Closing, New Operators shall permit Existing Operators to reasonably utilize the services of the business office managers employed at the Facilities for the purposes of assisting Existing Operators in closing Existing Operators' books and preparing financial statements and cost reports with respect to the Facilities for the month ended immediately prior to the Closing Date. In addition, for thirty (30) days following the Closing Date, New Operators shall grant Existing Operators reasonable access to any employees of the Facilities that enter Minimum Data Set information with respect to the Facilities.

2.20 Policy and Procedure Manuals. Upon written request from New Operators, Existing Operators shall leave Existing Operators' policy and procedure manuals at the Facilities on the Closing Date. New Operators shall not be entitled to make copies of any such policy or procedure manuals left by Existing Operators at the Facilities on the Closing Date. On or following the sixtieth (60th) day following the Closing Date, Existing Operators shall be entitled to remove such policy and procedure manuals from the Facilities. Existing Operators do not assign, license, or otherwise transfer (and Existing Operators hereby expressly reserve) any copyright or intellectual property rights regarding Existing Operators' policy and procedure manuals to New Operators.

SECTION 3 REPRESENTATIONS AND WARRANTIES OF NEW OPERATORS

New Operators hereby make the representations and warranties indicated below to Existing Operators:

3.1 Authority, Validity and Binding Effect. Each New Operator has all necessary limited liability company power and authority to operate and lease the applicable Facility and to carry on its business as it is now being conducted. Each New Operator is duly organized and in good standing under the laws of the State of [_____]. Each New Operator has all necessary limited liability company power and authority to enter into this Agreement and to execute all documents and instruments referred to herein or contemplated hereby and all necessary action has been taken to authorize the individuals executing this Agreement on its behalf to do so. This Agreement has been duly and validly executed and delivered by New Operators and is enforceable against each New Operator in accordance with its terms, except as limited by bankruptcy, insolvency, fraudulent conveyance, moratorium, liquidation, reorganization or other similar laws affecting the enforcement of creditors' rights in general.

3.2 No Defaults. The execution and delivery of this Agreement and any documents contemplated hereby by New Operators, and the performance of their obligations hereunder and thereunder, do not and will not:

(a) conflict with or result in any material breach of the provisions of, or constitute a default under, the [certificate of formation/articles of organization] or [operating agreement] of any New Operator;

(b) violate any material restriction to which any New Operator is subject or, without the giving of notice, passage of time, or both, violate (or give rise to any right of termination, cancellation or acceleration under) any material license, authorization or permit or other material agreement or instrument to which any New Operator is a party, which will not be satisfied or terminated prior to the Closing Date as a result of the transactions contemplated by this Agreement or result in the termination of any such instrument or termination of any provisions in such instruments that will result in the impairment of any of such New Operator's rights under such instruments; or

(c) constitute a violation of any applicable material resolution, rule, regulation, law, statute or ordinance of any administrative agency or Governmental Entity, or of any judgment, decree, writ, injunction or order of any court to which any New Operator is subject or by which its assets are bound, or any credit agreement or other financing arrangement to which any New Operator, or any of its Affiliates, is a party.

3.3 No Litigation. There are no actions, suits, claims, governmental investigations or other legal or administrative proceedings, or any orders, decrees or judgments in progress, pending or in effect, or to the

knowledge of New Operators, threatened against, any New Operator relating to the transactions contemplated by this Agreement.

3.4 Prohibited Persons.

(a) Neither New Operators nor any of their officers, directors, managers, principals or Affiliates nor any of their brokers or any agents acting or benefiting in any capacity in connection with this transaction is a Prohibited Person. For the sake of this Agreement, “Prohibited Person” shall mean a Person:

(i) that is listed in the Annex to, or is otherwise subject to the provisions of, Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, and relating to Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (the “Executive Order”);

(ii) that is owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(iii) with whom New Operators or Existing Operators is prohibited from dealing or otherwise engaging in any transaction by any terrorism or money laundering Legal Requirements, including the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Public Law 107-56) (known as the Patriot Act) and the Executive Order;

(iv) that commits, threatens or conspires to commit or supports “terrorism” as defined in the Executive Order;

(v) that is named as a “specifically designated national” on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, <http://www.treas.gov/ofac/t11sdn.pdf>, or at any replacement website or other replacement official publication of such list or is named on any other U.S. or foreign government or regulatory list issued post-September 11, 2001;

(vi) that is covered by the International Emergency Economic Power Act, 50 U.S.C. §1701 et. seq., the U.S. Department of Treasury’s Office of Foreign Asset Control, or any other law, regulation or executive order relating to the imposition of economic sanctions against any country, region or individual pursuant to United States law or United Nations resolution; or

(vii) that is an affiliate (including any principal, officer, immediate family member or close associate) of a Person described in one or more of clauses (i) – (vi) of this definition of Prohibited Person.

(b) Neither New Operators nor any of their officers, directors, managers, principals or Affiliates nor any of their brokers or any agents acting or benefiting in any capacity in connection with this transaction (i) has conducted or will conduct any business or has engaged or will engage in any transaction or dealing with any Prohibited Person, including making or receiving any contribution of funds, goods or services to or for the benefit of a Prohibited Person; (ii) has dealt or will deal in, or has otherwise engaged or will engage in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order; or (iii) has engaged or will engage in or has conspired or will conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the requirements or prohibitions set forth in the Executive Order or the Patriot Act.

3.5 Governmental Authorizations. To New Operators' knowledge, there are no circumstances that exist that would prevent New Operators from obtaining the Government Authorizations.

3.6 Broker. Except as set forth on Schedule 3.6, New Operators have not engaged, nor are New Operators liable to pay any fees, costs or commissions to, any broker, finder, agent or financial advisor in connection with the transactions contemplated hereby.

3.7 Accuracy of Representations and Warranties. Each representation and warranty of New Operators hereunder is true, complete and correct in all respects as of the Effective Date and shall, as a condition to the obligations of Existing Operators hereunder, be true, complete and correct in all material respects, as of the Closing Date except that those representations and warranties that contain materiality qualifications and other qualifications based on the word "material" shall be required to be true and correct in all respects and not merely all material respects.

3.8 AS IS. EXCEPT AS EXPRESSLY PROVIDED TO THE CONTRARY HEREIN, NEW OPERATORS ACKNOWLEDGE THAT THEY ARE PURCHASING THE ASSETS IN RELIANCE SOLELY ON: (I) NEW OPERATORS' INDEPENDENT INSPECTION AND INVESTIGATION OF THE ASSETS BASED ON NEW OPERATORS' EXTENSIVE EXPERIENCE IN AND KNOWLEDGE OF HEALTHCARE FACILITIES OPERATIONS IN THE VICINITY OF THE FACILITIES; (II) THE OPINIONS AND ADVICE CONCERNING THE ASSETS OF CONSULTANTS AND/OR AGENTS ENGAGED BY NEW OPERATORS AND (III) THE LIMITED REPRESENTATIONS AND WARRANTIES PROVIDED BY EXISTING OPERATORS IN THIS AGREEMENT.

NEW OPERATORS ACKNOWLEDGE THAT THEY WILL PERFORM ALL INVESTIGATIONS OF AND WITH RESPECT TO THE ASSETS AS THEY DEEM APPROPRIATE. UPON THE CLOSING DATE, EXCEPT AS EXPRESSLY PROVIDED TO THE CONTRARY IN THE THIS AGREEMENT, NEW OPERATORS SHALL ACCEPT THE ASSETS, AND ALL MATTERS RELATING TO THE ASSETS, IN THEIR "AS IS," "WHERE IS" CONDITION OR STATUS AS OF THE CLOSING DATE AND WITHOUT ANY REPRESENTATION OR WARRANTY OTHER THAN THOSE SET FORTH IN THIS AGREEMENT REGARDING THEIR CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, MERCHANTABILITY, OR COMPLIANCE WITH GOVERNMENTAL LAWS, ORDINANCES OR REGULATIONS, OR WITH ANY OTHER WARRANTY, EXPRESS OR IMPLIED BY LAW OR OTHERWISE. NEW OPERATORS ACKNOWLEDGE AND AGREE THAT, EXCEPT AS MAY BE EXPRESSLY OTHERWISE SET FORTH IN THIS AGREEMENT EXISTING OPERATORS ARE NOT MAKING ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER WITH RESPECT TO THE ASSETS. NEW OPERATORS WARRANT AND REPRESENT THAT THEY HAVE NOT RELIED UPON AND WILL NOT RELY ON, EITHER DIRECTLY OR INDIRECTLY, ANY WARRANTY OR REPRESENTATION OF EXISTING OPERATORS NOT EXPLICITLY SET FORTH IN THIS AGREEMENT.

THE TERMS AND CONDITIONS OF THIS SECTION 3.8 SHALL EXPRESSLY SURVIVE THE CLOSING. EXISTING OPERATORS SHALL NOT BE LIABLE OR BOUND IN ANY MANNER BY ANY ORAL OR WRITTEN STATEMENTS, REPRESENTATIONS, OR INFORMATION PERTAINING TO THE ASSETS FURNISHED BY THEM, ANY EMPLOYEE, AGENT OR OTHER PERSON, UNLESS THE SAME ARE SPECIFICALLY SET FORTH IN THIS AGREEMENT. NEW OPERATORS ACKNOWLEDGE THAT THE CONSIDERATION REFLECTS THE "AS IS, WHERE IS" NATURE OF THIS CLOSING AND ANY FAULTS, LIABILITIES, DEFECTS OR OTHER ADVERSE MATTERS THAT MAY BE ASSOCIATED WITH THE ASSETS (SUBJECT TO THE REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS

AGREEMENT), EXCEPT AS SET FORTH IN THIS AGREEMENT. NEW OPERATORS HAVE FULLY REVIEWED THE DISCLAIMERS AND WAIVERS SET FORTH IN THIS AGREEMENT WITH THEIR COUNSEL AND UNDERSTAND THE SIGNIFICANCE AND EFFECT THEREOF.

SECTION 4 REPRESENTATIONS AND WARRANTIES OF EXISTING OPERATORS

Existing Operators hereby represent and warrant as follows to New Operators:

4.1 Authority, Validity and Binding Effect. Subject to the Bankruptcy Court's authority, each Existing Operator has all necessary limited partnership or limited liability company power and authority, as applicable, to operate and lease the Facilities and to carry on its business as it is now being conducted. Each Existing Operator is duly organized and in good standing under the laws of the state of its domestic jurisdiction, and is duly qualified and in good standing in each other jurisdiction where its operations require it to be so qualified. Subject to the Bankruptcy Court's authority, each Existing Operator has all necessary limited partnership or limited liability company power and authority, as applicable, to enter into this Agreement and to execute all documents and instruments referred to herein or contemplated hereby and all necessary action has been taken to authorize the individuals executing this Agreement to do so. This Agreement has been duly and validly executed and delivered by Existing Operators and is enforceable against each Existing Operator in accordance with its terms, except as limited by bankruptcy, insolvency, fraudulent conveyance, moratorium, liquidation, reorganization or other similar laws affecting the enforcement of creditors' rights in general.

4.2 No Defaults. Except as required by the Bankruptcy Court, the execution and delivery of this Agreement and any documents contemplated hereby by Existing Operators, and the performance of their obligations hereunder, do not and will not:

(a) conflict with or result in any material breach of the provisions of, or constitute a default under the certificate of formation, certificate of limited partnership or limited liability company agreement or limited partnership agreement, as applicable, of any Existing Operator;

(b) violate any material restriction to which any Existing Operator or any Facility is subject or, without the giving of notice, passage of time, or both, violate (or give rise to any right of termination, cancellation or acceleration under) any material license, authorization or permit or other material agreement or instrument to which any Existing Operator is a party, which will not be satisfied or terminated prior to the Closing Date as a result of the transactions contemplated by this Agreement or result in the termination of any such instrument or termination of any provisions in such instruments that will result in the impairment of any of such Existing Operator's rights under such instruments; or

(c) constitute a violation of any applicable material resolution, rule, regulation, law, statute or ordinance of any administrative agency or Governmental Entity, or any judgment, decree, writ, injunction or order of any court to which any Existing Operator or any Facility is subject or by which its assets are bound, or any credit agreement or other financing arrangement to which any Existing Operator is a party.

4.3 Health Care Representations.

(a) Existing Operators own and/or possess, and hold free from restrictions or conflicts with the rights of others, all material licenses, permits, certificates and other approvals required by a Governmental Entity for the operation of the Facilities and will operate or cause the Facilities to be

operated in such a manner that such licenses shall remain in full force and effect. The Facilities are certified to participate in any third-party payor programs from which the Facilities receive revenues, including, but not limited to, Medicare and Medicaid.

(b) Each Facility is and shall be, as of 11:59 p.m. on the day prior to the Closing Date, licensed by the applicable Health Care Authority as a healthcare facility with the same number and type of units as are operating at the Facilities on Effective Date. Such licenses are and shall on the Closing Date be unrestricted, unconditional, in good standing and in full force and effect and subject to no material waivers or limitations.

(c) Except as disclosed on Schedule 4.3(c), there are no outstanding inspections, surveys or plans of correction as of the Effective Date and no deficiencies exist in respect of any such inspections, surveys or plans of correction nor have Existing Operators been cited for substandard quality of care, and all such deficiencies are expected to be corrected in the ordinary course of the survey process. No action has been taken or recommended, nor, to Existing Operators' knowledge, is there any basis for any action, by any Governmental Entity, either to revoke, withdraw or suspend any Existing Operator's license to operate the applicable Facility or to terminate or decertify any participation of any Facility in the Medicare or Medicaid programs other than with respect to any deficiencies cited in those certain inspections, surveys or plans of correction disclosed on Schedule 4.3(c), which Existing Operators anticipate will be resolved with the applicable Governmental Entity prior to such Governmental Entity's revocation, withdrawal or suspension of the applicable license or termination or decertification of the Facilities from the Medicare or Medicaid programs.

(d) No Existing Operator has received, within the last three (3) years, any written notice of the commencement of any Proceeding under the federal Medicare and Medicaid statutes regarding health professional self-referrals, 42 U.S.C. Section 1395nn and 42 U.S.C. Section 1396b, or the regulations promulgated pursuant to such statute, or similar state or local statutes or regulations.

(e) Existing Operators have furnished New Operators a summary 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 Governmental Entity having jurisdiction over the Facilities during the twelve (12) month period preceding the Effective Date (collectively, the "Facility Surveys"), and such Facility Surveys do not contain any violations of any laws applicable to the Facilities except as have been cured or addressed by a plan of corrective action or are expected to be corrected in the ordinary course of the survey process. All deficiencies and violations have been corrected or are expected to be corrected in the ordinary course of the survey process.

(f) No Existing Operator has received, within the last three (3) years, any written notice (including, without limitation, any civil investigative demand or subpoena) of the commencement of any Proceeding under federal Medicare and Medicaid statutes, 42 U.S.C. Sections 1320a-7, 1320a-7(a) and 1320a-7b, the False Claims Act, 31 U.S.C. Section 3729 et seq., or the regulations promulgated pursuant to such statutes or related state or local statutes or regulations. No Existing Operator has received, within the last three (3) years, written notice that with respect to any Facility it has been charged or implicated in any violation of any state or federal statute or regulation involving false, fraudulent or abusive practices relating to its participation in state or federally sponsored reimbursement programs, including but not limited to false or fraudulent billing practices.

4.4 Compliance with Laws. The operation of the Facilities by Existing Operators are in compliance in all material respects with all Legal Requirements. Existing Operators have filed all forms, reports, statements and other documents required to be filed with any Governmental Entity in connection with the operations of the Facilities by Existing Operators where failure to file would be reasonably expected to

have an adverse impact on the operations of the Facilities or could reasonably be expected to result in liability to New Operators.

4.5 Labor and Employment Matters. Schedule 4.5 attached hereto sets forth a true, correct and complete list of any collective bargaining agreement, employment agreement or other labor contract to which Existing Operator is a party and which are applicable to any of the Employees (collectively, the “Collective Bargaining Agreements”). There are no pending or, to Existing Operators’ knowledge, threatened labor disputes at the Facilities including, but not limited to, any strike, slowdown, picketing, work stoppage, organizational activities or employee grievance process affecting the Facilities. To Existing Operators’ knowledge, there are no organizational efforts with respect to the formation of a collective bargaining unit presently being made or threatened by any Employees except for those identified in the Collective Bargaining Agreements.

4.6 ERISA and Benefit Plans. Except as set forth on Schedule 4.6, no Existing Operator is a party to, participates in, has participated in or has any liability or contingent liability with respect to any of the following as they relate to the Employees: (i) any “employee welfare benefit plan” or “employee pension benefit plan” or “multiemployer plan” as those terms are respectively defined in sections 3(1), 3(2) and 3(37) of the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder (“ERISA”); (ii) any retirement or deferred compensation plan, incentive compensation plan, stock plan, unemployment compensation plan, vacation pay, severance pay, bonus or benefit arrangement, insurance or hospitalization program or any other fringe benefit arrangements for any current or former employee, director, consultant or agent, whether pursuant to contract, arrangement, custom or informal understanding, written or unwritten, which does not constitute an “employee benefit plan” (as defined in section 3(3) of ERISA); or (iii) any fringe benefit plans, as that term is defined in Section 6039D(d) of the Internal Revenue Code.

4.7 Environmental Matters. Except as set forth on Schedule 4.7 attached hereto, Existing Operators have not received any written notice from any Governmental Entity asserting that any of the operations or activities upon, or any use or occupancy of the Facilities are not in compliance with any Legal Requirements relating to Hazardous Substances. To Existing Operators’ knowledge, the Facilities are in material compliance with all Environmental Laws.

4.8 Patriot Act Representations. Existing Operators are not, and are not acting, directly or indirectly, for or on behalf of any Person named as a “specially designated national and blocked person” (as defined in Presidential Executive Order 13224) on the most current list published by the U.S. Treasury Department of Foreign Assets Control, and Existing Operators is not engaged in this transaction, directly or indirectly, on behalf of, and are not facilitating this transaction, directly or indirectly, on behalf of, any such Person. Neither Existing Operators nor their constituents or Affiliates are in violation of any laws relating to terrorism or money laundering, including the aforesaid Executive Order and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Public Law 107-56), as amended.

4.9 No Litigation. Except as set forth on Schedule 4.9 attached hereto, there are no material actions, suits, claims, governmental investigations or other legal or administrative proceedings, or any material orders, decrees or judgments in progress, pending or in effect, or to the knowledge of Existing Operators, threatened against, Existing Operators relating to the transactions contemplated by this Agreement.

4.10 Financial Records. Existing Operators have furnished to New Operators, true, complete and correct copies of the unaudited financial statements of the Facilities for the years ended December 31, 2021 and December 31, 2022, and unaudited year-to-date financial statements for the calendar year of 2023 (collectively, the “Financial Records”). The Financial Records (i) have been prepared from the

books and records of Existing Operators in conformity with Generally Accepted Accounting Principles, applied on a consistent basis, except that the unaudited statements are without footnotes and are subject to normal yearend adjustments, (ii) present fairly the financial position of the Facilities as of the date of the Financial Records and the results of operations and the cash flows of the Facilities for the periods ending on the date of the Financial Records, and (iii) are true, complete and correct, in all material respects.

4.11 Insurance. All insurance coverage for fire, liability, worker's compensation, and other forms of insurance applicable to the Assets or the Facilities or the business conducted at the Facilities are in full force and effect and there is no ground for cancellation or reduction of the coverage provided thereby.

4.12 Accuracy of Representations and Warranties. Each representation and warranty of Existing Operators hereunder is true, complete and correct in all respects as of the Effective Date and shall, as a condition to the obligations of New Operators hereunder, be true, complete and correct in all material respects, as of the Closing Date, except that those representations and warranties that contain materiality qualifications and other qualifications based on the word "material" shall be required to be true and correct in all respects and not merely all material respects.

SECTION 5 INDEMNIFICATION

5.1 Survival.

(a) Subject to Section 5.1(c) below, the representations, warranties, indemnities, covenants and agreements in this Agreement shall survive the Closing and continue for a period of eighteen (18) months following the Closing Date, except for any representations, warranties, indemnities, covenants and agreements in this Agreement that expressly contain a longer survival period.

(b) Subject to Section 5.1(c) below and except for any representations, warranties, indemnities, covenants and agreements in this Agreement that expressly contain a longer survival period, New Operators shall only be liable to Existing Operators for claims under Section 5.2, made during the eighteen (18) month period following the Closing Date.

(c) Notwithstanding anything to the contrary contained in Sections 5.1(a) or 5.1(b):

(i) no time limit shall apply to (1) Existing Operators' representations and warranties under Section 4.1 (Authority, Validity and Binding Effect), (2) New Operators' representations and warranties under Section 3.1 (Authority, Validity and Binding Effect), or (3) in the event that a Party shall have intentionally made false representations or warranties or otherwise committed fraud;

(ii) Existing Operators' representations and warranties under Section 4.3 (Health Care Representations) shall survive the Closing and continue until the third anniversary of the Closing Date;

(iii) Each Party's indemnities, covenants and agreements under Section 2.4(f), shall survive the Closing Date and continue in effect until sixty (60) days after the expiration of the applicable statute of limitations (state or federal) for any claims relating thereto; and

(iv) Each Party's covenants under Section 2.5 and Section 2.8(b) shall survive the Closing and continue until fully performed.

(d) The rights to indemnification set forth in this Section 5 shall be exclusive of all other rights to monetary damages that Existing Operators (or Existing Operators' successors or assigns) would otherwise have by statute or common law in connection with the transactions contemplated herein, absent fraud by an indemnifying Party (it being understood that nothing in this Section 5.1(d) or elsewhere in this Agreement shall affect the Parties' rights to equitable remedies to the extent available).

(e) Each Party entitled to indemnification pursuant to Section 5 shall use its commercially reasonable efforts to mitigate Losses for which indemnification is sought pursuant to this Section 5.

5.2 Indemnification by New Operators for Breaches. If the Closing occurs, subject to Section 5.1, New Operators shall, jointly and severally, indemnify, defend and hold harmless Existing Operators and their partners, officers, directors, employees, Affiliates, successors and assigns from and against, any Loss relating to, arising out of or resulting from any breach by New Operators of any of their representations, warranties, covenants or agreements in this Agreement or in any certificate delivered in connection with this Agreement, provided that New Operators' liability shall be subject to the following conditions: (a) Existing Operators shall provide New Operators with written notice describing the breach and the Loss in reasonable detail, and (b) New Operators shall have the right to cure the breach and the Loss within thirty (30) days of receiving the written notice from Existing Operators. Other than claims arising from fraud or a breach of New Operators' representations and warranties under Section 3.1 (Authority, Validity and Binding Effect), New Operators' liability for any breach of any representations, warranties, covenants and agreements shall not apply unless and until the Loss, individually or in the aggregate with all other Losses, exceeds Fifty Thousand and no/100 Dollars (\$50,000.00) (the "Minimum Amount"), in which case indemnification for the Loss(es) shall be on a first dollar basis and not limited to claims in excess of the Minimum Amount. Other than claims arising from fraud or a breach of New Operators' representations and warranties under Section 3.1 (Authority, Validity and Binding Effect), New Operators' liability for Losses in accordance with this Section 5.2 shall not exceed for each Facility individually an amount equal to Two Hundred Fifty Thousand and no/100 Dollars (\$250,000.00) (the "Maximum Amount"). Neither the Minimum Amount nor the Maximum Amount shall apply to any claims arising from New Operators' breach of their covenants under Section 2.4(f), Section 2.5 or Section 2.8(b).

5.3 Indemnification Mechanics. A Party claiming indemnification under this Section 5 (the "Indemnified Party") shall notify the Party against whom such claim is made (the "Indemnifying Party") in writing of any such claim. Such notice shall be given in sufficient time to allow the Indemnifying Party to defend such claim, but the failure to give such notice in sufficient time shall not constitute a defense hereunder nor in any way impair the obligations of the Indemnifying Party under this Section 5 unless the failure to give such notice precludes the Indemnifying Party's defense of any such action. The Indemnifying Party, upon such notice, will defend the claim at the Indemnifying Party's expense with counsel reasonably satisfactory to the Indemnified Party. All amounts payable to an Indemnified Party under this Section 5 shall be payable on written demand. The amount of any Losses subject to indemnification under this Section 5 shall be calculated net of (i) any insurance proceeds actually received by Indemnified Party on account of such Losses and/or (ii) any indemnification payments actually received from any third party. Anything herein to the contrary notwithstanding, no Indemnified Party shall have the right to be indemnified for any Losses to the extent they are in the nature of consequential, incidental or indirect damages, diminution in value damages, lost profits or punitive, special or exemplary damages, costs or expenses related to any physical condition or increased compliance or staffing for the period on or following the Closing Date, and in particular, without limitation, no "multiple of profits" or "multiple of cash flow" or similar valuation methodology shall be used in calculating the amount of any Losses, other than any such Losses that are included in any third party claims.

**SECTION 6
MISCELLANEOUS**

6.1 Further Assurances. Each of the Parties hereto agrees to execute and deliver any and all further agreements, documents or instruments reasonably necessary to effectuate this Agreement and the transactions referred to herein, contemplated hereby or reasonably requested by the other Party to perfect or evidence its rights hereunder.

6.2 Notices. All notices, requests, consents, approvals, waivers, demands and other communications required or permitted to be given or made under this Agreement shall be in writing and shall be deemed delivered to the Parties (a) on the date of transmission by electronic mail, with confirmation from the recipient of the successful delivery of such transmission, (b) on the first business day following the date of delivery to a nationally recognized overnight courier service, or (c) on the third business day following the date of deposit in the United States Mail, postage prepaid, by certified mail, return receipt requested, in each case, addressed as follows, or to such other address, Person as any Party may designate by notice to the others in accordance herewith:

If to Existing Operators, to:

c/o Genesis Healthcare, Inc.
101 E State Street
Kennett Square, PA 19348
Attn: Law Department
Fax: (484) 733-5449
Email: lawdepartment@genesishcc.com

with copies to (which shall not constitute notice):

Williams Mullen
200 South 10th Street, Suite 1600
Richmond, VA 23219
Attention: Edward R. Turnbull
Fax: (804) 420-6605
Email: nturnbull@williamsmullen.com

If to New Operators:

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with copies to (which shall not constitute notice):

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[

or to such other person or address as any Party hereto shall furnish to the other Parties hereto in writing pursuant to this Section 6.2.

6.3 Entire Agreement; Amendment; Waiver. This Agreement, including all schedules, exhibits and all other documents executed in connection with and pursuant to the terms and conditions of this Agreement, along with any orders related to this Agreement now or hereafter issued by the Bankruptcy Court, constitute the entire understanding between the Parties with respect to the subject matter hereof, superseding all negotiations, prior discussions and preliminary agreements. This Agreement may not be modified or amended except in writing signed by the Parties hereto. No waiver of any term, provision or condition of this Agreement, in any one or more instances, shall be deemed to be effective unless in writing and signed by the Party granting the waiver. Further, no such waiver shall be construed as a further or continuing waiver of any such term, provision or condition or as a waiver of any other term, provision or condition of this Agreement. No failure to act shall be construed as a waiver of any term, provision, condition or rights granted hereunder.

6.4 Assignment. Neither this Agreement nor the rights, duties or obligations arising hereunder shall be assignable or delegable by any Party hereto without the express prior written consent of the other Parties hereto.

6.5 Joint Venture; Third Party Beneficiaries. Nothing contained herein shall be construed as forming a joint venture or partnership between the Parties hereto with respect to the subject matter hereof. The Parties hereto do not intend that any third party shall have any rights under this Agreement.

6.6 Representation by Counsel. The Parties hereto acknowledge that they have been represented by independent legal counsel of their choosing throughout all of the negotiations which preceded the execution of this Agreement, and that each Party has executed this Agreement with the consent and on the advice of such independent legal counsel. This Agreement is a negotiated document. As a result, any rule of construction providing for any ambiguity in the terms of this Agreement to be construed against the draftsperson of this Agreement shall be inapplicable to the interpretation of this Agreement.

6.7 Captions. The section headings contained herein are for convenience only and shall not be considered or referred to in resolving questions of interpretation.

6.8 Counterparts. This Agreement may be executed and delivered (including by facsimile transmittal, portable document format, or by similar electronic means, which for purposes of this Agreement shall be deemed to be an original signature) in one or more counterparts and all such counterparts taken together shall constitute a single original Agreement.

6.9 Governing Law. This Agreement shall be governed by the laws of the State of Delaware, or if it can acquire jurisdiction, in the United States District Court for the District of Delaware as to, including, but not limited to, matters of validity, construction, effect and performance but exclusive of its conflicts of laws provisions.

6.10 Jurisdiction. The Bankruptcy Court shall retain jurisdiction to adjudicate any disputes that arise under this Agreement.

6.11 Waiver of Jury Trial. EACH OF THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT, INCLUDING TO ENFORCE OR DEFEND ANY RIGHTS HEREUNDER, AND AGREES THAT ANY SUCH ACTION SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

6.12 Confidentiality.

(a) Existing Operators acknowledge that certain of the information that has been and will be made available pursuant to this Agreement may be proprietary and include confidential information. Existing Operators shall hold all such information about New Operators in confidence and shall not disclose it to any Person (other than to their representatives, so long as those representatives agree to keep any such information in confidence) without the approval of New Operators supplying such information; provided, however, that the foregoing restriction shall not apply to any information that is, through no fault of Existing Operators, publicly known or which is lawfully obtained from a third party, or to any disclosure required by any legal requirement or in connection with the enforcement of Existing Operators' or New Operators' rights under this Agreement.

(b) New Operators acknowledge that certain of the information that has been and will be made available pursuant to this Agreement may be proprietary and include confidential information. New Operators shall hold all such information about Existing Operators in confidence and shall not disclose it to any Person (other than to New Operators' assignees or New Operators' prospective assignees and their representatives, so long as those representatives agree to keep any such information in confidence) without the approval of Existing Operators supplying such information; provided, however, that the foregoing restriction shall not apply to any information that is, through no fault of New Operators, publicly known or which is lawfully obtained from a third party, or to any disclosure required by any legal requirement or in connection with the enforcement of New Operators' or Existing Operators' rights under this Agreement.

6.13 Calculation of Time Periods. Any reference in this Agreement to a "business day" shall mean every day other than Saturdays, Sundays, all days observed by the federal, State of [____], or New York State government as legal holidays, all days on which commercial banks in the State of [____] or New York State are required by law to be closed. Unless otherwise specified, in computing any period of time described herein, the day of the act or event on which the designated period of time begins to run shall not be included and the last day of the period so computed shall be included. Any reference in this Agreement to a "day" or a number of "days" (other than references to a "business day" or "business days") shall mean a calendar day or calendar days, provided that if the calendar day or last calendar day to perform any act or give any notice or approval shall fall on a calendar day that is not a business day, such act or notice may be timely performed or given on the next succeeding business day.

6.14 Exhibits and Schedules. If any exhibits or schedules are not attached hereto, the Parties hereto agree to attach such exhibits and schedules as soon as reasonably practicable. Existing Operators shall have the right (but not the obligation) to supplement or amend the schedules to this Agreement at any time prior to or at the Closing Date with respect to any matter hereafter arising (each, a "Schedule Supplement"). If (a) any disclosure in any such Schedule Supplement discloses a matter that would otherwise, but for such disclosure, be a material breach of Existing Operators' representations or warranties in this Agreement as if such representations or warranties were made on the date of delivery of the Schedule Supplement to New Operators, (b) such breach or inaccuracy cannot reasonably be expected to be cured by Existing Operators on or prior to the Closing Date in a manner reasonably acceptable to New Operators and (c) New Operators are not then in material breach of any provision of this Agreement,

then New Operators shall have the option, exercisable within fourteen (14) days of its receipt of such Schedule Supplement, to terminate this Agreement. If New Operators fail to terminate this Agreement within fourteen (14) days of their receipt of such Schedule Supplement or proceed to consummate the Closing, then New Operators shall be deemed to have irrevocably waived any right to terminate this Agreement or be indemnified with respect to any matter newly disclosed on such Schedule Supplement.

6.15 Joint and Several Obligations. New Operators agree to be jointly and severally liable for all of the terms and obligations of New Operators contained in this Agreement. Existing Operators agree to be jointly and severally liable for all of the terms and obligations of Existing Operators contained in this Agreement.

6.16 Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any Party or any circumstance, is invalid or unenforceable, (a) a suitable and equitable provision shall be substituted therefore in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to the Parties or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability of such provision, or the application thereof, in any other jurisdiction.

6.17 Publicity. Prior to the Closing, the Parties hereto shall consult with each other as to the form and substance of any press release or other public disclosure regarding the transactions provided for herein or contemplated hereby, and no Party hereto shall make any public disclosure thereof prior to the Closing without the consent of the other Parties hereto provided that nothing herein shall prohibit any Party from making any public disclosure that is required by the Bankruptcy Court, or which such Party, with advice of counsel, deems reasonably necessary to comply with laws applicable to it.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

EXISTING OPERATORS:

[_____] ,
each a [_____] limited liability company

By: _____
Name: _____
Title: _____

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

(Signature Page to Operations Transfer Agreement – Genesis)

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

NEW OPERATORS:

[_____] ,
[_____] ,
[_____] , and
[_____] ,
each a [_____]

By: _____
Name: [_____] _____
Title: [_____] _____

EXHIBIT A
FACILITIES

<u>Facility Name</u>	<u>Facility Address</u>	<u>Number of Beds</u>	<u>Existing Operator</u>	<u>New Operator</u>

EXHIBIT B

DEFINITIONS

“**Affiliates**” shall mean a Person controlling, controlled by or under common control with another Person and immediate family members of any Persons and their Affiliates.

“**Approval Order**” means an Order of the Bankruptcy Court approving this Agreement.

“**COVID-19**” shall mean, as the context may require, the virus known as “COVID-19” or “SARS-CoV2” or any mutation thereof, or the disease known as “coronavirus disease 2019”, or any similar ailment.

“**Environmental Law**” means, collectively, any federal, state or local environmental, health or safety law, decision, statute, rule, regulation or ordinance currently in existence or hereafter enacted or rendered including, but not limited to, those materials or substances defined as “hazardous substances,” “hazardous materials,” “toxic substances” or “pollutants” in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., the Clean Air Act, 42 U.S.C. Section 7401 et seq., the Clean Water Act, 33 U.S.C. Section 1251 et seq., and any applicable statutes, ordinances or regulations under the laws of State of [____], and any rules and regulations promulgated thereunder, all as presently or hereafter amended.

“**Facility Records**” shall mean all of the books, records (including all current resident and employee records in the form located at the Facilities on the Closing Date), accounts, files, logs, ledgers and journals pertaining to or used in the operations of the Facilities prior to the Closing Date, including, but not limited to, any electronic data stored on computer disks or tapes, and originals of any of the foregoing that relate to the operations of the Facilities prior to the Closing Date but excluding any Excluded Assets, which Excluded Assets include, without limitation, books, records, accounts and files pertaining to former employees and former residents of the Facilities, any background checks, drug test results, I-9s or other employee records that are produced and maintained by third party vendors, and any books, records, and other data to the extent necessary for the collection of the Existing Operators’ accounts receivable.

“**Final Order**” means an order that is unstayed and in effect and as to which (i) the time to appeal, petition for certiorari or move for reargument or rehearing has expired and as to which no appeal, petition for certiorari or other proceedings for reargument or rehearing shall then be pending, or (ii) if an appeal, writ of certiorari, reargument or rehearing thereof has been filed or sought, such order shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied or reargument or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing shall have expired, provided, however, that no order shall fail to be a Final Order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Rule 9024 of the Federal Rules of Bankruptcy Procedure may be filed with respect to such order, as long as such motion has not actually been filed.

“**Government Authorizations**” shall mean all licenses permits, approvals, certifications, consents and other authorizations from any Governmental Entity as are necessary to lawfully own and operate the Assets, including, but not limited to, the Health Care Licenses.

“Governmental Entity” shall mean any (a) federal, state, county or municipal government, or city, town, borough, village, district or other jurisdiction; (b) governmental or quasi-Governmental Entity of any nature (including any agency, branch, department, board, commission, court, tribunal or other entity exercising governmental or quasi-governmental powers); and (c) any body exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power, including but not limited to the Bankruptcy Court.

“Hazardous Substances” means all toxic or hazardous materials, chemicals, wastes, pollutants or similar substances, including, without limitation, toxic mold, petroleum, asbestos containing materials, asbestos insulation and/or urea formaldehyde insulation, polychlorinated biphenyls, lead and lead-based paint, which are regulated, governed, restricted or prohibited by the Environmental Laws.

“Health Care Authorities” shall mean any Governmental Entity or quasi-Governmental Entity or any agency, intermediary, board, authority or entity concerned with the ownership, operation, use or occupancy of the Facilities as healthcare facilities.

“Health Care Licenses” shall mean all material Medicare and Medicaid provider agreements, certificates of need, if applicable, certifications, governmental licenses, permits, regulatory agreements or other agreements and approvals, including certificates of operation, completion and occupancy, and state nursing facility licenses or other licenses required by Health Care Authorities for the legal use, occupancy and operation of the Facilities.

“Health Care Requirements” shall mean, with respect to the Facilities, all federal, state, county, municipal and other governmental statutes, laws, rules, orders, regulations, ordinances, judgments, decrees and injunctions or agreements, in each case, pertaining to or concerned with the establishment, construction, ownership, operation, use or occupancy of the Facilities or any part thereof as a nursing Facilities and all regulations relating thereto, including all material rules, orders, regulations and decrees of and agreements with Health Care Authorities as pertaining to the Facilities and the payment and/or reimbursement for services rendered or goods or materials supplied at the Facilities.

“Legal Requirement” shall mean any federal, state, local, municipal or other order, constitution, law, ordinance, guidance principle of common law, code, regulation, or statute.

“Minimum Data Set” shall mean a federal assessment system which contains a standardized set of essential clinical and functional status measures.

“Person” shall mean an individual, partnership, corporation, business trust, limited liability company, limited partnership, joint stock company, trust, unincorporated association, joint venture or other entity or a Governmental Entity.

“Proceeding” shall mean any action, arbitration, audit, hearing, investigation, litigation or suit (whether civil, criminal, administrative, judicial or investigative, whether formal or informal, whether public or private) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Entity or arbitrator.

“Resident Census Report” shall mean a true, correct and complete schedule (provided in accordance with all applicable Health Care Requirements related to privacy) which accurately and completely sets forth the occupancy status of the Facilities, the average daily rate and other charges payable with respect thereto, the class of payment or reimbursement (i.e., private, third-party payor, Medicare, and Veterans Administration), the average monthly census of the Facilities and their occupancy rate.

“**Resident Trust Funds**” shall mean the funds held in trust by Existing Operators for residents at the Facilities.

EXHIBIT C

FORM OF BILL OF SALE

THIS BILL OF SALE is made as of the [•] day of [•], 2025, by and between [•] (“Grantor”) and [•] (“Grantee”).

KNOW ALL PERSONS BY THESE PRESENTS, that for and in consideration of Ten Dollars (\$10.00) in hand paid and other good and valuable consideration, the receipt whereof is hereby acknowledged and intending to be legally bound hereby, Grantor does grant, sell, convey, transfer, assign, deliver and set over unto Grantee, its heirs, executors, administrators, successors and assigns, forever, all of Grantor’s right, title and interest in the assets listed on Exhibit A attached hereto (the “Purchased Assets”) located in or upon, and used solely in connection with the operation of that certain healthcare Facility known as [•] located at [•] (the “Facility”), or any portion thereof, WITHOUT RECOURSE OR WARRANTY, except for the representations and warranties, if any, concerning the Purchased Assets as set forth in that certain Operations Transfer Agreement dated as of [•], 2025 by and among Grantor and certain of its affiliates and Grantee and certain of its affiliates (the “OTA”) to have and to hold the same unto Grantee, its heirs, successors, administrators and assigns, forever. Specifically excluded from this Bill of Sale shall be those items described and defined as “Excluded Assets” in the OTA. Capitalized terms used herein but not defined shall have the meanings ascribed to them in the OTA.

(Signatures on following page)

IN WITNESS WHEREOF, Grantor has caused this Bill of Sale to be executed and delivered as of the day and year first above written.

GRANTOR:

[_____],
a [_____] limited liability company

By: _____
Name: _____
Title: _____

GRANTEE:

[_____],
a [_____] limited liability company

By: _____
Name: _____
Title: _____

Exhibit A to Bill of Sale

Purchased Assets

(a) All licenses, permits and approvals other than certificates of need (or the equivalent) related to the Facility, to the extent Grantor's interests are assignable and/or transferrable pursuant to Legal Requirements;

(b) All rights, title and interest of Grantor in and to any trade names and all variations thereof connected with the Facility, other than trade names containing the word "Genesis" or any variations thereof;

(c) All telephone systems and telephone and facsimile numbers relating to the Facility (including all "800" numbers) and all post office box addresses associated with the Facility; and

(d) Any and all other items of tangible and intangible personal property owned by Grantor and used solely in connection with the operation, leasing and maintenance of the Facility (collectively, the "Personal Property"), and any goodwill of Grantor associated with the business operated at the Facility.

EXHIBIT D

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (“Assignment”) is made as of the [•] day of [•], 2023, by and among the entity listed as “Assignor” on Exhibit A attached hereto (“Assignor”) and the entity listed as “Assignee” on Exhibit A attached hereto (“Assignee”).

RECITALS:

A. This Assignment is made in connection with that certain Operations Transfer Agreement, dated [•], 2023, by and among Assignor and certain affiliates, on the one hand, and Assignee and certain affiliates, on the other hand (the “Operations Transfer Agreement”), pursuant to which Assignor is transferring to Assignee the operations of that certain facility listed on Exhibit A attached hereto (the “Facility”). Capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Operations Transfer Agreement.

B. Pursuant to the terms of the Operations Transfer Agreement, Assignor is to assign to Assignee, all of their right, title and interest in the Collective Bargaining Agreements, the Resident Agreements and the Assumed Facility Agreements entered into by Assignor or in possession of Assignor with respect to the Facility.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the parties hereto, intending to be legally bound, agree as follows:

1. Assignor hereby assigns, conveys and transfers to Assignee all of Assignor’s right, title and interest, if any, in and to the Collective Bargaining Agreements and Assumed Facility Agreements as set forth on Schedule 1 attached hereto and made a part hereof, to the extent assignable.

2. Assignor hereby assigns, conveys and transfers to Assignee, all of Assignor’s right, title and interest under the Resident Agreements in effect as of the date hereof and made a part hereof.

3. Assignee hereby assumes the duties and obligations of Assignor under the Collective Bargaining Agreements, Assumed Facility Agreements and the Resident Agreements, which duties and obligations arise and accrue from and after the date hereof. For the avoidance of doubt, Assignee assumes no duties or obligations of Assignor under any Collective Bargaining Agreement, Assumed Facility Agreement or Resident Agreement that arose or accrued prior to the date hereof, and such duties and obligations remain the sole and exclusive responsibility of Assignor.

4. Except as may be expressly set forth in the Operations Transfer Agreement (and as limited thereby), Assignor makes no representations or warranties of any kind with respect to the Collective Bargaining Agreements, Assumed Facility Agreements or Resident Agreements assigned herein.

5. This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and permitted assigns.

6. This Assignment shall be governed by the laws of the State of Delaware as to, including, but not limited to, matters of validity, construction, effect and performance but exclusive of its conflicts of laws provisions.

7. This Assignment may be executed in one or more counterparts, and all counterparts so executed shall constitute one agreement binding on all of the parties hereto, notwithstanding that all of the parties are not signatory to the same counterpart. This Assignment may be executed by any party by the delivery of such party by facsimile, by portable document via electronic mail, or by other electronic means, a copy of the signature page of this Assignment duly executed by such party. Any copy of this Assignment so delivered by facsimile, by portable document format, or by other electronic means, shall be deemed to be an originally executed copy of this Assignment.

[SIGNATURE PAGES TO FOLLOW]

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

ASSIGNOR: _____,
a _____ limited liability company

By: _____
Name: _____
Title: _____

ASSIGNEE: _____,
a _____

By: _____
Name: _____
Title: _____

Exhibit A to Assignment and Assumption Agreement

Parties

<u>Facility Name</u>	<u>Facility Address</u>	<u>Assignor</u>	<u>Assignee</u>

Schedule 1 to Assignment and Assumption Agreement

Assumed Facility Agreements

[To be included.]