



**CHANGE OF OWNERSHIP APPROVAL/DENIAL**  
**(For Office of Health Care Facilities USE ONLY)**

Facility Type: LTC County: Monroe

Facility Name: Madisonville Health and Rehab Center

Street Address: 465 Isbill Rd.

City/State/Zip Code: Madisonville, TN 37354

\*\*Health Licensure Last Survey Date: 3/21/2023 Annual or Complaint (circle one) Survey

Outstanding Complaint(s): Y or N (circle one; if yes, proceed to next question)

Number of Outstanding Complaint(s): 5

Date(s) of Outstanding Complaint(s): 10/27/2023, 12/20/2023, 1/17/2024, 1/22/2024  
and 1/22/2024

\*\*Life Safety Last Survey Date: 3/19/2023 Annual or Complaint (circle one) Survey

Outstanding Complaint(s): Y or N (circle one; if yes, proceed to next question)

Number of Outstanding Complaint(s): 0

Date(s) of Outstanding Complaint(s): N/A

Approved: ✓ Denied: \_\_\_\_\_

If denied, reason for denial: \_\_\_\_\_

Effective Date of Change of Ownership: 5/1/2024

Regional Administrator' Signature/Date

4/30/24



RECEIVED MAR 05 2024

**Ownership of Building:**

Name Monroe Realty LLC Phone ( 516 ) 605-9800

Street Address 165 N Village Ave, Ste. 126

City Rockville Center State NY Zip 11570

**FEE SCHEDULE: (FEES ARE NON-REFUNDABLE)**

| <u>Bed Capacity</u> | <u>Fee</u> | <u>Bed Capacity</u> | <u>Fee</u> |
|---------------------|------------|---------------------|------------|
| Less than 25        | \$1,040    | 100 thru 124        | \$2,080    |
| 25 thru 49          | \$1,300    | 125 thru 149        | \$2,340    |
| 50 thru 74          | \$1,560    | 150 thru 174        | \$2,600    |
| 75 thru 99          | \$1,820    | 175 thru 199        | \$2,860    |

**Facilities with 200 beds or more shall pay a flat rate of \$2,860 + \$200 for each additional 25 beds or fraction thereof (i.e., 200-224 pays \$3,060; 225-249 pays \$3,260).**

**OWNERSHIP OF BUSINESS:**

1. a. Check the type of Legal Entity:

Individual ☐ Partnership ☐ Corporation ☐ Limited Liability Company ☒  
 Church Related ☐ Government/County ☐ Other ☐

- b. Check One: For Profit ☒ Non-profit ☐

- c. Legal Entity Checked in 1.a:

Name Monroe Health and Rehabilitation Center LLC Phone Number ( 423 ) 442-3990

Street 465 Isbill Rd

City Madisonville State TN Zip 37354

- d. List name(s) and address(es) of individual owners, partners, directors of the corporation, or head of the governmental entity:

|                  |                             |                            |
|------------------|-----------------------------|----------------------------|
| Menachem Ruvel   | 165 N Village Ave, Ste. 126 | Rockville Center, NY 11570 |
| Name             | Street                      | City, State, Zip           |
| Yisroel Weinberg | 165 N Village Ave, Ste. 126 | Rockville Center, NY 11570 |
| Name             | Street                      | City, State, Zip           |

Name \_\_\_\_\_ Street \_\_\_\_\_ City, State, Zip \_\_\_\_\_

*(If additional space is needed, please use a separate sheet)*

- e. If a government/county owned facility, does the administrator have authority to act on behalf of the government/county as it relates to the operation of this facility? Yes ☐ No ☐ N/A

- f. If no to e., who has said authority? N/A

2. a. In accordance with Rule 0720-18-.02, is this CHOW a lease of operation? Yes ☐ No ☒

- b. If yes, please provide the lessor's information below:

Name N/A Phone Number (      ) N/A

Address N/A

3. a. Is your facility/organization accredited by a **federally approved** accrediting body including but not limited to JCAHO, CARF, etc?  
**Provide proof of accreditation.**  
Yes \_\_\_\_\_ No X Expiration Date \_\_\_\_\_

4. Is this facility chain affiliated? Yes X No \_\_\_\_\_

5. If you have a parent company, please provide the following information:

Name Monroe Operations Holdings LLC Phone Number ( 516 ) 605-9800

Address 165 N Village Ave, Ste 126, Rockville Center, NY 11570

6. a. If a corporation, is there a holding company? Yes \_\_\_\_\_ No \_\_\_\_\_ N/A

- b. If yes, list the name, address, and phone number of the holding company:

Name N/A Phone Number (    ) \_\_\_\_\_

Street \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

7. a. Are any owners of the disclosing entity also owners of other health care facilities in Tennessee and/or other states?

Yes X No \_\_\_\_\_

- b. If yes, list names and addresses of all such facilities. *(If additional space is needed, please use a separate sheet)*

See Attachment A

8. a. Do you have a contract with a management firm to operate this facility? Yes X No \_\_\_\_\_

If yes, specify dates: From 05/01/24 To 04/30/25

- b. If yes, specify name of firm: Champion Care LLC

Phone Number ( 516 ) 605-9800

Address 165 N Village Ave, Ste. 126, Rockville Center, NY 11570

9. For any item in (7) a-h below, please identify, explain, and provide documentation of the item(s) noted if response is "Yes". Have either the licensed entity for any of the other health care facilities in Tennessee and/or other states on the list in question (5.b.) above, OR the management firm listed in question (6.) above; been subjected to any of the following within the last (5) years:

**a. Licensure**

- |                                                                              |                       |
|------------------------------------------------------------------------------|-----------------------|
| i) denied a license?                                                         | Yes _____ No <u>X</u> |
| ii) had a license suspended or revoked by any state licensure action?        | Yes _____ No <u>X</u> |
| iii) been subject to a final order or judgement in a state licensure action? | Yes _____ No <u>X</u> |

**b. Convictions**

- i) convicted of a criminal offense related to that person's involvement in any program under any state or Federal health care program (including Medicare, Medicaid, and Tricare)? Yes \_\_\_\_\_ No X

**c. Exclusion**

- i) excluded from participation in Federal health care programs (Medicare, Medicaid, CHIP, or Tricare) in the past? Yes \_\_\_\_\_ No X

RDA-10139

(Note: "Excluded" is defined as a provider or entity has been told by the Department of Health and Human Services, Office Inspector General (HHS-OIG) that they may no longer be a provider for any federally funded healthcare program).

d. **Termination/Suspension**

i) suspended or terminated from participation in Medicare or Medicaid/TennCare programs? Yes \_\_\_\_\_ No X

(Note: This would include involuntary termination of a nursing facility or skilled nursing facility by the Centers for Medicare and Medicaid and Medicaid Services (CMS) or state Medicaid agency).

e. **Fraud and Abuse**

i) paid through settlement, or civil or criminal fines, any monies to the federal government or any state as a result of any administrative or judicial proceeding based on allegations of fraud or abuse involving claims related to the provision of health care items and services? Yes \_\_\_\_\_ No X

f. **Corporate Integrity Agreement**

i) Is presently an entity covered by and subject the terms of a corporate integrity agreement? Yes \_\_\_\_\_ No X

(Note: If yes, provide a copy of CIA)

g. **Bankruptcy**

i) filed bankruptcy under any provision of the United States Bankruptcy Code? Yes \_\_\_\_\_ No X

h. **Civil Monetary Penalty(CMP)**

i) paid to the Centers for Medicare and Medicaid Services or any state Medicaid agency a civil money penalty equal to or greater than \$250,000.00 as a result of an enforcement action during a survey? Yes \_\_\_\_\_ No X

**VERIFICATION BY NOTARY PUBLIC:**

Signee for application certifies that he or she is of responsible character and able to comply with the minimum standards and regulations established by Tennessee pertaining to the type of facility or agency for which application for licensure is made and with the rules promulgated under Tennessee Code Annotated (TCA) § 68-11-201.

Signee also certifies that a policy has been implemented to inform all employees of their obligation under TCA § 71-6-103 to report incidents of abuse or neglect.

Signee acknowledges that the State of Tennessee may share information regarding the activities and compliance of the licensee, if the submitted CHOW application is a lessor and/or lessee transaction as described in the above Ownership of Business section of this application.

  
Applicant Signature

Managing Member

Title or Position

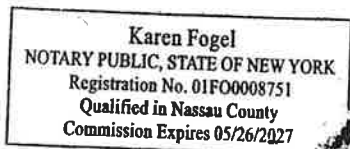
2/26/2024  
Date

**STATE OF TENNESSEE**

County of Naussau

The above-named applicant (print name) Menachem Ruvel, being by me duly sworn on his/her oath, deposes and says that he/she has read the forgoing application and knows the contents thereof: that the statements concerning the above-named facility or agency, therein contained, are correct and true to his/her own knowledge.

Subscribed to and sworn to me before this 26 day of February 2024  
(Month) (Year)



Notary Public: Karen Fogel

My commission expires: 05/26/2027



February 28, 2024

Tennessee Department of Health  
Health Facilities Commission  
Attn: Victoria Salmeri  
665 Mainstream Drive  
Second Floor  
Nashville, TN 37243

**Re: Monroe Health and Rehabilitation Center LLC  
d/b/a Monroe Health and Rehabilitation Center  
EIN: 99-0783388  
Facility License #: 00000186  
Nursing Home Application for Change of Ownership  
Change of Ownership Effective Date: May 1, 2024**

Dear Ms. Salmeri:

We have enclosed the Nursing Home Application for Change of Ownership along with the required license fee for the above-referenced facility.

If you have any questions or need any additional information, please contact me at (478) 396-4777 or [blamberth@newlegacypro.com](mailto:blamberth@newlegacypro.com).

Sincerely,

Brandie P. Lamberth, CPA  
President, New Legacy Professional Services, LLC

Enclosures



February 28, 2024

Tennessee Department of Health  
Health Facilities Commission  
Attn: Victoria Salmeri  
665 Mainstream Drive  
Second Floor  
Nashville, TN 37243

**Re: Nursing Home Change of Ownership Notification**

Dear Ms. Salmeri:

We are notifying the Tennessee Department of Health - Health Facilities Commission that the facility currently known as Madisonville Healthcare LLC d/b/a Madisonville Health and Rehab Center located at 465 Isbill Rd, Madisonville, TN 37354 is expected to change ownership effective May 1, 2024. Information on the current and prospective operators/owners involved in this change of ownership is listed below:

**Current Operator** – Madisonville Healthcare LLC d/b/a Madisonville Health and Rehab Center  
**Current Real Property Owner** – Madisonville Real Estate Investors LLC

**Proposed New Operator** – Monroe Health and Rehabilitation Center LLC d/b/a Monroe Health and Rehabilitation Center  
**Proposed New Real Property Owner** – Monroe Realty LLC

Upon consummation of the sale of the property, Monroe Realty LLC will lease the facility to the proposed new operator, Monroe Health and Rehabilitation Center LLC.

If you have any questions or concerns, please contact me at (478) 396-4777 or [blamberth@newlegacypro.com](mailto:blamberth@newlegacypro.com).

Sincerely,

Brandie P. Lamberth, CPA  
President, New Legacy Professional Services



**State of Tennessee**

**Health Facilities Commission**

665 Mainstream Drive, 2<sup>nd</sup> Floor, Nashville, TN 37243

[www.tn.gov/hfc](http://www.tn.gov/hfc)

Phone: 615-741-7221

July 9, 2024

Sent Via Email

Jason Werden  
Monroe Health and Rehabilitation Center  
465 Isbill Road  
Madisonville, Tennessee 37354

Facility Type: Nursing Home  
License Number: 186

Dear Administrator:

It is my pleasure to inform you that your application for change of ownership of Monroe Health and Rehabilitation Center located at 465 Isbill Road, Madisonville, Tennessee 37354 has been initially approved; effective May 1, 2024. The license number shall be 186. For this initial approval to become final and permanent, your application must be ratified by the Commission pursuant to T.C.A. §68-11-206. The Commission will consider your application at its next meeting, scheduled for July 29, 2024. **You are hereby authorized to commence operation pending the final decision of the Commission.** No further action is necessary on your part at this time.

If the Commission **does** ratify the approval of your application, the license number listed above will become your permanent license number and a letter will be forwarded to you within three (3) business days; notifying you of the Board's final decision.

If the commission **does not** ratify the initial approval of your application, a letter will be forwarded to you providing an explanation and specific instructions as to any action(s) you may take to have the decision reviewed, at which time this authorization shall cease to be effective.

Please contact me if I can be of further assistance.

Sincerely,

*Victoria Salmeri*

Victoria Salmeri, A.S.A II  
Health Facilities Commission  
665 Mainstream Drive, 2nd Floor  
Nashville, TN 37243  
p. 615-741-7300  
[Victoria.salmeri@tn.gov](mailto:Victoria.salmeri@tn.gov)

cc: East Tennessee Regional Administrator  
Office for Information Technology Services-  
Office of Health Statistics  
TN Care  
THCA  
Nerissa Harvey, Policy Planning and assessment  
Julie Clark, TN State Quality Manage at Alliant Health  
Amanda Shaefer, Medicaid Provider Enrollment

Style Definition: 1\_Content\_0\_Word2003

**WITNESSETH:**

(O) When appropriate and timely available, obtain the written consent of the patient or the patient's legal representative prior to the transfer, and provide a copy of the informed consent to the Receiving Facility at the time of transfer;

(P) Recognize and reasonably accommodate the right of a patient to request to transfer into the care of a physician and facility of the patient's choosing;

(Q) Recognize the right of a patient to refuse to consent to treatment or transfer;

(R) Establish a policy and/or protocols (i) for maintaining the confidentiality of the patient's medical records and personal identifying information in accordance with applicable state and federal law and (ii) for the inventory and safekeeping of any patient valuables sent with the patient to Receiving Facility; and,

(S) Recognize and comply with the requirements of any state law and regulations or local ordinances that apply to the care and transfer of patients.

3. RESPONSIBILITIES OF RECEIVING FACILITY. Receiving Facility shall be responsible for performing or ensuring performance of the following:

(A) Provide, as promptly as possible, confirmation to Transferring Facility regarding the availability of bed(s), appropriate facilities, services, and staff necessary to treat the patient and confirmation that Receiving Facility has agreed to accept transfer of the patient. Receiving Facility shall respond to Transferring Facility promptly after receipt of the request to transfer a patient with an emergency medical condition or in active labor;

(B) Provide, within its capabilities, appropriate personnel, equipment, and services to assist the receiving physician with the receipt and treatment of the patient transferred, maintain a call roster of physicians at Receiving Facility and provide, on request, the names of on-call physicians to Transferring Facility;

(C) Reserve beds, facilities, and services as appropriate for patients being transferred from Transferring Facility who have been accepted by Receiving Facility and a receiving physician, if deemed necessary by a transferring physician unless such are needed by Receiving Facility for an emergency;

(D) Designate a person who has authority to represent and coordinate the transfer and receipt of patients into the facility;

(E) When appropriate and within its capabilities, assist with the transportation of the patient as determined appropriate by the transferring or receiving physician;

5. COMPLIANCE WITH LAW. Both facilities shall comply with all applicable federal and state laws, rules and regulations, including, without limitation, those laws and regulations governing the maintenance of clinical or medical records and confidentiality of patient information as well as with all standards promulgated by any relevant accrediting agency.

6. INDEMNIFICATION; INSURANCE. The facilities shall each be responsible for their own acts and omissions in the performance of their duties hereunder, and the acts and omissions of their own employees and agents, and shall indemnify and hold harmless the other party from and against any and all claims, liabilities, causes of action, losses, costs, damages and expenses (including reasonable attorney's fees) incurred by the other party as a result of such acts and omissions. In addition, each party shall maintain, throughout the term of the Agreement, comprehensive general and professional liability insurance and property damage insurance coverage in amounts not less than One Million (\$1,000,000.00) per occurrence and Three Million (\$3,000,000.00) in the aggregate, and shall provide evidence of such coverage upon request.

7. TERM; TERMINATION. The Agreement shall begin on the Effective as set forth on the cover sheet and shall continue for an initial term of thirty-six (36) months, and thereafter shall be automatically renewed for successive one (1) year periods under identical terms, unless otherwise terminated or modified as provided herein (such initial term and any such renewal terms being herein called the "Term"). Notwithstanding any contrary provision contained herein, if this Agreement is terminated by either party for any reason during the initial twelve (12) months of the Term, the parties shall not enter into another agreement for the same or substantially similar services for at least one (1) year from the Effective Date.

Either Party may terminate the Agreement without cause upon thirty (30) days' advance written notice to the other Party. Either Party may terminate the Agreement upon breach by the other Party of any material provision of the Agreement, provided such breach continues for fifteen (15) days after receipt by the breaching Party of written notice of such breach from the non-breaching Party. The non-breaching Party must provide notice to the breaching Party that either the breach has been cured or the Agreement will be terminated at the end of the fifteen (15)-day cure period. The Agreement may be terminated immediately upon the occurrence of any of the following events:

(A) Either facility closes or discontinues operation to such an extent that patient care cannot be carried out adequately, or

(B) Either facility loses its state-issued operational license, loss of certification as a Medicare provider or the exclusion of Provider from participation in Federal Healthcare programs or debarment from federal contracting; ;

(D) Upon Provider's general assignment for the benefit of creditors, Provider's petition for relief in bankruptcy, or under similar laws for the protection of debtors, or upon the initiation of such proceedings against Provider; or

Information Technology for Economic and Clinical Health Act ("HITECH"). Provider agrees not to use or disclose any protected health information or individually identifiable health information (as defined in 45 CFR Part 164) (collectively, "Protected Health Information") concerning any patient of Facility other than as expressly permitted by this Agreement and the requirements of the federal privacy regulations and security standards as contained in 45 CFR Part 164. Provider further agrees to comply with all policies, procedures, and directives of Facility regarding the use and disclosure of Protected Health Information. Notwithstanding any unanticipated effect of any of the provisions of this Agreement, neither party shall intentionally conduct itself under the terms and conditions of this Agreement in a manner that constitutes a violation of any law or regulation or in a manner that would jeopardize either party's participation in any federal or state health care program, including without limitation, Medicare or Medicaid. In the event any state or federal law or regulation, now existing or enacted or promulgated after the Start Date, is interpreted by judicial decision, a regulatory agency, or legal counsel of Facility, in such a manner as to indicate that the structure of this Agreement is in violation of any such law or regulation Facility and Provider shall amend this Agreement as necessary to comply with such law or regulation. The parties warrant and represent that the compensation paid to Provider hereunder is consistent with fair market value for the services provided by Provider, not taking into account any referrals for goods and/or services made by a party to the other. Further, all compensation payable by Provider to Provider Representative must be consistent with fair market value for the services provided by Provider's Representative and does not take into account any referrals for goods and/or services made by a party to the other or to Facility.

14. ACCESS TO RECORDS. Pursuant to the requirements of 42 C.F.R. § 420.300 et seq., each Party agrees to make available to the Secretary of Health and Human Services ("HHS"), the Comptroller General of the Government Accounting Office ("GAO") or their authorized representatives, all contracts, books, documents and records relating to the nature and extent of costs hereunder for a period of four (4) years after the furnishing of Services hereunder for any and all Services furnished under the Agreement. In addition, each Party hereby agrees to require by contract that each subcontractor makes available to the HHS and GAO, or their authorized representative, all contracts, books, documents and records relating to the nature and extent of the costs thereunder for a period of four (4) years after the furnishing of Services thereunder.

15. WAIVER. A waiver by either party of a breach or failure to perform hereunder shall not constitute a waiver of any subsequent breach or failure.

16. ASSIGNMENT; BINDING EFFECT. Receiving Facility shall not assign this Agreement or any portion hereof and shall not delegate any duties under this Agreement, without the prior written consent of Facility, which consent may be withheld for any reason, or for no reason. Transferring Facility may assign all or any portion of this Agreement to an affiliate of Facility or other assignee by providing written notice to Provider, which assignment shall forever release Facility as to any future obligations hereunder.

# Operations Transfer Agreement

## **OPERATIONS TRANSFER AGREEMENT**

**THIS OPERATIONS TRANSFER AGREEMENT** (the “OTA Agreement”) is made and entered into on January 11, 2024 (the “Execution Date”), to be effective as of the Closing Date under the Purchase Agreement (as defined herein) (the “Effective Date”), by and among **MADISONVILLE HEALTHCARE, LLC d/b/a Madisonville Health and Rehab Center**, a Tennessee nonprofit limited liability company (“MHR”), **MADISONVILLE REAL ESTATE INVESTORS, LLC**, a Tennessee nonprofit limited liability company (“MRE” and with MHR each individually referred to as a “Seller” and, collectively, as the “Sellers”), **TROUSDALE LIVING COMMUNITIES, INC.**, a Tennessee nonprofit corporation (“Existing Operator”), **MONROE HEALTH AND REHABILITATION CENTER, LLC**, a Tennessee limited liability company (“New Operator”).

### **RECITALS**

**WHEREAS**, the long term care (skilled nursing) facility identified on Exhibit A attached hereto (the “Facility”) is owned by a Seller, and operated by Existing Operator, an Affiliate of Sellers, pursuant to separate Lease Agreements (each, an “Existing Lease” and, collectively, the “Existing Leases”);

**WHEREAS**, pursuant to that certain Real Estate Purchase and Sale Agreement of even date herewith (the “Purchase Agreement”), by and among Sellers and Monroe Realty, LLC, a Tennessee limited liability company, as purchaser (“Purchaser”), Sellers are selling to Purchaser or its assigns, and Purchaser or its assigns are purchasing (effective as of the Effective Date), certain real property and assets related to the Facility, upon the terms and conditions set forth therein (collectively, the “Sale Transaction”);

**WHEREAS**, in connection with the Sale Transaction, and as a condition to the obligations of Sellers and Purchaser to consummate such Sale Transaction, Sellers and Existing Operator desire to assign (as of the “Closing Date” defined in the Purchase Agreement) to New Operator, and New Operator desires to accept from Sellers and Existing Operator, the “OTA Assets,” subject to the “OTA Assumed Liabilities” (each, as defined herein), upon the terms and conditions set forth in this OTA Agreement (the “OTA Transaction”);

**NOW THEREFORE**, in consideration of the foregoing Recitals, the mutual covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sellers, Existing Operator, and New Operator hereby agree as follows:

### **AGREEMENT**

#### **ARTICLE I** **DEFINITIONS**

**1.01 Definitions.** As used in this OTA Agreement, the following terms have the means specified in this Section 1.01:

“Affiliate” means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person, and for purposes of this definition, the term “control” means the direct or indirect power to cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

“Closing” means the consummation of the transactions contemplated by this Agreement and the Purchase Agreement on the Closing Date (effective as of 12:00 AM on the Closing Date).

“Closing Date” means the “Closing Date” defined in the Purchase Agreement.

“Code” means the Internal Revenue Code of 1986, as amended.

“Cost Reports” means Medicare, Medicaid and other cost reports pertaining to any Facility.

“Employee Records” means all books, data and records (including electronic versions thereof) related to the Existing Employees.

“Environmental Laws” means all federal, state and local statutes, regulations, ordinances, directives and other provisions having the force or effect of law, all judicial and administrative Orders and determinations, all contractual obligations and all common law, in each case concerning public health and safety, worker health and safety, pollution or protect of the environment, including all those relating to the presence, use, production, generation, handling, transportation, storage, disposal, distribution, labeling, testing, processing, discharging, release, threatened release, control or cleanup of any Hazardous Substances, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 6921, et seq.) and regulations adopted thereunder.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Excluded Assets” means those assets described on Exhibit C attached hereto.

“Excluded Records” means: (a) any records that, if provided to Purchaser and/or New Operator, would violate any applicable Law, (b) any records relating to Sellers’ and/or Existing Operator’s efforts to market the Facility for sale, including any correspondence or other communications with other bidders, (c) any records, the disclosure of which would, in the opinion of legal counsel to Sellers or Existing Operator, (i) jeopardize any legal privilege available to any Seller, Existing Operator, or any of their respective Affiliates, relating to such records, or (ii) cause any Seller, Existing Operator, or any of their respective Affiliates, to breach a confidentiality obligation by which such Person is bound, and (d) policy and procedure manuals (subject to Section 3.08(c) hereof). Under no circumstances shall any Employee Records be Excluded Records.

“Governmental Authority” means any nation or government, any state, local or other political subdivision thereof, any central bank (or similar monetary or regulatory authority) thereof, any entity exercising executive, legislative, judicial, regulatory, or administrative functions of or pertaining to government, and any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing.

“Hazardous Substances” means any pollutants, contaminants or chemicals, and any industrial, toxic or otherwise hazardous materials, substances or wastes regulated under any Environmental Laws, other than such materials, substances or wastes used in de minimis amounts in the ordinary course of Sellers’ or Existing Operator’s business and in accordance with Environmental Laws.

“Law” or “Laws” means all foreign, federal, state, county and local laws, statutes, rules, regulations, codes, ordinances, orders, judgments, writs, injunctions, decisions or demand letters issued, entered or promulgated by any Governmental Authority, including common law.

“Liens” means any and all liens, encumbrances, charges, pledge and/or security interest.

“New Operator Licenses” has the meaning set forth in Section 4.02(d) hereof.

“OTA Agreement” means this OTA Agreement and all Exhibits and Schedules attached to this OTA Agreement, which are hereby incorporated into and made a part of this OTA Agreement as if set forth in full herein, provided, however, that in no event shall “OTA Agreement” include the Purchase Agreement.

“OTA Assets” means the assets described on **Exhibit B** attached hereto.

“OTA Assumed Liabilities” means the liabilities described on **Exhibit D** attached hereto.

“OTA Excluded Liabilities” means all liabilities of Sellers and/or Existing Operator (other than the OTA Assumed Liabilities), including, without limitation: (a) any costs of operations, lawsuits, patient, employee or third party claims, demands, losses and expenses arising, occurring and incurred during periods prior to the Closing Date, (b) quality assurance fees or bed taxes for periods prior to the Closing Date, and (c) liabilities under Assumed Contracts (as defined below) arising, occurring and incurred during periods prior to the Closing Date.

“Person” means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or Governmental Authority.

“Records” means Employee Records and all other books and records, in whatever medium and wherever located, owned by Sellers and/or Existing Operator exclusively for (or in connection with) the ownership of the OTA Assets or the operations of the Facility, including, to the extent such exists and is in the possession of a Seller and/or Existing Operator, all Cost Reports, contracts, agreements, correspondence, accounting records, legal records, employment and employee records, medical and clinical records, quality of care records, management records, resident and

family complaints, records that would indicate payment for care provided to residents, and corporate and internal records, but not the Excluded Records.

“Sellers’ and Existing Operator’s Knowledge” means the actual knowledge of Constance Bessler, Ronald Swartz, and Thomas Johnson, without independent verification or investigation.

“Seller/Existing Operator Licenses” has the meaning set forth in Section 4.01(m)(i) hereof.

“Supplies” shall mean food, central supplies, linens, personal-protective equipment, and housekeeping supplies and other consumable, non-consumable inventory and any other personal property maintained with respect to the Facility.

“Taxes” means all taxes, however denominated, including any interest, penalties, or additions to tax that may become payable in respect thereof, imposed by any Governmental Authority, whether arising before, on, or after the Closing Date.

“TDH” means the Tennessee Department of Health.

## **ARTICLE II**

### **TRANSFER OF OTA ASSETS; ASSUMPTION OF OTA ASSUMED LIABILITIES**

**2.01** Transfer of OTA Assets. At the Closing, and upon the terms and conditions herein set forth, Sellers and Existing Operator shall assign, transfer and convey to New Operator free and clear of all Liens (other than OTA Assumed Liabilities and subject to the representations and warranties in Section 4.01 hereof), and New Operator shall accept and acquire, the OTA Assets (but not the Excluded Assets), in consideration of the sum of Ten Dollars (\$10.00), the assumption of the OTA Assumed Liabilities (but not the OTA Excluded Liabilities), and the mutual covenants set forth herein.

**2.02** Assumption of OTA Assumed Liabilities. Upon the terms and conditions herein set forth, New Operator is hereby assuming and agreeing to pay, perform and discharge when due, the OTA Assumed Liabilities (but not the OTA Excluded Liabilities).

**2.03** Closing Deliverables – Sellers and Existing Operator. At the Closing, Sellers and Existing Operator shall deliver, or cause to be delivered, to New Operator the following (collectively, the “Sellers and Existing Operator Closing Deliverables”):

- (a) Bills of Sale with respect to the OTA Assets, duly executed by Sellers and Existing Operator;
- (b) Assignment and Assumption Agreements with respect to the OTA Assumed Liabilities (subject to Section 2.02 hereof), duly executed by Sellers and Existing Operator, in the form attached hereto as **Exhibit E**;
- (c) All Seller/Existing Operator required consents;

(d) Certificates of Good Standing with respect to Sellers and Existing Operator (dated no more than fifteen (15) days prior to the Closing Date) issued by the Secretary of State (or other duly authorized official) of Tennessee; and

(e) A copy, certified by an authorized manager of each Seller and Existing Operator, of resolutions authorizing the execution and delivery of this OTA Agreement and consummation of the transactions contemplated hereby and certifying that the representations and warranties of each Seller and Existing Operator set forth in this Agreement are true and complete on and as of the Closing Date.

**2.04 Closing Deliverables – New Operator.** At the Closing, New Operator shall deliver, or cause to be delivered, to Sellers and Existing Operator the following (collectively, the “New Operator Closing Deliverables”):

(a) Assignment and Assumption Agreements with respect to the OTA Assumed Liabilities (subject to Section 2.02 hereof), duly executed by New Operator, in the form attached hereto as **Exhibit E**;

(b) All New Operator required consents;

(c) Certificates of Good Standing with respect to New Operator (dated no more than fifteen (15) days prior to the Closing Date) issued by the Secretary of State (or other duly authorized official) of the State in which New Operator is formed; and

(d) A copy, certified by a duly authorized officer of New Operator, of resolutions authorizing the execution and delivery of this OTA Agreement and the consummation of the transactions contemplated hereby.

**2.05 Closing Costs.** Each party shall pay all costs and fees of its respective counsel.

**2.06 Conditions Precedent to New Operator’s Obligations.** New Operator’s obligation to consummate the OTA Transactions is expressly conditioned upon and subject to the satisfaction on or before the Closing Date (or such earlier date as is specified with respect to a particular condition) of each of the following (any one or more of such conditions precedent may be waived by New Operator in its sole and absolute discretion, if such waiver is set forth in a writing duly executed by Purchaser):

(a) Each of Sellers and Existing Operator shall have duly and timely performed and fulfilled all of its respective duties, obligations, promises, covenants and agreements hereunder;

(b) Each of the representations and warranties of Sellers and Existing Operator contained in this Agreement shall be true and correct in all respects as of and on the Closing Date;

(c) Sellers and Existing Operator shall not be in breach of any term, provision or condition of this Agreement;

(d) Sellers and Existing Operator shall deliver to New Operator on or before the Closing Date the Sellers and Existing Operator Closing Deliverables, each of which shall be in form and substance reasonably satisfactory to New Operator;

(e) Between the date of this Agreement and the Closing Date there shall not have been imposed against Existing Operator, nor shall have Existing Operator received notice of (a) any civil monetary penalty ("CMP") or other federal, state or local fine and/or penalty or (b) except related to Cost Report settlements in the ordinary course of business, any withholding, recoupment, repayment, recapture and/or recovery of any alleged overpayment by Medicaid or Medicare and/or any alleged underpayment of any tax and/or assessment, including but not limited to state bed tax or assessment or (c) any denial of payment for new admissions ("DPNA") or (d) that it is not in substantial compliance with any state or federal regulations, rule or law or (e) that the Facility is not in an open survey cycle or governmental or quasi-governmental survey violation equivalent to an "G" or higher for which the Facility is not in substantial compliance because it has not yet received a revisit to be found to be in substantial compliance with all material regulatory requirements; or any material adverse change in the regulatory status and/or condition of any of Existing Operator's licenses, permits and/or certifications, and/or the Medicare and Medicaid rates of the Facility.

(f) On or before the Closing Date, Existing Operator shall have transferred to New Operator the Resident Trust Funds on the Closing Date in compliance with all governmental statutes, rules and regulations with respect to the transfer of such Patient Trust Funds and Property and in accordance with the provisions of Section 3.07 below;

(g) At any time prior to the Closing Date, the average daily census ("ADC") of occupied beds at the Facility over any one (1) month period shall not have fallen below fifty-six (56) occupied beds;

(h) On the Closing Date, there shall not be any lawsuits filed or, to Sellers' and Existing Operator's Knowledge, threatened against Existing Operator which are not covered by insurance and being defended, subject to policy limits and any reservation of rights related to the operation of the Facility; nor shall there be any actions, suits, claims or other proceedings, pending or, Sellers' and Existing Operator's Knowledge, threatened, or injunctions or orders entered, pending or, Sellers' and Existing Operator's Knowledge, threatened against Existing Operator, to restrain or prohibit the consummation of the transactions contemplated hereby;

(i) Payment by Existing Operator of the Employee Accrual Credit (as defined herein);

(j) The Closing of the transactions contemplated by the Purchase Agreement shall have occurred;

(k) New Operator shall have been issued or otherwise obtained all consents and all permits that are not otherwise assigned under the Assignment and Assumption Agreements that are necessary for New Operator's legal operation of the Facility as of the Closing Date in substantially the same manner as operated by Existing Operator. The foregoing contemplates

without limitation that New Operator shall have received, to the extent required, all consents for New Operator's assumption of the Assumed Contracts; and

(l) New Operator shall have received notice from TDH advising that TDH is prepared to issue the New Operator Licenses effective upon the Closing pending final receipt of evidence of the effectiveness of the Closing.

**2.07 Conditions Precedent to Sellers' and Existing Operator's Obligations.** The effectiveness of this Agreement and Sellers' and Existing Operator's obligation to consummate the transactions contemplated in this Agreement shall be subject to the following conditions precedent on and through the Closing Date to the reasonable satisfaction of Sellers and Existing Operator or the waiver thereof by Sellers and Existing Operator, which waiver shall be binding upon Sellers and Existing Operator only to the extent made in writing and dated as of the Closing Date:

(a) New Operator shall have duly and timely performed and fulfilled all of its duties, obligations, promises, covenants and agreements hereunder;

(b) Each of the representations and warranties of New Operator contained in this Agreement shall be true and correct through the Closing Date;

(c) New Operator shall not be in breach of any term, provision or condition of this Agreement;

(d) The Closing of the transactions pursuant to the Purchase Agreement shall have occurred;

(e) On the Closing Date, there shall not be any lawsuits filed or, to New Operator's Knowledge, threatened against New Operator which are not covered by insurance and being defended, subject to policy limits and any reservation of rights wherein an unfavorable injunction, judgment, order, decree, ruling or charge would (i) prevent the performance of this Agreement or the consummation of any of the transactions contemplated hereby or declare unlawful any of the transactions contemplated hereby, or (ii) cause any of the transactions contemplated hereby to be rescinded following consummation;

(f) Purchaser shall not be in breach of any term, provision or condition of the Purchase Agreement; and

(g) New Operator shall deliver to Existing Operator on or before the Closing Date the New Operator Closing Deliverables, each of which shall be in form and substance satisfactory to Existing Operator.

### **ARTICLE III** **COVENANTS**

**3.01 Licenses and Provider Agreements.** New Operator shall use best efforts to obtain all of the New Operator Licenses on or before the Closing Deadline (as defined in the Purchase Agreement).

If New Operator fails to obtain all New Operator Licenses with respect to a particular Facility on or before the Closing Deadline, then Sellers may terminate the Purchase Agreement as set forth therein and this Agreement shall automatically terminate. Without limiting the foregoing, New Operator shall execute and file any and all forms, notices, consents and applications with TDH, and, if applicable, the Centers for Medicare and Medicaid Services (“CMS”), as may be necessary to timely issue or transfer any such New Operator License and/or Seller/Existing Operator License (including, without limitation, provider agreements) to New Operator for the purpose of operating the Facility. Existing Operator shall fully cooperate in the execution and filing of any and all forms, notices, consents and applications with TDH and CMS as may be necessary to timely apply for the issuance or assumption of any license or the assignment of provider agreements to New Operator for the purpose of operating the Facility to the extent permitted by applicable laws.

### **3.02 Cost Reports and Related Liabilities.**

(a) **Cost Reports.** Existing Operator shall prepare and file final Medicare Cost Reports with respect to the operation of the Facility (prior to the Closing Date) as soon as practicable after the Closing Date, but in no event later than ninety (90) days after the Closing Date. Existing Operator shall thereafter timely provide any additional information which may be reasonably requested by TDH or CMS with respect to such final Cost Reports or any prior Cost Reports, and any RAC audits or other audits relating to Medicaid or Medicare audits. Upon Existing Operator’s receipt of New Operator’s written request, Existing Operator shall provide New Operator with a copy of all such Cost Reports, any additional information submitted to TDH or CMS in conjunction with such Cost Reports, and any and all invoices, statement, ledgers, documents or other information required by TDH or CMS or their auditors. All proceeds from Existing Operator’s Cost Reports shall remain the property of Existing Operator, and New Operator shall promptly forward any such proceeds and any related reports or correspondence to Existing Operator. All rights to or in, or obligations, overpayments, recoupment claims, audits, and liabilities relating to, reimbursements and Cost Reports for Medicaid and Medicare concerning periods prior to the Closing Date are solely Existing Operator’s right and responsibility.

(b) **New Operator Billing.** From the Closing Date until the date that is two (2) years after the Closing Date, New Operator shall, in connection with any and all Medicare Cost Reports submitted following such Closing Date, include in all such Cost Reports an amount equal to the amount of bad debt carried on the books of the Existing Operator arising from services to beneficiaries of the Medicare program prior to the Closing Date, provided that Existing Operator provide New Operator with logs and supporting backup documentation for such bad debt (collectively, “**Existing Operator Bad Debt**”). On settlement of such amounts under the Medicare program, New Operator shall promptly forward to Existing Operator all such amounts actually received within five (5) business days after receipt by New Operator. In addition, from the Closing Date until the date that is two (2) years after the Closing Date, New Operator shall reasonably cooperate and assist Existing Operator from time to time with billing certain Medicare claims of Existing Operator for services to beneficiaries of the Medicare program prior to the Closing Date. Within five (5) business days after receipt of such payments, New Operator shall promptly forward all such amounts to the Existing Operator.

### **3.03 Employees.**

(a) Certain Benefits. Except as set forth on Schedule 3.03(a), neither Existing Operator or MHR have pension, profit sharing, bonus, incentive, sick leave, sick pay or other plan applicable to any of its employees. No such employee has any vested or unvested retirement benefits or other termination benefits, except as described on Schedule 3.03(a).

(b) Employee Schedule. Attached hereto as Schedule 3.03(b) is a schedule (the "Employee Schedule") which reflects, in all material respects, the following as of the Effective Date: (i) the names of all employees of Existing Operator and MHR based in the Facility (collectively referred to herein as, the "Existing Employees"); and (ii) their positions, rates of pay, a description of all of their benefits, union status, accrued vacation pay, sick pay, or paid leave time, and original hire dates.

(c) Hiring of Existing Employees. New Operator shall determine, in its sole but reasonable discretion, which of the Existing Employees, shall be offered employment effective on the Closing Date, (the Employees who accept such employment and commence employment on the Closing Date, the "Hired Active Employees"); provided, however, and notwithstanding any provision of this Agreement to the contrary, New Operator represents and warrants that it will use commercially reasonable efforts to hire substantially all of the Existing Employees. Nothing in this paragraph, however, shall create any right in favor of any person not a party hereto, including without limitation, the Existing Employees, or constitute an employment agreement or condition of employment for any employee of Existing Operator or any affiliate of Existing Operator who is an Existing Employee. Employment offered by New Operator shall be "at will" and may be terminated by New Operator or by an employee at any time for any reason (subject to any written commitments to the contrary made by New Operator and any requirements of law).

(d) Payment of Wages and Benefits. Existing Operator or MHR as applicable will be responsible for (i) the payment of all wages and other remuneration due to Existing Employees with respect to their services as Existing Employees of Existing Operator or MHR, as applicable, including pro rata bonus payments earned prior to the Closing Date, (ii) the payment of any termination or severance payments (including any that arise as a result of the consummation of the Contemplated Transactions) and the provision of health plan continuation coverage in accordance with the requirements of COBRA and ERISA §§ 601 through 608 (to the extent applicable), and (iii) any claims made or incurred by Existing Employees and their beneficiaries under any of the Existing Operator or MHR's Employee Benefit Plans as applicable. With respect to any employee benefit plan maintained by New Operator (collectively, "New Operator Benefit Plans") for the benefit of any Hired Active Employee, effective as of the Closing, New Operator shall recognize all service of the Hired Active Employees with Existing Operator, as if such service were with New Operator, for vesting, eligibility and accrual purposes; provided, however, that such service shall not be recognized to the extent that (i) such recognition would result in a duplication of benefits or (ii) such service was not recognized under the corresponding Existing Operator or MHR's Employee Benefits Plans.

(e) Employee Vacation Pay Expenses. On the Closing Date, Existing Operator or MHR, as applicable, shall pay New Operator (the "Employee Accrual Credit") seventy-five percent (75%) of all of the accrued, but unpaid vacation and sick pay for or relating to the Hired

Active Employees, each calculated as of the Closing Date ("Existing Operator's Employee Expenses"). In exchange therefore, New Operator agrees to pay when and as due, all of such Existing Operator and MHR's Employee Expenses, provided, however, New Operator shall not be liable and Existing Operator and MHR shall jointly and severally indemnify and hold the New Operator harmless on account of any and all other liabilities and obligations with regard to any of the Existing Employees and any and all other liabilities and obligations that shall have accrued prior to the Closing Date, with regard to the Hired Active Employees.

(f) Notice Compliance. In the event any notice or payments to Existing Employees is required under the Worker Adjustment Retraining Notification Act (such Act, together with any local or state law equivalents, "WARN Act") or other applicable plant closure law due either to actual or constructive termination of employment, such notice or payments shall be the sole responsibility of New Operator.

**3.04 Revenues and Expenses.** All revenues (including, but not limited to, payments due from the residents of the Facility or third party payors) and expenses related to the operation of the Facility shall be allocated to either (i) periods on and prior to the Closing Date, or (ii) periods on and after the Closing Date. Existing Operator shall be entitled to such revenues and responsible for such expenses (including, without limitation, the payment of all accounts payable, which shall remain the sole responsibility and obligation of Existing Operator) arising out of its operation of the Facility for periods prior to the Closing Date, and New Operator shall be entitled to the revenues and responsible for the expenses (including, without limitation, the payment of all accounts payable) arising out of its operation of the Facility on and after the Closing Date.

**3.05 Accounts Receivable.** Existing Operator shall retain its right, title and interest in and to all unpaid accounts receivable with respect to the Facility which relate to the period prior to the Closing Date. Attached as Schedule 3.05 is a preliminary accounts receivable report relating to accounts receivable of the Facility for services rendered through the last day of the month immediately preceding the month of the Closing Date. No later than thirty (30) days after the Closing Date, Existing Operator shall provide New Operator with a final updated schedule, which shall be added to Schedule 3.05, setting forth its outstanding accounts receivable as of the Closing Date. Any payments received with respect to the Facility which relate to periods on and after the Closing Date shall be retained by New Operator.

(a) Third Party Payments. Without limiting the generality of the foregoing, payments received by New Operator from third party payors shall be handled as follows:

(i) Medicaid. (x) All Medicaid payments with respect to the Facility which relate to periods prior to the Closing Date shall be forwarded within five (5) business days to Existing Operator together with applicable remittance advices, and (y) all such payments with respect to the Facility which relate to periods on and after the Closing Date shall be retained by New Operator and if received by Existing Operator, shall be forwarded by Existing Operator within five (5) business days to New Operator, together with applicable remittance advices.

(ii) Medicare. (x) All Medicare payments with respect to the Facility which relate to periods prior to the Closing Date shall be forwarded within five (5) business days to

Existing Operator together with applicable remittance advices, and (y) all such payments with respect to the Facility which relate to periods on and after the Closing Date shall be retained by New Operator and if received by Existing Operator, shall be forwarded by Existing Operator within five (5) business days to New Operator, together with applicable remittance advices.

(iii) Commercial Payors. All payments received from managed care organizations and other commercial payors prior to the Closing Date shall be retained by Existing Operator. All such payments received after the Closing Date shall be paid into accounts established by New Operator for the receipt of payments from managed care organizations and other commercial payors or as otherwise directed by New Operator. Any funds received by New Operator on and after the Closing Date, which relate to periods prior to the Closing Date, shall be deposited by New Operator and remitted to Existing Operator within five (5) business days, together with remittance advices. Any funds received by Existing Operator on and after the Closing Date, which relate to periods on and after the Closing Date, shall be forwarded by Existing Operator to New Operator within five (5) business days, together with remittance advices.

(b) Private Pay Payments. Without limiting the generality of the foregoing, payments received by New Operator from private payors shall be handled as follows:

(i) If such payments either specifically indicate on the accompanying remittance advice, or if the parties agree, that they relate to periods prior to the Closing Date, they shall be forwarded to Existing Operator by New Operator, along with the remittance advice, within five (5) business days after receipt thereof;

(ii) If such payments indicate on the accompanying remittance advice, or if the parties agree, that they relate to periods on and after the Closing Date, they shall be retained by New Operator;

(iii) If such payments indicate on the accompanying remittance advice, or if the parties agree, that they relate to periods for which both parties are entitled to payment under the terms hereof, the portion thereof which relates to the periods prior to the Closing Date shall be remitted to Existing Operator within five (5) business days after receipt thereof, and the balance shall be retained by New Operator and if received by Existing Operator, shall be forwarded by Existing Operator within five (5) business days to New Operator; and

(iv) For a period of forty five (45) days after the Closing Date, if there is no remittance advice accompanying any payment received by New Operator, or if the accompanying remittance advice does not indicate the period to which a payment relates, then any such unidentified payment shall first be applied to pre-Closing Date balances and be remitted to Existing Operator within five (5) business days after receipt thereof, with any excess applied to balances due for services rendered by New Operator on and after the Closing Date. Thereafter, if there is no remittance advice accompanying any payment received, or if the accompanying remittance advice does not indicate the period to which a payment relates, then any such unidentified payment shall first be applied to post-Closing Date balances and be remitted to New Operator within five (5) business days after receipt thereof, with any excess applied to balances due for services rendered by Existing Operator before the Closing Date. Upon the reasonable request of the other

party, each party shall provide the requesting party copies of all documents and information supporting or relating to any unidentified payment within five (5) business days of such request.

(c) Misapplication. In the event that any payment under this Section 3.05 is misapplied by the parties, the party that erroneously received said payment shall remit the same to the proper party within five (5) business days after said determination is made. For a period of twelve (12) months after the Closing Date, each party shall provide the other party (at least monthly) an accounting of all accounts receivable and similar amounts received by such party.

**3.06** Utilities. Existing Operator shall arrange for a final statement with respect to all utilities serving the Facility prior to the Closing Date and shall pay all costs identified thereon, less any prepaid expenses and/or deposits held by utility providers in the name of Existing Operator. New Operator shall arrange for all such utilities to be billed in their name on and after the Closing Date and shall pay all fees due therefor on and after the Closing Date.

**3.07** Resident Trust Funds. Schedule 3.07 attached hereto sets forth an accounting of all resident trust funds (the "Trust Funds") being held by Existing Operator as of the Effective Date for each Facility, including the names of the residents for whom such Trust Funds are held and the corresponding balance. On the Closing Date, Existing Operator, with the cooperation of New Operator, shall transfer the Trust Funds (held by Existing Operator as of the Closing Date) to bank accounts designated by New Operator, and New Operator shall, upon receipt of such Trust Funds, execute and deliver a Resident Trust Fund Closeout Report which acknowledges the receipt of such funds and which provides that New Operator shall expressly assume all Existing Operator's financial and custodial obligations with respect thereto arising after the Closing Date. On and after the Closing Date, New Operator shall assume all such obligations and be directly accountable to the residents of each Facility and to any applicable Governmental Authorities, for the Trust Funds transferred to them. Existing Operator shall remain responsible for deficiencies in the Trust Funds existing on and prior to the Effective Date. New Operator shall indemnify Existing Operator's Indemnified Parties (as defined in Section 5.03 hereof) for any liabilities or obligations relating to or arising out of deficiencies in the Trust Funds after the Closing Date.

**3.08** Records; Policy Manual; Telephones.

(a) Delivery. On the Closing Date, subject to all applicable confidentiality Laws, restrictions, agreements, and provisions, Existing Operator shall deliver the Records to New Operator. Existing Operator shall be responsible for the delivery of any and all notices to the residents of the Facility regarding the transfer of medical and personal records hereunder.

(b) Access. After the Closing Date, New Operator shall provide to Sellers, Existing Operator and their respective representatives (after reasonable notice and during normal business hours and without charge to Sellers and/or Existing Operator) access to all books and records relating to the OTA Assets and/or OTA Excluded Liabilities, for periods on and prior to the Closing, and shall preserve such books and records until the later of: (a) five (5) years after the Closing Date, or (b) the retention period required by applicable Law. Such access shall include reasonable access to any computerized information systems that contain data regarding the OTA Assets and/or OTA Excluded Liabilities. New Operator acknowledges that Sellers and Existing

Operator have the right to retain originals or copies of such books and records for periods prior to the Closing. With respect to any litigation and claims that are OTA Excluded Liabilities, New Operator will render (at Sellers' and/or Existing Operator's expense) all reasonable assistance that Sellers and Existing Operator may request in defending such litigation or claim and will make available to Sellers and Existing Operator, on reasonable terms, the personnel of New Operator or its Affiliates most knowledgeable about the matter in question.

(c) Policy and Procedure Manuals. For ninety (90) days after the Closing Date, New Operator shall be permitted to use Existing Operator's policy and procedure manuals in connection with New Operator's operation of the Facility. As soon as practicable after such period, and in all events within thirty (30) days thereafter, New Operator shall cease use of all such policy and procedure manuals other than copies maintained for future reference.

(d) Use of Telephone Numbers; Website. New Operator may use the present telephone numbers of the Facility. Existing Operator shall, as of the Closing Date, transfer or cause to be transferred, at New Operator's expense, all right, title and interest in and to the telephone numbers and website used by the Facility. New Operator may not use the current name of the Facility, nor any derivations thereof.

### **3.09 Assignment and Assumption of Assumed Contracts; Resident Agreements.**

(a) As soon as practicable after the date hereof, the Existing Operator shall deliver to New Operator true, accurate and complete copies of all contracts and agreements which relate to the operations of the Facility and are in existence and effective as of the Closing Date ("Existing Contracts"), a schedule of which is attached hereto as Schedule 3.09(a). In accordance with the terms of the Assignment and Assumption Agreement and this Agreement, Existing Operator shall assign and transfer to New Operator all of Existing Operator's rights, title and interest in, to and under the Existing Contracts chosen by New Operator in its sole discretion and set forth in Schedule 3.09(b), hereto (collectively, the "Assumed Contracts," and the Existing Contracts not assigned to New Operator shall hereinafter be referred to as the "Rejected Contracts"). Any and all payments or other obligations accruing under the Assumed Contracts prior to the Closing Date or under the Rejected Contracts shall be the sole and exclusive responsibility of Existing Operator. Any and all payments and other obligations accruing under the Assumed Contracts on and after the Closing Date shall be the sole and exclusive responsibility of New Operator. All such obligations shall be pro-rated and paid, as appropriate, at Closing.

(b) Existing Operator shall transfer, convey and assign to New Operator, in accordance with the terms of the Assignment and Assumption Agreement, on the Closing Date all existing agreements with residents and any guarantors thereof, to the extent assignable by Existing Operator (excluding only the right to any payments for periods prior to the Closing Date).

### **3.10 Confidentiality.**

(a) Each of Sellers and Existing Operator (on one hand) and New Operator (on the other hand) agree that all non-public information relating to the Facility and its operations, in whatever form delivered, made available, or disclosed before or after the Closing Date (the

“Confidential Information”) is of a confidential and proprietary nature. Each party agrees: (i) that it will maintain the confidentiality of the Confidential Information, (ii) that it will protect and secure the Confidential Information in a commercially reasonable manner, and in any event in a manner no less protected and secure than such Person’s own confidential information, (iii) that it will not use the Confidential Information other than in connection with the consummation of the transactions contemplated by this OTA Agreement (or to enforce its rights under this OTA Agreement) or to own and operate the Facility, and (iv) that it will disclose the Confidential Information only: (x) as may be required by Law, or (y) to its directors, officers, employee, agents, and representatives (including potential lenders) on a need-to-know basis in order to consummate the transactions contemplated hereby (or to enforce its rights hereunder), or in connection with the ownership and operation of the Facility. Each party agrees to cause its directors, officers, employees, agents, and representatives to comply with the obligations of such Person under this Section 3.10.

(b) Each party recognizes that irreparable injury will result from a breach by such Person of Section 3.08 and/or this Section 3.10, and that money damages will be inadequate to fully remedy such injury. Accordingly, in the event of a breach or threatened breach of such provisions, a non-breaching party shall be entitled to seek (in addition to any other remedies which may be available to such Person) one or more preliminary or permanent orders (i) restraining and enjoining any act which would constitute a breach or (ii) compelling the performance of any obligation which, if not performed, would constitute a breach.

### 3.11 Regulatory Approvals.

(a) On the Closing Date or such earlier date as applicable, Existing Operator shall assign and convey to New Operator the Medicare provider agreement and number in use at the applicable Facility (the “Existing Medicare Provider Number”). Existing Operator and New Operator shall execute any and all documents necessary and will otherwise cooperate in connection with the assignment of the Existing Medicare Provider Number. During the pendency of New Operator’s CMS Form 855A, New Operator may bill Medicare under Existing Operator’s name and the applicable Existing Medicare Provider Number, until the intermediary changes the electronic funds transfer account or special payment address to the New Operator. Notwithstanding the foregoing, New Operator shall be exclusively responsible for all rights and liabilities relating to any and all periods and shall indemnify Existing Operator for all losses incurred by Existing Operator related to the New Operator’s use of Existing Operator’s Medicare provider number. This Section is intended to satisfy the requirements of Section 15.7.7.1.5 of the Medicare Program Integrity Manual.

(b) On the Closing Date or such earlier date as applicable, subject to applicable law, Existing Operator shall, upon the request of New Operator, assign and convey to New Operator the Medicaid provider agreement and number in use at the Facility (the “Existing Medicaid Provider Number”). Existing Operator and New Operator shall execute any and all documents necessary and will otherwise cooperate in connection with the assignment of the Existing Medicaid Provider Number. New Operator may bill Medicaid under Existing Operator’s name and the Existing Medicaid Provider Number, until the intermediary changes the electronic funds transfer account or special payment address to the New Operator. New Operator shall be exclusively

responsible for all rights and liabilities relating to the existing Medicaid Provider Number arising from any and all periods and shall indemnify Existing Operator for all losses incurred by Existing Operator related to the New Operator's use of Existing Operator's Medicaid provider number.

(c) On the Closing Date or such earlier date as applicable, subject to applicable law, Existing Operator shall, upon the request of New Operator and to the extent assignable, and at no cost to Existing Operator, assign and convey to New Operator all other third party payor agreements affecting the Facility. Existing Operator and New Operator shall execute any and all documents necessary and will otherwise cooperate in connection with the assignment of such third party payor agreement. New Operator may bill such third party payors under Existing Operator's name until it enters into a new agreement with such payors. New Operator shall be responsible for all rights and liabilities relating to any third party payor agreement assigned to it related to any and all periods.

### **3.12 Recapture Claims.**

(a) Each party hereto agrees to notify the other within three (3) calendar days after receipt of any notice of any claim of recapture by TDH, CMS, OIG or any other governmental or quasi-governmental authority with respect to an alleged Medicare or Medicaid overpayment or any alleged underpayment of any tax or assessment for periods relating prior to the Closing Date (collectively "Recapture Claim"). For the avoidance of doubt, the term "Recapture Claim" shall include any recapture, recoupments or other claims related to use of CARES Act funds or other monies related to Covid-19. To the extent ascertainable on or prior to the Closing Date, Existing Operator shall pay or cause to be paid any Recapture Claim which is for the periods prior to the Closing Date; provided, however, nothing herein shall be deemed to prevent or restrict Existing Operator from contesting any such Recapture Claim, and, if, based on the advice of its attorneys, by paying such Recapture Claim, Existing Operator shall have forfeited its right to such contest, Existing Operator may delay paying such Recapture Claim until final resolution of such contest, so long as Existing Operator complies with the provisions of this Section 3.12.

(b) In the event TDH, CMS, OIG or any other governmental or quasi-governmental authority or agency making payments to New Operator for services performed at the Facility on or after the Closing Date, make any Recapture Claim for any period prior to the Closing Date, then Existing Operator shall be entitled to contest such Recapture Claim; provided however, that New Operator shall be allowed the opportunity to participate in all meetings, and be provided with copies of all audit adjustments and workpapers. Existing Operator and New Operator shall cooperate to resolve such audit to their mutual satisfaction. In the event Existing Operator fails to pursue any issue or issues raised in any such appeal, New Operator may, at its own expense, pursue an appeal of such issue or issues and Existing Operator will cooperate fully with New Operator in such appeal, including by providing copies of any documentation required to substantiate costs reported on the cost reports.

(c) If Existing Operator does not prevail with regard to such contest, Existing Operator hereby agrees to save, indemnify, defend and hold New Operator harmless from and against any loss, damage, injury or expense incurred by New Operator arising from or related to any such Recapture Claim. In connection with the foregoing indemnification obligation, in the event that

TDH, CMS, OIG or any other governmental or quasi-governmental authority or agency or other third party payor source withholds amounts from New Operator's reimbursement payments as a result of such Recapture Claim, Existing Operator shall pay such amounts to New Operator within ten (10) days following New Operator's demand therefor. Such payment shall be made regardless of whether Existing Operator is then contesting such Recapture Claim.

**3.13 Bed Taxes.** Existing Operator shall be and remain obligated for and shall pay on or before the date due thereof all fees, taxes or assessments accrued prior to the Closing Date or relating to the period prior to the Closing Date, including but not limited to any bed tax, provider tax or assessment. Existing Operator shall provide to New Operator, on or before the Closing Date, evidence reasonably satisfactory to New Operator of payment of all of such fees and taxes and provide New Operator with a credit at Closing for any bed taxes or provider tax that have accrued or will accrue that relate to all periods prior to the Closing Date, regardless of whether the same have been assessed or yet payable ("Bed Tax Credit"). To the extent the Bed Tax Credit amount is not yet fixed, Existing Operator shall provide New Operator with a Bed Tax Credit equal to 100% of the most recently ascertainable assessment and shall be re-prorated within ten (10) days of receipt of the actual assessment. Existing Operator shall also provide to New Operator true and correct census information required in connection with any license fee/tax submission after the Closing Date. If Existing Operator fails to make said payments on a timely basis and New Operator is required to make said payments or funds are withheld from New Operator's reimbursement payments, Existing Operator shall pay such amounts and any interest or late fees to New Operator within ten (10) days following New Operator's demand therefor. New Operator shall be and remain obligated for and shall pay on or before the date due thereof all fees, taxes and assessments accrued on and after the Closing Date.

**3.14 Surveys; Civil Monetary Penalties.** Existing Operator shall at its sole and exclusive cost and expense be liable and responsible for the correction of all violations cited by TDH and/or CMS in any survey ("Survey") prior to, on or after the Closing Date as detailed in the Statement of Deficiencies issued by TDH ("Statement"), if any, accompanying said Survey, and all proposed or imposed remedies, including but not limited to any CMP, that result from a condition or incident at the Facility prior to the Closing Date or as a result of an action or inaction of Existing Operator prior to the Closing Date, until the same are cured to TDH's or CMS' satisfaction, and, if applicable, any proposed denial of payment by, or termination of certification to participate in, the Medicare or Medicaid programs set forth in the Statement or otherwise resulting from the Survey or Statement is withdrawn.

## **ARTICLE IV**

### **REPRESENTATIONS AND WARRANTIES**

**4.01 Sellers' and Existing Operator's Representations and Warranties.** Each Seller and Existing Operator hereby represents and warrants (as of the Effective Date) to New Operator as follows, except in all cases as disclosed in the disclosure schedules accompanying Article IV of this OTA Agreement (the "Disclosure Schedules"):

(a) **Organization.** Each Seller and Existing Operator is duly organized and validly existing under the Laws of Tennessee.

(b) Authority. The execution, delivery, and performance by each Seller and Existing Operator of this OTA Agreement have been duly authorized by all necessary limited liability company action by the manager and/or sole member of such Person, and no other limited liability company proceedings on the part of such Person are necessary to authorize such execution, delivery, and performance. This OTA Agreement has been duly executed by each Seller and Existing Operator and constitutes its valid and binding obligation, enforceable in accordance with its terms, subject to bankruptcy, insolvency, and other statutes affecting creditors' rights generally.

(c) Environmental Condition. Existing Operator has not generated, stored or disposed of any Hazardous Substances at the Facility, and Existing Operator does not have any knowledge of any previous or present generation, storage, disposal or existence of any Hazardous Substance or hazardous waste at the Facility, except in such quantities that is customary in the operation of skilled care and/or independent living facilities and in all events in compliance with all Environmental Laws.

(d) Leases. Other than the Existing Leases, there are currently, and as of the Closing Date there shall be, no occupancy rights (written or oral), leases or tenancies presently affecting the Facility, other than any occupancy rights of any residents of the Facility.

(e) Permits. The Permits as listed on Schedule 4.01(e) hereto are all of the material certificates, licenses and permits from governmental authorities held by Existing Operator in connection with the ownership, use, occupancy, operation and maintenance of the Facility, and are all of the certificates, licenses, accreditations and permits necessary in connection with the current ownership, use, occupancy, operation and maintenance thereof. Existing Operator currently maintains in good standing and full force, all of the material certificates, licenses and permits from all applicable governmental authorities in connection with the ownership, use, occupancy, operation and maintenance of the Facility as necessary in connection with the current ownership, use, occupancy, operation and maintenance thereof.

(f) Required Consents. No consent, order, approval or authorization of, or declaration, filing or registration with, any governmental or regulatory authority is required in connection with the execution or delivery by Existing Operator of this Agreement, prior to, or as of or at the Closing Date, or as a consequence thereof, or with the consummation by Existing Operator of transactions contemplated hereby to be consummated prior to, as of or at the Closing Date, except (1) such consents, certifications or licenses from the TDH, CMS, United States Department of Health and Human Services or any other governmental agency with jurisdiction over the Facility as necessary to permit New Operator to operate the Facility from and after the Closing Date, and (2) if applicable, such other consents or licenses required to operate a skilled care nursing home and/or independent living facility in Madisonville, Tennessee, as applicable, and (3) as otherwise required in this Agreement.

(g) Sufficiency of Assets. The OTA Assets constitute all of the assets, tangible and intangible, real and personal of any nature whatsoever, necessary and sufficient for operation of the Facility of eighty-one (81) skilled nursing dually certified beds, all in compliance with all Laws and in the manner presently operated by Existing Operator. No less than 74 beds will be available

at the Facility. Each bed is in good repair and conforms with the minimum standards set forth under the regulations adopted by TDH. For each such bed, there also exists the minimum furnishings, fixtures and other accessories required by TDH. Each of the beds, furnishings, fixtures and other accessories referenced in this Section 4.01(g) shall be owned, free and clear, other than any Permitted Exceptions (as defined in the Purchase Agreement) as of the Closing Date. All of the OTA Assets are owned by Sellers or Existing Operator and shall be conveyed to New Operator pursuant to this Agreement.

(h) Litigation. Except as set forth in Schedule 4.01(h), there are no pending or, to Sellers' or Existing Operator's Knowledge, threatened litigation, investigations, claims, lawsuits, governmental actions or other proceedings, including without limitation, any desk audit or full audit, involving the OTA Assets, or the operation thereof before any court, agency or other judicial, administrative or other governmental or quasi-governmental body or arbitrator.

(i) Compliance with Laws.

(i) The OTA Assets have been and are presently used and operated in compliance with all Laws of any kind whatsoever affecting the OTA Assets or any part thereof. In addition, no waivers have been obtained or, to Sellers' or Existing Operator's Knowledge, are required to make the representations contained in this Section 4.01(i)(i) fully true and correct and not misleading in all respects.

(ii) To Existing Operator's Knowledge, Existing Operator is in material compliance and as of the Closing Date will be in material compliance with all applicable municipal, county, state and federal laws, regulations, ordinances, standards and orders, including without limitation, all health, building, fire and zoning ordinances and life safety codes and the Americans with Disabilities Act, as the same may be amended.

(iii) Existing Operator has not received written notice of any claim, requirement or demand of any licensing or certifying agency supervising or having authority over Existing Operator or otherwise to rework or redesign the Facility so as to conform to or comply with any existing law, code or standard which has not been fully satisfied prior to the Effective Date or which will not be satisfied prior to the Closing Date.

(iv) To Existing Operator's Knowledge, all billing practices of Existing Operator to all third-party payors, including the Medicare and Medicaid programs and private insurance companies, have been in material compliance with all applicable laws, regulations and policies of such third party payors and the Medicaid and Medicare programs.

(j) Taxes. Existing Operator has timely filed all tax returns and reports required by law to have been filed by it and has paid all taxes and governmental charges due and payable with respect to such returns.

(k) Sprinklers. There is a sprinkler system at the Facility that, to Sellers' and Existing Operator's Knowledge, is in full operational compliance with all applicable requirements.

(l) No Defaults. The execution, delivery and performance of this Agreement by Existing Operator does not and will not:

(i) Conflict with or result in any breach of the provisions of, or constitute a default under any Existing Operator's formation documents or operating agreement;

(ii) Violate any restriction to which Existing Operator is subject or, with or without the giving of notice, the passage of time, or both, violate (or give rise to any right of termination, cancellation or acceleration under) any mortgage, deed of trust, license, material lease, indenture or other material agreement or instrument, whether oral or written, to which Existing Operator or the Facility is a party, or by which it or its property is bound, which will not be satisfied or terminated on or prior to the Closing as a result of the transactions contemplated in this Agreement, or result in the termination of any such instrument or termination of any provisions in such instruments that will have a material adverse effect upon or result in the creation or imposition of any Lien upon the OTA Assets; or

(iii) Constitute a violation of any applicable law by which Existing Operator or the Facility is subject, the violation of which will have a material adverse effect upon the Facility.

(m) Health Care Matters.

(i) Neither Sellers nor Existing Operator has received any notice that any 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 TDH or any other health care authorities for the legal use, occupancy and operation of the Facility (collectively, "Seller/Existing Operator Licenses") (A) have not been obtained by the party required to hold such Seller/Existing Operator Licenses or (B) that such Seller/Existing Operator Licenses are not in full force and effect. From the Effective Date through the Closing Date, Existing Operator will own and operate the Facility in such a manner so that the Seller/Existing Operator Licenses shall remain in full force and effect. Set forth on Schedule 4.01(m) attached hereto is a list of the Facility's Medicare and Medicaid provider numbers and a list of all Seller/Existing Operator Licenses.

(ii) The Facility is duly licensed as a skilled nursing facility as required under the applicable laws of the State of Tennessee. All licensed beds at the Facility are certified for both Medicare and Medicaid. The licensed bed capacity and actual bed count of the Facility are set forth on Schedule 4.01(m) attached hereto and all such beds are certified for participation in the Medicare and Medicaid reimbursement programs. Except as disclosed in Schedule 4.01(m), Existing Operator has not applied to reduce the number of licensed or certified beds of the Facility or to move or transfer the right to any and all of the licensed or certified beds of the Facility to any other location or to amend or otherwise

change the Facility and/or the number of beds approved by TDH (or any subdivision) or other applicable state licensing agency, and except as disclosed in **Schedule 4.01(m)**, there are no proceedings or actions pending or, to Sellers' or Existing Operator's Knowledge, contemplated to reduce the number of licensed or certified beds of the Facility.

(iii) The Seller/Existing Operator Licenses (i) have not been (A) transferred to any location other than the location for which issued or (B) pledged as collateral security or unless such pledge will be released at Closing, (ii) are held free from restrictions or known conflicts that would materially impair the use or operation of the Facility as intended, and (iii) are not provisional, probationary, or restricted in any way. There are no pending actions or claims or any, to Existing Operator's Knowledge, threatened actions or claims, which, if adversely determined, are likely to materially and adversely affect such Seller/Existing Operator Licenses or the Facility's participation in the Medicare and Medicaid Programs. Existing Operator has not received any written notice from TDH, CMS, or any other governmental agency requiring the correction of any condition with respect to such Seller/Existing Operator Licenses or Medicare/Medicaid certification which has not been the subject of a plan of correction for which compliance has been affected and Existing Operator has no reason to believe that the good standing of any such license or certification is in jeopardy. Furthermore, Existing Operator has not received any written notice from TDH or any other governmental or quasi-governmental organization of any life safety code or similar violations, nor does Existing Operator have any reason to believe that any condition exists at the Property that would violate any life safety codes or any similar regulations, other than with respect to the waivers listed on **Schedule 4.01(m)**. Existing Operator shall promptly comply with any violation notices concerning the Facility received after the Effective Date and before the Closing Date to the extent that any such notice requires compliance activities.

(iv) Except as disclosed in **Schedule 4.01(m)**, Existing Operator has not taken any action to rescind, withdraw, revoke, amend, modify, supplement or otherwise alter the nature, tenor or scope of any Seller/Existing Operator Licenses or applicable provider payment program other than non-material alterations effected in the ordinary course of business.

(v) Except as disclosed in **Schedule 4.01(m)**, Existing Operator is in material compliance with the requirements for participation in the Medicare and Medicaid programs with respect to the Facility and Existing Operator has a current provider agreement under Title XVIII and/or XIX of the Social Security Act which is in full force and effect. Except as disclosed in **Schedule 4.01(m)**, during the period of three (3) years prior to Closing Date neither Existing Operator nor the Facility has received any of the following with respect to the Facility:

- (1) A notice of violations with a scope and severity level of "G" or higher;
- (2) A notice of termination of the license operated the Facility for 81 skilled beds;

- (3) A notice of termination of the certification issued by TDH or CMS of the Facility to participate in the Medicare and/or Medicaid reimbursement programs;
- (4) A notice that the Facility is not in substantial compliance with the requirements for participation in the Medicare and/or Medicaid reimbursement programs;
- (5) A notice of a material Life Safety Code deficiency cited by CMS, TDH or state or local building, fire safety or health authorities that have not been corrected as of the Effective Date;
- (6) A notice that the Facility has been placed, or will be placed, on the special focus facility list or special focus facility candidate list;
- (7) A notice that the Facility will be prohibited from admitting, or will not be reimbursed for, new residents; or
- (8) A notice of imposition of civil monetary penalties or other intermediate sanctions in accordance with 42 CFR § 488.430 et seq.

(vi) Except as disclosed in Schedule 4.01(m)(i), neither Existing Operator nor the Facility is, to Sellers' or Existing Operator's Knowledge, a target of, participant in, or party to any action, proceeding, suit, audit, investigation or sanction by any Governmental Authority or any other administrative or investigative body or entity or any other third party payor or any resident (including, without limitation, whistleblower suits, or suits brought pursuant to federal or state false claims acts, and Medicaid/Medicare/state fraud/abuse laws, but excluding medical malpractice claims and other civil liability lawsuits for which Existing Operator or the Facility is maintaining insurance coverage in the ordinary course of business) which would reasonably be expected to result, directly or indirectly or with the passage of time, in the imposition of a material fine, penalty, alternative, interim or final sanction, a lower rate certification, recoupment, recovery, suspension or discontinuance of all or part of reimbursement from any Governmental Authority, third-party payor, insurance carrier or private payor, a lower reimbursement rate for services rendered to eligible residents, or any other civil or criminal remedy, or which could reasonably be expected to have a material adverse effect on Existing Operator, or the operation of the Facility, including, without limitation, the Facility's ability to accept or retain residents, or which could result in the appointment of a receiver or manager, or in the modification, limitation, annulment, revocation, transfer, surrender, suspension or other impairment of a Seller/Existing Operator Licenses, or affect Existing Operator's and the Facility's participation in the Medicare, Medicaid, or third-party payor program, as applicable, or any successor program thereto, at current rate certification, nor to the knowledge of Existing Operator has any such action, proceeding, suit, investigation or audit been threatened.

(vii) To Sellers' and Existing Operator's Knowledge, there are no agreements with residents of the Facility or with any other persons or organizations that deviate in any material adverse respect from or that conflict with any statutory or regulatory requirements.

(viii) Other than the Medicare and Medicaid programs, neither Existing Operator nor the Facility is a participant in any federal, state or local program whereby any federal, state or local government or quasi-governmental body, or any intermediary, agency, board or other authority or entity may have the right to recover funds with respect to the Facility by reason of the advance of federal, state or local funds, including, without limitation, those authorized under the Hill-Burton Act (42 U.S.C. 291 et seq.). Neither Existing Operator nor the Facility has received notice of, and, to Sellers' and Existing Operator's Knowledge, there is no violation of, applicable antitrust laws by Existing Operator in connection with the Facility.

(ix) Existing Operator has instituted, and the Facility is operated in material compliance with, a compliance plan which is consistent with industry practices.

(x) Except as disclosed in **Schedule 4.01(m)(i)**, to Sellers' and Existing Operator's Knowledge, Existing Operator is in material compliance with the Health Care Insurance Portability and Accountability Act of 1996 and the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009, and the regulations promulgated under each.

(xi) Except as disclosed in **Schedule 4.01(m)(i)**, there is no pending or, to Sellers' and Existing Operator's Knowledge, threatened revocation, suspension, termination, probation, restriction, limitation or non-renewal affecting Existing Operator or the Facility or any provider agreement with any third-party payor, Medicare or Medicaid.

(xii) Existing Operator has filed, or will file, within the appropriate reporting period and with the appropriate authority, all cost reports required to be filed pursuant to Titles XVIII and XIX of the Social Security Act prior to the Effective Date with respect to the Facility. All Medicare, Medicaid, and private insurance cost reports and financial reports submitted by or on behalf of the Facility are materially accurate and complete and are not misleading in any material respects and have been or will be prepared in all material respects in accordance with all applicable laws, rules and regulations. Except as disclosed in **Schedule 4.01(m)(i)**, there are no current, pending or outstanding Medicare, Medicaid or other third-party payor program reimbursement audits or appeals pending at the Facility. Except in the normal course of business, there are no cost report years that are subject to audits and no cost reports remain "open" or unsettled. Except in the normal course of business, there are no current or pending Medicare, Medicaid or third-party payor program recoupment efforts at the Facility. Existing Operator agrees to reasonably cooperate with New Operator in connection with any desk audit or full audit by CMS, TDH or other applicable governmental regulatory agency in connection with the desk audit or full audit of any Medicaid or Medicare cost reports filed by Existing Operator, including but not limited to providing New Operator with any and all necessary documentation, supporting

schedules and personnel in its possession in order to properly support the dollar figures and classifications/characterizations contained in Existing Operator's cost reports so that New Operator's Medicaid or Medicare reimbursements are maximized.

(xiii) Except as disclosed in **Schedule 4.01(m)(i)**, there have been no clawback or overpayment claims or demands made or, to the knowledge of Existing Operator, threatened, against Existing Operator or with respect to operations at the Facility by Medicare, Medicaid or any third-party payor during the previous two (2) years, nor is Existing Operator aware of any grounds for such a claim or demand. Existing Operator has provided, or will provide, to Purchaser a complete and accurate list of all rate adjustments made by Medicare or Medicaid with respect to Existing Operator and the Facility during the previous two (2) years and shall provide Purchaser an updated list as of the Closing Date.

(xiv) Existing Operator has delivered, or caused to be delivered, to Purchaser true, correct and complete in all material respects resident census information for the Facility's last two (2) fiscal years and current year-to-date broken out by month.

(xv) Except as disclosed in **Schedule 4.01(m)(i)**, neither Existing Operator nor the Facility has any contract or agreement with the Department of Veterans Affairs or any division thereof for the provision of services to patients or residents at the Facility.

(xvi) To Sellers' and Existing Operator's Knowledge, there exists no condition which could be cited as a survey deficiency by any applicable authorities.

(n) **Labor Unions**. Existing Operator is not party to any collective bargaining agreement with any labor union or similar organization, nor does Existing Operator know of any such organization which represents or claims to represent any of Existing Operator's employees or intends to organize any of Existing Operator's employees.

(o) **Financial Materials**. Existing Operator has provided to New Operator true and correct copies of the Financial Statements (as hereinafter defined). The Financial Statements (i) have been prepared in strict accordance with the books and records of Existing Operator, (ii) to Existing Operator's Knowledge, present fairly and accurately, and do not in any respect distort, the financial condition of the Existing Operator or Facility as of the date of the balance sheet, (iii) to Existing Operator's Knowledge, present fairly and accurately, and do not in any respect distort, the results of operations of the Facility for the period covered by such statement, and (iv) have been prepared on the same basis as the Facility's prior financial statements. Except as disclosed in **Schedule 4.01(o)** or in the Financial Statements, there are no liabilities, debts, claims or obligations related to the operation of the Facility by Existing Operator prior to the Closing Date, whether accrued, absolute, contingent or otherwise, whether due or to become due, that would reasonably be expected to be asserted against New Operator, and/or the Facility following the Closing Date. For purposes hereof, the "**Financial Statements**" shall mean financial statements with respect to the Facility for the fiscal years ended June 30, 2021, 2022, 2023 and through the end of the month immediately preceding the month in which the Closing occurs.. In addition to the Financial Statements, Existing Operator has delivered, or caused to be delivered, to New

Operator true, correct and complete in all material respects resident census information for the Facility's last two (2) fiscal years and current year-to-date broken out by month.

(p) COVID Funds. A description of all COVID Funds received with respect to the Facility is set forth on Schedule 4.01(p) hereof. To Existing Operator's knowledge, Existing Operator has applied for and utilized, as applicable, all COVID Funds in accordance with applicable law. For purposes of this Agreement, "COVID Funds" shall mean all grants, funds or payments from state or federal sources (including, without limitation, pursuant to the Coronavirus Aid, Relief and Economic Security (CARES) Act and the Economic Injury Disaster Loan program, Medicare Advance Payments (as defined herein), loans in connection with Paycheck Protection Program, deferral of payroll taxes or other governmental economic benefits) in each case received with respect to or pertaining to the Facility as a result of the COVID-19 pandemic. All COVID Funds received by Existing Operator are set forth on Schedule 4.01(p) attached hereto. Except as shown on Schedule 4.01(p), Existing Operator does not have any outstanding Covid Funds or any other outstanding amounts advanced by or owed to TDH, CMS, OIG or any other governmental or quasi-governmental authority or agency that have not been repaid in full, recouped in full, or forgiven in writing by the applicable lender thereof prior to the Effective Date

(q) Life Care Contracts. The Facility is not a party to any life care contract with respect to any resident of the Facility.

(r) Personal Property: Liens and Residents. Unless specifically permitted pursuant to the terms of this Agreement, Existing Operator shall not remove any items of personal property from the Facility, nor shall it transfer residents from the Facility to a skilled care nursing home or independent living facility owned or operated by an entity which is owned in whole or part, directly or indirectly, by the principals of Sellers and/or Existing Operator. All of the Personal Property is located at or on the Property. The Personal Property is sufficient to operate the Facility in the manner conducted by Existing Operator as of the date hereof and as of the Closing Date. The Property is free and clear of all liens, claims and encumbrances caused or created by Existing Operator or its employees or agents. To Existing Operator's Knowledge, the information set forth in the admission agreements and patient rolls pertaining to residents of the Facility is true and correct in all material respects as of the respective dates of such admission agreements and patient rolls, and there are no patient care agreements with respect to any resident of the Facility which differs materially from the standard form used at the Facility.

(s) Personal Needs Allowance. To Existing Operator's Knowledge, Existing Operator is currently in material compliance with all state and federal regulations relating to maintaining and accounting for the personal needs allowance ("PNA") for residents who request the establishment of a PNA account. Except as set forth in Schedule 4.01(s), Existing Operator has no knowledge of and has not received any notice from any governmental authority citing or alleging any violation by Existing Operator or the Facility of any state or federal PNA regulations.

(t) Supplies. Each and every item constituting the Supplies has been purchased by Existing Operator and is owned by Existing Operator free and clear of claims of all other parties. Such Supplies are sufficient in quantity for the proper conduct and operation of the Facility as a skilled care nursing home for at least that number of residents residing at the Facility as of the

Closing Date in substantial compliance with all applicable laws, including, without limitation, the minimum standards of TDH and CMS.

(u) Existing Operator's Employment Expenses. Schedule 3.03(b) is a complete and accurate list of Existing Operator's Employment Expenses, and except as provided in Schedule 3.03(b), as of the Closing Date, Existing Operator has no outstanding obligations with respect to any of the Hired Active Employees.

(v) Multi-Employer Plans. Except as set forth in Schedule 4.01(v), Existing Operator does not, and is not required to, contribute (and has not ever contributed or been required to contribute) to any multi-employer plan, as defined in Section 3(37) of ERISA with respect to the Existing Employees.

(w) Employee Benefit Plans. Except as provided in Schedule 4.01(w):

(i) Existing Operator does not maintain or contribute to any non-qualified deferred compensation or retirement plans, contracts or arrangements;

(ii) Existing Operator does not maintain or contribute to any qualified defined contribution plans (as defined in Section 3(34) of ERISA, or Section 414(i) of the Internal Revenue Code of 1986, as amended (the "Code");

(iii) Existing Operator does not maintain or contribute to any qualified defined benefit plans (as defined in Section 3(35) of ERISA or Section 414(j) of the Code);

(iv) Existing Operator does not maintain or contribute to any employee welfare benefit plans (as defined in Section 3(1) of ERISA); and

(v) Existing Operator has not entered into, nor has Existing Operator established or maintained, any change-in-control or severance agreements or plans.

(x) Status of Residents. To Existing Operator's Knowledge, all of the residents at the Facility have full legal status as citizens of the United States of America.

(y) Insurability; Condition of the Facility. Existing Operator has not received any written notice or request from any insurance company or underwriters setting forth any defects in the Facility which might affect the insurability thereof, requesting the performance of any work or alteration of the Facility or setting forth any defect or inadequacy in Existing Operator's operation of the Facility which would materially and adversely affect the ability of New Operator to insure the Facility following Closing. To Existing Operator's knowledge, there currently exists no defective condition, structural or otherwise, with respect to the Facility, and to Existing Operator's knowledge, all heating, cooling, electrical, plumbing and other mechanical systems are in working order and good repair. Existing Operator has not received any written notice during the twelve (12) months prior to the date of this Agreement from any insurance company which has issued a policy with respect to the Facility or from any board of fire underwriters (or other body exercising similar functions) or from any person or company servicing the Facility claiming any defects or

deficiencies in the Facility or suggesting or requesting the performance of any repairs, alterations or other work to the Facility. Existing Operator has received no written notice that any of the sewage or any wastewater systems, life safety systems, incinerators or the heating or air conditioning equipment located on the Facility violate any applicable federal, state or municipal laws, ordinances, orders, regulations or requirements.

(z) Special Assessments. To Existing Operator's Knowledge, there are no (i) pending or threatened special assessments affecting the Property or (ii) any contemplated improvements affecting the Facility that may result in special assessments. To Existing Operator's knowledge, there are no tax abatements, phase-ins or exemptions affecting the Facility.

(aa) Survival of Representations and Warranties. The representations and warranties of Existing Operator contained in this Article IV shall survive the Closing for a period of twenty-four (24) months.

(bb) Broker's Fee. Except for commissions owing to BluePrint Healthcare Real Estate Advisors, for which Sellers will be solely responsibly, no broker, finder, or other Person is entitled to any brokerage fees, commissions, or finder's fees for which New Operator could become liable or obligated in connection with the transactions contemplated hereby by reason of any action taken by Sellers or Existing Operator.

(cc) As-Is Condition. Except as expressly set forth in this Agreement to the contrary, including, in particular, in this Section 4.01, New Operator is expressly acquiring the OTA Assets in their existing condition "AS IS, WHERE IS, AND WITH ALL FAULTS" WITH SELLERS AND EXISTING OPERATOR HEREBY EXPRESSLY DISCLAIMING ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED AND EXPRESSLY DISCLAIMING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

**4.02** New Operator Representations and Warranties. New Operator hereby represents and warrants (as of the Effective Date) to Sellers and Existing Operator as follows:

(a) Organization. New Operator is duly organized and validly existing under the Laws of the State of its organization and is qualified to do business in Tennessee.

(b) Authority. The execution, delivery, and performance by New Operator of this OTA Agreement have been duly authorized by all necessary corporate or limited liability company action by a duly authorized officer or manager, and no other proceedings on the part of such Person are necessary to authorize such execution, delivery, and performance. This OTA Agreement has been duly executed by New Operator and constitutes its valid and binding obligation, enforceable in accordance with its terms, subject to bankruptcy, insolvency, and other statutes affecting creditors' rights generally.

(c) No Conflict or Violation. The execution, delivery, and performance by New Operator of this OTA Agreement does not and will not: (i) violate or conflict with any provision of the articles or certificate of incorporation or bylaws (or certificate of organization or operating agreement) of New Operator, (ii) violate any provision of Law applicable to such Person, or (iii)

violate any judgment, order or decree applicable to any such Person, or result in a breach of or constitute (with due notice or lapse of time or both) a default under any material contract to which such Person is a party.

(d) Licenses. To New Operator's knowledge, Schedule 4.02(d) sets forth a complete and correct list of all material permits, licenses, certifications, registrations, authorizations and accreditations from any Governmental Authority required to be obtained or held by New Operator in connection with the ownership of the OTA Assets and operation of the Facility (the "New Operator Licenses").

(e) OFAC. New Operator is in compliance with the requirements of Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "Order") and other similar requirements contained in the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury ("OFAC") and in any enabling legislation or other Executive Orders or regulations in respect thereof (the Order and such other rules, regulations, legislation or orders are collectively hereinafter referred to as the "Orders"). Neither New Operator nor any of its Affiliates (i) is listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders (such lists are collectively referred to as the "Lists"), (ii) is a Person (as defined in the Order) who has been determined by competent authority to be subject to the prohibitions contained in the Orders, or (iii) is owned or controlled by (including without limitation by virtue of such Person being a director or owning voting shares or interests), or acts for or on behalf of, any Person on the Lists or any other Person who has been determined by competent authority to be subject to the prohibitions contained in the Orders. New Operator is not acting, directly or indirectly for, or on behalf of, any Person, group, entity or nation named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked Person, entity, or nation pursuant to any Law that is enforced or administered by the Office of Foreign Assets Control, and is not engaging in the transactions contemplated herein, directly or indirectly, on behalf of, or instigating or facilitating the transactions contemplated herein, directly or indirectly, on behalf of, any such Person, group, entity or nation.

(f) Broker's Fee. No broker, finder, or other Person is entitled to any brokerage fees, commissions, or finder's fees for which Sellers and/or Existing Operator could become liable or obligated in connection with the transactions contemplated hereby by reason of any action taken by New Operator

**4.03** Survival of Representations and Warranties. The representations and warranties of the parties in this Article IV of this OTA Agreement (and Section 3.03 hereof) will survive the Closing for a period of twenty-four (24) months.

## **ARTICLE V**

### **INDEMNIFICATION**

**5.01 Reserved.**

**5.02 Seller and Existing Operator Indemnification Obligations.** Subject to the provisions of this Article V, Sellers and Existing Operator, jointly and severally, will indemnify, defend, and hold harmless New Operator from and against any and all damages, suits, claims, proceedings, fines, judgments, costs and expenses (including reasonable attorneys' fees) (each individually a "Loss", and collectively, "Losses") actually incurred by New Operator as a result of (or arising from) (a) any breach by Sellers and/or Existing Operator of any of the representations and warranties of Sellers and/or Existing Operator set forth in this Agreement, including but not limited to the representations and warranties contained in Section 4.01 (and Section 3.03) hereof, (b) any breach by Sellers and/or Existing Operator of any covenants of Sellers and/or Existing Operator set forth in this OTA Agreement, (c) any Recapture Claim, (d) any OTA Excluded Liabilities, including, without limitation, (i) Sellers and Existing Operator's operation, use or occupancy of the Facility, or the condition thereof, prior to the Closing Date (including, without limitation, failure to comply with employment Laws during any such period, and/or workers' compensation claims with respect to work performed during any such period), (ii) deficiencies in the Trust Funds which arise on and prior to the Effective Date, and (iii) the Rejected Contracts, and (e) any Existing Operator Bad Debt. Notwithstanding the foregoing, in no event shall New Operator have a right to be indemnified for any Losses relating to Sellers' and Existing Operator's breach of any representations or warranties hereunder if Seller and or Existing Operator can demonstrate that New Operator had actual knowledge of the applicable breach (resulting in such Losses) at the time of Closing. For the purpose of this Section 5.2, the knowledge of New Operator shall mean the actual knowledge of Menachem Ruvel, without independent verification or investigation.

**5.03 New Operator Indemnification Obligations.** Subject to the provisions of this Article V, New Operator will indemnify, defend, and hold harmless Sellers, Existing Operator and their respective Affiliates and representatives (collectively, the "Existing Operator Indemnified Parties") from and against any and all Losses actually incurred by any Existing Operator Indemnified Party as a result of (or arising from) (a) any breach by New Operator of any of the representations and warranties of New Operator set forth in Section 4.02 hereof, (b) any breach by New Operator of any covenants of New Operator set forth in this OTA Agreement, and (c) any OTA Assumed Liabilities, including, without limitation, (i) the operation of the Facility on and after the Closing Date, and (ii) deficiencies in the Trust Funds which arise after the Closing Date. Notwithstanding the foregoing, in no event shall any Existing Operator Indemnified Party have a right to be indemnified for any Losses relating to New Operator's breach of any representations or warranties hereunder if any Existing Operator Indemnified Party had knowledge of the applicable breach (resulting in such Losses) at the time of Closing.

**5.04 Loss Mitigation.** Any party entitled to receive indemnification under this Agreement (the "Indemnatee") will use commercially reasonable efforts to mitigate any indemnifiable Losses, including by using commercially reasonable efforts to recover otherwise indemnifiable Losses from insurers of the Indemnatee under applicable insurance policies so as to reduce the amount of any indemnifiable Loss hereunder, and will not take any action specifically excluding from any of its insurance policies any otherwise indemnifiable Losses if losses of such type are otherwise covered by such policies. The amount of any indemnifiable Loss will be reduced to the extent that

the Indemnatee receives any insurance or any other proceeds with respect to an otherwise indemnifiable Loss.

**5.05 Indemnity Procedures.** In the event that the Indemnatee becomes aware of a claim for which it may be entitled to indemnification hereunder, such Indemnatee will promptly notify the other party (the “Indemnitor”), describing the claim in reasonable detail and indicating the estimated amount, to the extent practicable, of the indemnifiable Loss that the Indemnatee claims it has sustained or may sustain. The Indemnitor, at its sole cost and expense, will have the right, upon written notice to the Indemnatee delivered within fifteen (15) business days following its receipt of such notice from the Indemnatee, to retain counsel and conduct the defense of the claim while reserving its right to contest the issue of whether it is liable to the Indemnatee for any indemnification hereunder. If the Indemnitor elects to conduct the defense of the claim, the Indemnatee will cooperate fully with respect thereto, and the costs of any separate counsel retained by the Indemnatee will be borne solely by the Indemnitor. In the event the Indemnitor fails to respond to the written notice of a claim, or refuses to retain counsel and conduct the defense of the claim, the Indemnatee may retain counsel and conduct the defense of the claim, and the Indemnitor will be liable for all reasonable defense costs (including reasonable attorneys’ fees) to the extent the Indemnitor is otherwise obligated hereunder to indemnify the Indemnatee with respect to such claim. In connection with any claim for which the Indemnitor exercises its right hereunder to conduct the defense of such claim, the Indemnitor will have full authority to make all decisions and determine all actions to be taken with respect to the defense and settlement of the claim, including the right to pay, compromise, settle, or otherwise dispose of the claim at the Indemnitor’s expense; provided that any such settlement will be subject to the prior consent of the Indemnatee, which will not be unreasonably withheld or delayed, if the settlement involves relief other than or in addition to the payment of money. A failure to give timely notice under this Section 5.05 will affect the rights and obligations of a party hereunder only to the extent that, as a result of such failure, the party entitled to receive the notice was actually prejudiced as a result of such failure; provided, however, that in no event will a claim for indemnification for breaches of representations and warranties be valid if made after the expiration of the applicable survival period set forth in Section 5.01.

**5.06 Limitations of Liability.** To the extent that Sellers and/or Existing Operator (on one hand) or New Operator (on the other hand) have any obligations or liabilities for indemnifiable Losses hereunder with respect to breaches of any of the representations and warranties set forth in this Agreement, including without limitation, in Section 4.01 (and Section 3.03) hereof, or set forth in Section 4.02 hereof (as the case may be), recourse for enforcement of such obligations or liabilities (if any) shall be limited to the sum of \$1,000,000.00 (the “Cap”), and no action may be taken with respect to any greater amounts. In no event shall Sellers and/or Existing Operator (on one hand) or New Operator (on the other hand), have any obligation or liability for indemnifiable Losses unless and until the aggregate amount of such Losses exceeds \$25,000 (the “Deductible”), at which point the Indemnatee shall be liable for the entire amount from the first dollar (subject to the preceding sentence), provided however, in no event shall the Cap or Deductible apply to any amounts owed in connection Recapture Claims, Losses relating to the Medicaid and Medicare programs or the OTA Excluded Liabilities,. Notwithstanding anything in this Agreement to the contrary, in no event shall Losses include (a) punitive, indirect, consequential, special or speculative damages, or (b) amounts measured by, or related to, lost profits, lost opportunities, or

similar terms, in each case, unless, such sums are required to be paid by an Indemnatee to an unaffiliated third party and such sums are actually paid to such unaffiliated third party and not retained by such Indemnatee. Nothing in this Agreement shall permit any Person to recover more than the actual amount of damages incurred by such Person, even if such damages arise from the breach of more than one representation, warranty or covenant.

**5.07 Applicability.** For the avoidance of doubt, (a) the obligations and covenants contained in this Article V survive the Closing, and (b) the sole and exclusive remedy (except as set forth in Section 3.10(b) hereof) for any breach or alleged breach of any representation, warranty, or covenant under this Agreement will be indemnification in accordance with, and subject to the limitations of, this Article V.

**5.08 No Reliance.**

(a) New Operator acknowledges that (i) no Seller or Existing Operator is making (or has made) any representation or warranty, express or implied, in connection with the transactions contemplated in (and the subject matter of) this OTA Agreement, except as set forth in Section 4.01 of this OTA Agreement (and Section 3.03 hereof), and (ii) New Operator is not relying (and has not relied) upon any representations or warranties, express or implied, made by any other Person in connection with the transactions contemplated in (and the subject matter of) this OTA Agreement.

(b) Each Seller and Existing Operator acknowledge that (i) New Operator is not making (nor has it made) any representation or warranty, express or implied, in connection with the transactions contemplated in (and the subject matter of) this OTA Agreement, except as set forth in Section 4.02 of this OTA Agreement, and (ii) Seller and Existing Operator are not relying (and have not relied) upon any representations or warranties, express or implied, made by any other Person in connection with the transactions contemplated in (and the subject matter of) this OTA Agreement.

## **ARTICLE VI**

### **MISCELLANEOUS**

**6.01 Assignment.** This OTA Agreement may not be assigned by any party without the prior written consent of the other parties, provided, however, New Operator may assign all of its rights, title, liability, interest and obligation pursuant to this OTA Agreement to an any entity controlled by, in control of, or under common control with New Operator without Existing Operator or Seller's consent, provided that the assignee assumes all obligations of the New Operator under this OTA Agreement and further provided that New Operator gives Existing Operator and Sellers a copy of such assignment and assumption agreement at least five (5) days before Closing. No such assignment (including to New Operator's affiliate) shall relieve New Operator of any liability under this OTA Agreement from and after such assignment. Neither Sellers nor Existing Operator shall be obligated to incur any additional expense as a result of such assignment, and New Operator and its assignee shall indemnify Sellers and Existing Operator against any costs or losses arising as a result of, or in connection with, such assignment.

## 6.02 Applicable Law; Dispute Resolution.

(a) This OTA Agreement shall be governed by and construed in accordance with the laws of Tennessee, without regard to conflicts of law rules or principles.

(b) The parties agree that jurisdiction and venue in any action brought by any party pursuant to this OTA Agreement shall exclusively lie in any state or federal court located in Hamilton County, Tennessee. By execution and delivery of this OTA Agreement, each party irrevocably submits to the jurisdiction of such courts for itself and in respect of its property with respect to such action. The parties irrevocably agree that venue will be proper in such court, and hereby waive any objection that such court is an improper or inconvenient forum for the resolution of such action. The parties further agree that mailing by certified or registered mail, return receipt requested, of any process required by any such court shall constitute valid and lawful service of process against them, without necessity for service by any other means provided by statute or rule of court.

**6.03 Notices.** All notices, demands, requests, consents, waivers, approvals and other communications shall be in writing and shall be deemed given (i) upon the hand delivery thereof during business hours provided a receipt is obtained, or (ii) upon the earlier of delivery or tender for delivery if sent by certified mail, return receipt requested, postage charges prepaid, or (iii) on the next business day following delivery to a recognized overnight delivery service such as Federal Express or Express Mail, freight charges prepaid, or (iv) on the day sent if sent by e-mail on a business day before 5:00 p.m. (Eastern Time) to the email addresses listed below with no receipt of an undeliverable transmission, in each case addressed or delivered to the respective parties at their respective addresses set forth below (or at such other addresses designated by any party at any time by notice to the other parties in the manner set forth herein):

**If to Sellers or Existing Operator**

485 CENTRAL AVENUE, NE  
CLEVELAND, TN 37311  
Attn: Tom D. Johnson  
Email: [tom.johnson@trousdale.org](mailto:tom.johnson@trousdale.org)

*With a copy to:*

Grant, Konvalinka &  
Harrison, P.C.  
633 Chestnut Street, Suite 900  
Chattanooga, TN 37450  
Attn: John P. Konvalinka  
Email: [jkonvalinka@gkhpc.com](mailto:jkonvalinka@gkhpc.com)

**If to New Operator:**

MONROE HEALTH AND  
REHABILITATION CENTER,  
LLC  
165 N. Village Ave, Suite 126  
Rockville Centre, NY 11570  
Attn: Mark Ruvel  
Email: [mark@championhcare.com](mailto:mark@championhcare.com)

*With a copy to:*

Gitelis LLP

525 Chestnut Street, Suite 207  
Cedarhurst, NY 11559  
Attn: Steven Gitelis  
Email: steven@gitelisllp.com

Any party may change its address for the purpose of notice by giving written notice in accordance with the provisions of this Section.

**6.04 Construction.** This OTA Agreement shall be construed as the joint and equal work product of each party and shall not be construed more or less favorably on account of its preparation or drafting. The article and section headings of this OTA Agreement are for convenience of reference only and may not be utilized in construing or interpreting this OTA Agreement.

**6.05 Waivers.** Any waiver by either party of any violation of, breach of, or default under any provision of this OTA Agreement or any exhibit, schedule, or other document referred to in this OTA Agreement by the other party shall be effective only if in writing signed by the applicable party, and shall not be construed as or constitute a waiver of any subsequent violation, breach of, or default under that provision or any other provision of this OTA Agreement or any other document referred to in this OTA Agreement.

**6.06 Further Assurances.** Each party shall, at any time and from time to time after the Effective Date, execute and deliver, or cause to be executed and delivered, such further consents, approvals, conveyances, assignments, and other documents and instruments as the other party shall reasonably request in order to carry out any of the terms and provisions of this OTA Agreement.

**6.07 Counterparts.** This OTA Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**6.08 Attorneys' Fees.** Each party shall bear its own direct and indirect expenses, including attorneys' fees, incurred in connection with the negotiation and preparation of this OTA Agreement and the consummation and performance of the transactions contemplated hereby, except as otherwise provided herein. In the event of any dispute among the parties in connection with this OTA Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees in addition to any other amounts awarded.

**6.09 Waiver of Trial by Jury.** Each party waives trial by jury with respect to any dispute regarding or arising under this OTA Agreement.

**6.10 Third Parties.** Nothing in this OTA Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this OTA Agreement on any Persons other than the parties hereto (and, in accordance with Article V hereof, Existing Operator Indemnified Parties) and the parties' respective legal representatives, successors, and permitted assigns. Nothing in this OTA Agreement is intended to relieve or discharge the obligation or liability of any third Person to any party to this OTA Agreement, nor shall any provision give any third Person any right of subrogation or action over or against any party to this OTA Agreement.

**6.11 General Construction.** The word “including” means “including without limitation.” Words such as “herein,” “hereof,” “hereby,” and “hereunder” and words of similar import refer to this OTA Agreement as a whole and not to any particular Section or Subsection of this OTA Agreement.

**6.12 Entire Agreement.** This OTA Agreement (including all schedules and exhibits attached hereto and all other documents executed in connection herewith and pursuant to the terms and conditions hereof) constitutes the entire contract between the parties relating to the transactions contemplated hereby, may not be modified except by an instrument in writing and signed by both of them, and supersedes and replaces all prior agreements and understandings, oral or written, with regard to such transactions.

**6.13 Post-Closing Information.** From time to time after the Effective Date, each party shall deliver to the other party such information and data as the other party may reasonably request, including information or data that is required to enable the requesting party to complete and file all federal, state, and local forms that may be required to be filed by it and to complete all customary Tax and accounting procedures and otherwise to enable the requesting party to satisfy its reasonable internal accounting, Tax, and other requirements or to otherwise respond to any claim, litigation, government investigation, or other matter for which the requesting party has liability hereunder.

**6.14 Joinder.**

(a) Sellers hereby join in this OTA Agreement for the purposes of assuming responsibility, jointly and severally, with Existing Operator for the accuracy of all representations and warranties and for the performance of all covenants or obligations (including, without limitation, any indemnification obligations), of Existing Operator as set forth in this OTA Agreement.

(b) Purchaser hereby joins in this OTA Agreement for the purposes of assuming responsibility, jointly and severally, with New Operator for the accuracy of all representations and warranties and for the performance of all covenants or obligations (including, without limitation, any indemnification obligations), of New Operator as set forth in this OTA Agreement.

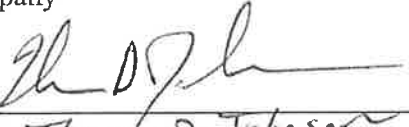
**6.15 Timing.** The phrase “business days” as used herein shall mean the days of Monday through Friday, excepting only federal holidays. The phrase “calendar days” as used herein shall mean all days of the week, including all holidays. The term “days” without reference to calendar or business days shall mean calendar days. Time is of the essence of this OTA Agreement.

**[Signature Pages Follow]**

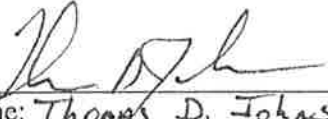
IN WITNESS WHEREOF, the parties hereto have executed this Agreement or caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

**SELLERS:**

MADISONVILLE HEALTHCARE, LLC,  
a Tennessee nonprofit limited liability  
company

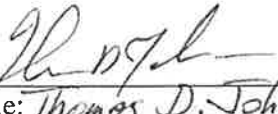
By:   
Name: Thomas D. Johnson  
Title: Ex Dir

MADISONVILLE REAL ESTATE  
INVESTORS, LLC, a Tennessee nonprofit  
limited liability company

By:   
Name: Thomas D. Johnson  
Title: Ex Dir

**EXISTING OPERATOR:**

TROUSDALE LIVING COMMUNITIES,  
INC., a Tennessee nonprofit corporation

By:   
Name: Thomas D. Johnson  
Title: Ex Dir

**PURCHASER:**

MONROE REALTY LLC,  
a Tennessee limited liability company

By:   
Name: Menachem Ruvel  
Title: Authorized Signatory

**NEW OPERATOR:**

MONROE HEALTH AND  
REHABILITATION CENTER LLC,  
a Tennessee limited liability company

By:   
Name: Menachem Ruvel  
Title: Authorized Signatory

[Signature Page to Operations Transfer Agreement]

## **BILL OF SALE**

**THIS BILL OF SALE** is made as of April 1, 2024, by and among MADISONVILLE HEALTHCARE, LLC d/b/a Madisonville Health and Rehab Center, a Tennessee nonprofit limited liability company (“**MHR**”), MADISONVILLE REAL ESTATE INVESTORS, LLC, a Tennessee nonprofit limited liability company (“**MRE**” and with MHR each individually referred to as a “**Seller**” and, collectively, as the “**Sellers**”), TROUSDALE LIVING COMMUNITIES, INC., a Tennessee nonprofit corporation (“**Existing Operator**”), and MONROE HEALTH AND REHABILITATION CENTER LLC, a Tennessee limited liability company (“**New Operator**”), pursuant to that certain Operations Transfer Agreement by and among Sellers and New Operator dated January 11, 2024 (the “**Purchase Agreement**”). All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Purchase Agreement.

1. **Assets Transferred**. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Sellers and Existing Operator, Sellers and Existing Operator hereby sell, transfer, convey, assign and deliver unto New Operator, its successors and assigns, all of the OTA Assets.

2. **Representations and Warranties**. The warranties, covenants and promises contained in the Purchase Agreement shall not merge into but shall survive this Bill of Sale and shall continue in full force and effect as and to the extent provided in the Purchase Agreement.

3. **Further Assurances**. Sellers and Existing Operator agree to execute, upon the reasonable request of New Operator, such further instruments as New Operator may reasonably require to establish or vest New Operator’s ownership in full of the Purchased Assets.

4. **Governing Law**. This Bill of Sale shall be governed by and construed in accordance with, the laws of the State of Tennessee.

5. **Binding Effect**. This Bill of Sale shall be binding upon, and shall inure to the benefit of, Sellers, Existing Operator and New Operator and their respective successors and assigns.

6. **Counterparts**. This Bill of Sale may be executed in one or more counterparts, each of which shall be deemed to be an original.

*[signatures on following page]*



State of Tennessee

Health Facilities Commission

665 Mainstream Drive, 2<sup>nd</sup> Floor, Nashville, TN 37243

[www.tn.gov/hsda](http://www.tn.gov/hsda)

Phone: 615-741-7221

May 16, 2024

State of New Jersey Department of Health  
PO BOX 360  
Trenton, NJ 08625

Re: Verification for Tennessee Health Care Facility licensure applicant

Dear Sir or Madam:

Menachem Ruvel and Yisroel Weinberg have submitted an application for licensure as a(n) Nursing Home to the state of Tennessee, Health Facilities Commission. On this application, the attached facilities were indicated licensed as a(n) Nursing Homes in your state. This verification form must be completed by your state licensing board which granted the license and returned to the state of Tennessee, Health Facilities Commission, Licensure and Regulation within ten (10) business days in order for our office to process the licensure application.

This is to verify that \_\_\_\_\_  
NAME OF FACILITY/LEGAL ENTITY

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
CITY, STATE & ZIP CODE

Was issued license number \_\_\_\_\_ on \_\_\_\_\_ in the state of \_\_\_\_\_

This is to further verify that the above named license is current and in good standing, and that there has/have not been any suspension/disciplinary action imposed against the license. **If so, please provide detail.** (Separate Sheet)

This \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Complete Name of Licensing Agency

| U.S. Postal Service™<br>CERTIFIED MAIL® RECEIPT<br>Domestic Mail Only                            |                  |
|--------------------------------------------------------------------------------------------------|------------------|
| For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a> ®. |                  |
| OFFICIAL USE                                                                                     |                  |
| Certified Mail Fee<br>\$                                                                         | Postmark<br>Here |
| Extra Services & Fees (check box, add fee as appropriate)                                        |                  |
| <input type="checkbox"/> Return Receipt (hardcopy) \$                                            |                  |
| <input type="checkbox"/> Return Receipt (electronic) \$                                          |                  |
| <input type="checkbox"/> Certified Mail Restricted Delivery \$                                   |                  |
| <input type="checkbox"/> Adult Signature Required \$                                             |                  |
| <input type="checkbox"/> Adult Signature Restricted Delivery \$                                  |                  |
| Postage<br>\$                                                                                    |                  |
| Total Postage and Fees<br>\$                                                                     |                  |
| Sent To NJ Dept of Health                                                                        |                  |
| Street and Apt. No., or PO Box No.                                                               |                  |
| City, State, Zip+4®                                                                              |                  |
| PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions                       |                  |

7020 3160 0000 8969 5284



## State of Tennessee

### Health Facilities Commission

665 Mainstream Drive, 2<sup>nd</sup> Floor, Nashville, TN 37243

[www.tn.gov/hsda](http://www.tn.gov/hsda)

Phone: 615-741-7221

May 16, 2024

Wisconsin Department of Health  
2300 Capitol Avenue, Suite 510  
Cheyenne, WI 82002

Re: Verification for Tennessee Health Care Facility licensure applicant

Dear Sir or Madam:

Menachem Ruvel and Yisroel Weinberg have submitted an application for licensure as a(n) Nursing Home to the state of Tennessee, Health Facilities Commission. On this application, the attached facilities were indicated licensed as a(n) Nursing Homes in your state. This verification form must be completed by your state licensing board which granted the license and returned to the state of Tennessee, Health Facilities Commission, Licensure and Regulation within ten (10) business days in order for our office to process the licensure application.

This is to verify that \_\_\_\_\_  
NAME OF FACILITY/LEGAL ENTITY

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
CITY, STATE & ZIP CODE

Was issued license number \_\_\_\_\_ on \_\_\_\_\_ in the state of \_\_\_\_\_

This is to further verify that the above named license is current and in good standing, and that there has/have not been any suspension/disciplinary action imposed against it. (If yes, please provide detail. (Separate Sheet))

This \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Complete Name of Licensing Agency

7020 3160 0000 8969 5307

| U.S. Postal Service™                                                                             |                   |
|--------------------------------------------------------------------------------------------------|-------------------|
| CERTIFIED MAIL® RECEIPT                                                                          |                   |
| Domestic Mail Only                                                                               |                   |
| For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a> ®. |                   |
| OFFICIAL USE                                                                                     |                   |
| Certified Mail Fee                                                                               | \$                |
| Extra Services & Fees (check box, add fee as appropriate)                                        |                   |
| <input type="checkbox"/> Return Receipt (hardcopy)                                               | \$                |
| <input type="checkbox"/> Return Receipt (electronic)                                             | \$                |
| <input type="checkbox"/> Certified Mail Restricted Delivery                                      | \$                |
| <input type="checkbox"/> Adult Signature Required                                                | \$                |
| <input type="checkbox"/> Adult Signature Restricted Delivery                                     | \$                |
| Postage                                                                                          | \$                |
| Total Postage and Fees                                                                           | \$                |
| Sent To                                                                                          | WI Dept of Health |
| Street and Apt. No., or PO Box No.                                                               |                   |
| City, State, ZIP+4®                                                                              |                   |
| PS Form 3800, April 2015 PSN 7530-02-000-9047                                                    |                   |
| See Reverse for Instructions                                                                     |                   |

Postmark Here



## State of Tennessee

### Health Facilities Commission

665 Mainstream Drive, 2<sup>nd</sup> Floor, Nashville, TN 37243

[www.tn.gov/hsda](http://www.tn.gov/hsda)

Phone: 615-741-7221

May 16, 2024

Massachusetts Division of Health Care Facilities  
67 Forest Street  
Marlborough, MA 01752

Re: Verification for Tennessee Health Care Facility licensure applicant

Dear Sir or Madam:

Menachem Ruvel and Yisroel Weinberg have submitted an application for licensure as a(n) Nursing Home to the state of Tennessee, Health Facilities Commission. On this application, the attached facilities were indicated licensed as a(n) Nursing Homes in your state. This verification form must be completed by your state licensing board which granted the license and returned to the state of Tennessee, Health Facilities Commission, Licensure and Regulation within ten (10) business days in order for our office to process the licensure application.

This is to verify that \_\_\_\_\_  
NAME OF FACILITY/LEGAL ENTITY

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
CITY, STATE & ZIP CODE

Was issued license number \_\_\_\_\_ on \_\_\_\_\_ in the state of \_\_\_\_\_

This is to further verify that the above named license is current and in good standing, and that there has/have not been any suspension/disciplinary action imposed against the license. **If so, please provide detail.** (Separate Sheet)

This \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Complete Name of Licensing Agency

| U.S. Postal Service™<br>CERTIFIED MAIL® RECEIPT<br>Domestic Mail Only                            |                  |
|--------------------------------------------------------------------------------------------------|------------------|
| For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a> ®. |                  |
| OFFICIAL USE                                                                                     |                  |
| Certified Mail Fee<br>\$                                                                         | Postmark<br>Here |
| Extra Services & Fees (check box, add fee as appropriate)                                        |                  |
| <input type="checkbox"/> Return Receipt (hardcopy) \$                                            |                  |
| <input type="checkbox"/> Return Receipt (electronic) \$                                          |                  |
| <input type="checkbox"/> Certified Mail Restricted Delivery \$                                   |                  |
| <input type="checkbox"/> Adult Signature Required \$                                             |                  |
| <input type="checkbox"/> Adult Signature Restricted Delivery \$                                  |                  |
| Postage<br>\$                                                                                    |                  |
| Total Postage and Fees<br>\$                                                                     |                  |
| Sent To MA Division of Health Care Facilities                                                    |                  |
| Street and Apt. No., or PO Box No.<br>67 Forest St                                               |                  |
| City, State, ZIP+4®<br>Marlborough, MA                                                           |                  |
| PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions                       |                  |

7020 3160 0000 8969 5297

## **Owner Information**

**Question 2: Does any person or entity listed in the Ownership / Control Information section above have an Ownership or Control Interest in any other Provider Entity?**

### **Attachment A - Menachem Ruvel and Yisroel Weinberg**

| <b><u>Legal Name</u></b>                            | <b><u>Address</u></b>                       |
|-----------------------------------------------------|---------------------------------------------|
| Bay at Belmont Health and Rehabilitation Center     | 1110 Belmont Rd., Madison, WI 53714         |
| Bay at Burlington Health and Rehabilitation Center  | 677 East State St., Burlington, WI 53105    |
| Bay at Eastview Health and Rehabilitation Center    | 729 Park St., Antigo, WI 54409              |
| Bay at Garden View Assisted Living Center           | 730 Park St., Antigo, WI 54409              |
| Bay at North Ridge Health and Rehabilitation Center | 1445 North 7th St., Manitowoc, WI 54220     |
| Bay at Nu-Roc Health and Rehabilitation Center      | 3576 Nu Roc Ln., Laona, WI 54541            |
| Bay at Oconto Health and Rehabilitation Center      | 101 1st St., Oconto, WI 54153               |
| Bay at Sheridan Health and Rehabilitation Center    | 8400 Sheridan Road, Kenosha, WI 53143       |
| Bay at St Ann Health and Rehabilitation Center      | 2020 S. Muskego Ave., Milwaukee, WI 53204   |
| Bay at Suring Health and Rehabilitation Center      | 430 Manor Dr., Suring, WI 54174             |
| Bay at Waters Edge Health and Rehabilitation Center | 3415 Sheridan Rd., Kenosha, WI 53140        |
| Bay at Manahawkin Health and Rehabilitation Center  | 1211 Route 72 West, Manahawkin, NJ 08050    |
| Bay at Woodlands Home Health                        | 425 Manor Dr., Suring, WI 54174             |
| OC Saugus Center LLC                                | 266 Lincoln Ave., Saugus, MA 01906          |
| OC Twin Oaks Center LLC                             | 63 Locust St., Danvers, MA 01923            |
| OC Maplewood Center LLC                             | 6 Morrill Place, Amesbury, MA 01913         |
| Dyersburg Health and Rehabilitation Center          | 350 E Tickle St., Dyersburg, TN 38024       |
| Highlands Health and Rehabilitation Center          | 3549 Norriswood Avenue, Memphis, TN 38111   |
| Riverside Health and Rehabilitation Center          | 325 Jersey St. Trenton, NJ 08611            |
| Riverside Pediatric Daycare Center                  | 325 Jersey St. Trenton, NJ 08611            |
| Bay at Beloit Health and Rehabilitation Center      | 1905 W. Hart Rd, Beloit, WI 53511-2230      |
| Bay at Muskego Health and Rehabilitation Center     | S77 W18690 Janesville Rd, Muskego, WI 53150 |
| Bayview Assisted Living                             | S77 W18690 Janesville Rd, Muskego, WI 53150 |



# The Commonwealth of Massachusetts

Executive Office of Health and Human Services  
Department of Public Health  
Bureau of Health Care Safety and Quality  
67 Forest Street, Marlborough, MA 01752

RECEIVED JUL 01 2024

MAURA T. HEALEY  
Governor

KIMBERLEY DRISCOLL  
Lieutenant Governor

KATHLEEN E. WALSH  
Secretary

ROBERT GOLDSTEIN, MD, PhD  
Commissioner

Tel: 617-624-6000  
[www.mass.gov/dph](http://www.mass.gov/dph)

June 5, 2024

**VIA U.S. MAIL**

State of Tennessee  
Health Facilities Commission  
665 Mainstream Drive, 2<sup>nd</sup> Floor  
Nashville, TN 37243

**Re: Public Record Request BHCSQ-2024-325**

To Whom It May Concern:

This letter is in regard to the above-referenced public record request received by the Department of Public Health ("DPH" or "the Department") on May 23, 2024. This request has been assigned a tracking number: **BHCSQ-2024-325**. Specifically, you requested:

*"This is to verify that*

*NAME OF FACILITY/LEGAL ENTITY*

*ADDRESS*

*CITY, STATE & ZIP CODE*

*Was issued license number \_\_\_\_ on \_\_\_\_ in the state of \_\_\_\_*

*This is to further verify that the above named license is current and in good standing, and that there has/have not been any suspension/disciplinary action imposed against the license...*

*OC Saugus Center, LLC  
266 Lincoln Ave  
Saugus, MA 01913*

*OC Twin Oaks Center  
63 Locust Street  
Danvers, MA 01923*

*OC Maplewood Center, LLC  
6 Morrill Place  
Amesbury, MA 01913"*

Enclosed are the records (246 pages) responsive to your request, the production of which completes DPH's response to your request. The Department has not withheld or redacted any documents from this response.

The Department reserves the right to retrieve any exempted, privileged, or otherwise protected materials inadvertently included in this production. Any such production is not, and shall not be considered or deemed, a waiver of any applicable privileges or protections from disclosure.

DPH now considers this public record request closed. If you wish to challenge this response, and your request was received in writing, you may appeal to the Supervisor of Records following the procedure set forth in 950 CMR 32.08, a copy of which is attached. Pursuant to G. L. c. 66, § 10A, you may also seek judicial review by commencing a civil action in Suffolk Superior Court.

Please contact me with any questions. In any communication regarding this request, please reference the tracking number, **BHCSQ-2024-325**.

Sincerely,

A handwritten signature in cursive script that reads "Leah Greene".

Leah Greene  
Public Records Coordinator

Cc: Helen Rush-Lloyd, Records Access Officer (RAO)



The Commonwealth of Massachusetts  
Executive Office of Health and Human Services  
Department of Public Health  
Bureau of Health Care Safety and Quality  
Division of Health Care Facility Licensure and Certification  
67 Forest Street, Marlborough, MA 01752

MAURA T. HEALEY  
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Lieutenant Governor

MARGRET R. COOKE  
Commissioner

Tel: 617-624-6000  
[www.mass.gov/dph](http://www.mass.gov/dph)

January 31, 2023

Azriel Lieberman  
Manager  
Saugus Center  
266 Lincoln Street  
Saugus, MA 01906

Dear Mr. Lieberman:

We are pleased to inform you that the application of **OC Saugus Center, LLC ("Applicant")** for an original license (due to change of ownership) to maintain **Saugus Center ("Facility")** was approved.

A renewal license is issued in accordance with the provisions of Massachusetts General Laws Chapter 111, Section 51-56 and the rules and regulations governing the licensing of Long-Term Care Facilities.

Issuance of this license does not indicate the disposition of any pending enforcement actions.

The license covering the operation of your facility is enclosed.

If you have any questions about this matter, you may contact me via email  
**[denise.perkins@mass.gov](mailto:denise.perkins@mass.gov)**.

Very truly yours,

*Denise Perkins*

Denise Perkins  
Licensure Coordinator

Enclosure  
Ref#: 0337-969

cc: Brianna Rogers, Optum  
Meera Ramamoorthy, MassHealth  
Jacqueline Fratus, MassHealth  
Julie Smith, CHIA  
Stacia Nowinski-Castro, Optum  
Suzanne Barry, CHIA

# The Commonwealth of Massachusetts

DEPARTMENT OF



PUBLIC HEALTH

## LICENSE TO MAINTAIN A CONVALESCENT OR NURSING HOME

In accordance with the provisions of the General Laws, Chapter 111, Section 71, and regulations established thereunder, a license is hereby granted to

OC Saugus Center, LLC

Name of Licensee

for the maintenance of

Saugus Center

Name of Home

at

266 Lincoln Avenue, Saugus, MA 01906

Address

Quota not to exceed 76 Beds, as follows:

| First Floor         |            | Second Floor       |            | Third Floor      |            | Fourth Floor     |            | Total                          |
|---------------------|------------|--------------------|------------|------------------|------------|------------------|------------|--------------------------------|
| Level I: _____      | Beds _____ | Level I: _____     | Beds _____ | Level I: _____   | Beds _____ | Level I: _____   | Beds _____ | Level I: _____ Beds _____      |
| Level II: _____     | Beds _____ | Level II: _____ 38 | Beds _____ | Level II: _____  | Beds _____ | Level II: _____  | Beds _____ | Level II: _____ 38 Beds _____  |
| Level III: _____ 38 | Beds _____ | Level III: _____   | Beds _____ | Level III: _____ | Beds _____ | Level III: _____ | Beds _____ | Level III: _____ 38 Beds _____ |
| Level IV: _____     | Beds _____ | Level IV: _____    | Beds _____ | Level IV: _____  | Beds _____ | Level IV: _____  | Beds _____ | Level IV: _____ Beds _____     |

This license is valid until February 15, 2025, subject to revocation for cause.

*Margaret A. O'Neil*

Commissioner of Public Health

February 16, 2023

Date Issued

LICENSE NO. 0337

POST CONSPICUOUSLY