

Masonicare
An Ageless Commitment to Caring



RESIDENCY AGREEMENT

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GLOSSARY

Annual Allotment	Annual allotment of ten pre-paid days of in-patient services at Masonicare Health Center or other Masonicare skilled nursing location, covering room, board and nursing care
Annual Report	The annual report of Masonicare setting forth, among other things, the financial condition of Masonicare
Apartment	Apartment residences at Ashlar Village
Apartment Resident	A Resident who resides in an Apartment
Application Fee	A non-refundable fee that must accompany any application to reside at Ashlar Village
Ashlar Village	Masonicare At Ashlar Village, Inc., a nonprofit Connecticut corporation
Ashlar Village Association	Ashlar Village's residents' council
Ashlar Village Policy Governing Private Companion Services	A policy published by Ashlar Village governing the conduct of private caregivers hired by Residents
Ashlar Village Policies and Procedures	Policies and Procedures published by Ashlar Village governing the Ashlar Village community
Ashlar Village Safety Standards	Procedures to promote safety of the Ashlar Village community published by Ashlar Village
Common Areas, Ground and Amenities	Areas of Ashlar Village that are available for use in common by the Ashlar Village community
Cottage	Free-standing residences at Ashlar Village
Cottage Resident	A Resident who resides in a Cottage
Cost Effective Transfer	Transferring from a more expensive residence to a less expensive residence, but excluding a move from a less expensive residence to a more expensive residence
Dining Room and Cafe	A dining facility operated by Ashlar Village serving breakfast, lunch and dinner

Entry Fee	A fee paid in exchange for the rights and services provided under the Residency Agreement
Entry Fee Refund	A refund of a portion of the Entry Fee to which a Resident may be entitled
Financial Disclosure Statement	A statement of a Resident's finances submitted with the application to Ashlar Village
Dining Plan	An option for Residents to pay a set fee for a certain number of meals in the Dining Room
Designated Masonicare Fund	A charitable fund with the purpose of providing financial assistance to Residents with difficulty paying the Monthly Fee
Guest Suite	Overnight accommodations maintained by Ashlar Village for Residents' guests
Initial Fee	A fee applied to the Entry Fee, which is due when a potential Resident submits his or her application to Ashlar Village
Masonicare	A nonprofit Connecticut corporation that provides healthcare services
Masonicare Health Center	A skilled nursing community operated by Masonicare
Masonicare Medical Director	A medical doctor who oversees care at the Masonicare Health Center
Monthly Fee	A monthly maintenance fee
Monthly Statement	The monthly bill each Resident receives for his or her Monthly Fee plus any additional charges
Pet Policy	A policy governing the keeping of Pets by Residents published by Ashlar Village
Executive Director	The leadership position at Masonicare at Ashlar Village
Refurbishment Fee	A fee charged to Residents transferring residences to cover the cost of refurbishing the residence left by

the Resident, which may be adjusted by Ashlar Village from time to time in its sole discretion

Rescission Period	The thirty day period after a Resident executes a Residency Agreement during which he or she may rescind this Residency Agreement
Resident	A resident of Ashlar Village
Wellness Nurse	A nurse who staffs the Wellness Office
Wellness Office	An office responsible for ensuring residents obtain services for urgent or emergency needs
Upgrade	Transferring from a less expensive residence to a more expensive
Villa	Free-standing residences at Ashlar Village
Villa Resident	A Resident who resides in a Villa

THIS MASONICARE AT ASHLAR VILLAGE RESIDENCY AGREEMENT (the "Residency Agreement") is made as of this ____ day of, _____ by and between Masonicare At Ashlar Village, Inc. ("Ashlar Village") and Resident's Name. If more than one person is signing this Residency Agreement, "you" refers to each of you individually and both of you together and your obligations under this Residency Agreement are joint and several. If this Residency Agreement is signed on your behalf by your legal representative, the term "you" includes your legal representative.

PREAMBLE

Masonicare At Ashlar Village Inc., hereafter referred to as Ashlar Village, is a life plan community (also called a continuing care retirement community) located on Cheshire Road in Wallingford, Connecticut. Ashlar Village is a non-profit, tax-exempt corporation.

Ashlar Village is an affiliate of Masonicare and the continuum of care it offers older adults, including the Masonicare Health Center, Masonicare Home Health & Hospice, Masonicare at Chester Village, Masonicare at Mystic, Masonicare at Home and other Masonicare facilities and services.

ARTICLE I

DURATION OF RESIDENCY AGREEMENT

Ashlar Village agrees to furnish you lodging and services as set forth in this Residency Agreement for so long as you carry out your obligations under this Residency Agreement. This Residency Agreement shall commence as of _____, your agreed-upon agreement date.

ARTICLE II

ACCOMMODATIONS AND AMENITIES

A. Your Residence

You have selected (Cottage/Apartment/Villa) to be your residence. You shall have a personal and nonassignable right to reside in the residence, subject to the terms of

this Residency Agreement and Ashlar Village Policies and Procedures. Your written address is: Ashlar Village, Wallingford, CT 06492.

B. Furnishings Provided

Ashlar Village furnishes each residence with some basic appliances (i.e., stove, refrigerator, garbage disposal, microwave, and dishwasher), air-conditioning, carpeting, an emergency call system and smoke alarms. You must provide all other furniture and appliances. You may furnish and decorate your residence in accordance with your own individual preferences, provided your furniture and decorations do not violate Ashlar Village's Safety Standards, or applicable local, state and federal laws and codes.

C. Emergency Services

Your residence includes a 24-hour emergency call response system that includes individual smoke detectors and sprinkler system (as described in Exhibit E). It is equipped with an emergency pull cord to alert staff to any emergencies that may occur. Masonicare employs security personnel for the Ashlar Village community as it deems necessary in its sole discretion.

D. Utilities

Water, sewer, and garbage collection fees are included in the Monthly Fee. For other utility inclusions, see Exhibit C. Telephone, cable television and internet service (including their associated installation and service costs) are available at your option and expense. You are responsible for any other services not included in this Residency Agreement. Ashlar Village is not liable for any interruption of or failure in the supply of any utilities to your residence, provided the interruption or failure is not directly caused by Ashlar Village.

E. Alterations to Your Residence

If you wish physically to alter your residence or upgrade the standard fixtures in your residence, you must first obtain the written approval of the Executive Director of Ashlar Village or his/her designee in advance for the alterations and for any outside contractors who will complete the alterations. You agree that all alterations shall be performed in a good and workmanlike manner, and shall comply with all applicable laws and regulations. Alterations to your residence shall be completed in such a manner so as not to disturb other residents of Ashlar

Village. You are responsible for the cost of alterations and changes to your residence and the restoration of your residence to its original condition when you vacate it. All modifications, alterations or additions to your residence become the property of Ashlar Village, unless the Executive Director of Ashlar Village or his/her designee grants a special exception in writing.

You shall not allow any mechanic's lien to be created or to remain, and shall discharge any mechanic's lien which might be or become a lien, encumbrance or charge upon the real property of Ashlar Village or any part thereof. If any mechanic's lien shall at any time be filed against real property of Ashlar Village, or any part thereof, due to work you ordered, you, within thirty (30) days after notice of the filing thereof, will cause the lien to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. If you fail to cause the lien to be so discharged within the thirty (30) day period, ten (10) days after giving written notice to you, Ashlar Village may, but shall not be obligated to, discharge the lien. Any amount paid by Ashlar Village in connection with discharging the lien (including attorneys' fees) with doing so, together with interest thereon at the rate of 1.5% per month from the date of Ashlar Village making the payment or incurring other costs and expenses will constitute an additional charge on your Monthly Statement.

F. Access to Residences

You hereby irrevocably give your consent and authorize Ashlar Village to access your residence at any time when Ashlar Village in its sole discretion determines that entry to protect your health, safety or comfort or that of any other Resident of Ashlar Village, or the physical conditions of your residence or other Ashlar Village facilities. Your residence is your private domain, and except in cases of emergency (as determined in Ashlar Village's sole discretion), Ashlar Village personnel will make a reasonable attempt to obtain your permission before entering. You may not change or add additional locks to your door, but you may request that your lock be changed if circumstances make it desirable and the Executive Director of Ashlar Village or his/her designee gives his or her approval.

G. Parking

Free open-air parking is available to residents and guests. Apartment residents may reserve a parking space in a covered carport (subject to availability) for an additional charge. The Cottages and Villas have additional parking accommodations, the cost of which is included in the Monthly Fee. Cottages

include one covered carport and Villas include an attached one-car garage, the cost of which is included in the monthly fee.

H. Community Amenities

You are entitled to share with all residents the use of the Common Areas, Grounds and amenities. You may also reserve certain areas for special occasions in accordance with policies and procedures established by Ashlar Village in its sole discretion.

I. Property Protection and Insurance

You agree to keep your residence clean and orderly. You further agree not to permit misuse of or damage to your residence. You are responsible for providing personal property and liability insurance for yourself, your property, and your guests. **You will carry ample personal liability insurance that you obtain prior to move in per the Ashlar Village Resident Liability Insurance Policy.** You agree that Ashlar Village is not responsible for securing and safeguarding your personal property and possessions. You are responsible for keeping your residence locked and secured and for taking other reasonable precautions. Neither Ashlar Village nor its insurer will be liable for any claims, theft, damage or expenses, including reasonable attorneys' fees, resulting from any injury or death to persons and any damage to property caused by, resulting from, attributable to or in any way connected with the negligent or willful act or omission of any resident unless caused by the gross negligence or willful misconduct of Ashlar Village or any of its officers, employees, contractors, or agents or by a material default on the part of Ashlar Village under this Residency Agreement.

J. Indemnification

You agree to indemnify and defend Ashlar Village, at your sole cost and expense, against all claims, expenses, damages and liabilities (including without limitation reasonable attorneys' fees) arising out of any occurrence in your residence, any breach by you of this Residency Agreement or of any representation or warranty made by you to Ashlar Village, or negligence by you or that of any of your guests, employees, contractors, or agents. Such indemnification shall not apply to any claim arising out of the negligence or willful misconduct of Ashlar Village, or any of its officers, employees, contractors, or agents, or by default on the part of Ashlar Village under this Residency Agreement.

K. No Real Property Interest

You understand and agree that this Residency Agreement is primarily for the provision of services. This Residency Agreement does not confer upon you any right, title or interest in any part of the personal property, real property, buildings and improvements (including your residence) owned by Ashlar Village, Inc., Masonicare Health Center, or Masonicare. This Residency Agreement is a continuing care contract governed by Sections 17b-520 through 17b-535 of the Connecticut General Statutes.

ARTICLE III

SERVICES

A. Dining Plan

Apartment Residents are required to participate in Ashlar Village's Dining Plan (as described in Exhibit D).

Cottage and Villa Residents are not automatically enrolled in Ashlar Village's Dining Plan and may enroll in the Dining Plan, purchase meal packages at a discounted rate, or make reservations for meals and pay per visit.

Take-out meals are available for all. Residents may pick up take-out meals themselves, or request meal be delivery for a service charge.

Guests are welcome to dine with you. Make reservations in advance when hosting guests. Guest meals will be billed to you as an additional charge.

B. Housekeeping and Maintenance

Ashlar Village provides light cleaning services every other week. Ashlar Village provides necessary repairs, maintenance, and replacement of its property and equipment. Except in an emergency, such services are provided during normal working hours, Monday through Friday. You are responsible for maintaining, repairing, and replacing your personal property. You may order extra housekeeping or maintenance services for an additional charge. Ashlar Village maintains all Common Areas, Grounds and amenities, including lawns, walkways,

and driveways. Landscaping and decorative plantings are provided and maintained by Ashlar Village as it deems appropriate. Additional landscaping and gardening may be permitted with prior authorization. Additional landscaping must be maintained by you. If additional landscaping can no longer be maintained by you as determined by Ashlar Village in its sole discretion, it will be removed at your expense.

C. Transportation

Ashlar Village provides transportation to medical appointments within a fifteen (15) mile radius of Ashlar Village. This transportation occurs on a published transportation schedule which is subject to change with prior notice.

Ashlar Village provides regularly scheduled transportation to grocery stores, shopping centers and other social and recreational activities. Transportation is also provided to residents participating in Masonicare's health care system for medical appointments.

ARTICLE IV

HEALTH CARE SERVICES

A. Masonicare Health Center Access and Prepaid Days

1. Admission to Masonicare Health Center

Your residency at Ashlar Village guarantees you access to the Masonicare Health Center or any other Masonicare location when needed. You agree that if you are admitted to the Masonicare Health Center or any other Masonicare location you will sign a separate admissions agreement, describing the services to be provided and your rights and obligations at the location. You agree that in the event Masonicare Health Center or other Masonicare location does not have any availability when you are ready for admission, you will be temporarily placed in another facility by Ashlar Village until such time as a bed is available.

2. Ten Prepaid Days

During the term of this Residency Agreement, you receive an Annual Allotment of ten prepaid days per calendar year of in-patient services at Masonicare Health Center or another Masonicare skilled nursing location covering basic services such as, room, board and nursing care (excluding any ancillary services), subject to the restrictions set forth herein. The Annual Allotment is non-cumulative and expires on December 31 of each year. The Annual Allotment is non-refundable and is not transferable to any other entity. You may use your Annual Allotment in the event that you use in-patient services of Masonicare Health Center or another Masonicare skilled nursing location, and these services are not otherwise covered by Medicare, supplemental insurance, or other third party payments. You remain responsible for the payment of any insurance deductibles or co-payments you incur associated with Medicare or your own insurance, as well as ancillary and medical charges, and any days of care in excess of the Annual Allotment.

B. Assisted Living

Ashlar Village offers assisted living apartments at Pond Ridge, which is part of Ashlar Village and adjacent to the independent living apartment buildings. If you wish to transfer to any Masonicare assisted living facility, including Pond Ridge, and it is determined, after consultation with you, your family and/or your physician, that you meet the criteria for assisted living, then your residency at Ashlar Village will be terminated, and you will enter into a new Residency Agreement describing the services, fees, and your rights and obligations as a resident of Pond Ridge or other Masonicare assisted living facility. If you become a resident of Pond Ridge or another Masonicare assisted living, you will have access to Masonicare Health Center or other Masonicare skilled nursing location on the same terms and conditions as an Ashlar Village Resident.

C. Available Personal, Nursing and Medical Services

1. Wellness

Ashlar Village operates a Wellness Office. The Wellness Office responds to residents to ensure they obtain services for urgent or emergent needs.

2. Emergency Assistance

All independent living residences at Ashlar Village have emergency pull cords in the bathrooms and bedrooms. In addition, you may purchase a remotely activated pendant or bracelet connected to the existing security system.

3. Health Service Coordination

You have the right to consult with or be treated by any physician of your choosing. Be advised, however, that only physicians and consulting specialists within Masonicare's system have admitting privileges to Masonicare Health Center and other Masonicare locations. You shall be fully responsible for payment of any charges for such consultation or treatment.

4. Personal Assistance

Personal care is the sole responsibility of you and your family. If you hire private companions or aides, you are responsible for hiring and coordinating the services of such companions. Private companions or aides must register with Ashlar Village Wellness or Administration, wear an identification badge provided by Ashlar Village Administration, and abide by all policies and procedures as defined by the Ashlar Village Policy governing private aide services. Upon registration with Ashlar Village Administration, private companions and aides are provided with the Ashlar Village Policy Governing Private Companion Services and a private aide manual. Ashlar Village reserves the right to require evidence of licensure from agencies and health care professionals not affiliated with Masonicare and to review the qualifications and experience of any non-licensed aides, assistants and companions you may employ. Ashlar Village assumes no responsibility whatsoever for the qualifications of third parties such as private duty companions or aides, or for the timeliness or quality of care or any other aspect of services provided by them. Ashlar Village reserves the right to implement a policy allowing only agencies approved by Ashlar Village, in its sole discretion, to provide assistance and companion services to Residents. If your private companion or aide is disruptive or unruly or presents any other reason which would justify Ashlar Village requesting, in its sole discretion, the discontinuance of his or her services at Ashlar Village, you agree to discontinue the services of your private companion or aide and to seek an alternate private companion or aide.

D. Health Care Services Not Included in this Residency Agreement

Except as specifically provided in this Residency Agreement, Ashlar Village shall not provide, pay for, or indemnify you for any medical services, including, but not limited to, medical, surgical, home care or hospital services, physical examinations, medical consultations, drugs, medications, disposable and non-disposable supplies, X-rays, medical tests, eyeglasses or refractions, hearing aids, dentistry, dentures, inlays, prescriptions, orthopedic appliances, private duty nursing care, podiatric services, physical therapy, treatment for psychiatric disorders, alcoholism, or similar items or services.

E. Illness or Accident While Away from Ashlar Village

If you suffer an accident or illness while away from Ashlar Village for an extended period of time, you will notify Ashlar Village as soon as possible. You will be solely responsible for the costs of all medical care you incur while away from Ashlar Village, and Ashlar Village will not have any responsibility for the payment of such costs.

ARTICLE V

FINANCIAL ARRANGEMENTS

A. Fees

The basic fees associated with residency at Ashlar Village include an Application Fee, an Initial Fee, an Entry Fee, and a Monthly Fee. These fees are subject to change, from time to time, in the sole discretion of Ashlar Village. The fees in effect at the time of this Residency Agreement are shown on Exhibit A attached to this Residency Agreement.

1. Application Fee

You must submit an Application Fee to Ashlar Village with your application to cover the cost of review. The Application Fee is nonrefundable and is not credited toward the Entry Fee.

2. Initial Fee

At the time you submit your application to Ashlar Village, you must also submit an Initial Fee, which is credited toward the Entry Fee.

3. Entry Fee

For the right to use your residence and to receive the services described in this Residency Agreement, you pay a one-time Entry Fee to Ashlar Village. A deposit equal to five (5%) percent of the Entry Fee is due when you select your residence. Your deposit will be placed into an escrow account with our current banking institution, in accordance with Connecticut General Statutes Section 17b-524. The balance of the Entry Fee is due to Ashlar Village upon move-in. Entry Fee options are detailed in Exhibit B.

4. Monthly Fee

You agree to pay Ashlar Village a Monthly Fee for your residence.

Ashlar Village may adjust the Monthly Fee and ancillary charges from time to time in its sole discretion upon thirty (30) days' advance written notice to you. Ashlar Village will base such adjustments on projected costs, prior year per capita costs, and economic indicators as determined by Ashlar Village in its sole discretion. You agree that in the event of such an adjustment by Ashlar Village, you will pay the adjusted fee.

Each month you will receive a monthly statement itemizing the Monthly Fee plus any additional charges, including hair salon, guest meal, etc. All charges on the monthly statement are payable within thirty (30) days of receipt. If you do not make your payment on time (within 30 days of receiving the monthly statement), Ashlar Village reserves the right to assess a late penalty of 1.5% per month until you pay the amount owed. Persistently delinquent fees may trigger the Termination Provisions of this Residency Agreement at the sole discretion of the Executive Director of Ashlar Village or his/her designee. Any account balances, including interest due to late payment that remain unpaid when this Residency Agreement is terminated shall become a lien against your assets or estate after deducting any refund owed under this Residency Agreement. You agree to pay the Monthly Fee whether you are residing in your residence, temporarily residing in Masonicare Health Center, or otherwise absent from Ashlar Village. If you fail or refuse to pay the amounts charged under the terms of this Residency Agreement

and Ashlar Village must later refer the account to an attorney or collection agency, you agree to pay all resulting charges, expenses, court costs and attorneys' fees incurred by Ashlar Village.

B. First Year Refund Policy

If you are unhappy at Ashlar Village, and decide to move out within your first year of residency for any reason other than ill health, we will refund your entire Entry Fee to you, minus a standard service charge. This supersedes the Entry Fee Refund Options. If you leave due to ill health within the first year, the Entry Fee Refund Schedule shall apply.

C. Fees Not Held in Trust

All fees paid to Ashlar Village, including entry fees, become the sole property of Ashlar Village as payment for residence and services, except to the extent that the Entry Fee is refundable under Exhibit B of this Residency Agreement.

D. Personal Obligations of Residents

Ashlar Village shall not be liable or responsible for any expenses, debts, or obligations incurred by you on your own account, nor shall it be obligated to furnish, supply, or give you any support, maintenance, board, or lodging while you are absent from Ashlar Village.

E. Financial Assistance to Residents

1. Inability to Pay Monthly Fees

Ashlar Village is a charitable, nonprofit organization and has a policy of assisting residents who are unable to pay the Monthly Fee, but who otherwise comply with the terms of this Residency Agreement. If you encounter financial difficulty and are unable to pay your Monthly Fee in whole or in part, Ashlar Village will not terminate your residency solely for that reason. If these circumstances occur, you must bring them to the attention of the Executive Director of Ashlar Village or his/her designee immediately. If your financial difficulty is unanticipated or not due to your own intentional acts, the Executive Director of Ashlar Village or his/her designee will work to develop an alternative payment plan or living arrangement on the campus with you. Your shortfall will first be deducted from any Entry Fee refund for which you may become eligible. If you are not eligible for a refund, you may then qualify to receive assistance from a designated Masonicare fund.

F. Financial Requirements for Residency

As part of your application to Ashlar Village, you completed a Financial Disclosure Statement listing your total assets and income. Your Financial Disclosure Statement is retained in your personal file which is secured with Administration. Ashlar Village reserves the right to request annually an updated schedule of financial information, which you agree to provide as a condition of your continued residency. You also agree to notify the Executive Director of Ashlar Village or his/her designee when your assets decline to \$50,000 or your funds are otherwise insufficient to meet current obligations for a period of three years.

You agree to enroll in and be covered by Medicare and to have supplemental coverage appropriate to the type of Medicare coverage you carry. If you are not eligible for Medicare coverage, you agree to obtain equivalent insurance coverage acceptable to Ashlar Village. You further agree to make all reasonable efforts to conserve your financial resources in order to enable you to meet your financial obligations under this Residency Agreement. You further agree not to impair your ability to meet these obligations or injure your eligibility for benefits under Title XIX of the Social Security Act (Medicaid) by transferring assets or income, other than for ordinary living expenses. If you are unsure whether a contemplated transaction would place you in jeopardy of violating this Residency Agreement, please contact the Executive Director of Ashlar Village or his/her designee first for guidance.

ARTICLE VI

TRANSFERS/MARRIAGE

A. Intra-Village Transfer Policy

If you elect to transfer to another residence within Ashlar Village, you will be charged a Refurbishment Fee at the time of the move to cover the cost of preparing the new residence for new occupancy. The Refurbishment Fee may vary based on size of new residence selected.

If you chose a more cost effective transfer to a residence constructed as of the date of this Residency Agreement, the new Entry Fee will be based on the difference between (i) the Entry Fee for your current residence, adjusted to account for any

available refund in accordance with the refund method you select under Exhibit B of this Residency Agreement, and (ii) the Entry Fee for the new residence as of the date of this Residency Agreement prorated by the same percentage as that of the Entry Fee Refund to which you are entitled for your current residence.

Cost Effective Transfer Example A. If a Resident on an eight-year refund schedule, who moved in two years ago, decides to move from a two- bedroom Cottage to a one-bedroom Apartment:

<u>Original Full Entry Fee of Cottage</u> \$200,000	<u>Full Entry Fee of Apartment (As of this Residency Agreement date)</u> \$135,000
<u>Entry Fee Refund</u> \$140,000	<u>Entry Fee Adjustment</u> \$94,500
Difference = +\$45,500	

Therefore, a credit will be issued to the resident’s monthly fee in the sum of \$45,500 minus a Refurbishment Fee.

In order to upgrade residences, you must first qualify for the financial criteria of the new residence at the sole discretion of Ashlar Village.

If you Upgrade residences, the new Entry Fee will be based on the difference between the Entry Fee paid for your current residence and the current Entry Fee for the new residence at the time of transfer. The Entry Fee for your current residence will be adjusted to account for any available refund in accordance with the refund method you select under Exhibit B of this Residency Agreement. If the current Entry Fee for the new residence is greater than the Entry Fee Refund for your current residence, you will be required to pay the difference in Entry Fees.

Upgrade Example. If, after two years, a Resident on an eight-year refund schedule transfers from a one-bedroom Apartment to a two-bedroom Cottage:

<u>Original Full Entry Fee of Apartment</u> \$135,000	<u>Current Full Entry Fee of Cottage</u> \$210,000
<u>Entry Fee Refund</u> \$94,500	
Difference = -\$115,500	

Therefore, the Resident will be charged an additional Entry Fee of \$115,500 plus a Refurbishment Fee.

If you transfer residences, you agree to enter into an addendum to this Residency Agreement including, among other things, the address of the new residence and the Entry Fee for the new residence. The original date of residency at Ashlar Village, original Entry Fee Option and original Entry Fee refund schedule will not change.

B. Transfer for Health Reasons

1. Change in Health

You acknowledge and agree that Ashlar Village is appropriate for occupancy by persons who can live independently, with assistance from a home health aide or other qualified provider, if necessary, but that Ashlar Village is not appropriate for persons who need 24-hour skilled nursing care or whose physical, mental or psychological condition otherwise results in their inability to live independently in this setting. You agree that if your health deteriorates such that you can no longer live in an independent setting, you will make appropriate arrangements (a) to transfer out of your current residence to a Masonicare assisted living or skilled nursing location, or another appropriate location; or (b) if your personal physician and the Executive Director of Ashlar Village or his/her designee agree it is appropriate, to obtain necessary services in your current residence.

2. Consultation

Except in cases of emergency, Ashlar Village will not transfer you from your residence for health-related or other reasons until Ashlar Village has consulted with you, your personal physician, a member of your family, or your designated representative. In cases of an emergency transfer, Ashlar Village will make reasonable efforts to hold such consultations within ten (10) days of transfer.

3. Transfer Decisions

You agree that Ashlar Village shall have full authority and right to transfer you from your residence to any Masonicare location or elsewhere for hospitalization or other health related services without having to obtain your further consent if you do not make appropriate arrangements for obtaining the care and services you need, and the Masonicare Medical Director or Executive Director of Ashlar

Village determines, in his or her sole discretion, after the consultation described above that:

a. Ashlar Village does not have adequate capabilities or staff to provide the nursing services or medical care that you need; or

b. Your continued occupancy of your residence constitutes a danger or health hazard to you or other Residents, or is detrimental to the peace, safety or security of other Residents.

4. Transfer to an Outside Health Care Location

If it is necessary to transfer you to an outside health care location, Ashlar Village will try to arrange for transfer to the location of your choice. If you, your family or designated representative fail to choose another location, the Executive Director of Ashlar Village or his/her designee may choose the facility in his or her sole discretion. You are responsible for all charges for outside facility transfers and services.

5. Charges During Stays at Any Healthcare Location

If you are a short-term, temporary patient at the Masonicare Health Center or at any other location, you will continue to pay your Monthly Fee at Ashlar Village. If you become a permanent resident at the Masonicare Health Center or another health care location, this Residency Agreement will terminate with respect to you. If your spouse, partner or roommate remains at Ashlar Village, his or her Monthly Fee will be adjusted to reflect single occupancy of the residence. If you lived alone prior to your permanent transfer to the Masonicare Health Center or another health care location, your residency and future financial obligations at Ashlar Village will terminate.

C. Marriage or Cohabiting

1. Between Ashlar Village Residents

If you choose to live with another Ashlar Village resident, either resident may terminate his or her Residency Agreement and release his or her residence. Ashlar Village will determine the appropriate refund in accordance with the terms of the applicable Residency Agreement. The terminating resident may then become a party to the other existing Residency Agreement and become a second occupant in

the that residence. Ashlar Village will increase the Monthly Fee for the shared residence to the double occupancy rate.

2. Between An Ashlar Village Resident and Non-Resident

If you r choose to live with a non-resident, and you and that individual wish to live at Ashlar Village, the potential new resident must apply and meet the financial eligibility and other criteria to live at Ashlar Village. If the potential new resident qualifies for residency, he or she must become a party to this Residency Agreement. Ashlar Village will increase the Monthly Fee to the double occupancy rate.

3. Divorce or Separation

In the event two Residents divorce or separate, or persons sharing a residence separate, and each party desires a separate residence and one party remains in the residence which is the subject of this Residency Agreement, Ashlar Village will not refund any of the Entry Fee for the current residence. If the second Resident chooses to remain at Ashlar Village, that Resident must enter into a new Residency Agreement for such residence and pay the then applicable Entry Fee. Each party will pay the applicable Monthly Fee for his or her residence.

If one party desires to terminate his or her residency at Ashlar Village and move elsewhere, the remaining party shall retain full and exclusive rights to the residence. Neither party shall be entitled to any refund of the Entry Fee.

If both such Residents desire to cancel this Residency Agreement, Ashlar Village will follow the normal refund provisions of this Residency Agreement.

ARTICLE VII

TERMINATION PROVISIONS

A. Termination Prior to Occupancy

1. Rescission Rights

You (or your legal representative in the event of your death) may rescind this Residency Agreement by notifying the Ashlar Village Executive Director or his/her designee in writing by registered or certified mail within thirty (30) days of

your execution of this Residency Agreement (the "Rescission Period"). If you choose to rescind this Residency Agreement, Ashlar Village will refund the appropriate portion of the Entry Fee paid, minus the Application Fee and minus an administrative charge, which is subject to change from time to time in the sole discretion of Ashlar Village. You are not required to move in to your residence during the Rescission Period.

2. Automatic Cancellation

If after the Rescission Period, you pass away before taking occupancy of your residence, or you cannot occupy your residence due to illness, injury or incapacity, this Residency Agreement shall be automatically cancelled upon Ashlar Village receiving written notice by registered or certified mail of your inability to take occupancy of the residence. Ashlar Village will refund the appropriate portion of the Entry Fee paid, minus (i) the Application Fee, (ii) an administrative charge, which is subject to change from time to time in the sole discretion of Ashlar Village, and (iii) the applicable Monthly Fee, prorated on a per diem basis for the period beginning on the later of seven (7) days after the execution of this Residency Agreement or the date on which your residence was ready for occupancy and ending on the last day of the month in which Ashlar Village receives notice that you will not occupy the residence. In all other circumstances, the provisions of Article VIII Section B govern cancellation of this Residency Agreement due to the death of Resident.

3. Other Cancellation by Resident Prior to Occupancy

If this Residency Agreement is not terminated pursuant to Subsections A1 and A2 above, you may cancel this Residency Agreement at any time prior to taking occupancy upon written notice to the Executive Director of Ashlar Village or his/her designee sent by registered or certified mail. In the event of such a termination, Ashlar Village will refund the appropriate portion of the Entry Fee paid, minus (i) the Application Fee, (ii) an administrative charge, which is subject to change from time to time in the sole discretion of Ashlar Village, and (iii) the applicable Monthly Fee, prorated on a per diem basis for the period beginning on the later of seven (7) days after the execution of this Residency Agreement or the date on which your residence was ready for occupancy and ending on the last day of the month in which Ashlar Village receives notice that you will not occupy the residence.

4. Termination by Ashlar Village Prior to Occupancy

If your residence is constructed as of the date of this Residency Agreement, Ashlar Village reserves the right to cancel this Residency Agreement in its sole discretion if you do not take occupancy of your residence within sixty (60) days of your residence being ready for occupancy. In the event of such a termination, Ashlar Village will refund the appropriate portion of the Entry Fee paid, minus (i) the Application Fee, (ii) an administrative charge, which is subject to change from time to time in the sole discretion of Ashlar Village, and (iii) the applicable Monthly Fee, prorated on a per diem basis for the period beginning on the later of seven (7) days after the execution of this Residency Agreement or the date on which your residence was ready for occupancy and ending on the last day of the month in which Ashlar Village receives notice that you will not occupy the residence.

B. Termination After Occupancy

1. Termination by Resident

You may cancel this Residency Agreement at any time and for any reason upon thirty (30) days' advance written notice to the Executive Director of Ashlar Village or his/her designee. You will be responsible for Monthly Fees during the notice period and until the residence, carport, and storage unit is vacated. If you are eligible for an Entry Fee refund, it will be calculated from the date the residence, carport, and storage is vacated and the keys are returned to Ashlar Village.

2. Termination by Ashlar Village

Ashlar Village may cancel this Residency Agreement at any time for good and sufficient cause upon sixty (60) days' advance written notice to you. If you have not corrected the problem identified within thirty (30) days of receiving written notice thereof, you agree to leave Ashlar Village upon the termination of the Residency Agreement at the end of the 60 day notice period. If the Medical Director or the Executive Director of Ashlar Village or his/her designee determines that either the giving of notice or the lapse of time might be detrimental to you, other Residents, or Ashlar Village staff, or if the Executive Director of Ashlar Village or his/her designee determines in his or her sole discretion that the problem constituting cause for termination cannot be cured, then any notice or waiting period prior to termination shall not be required. Good and sufficient cause shall include, but is not limited to:

a. Failure to perform your obligations under this Residency Agreement, including your obligation to pay the Monthly Fee and other charges on a timely basis, and failure to appropriately conserve your financial resources as required under this Residency Agreement;

b. Failure to abide by the Ashlar Village Policy and Procedures, including conduct by you that, in the sole discretion of the Executive Director of Ashlar Village or his/her designee, is detrimental to the health, safety, comfort, security or peaceful living of you or any of the other Residents or Ashlar Village staff;

c. Your refusal of treatment or care, or refusal to be transferred to an appropriate location to receive treatment or care that, in the opinion of your personal physician, is medically required for your physical or mental health or the health and safety of other Residents or Ashlar Village staff;

d. Material misstatements or failure to state a material fact in your Application or Financial Disclosure Statement, filed with Ashlar Village; or

e. Permanent transfer to another public or private location for medical reasons.

If upon termination you are eligible for an Entry Fee refund, it will be calculated pursuant to Exhibit B of this Residency Agreement.

3. Termination for Medical Reasons

If the Masonicare Medical Director or the Ashlar Village Executive Director or his/her designee determines in his/her sole discretion that (a) Ashlar Village does not have adequate capabilities or staff to provide the medical services you need; or (b) that your continued occupancy of your residence constitutes a danger to other residents, to yourself, or is detrimental to the peace or health of others, then your residency at Ashlar Village will be terminated. If termination is necessary for medical reasons, you may transfer to the Masonicare Health Center or other Masonicare locations under the direction of the Medical Director.

4. Termination by Reason of Death

a. Sole Occupant

In the event of your death, if you are the sole occupant of your residence, this Residency Agreement will terminate on the date when the personal property in your residence/ carport/ storage has been removed and the residence is vacated. Your Monthly Fee for that month will be prorated, and, if you were eligible for an Entry Fee Refund, it will be calculated as of that date and paid over to your estate.

b. Surviving Spouse, Partner or Roommate

In the event of a Resident's death, and there is a surviving spouse, partner or roommate, the Monthly Fee will be adjusted to reflect a single occupant. No Entry Fee Refund will be calculated or remitted at this time. The interest in the Entry Fee refund will only be calculated on the termination of residency of the surviving Resident.

c. Payment of Entry Fee Refund

In the event of a termination due to Resident's death, a refund of a Resident's Entry Fee will be calculated as of the date when the personal property in your residence/ carport/ storage has been removed and the residence is vacated. If you would like the Entry Fee refund to be paid to a specific person or entity, indicate here to whom it should be paid:

If you do not designate a specific person or entity, the refund will be paid over to your estate.

5. Vacating Residence/Removal of Property

You must vacate your residence and remove all personal property from your residence/ carport/ storage within thirty (30) days after termination of the Residency Agreement. You will be obligated to continue paying the Monthly Fee plus any additional charges on a pro-rated basis until your personal property is removed from the residence/ carport/ storage and the keys returned to Administration. If your personal property is not removed within the thirty (30) day period, Ashlar Village shall have the right to remove it from the residence. Ashlar Village will store the property for a fee for up to six (6) months and then dispose of it at your expense.

ARTICLE VIII

OTHER RESIDENCY PROVISIONS

A. Financial Condition

The financial condition of Ashlar Village is set forth in Masonicare's Annual Report. The Annual Report includes financial statements audited by an independent firm of certified public accountants, and is available for your review in the library reading areas.

B. Residency and Dismissal of Other Residents

You agree that you have no right to determine or appeal the residency, terms of residency, placement, dismissal of, or any other issues regarding, any other resident.

C. Ashlar Village Association

Residents participate in and operate a residents' council, the Ashlar Village Association. Ashlar Village Administration meets with the Ashlar Village Association monthly. The Ashlar Village Association has no legal or contractual right to direct or operate Ashlar Village or any portion thereof.

D. Community Rules

For the proper management and operation of the community and the safety, health, and comfort of all residents, Ashlar Village reserves the right to adopt or amend such policies and procedures as it deems necessary or desirable in its sole discretion. You agree to abide by Ashlar Village policies and procedures, as amended from time to time, which are incorporated by reference into this Residency Agreement. The Ashlar Village policies and procedures are available for your review at the Ashlar Village Administration Office.

E. Guest Policy

You are welcome to invite guests to your residence. Guest accommodations are also available in the Guest Suite, on a first-come, first-serve basis. Ashlar Village will charge a reasonable daily rate for use of the Guest Suite. If your guest stays in your residence and his or her stay exceeds 30 nights, you will be billed the guest

rate then in effect for the visit. Ashlar Village defines a "guest" as anyone staying overnight in a residence who has not signed this Residency Agreement. Private duty home and health care service providers will not be considered guests unless they remain in your residence overnight more than 60 days out of any 90 day period. All guests are subject to the Ashlar Village policy and procedures and have no rights under this Residency Agreement.

F. Pet Policy

Pets are permitted as set forth in Ashlar Village's published Pet Policy. If you keep a pet in your residence, you agree to abide by the Pet Policy and any amendments thereto. The Pet Policy is incorporated by reference into this Residency Agreement.

G. Smoking Policy

Smoking is prohibited indoors and outdoors. You agree to abide by the smoking policy and any amendments thereto. The smoking policy is incorporated by reference into this Residency Agreement.

ARTICLE IX

MISCELLANEOUS PROVISIONS

A. Variance Among Residency Agreements

You understand that Ashlar Village may enter into agreements with other residents that may contain terms different from those contained in this Residency Agreement. These differences may be a result of different economic conditions at different times or other factors. Despite any different terms in other agreements, you agree that this Residency Agreement alone sets forth your rights and obligations with respect to Ashlar Village, and that you are not a third party beneficiary of any other Residency Agreement.

B. Accuracy of Information

You represent and warrant that all information you have submitted or will submit to Ashlar Village as required in completing your application to Ashlar Village is true and complete. You understand and acknowledge that Ashlar Village is relying on such information. You agree at any time to update the information contained in

your application upon the request of Ashlar Village. You must update your application if it is more than six (6) months old and you have not yet taken occupancy of your residence for any reason, including construction of your residence. If, before you take occupancy of your residence, Ashlar Village determines in its sole discretion that you no longer meet the criteria for residency due to a change in your health or financial circumstances, Ashlar Village will so notify you in writing and this Residency Agreement shall automatically cancel in accordance with Article VIII A.2. If Ashlar Village determines your application contains a material misstatement of fact or fails to state a material fact, Ashlar Village may cancel this Residency Agreement in accordance with Article VIII A.4 or Article VIII.B.2, as applicable.

C. Waiver

Ashlar Village's failure in any one or more instances to insist upon strict compliance by you with any of the terms of this Residency Agreement shall not waive Ashlar Village's right to insist upon your strict compliance with any of the terms of this Residency Agreement on other occasions.

D. Attorneys' Fees

In the event that Ashlar Village takes action to enforce the terms of this Residency Agreement, Ashlar Village is entitled to recover attorneys' fees and all costs of any such action.

E. Assignment

Your rights under this Residency Agreement are personal and cannot be assigned, transferred, inherited or devised. The Residency Agreement shall bind and inure to the benefit of Ashlar Village's successors and assigns and shall bind and inure to the benefit of your heirs, executors and administrators in accordance with its terms.

F. Entire Residency Agreement

This Residency Agreement, including all exhibits, constitutes the entire Residency Agreement between you and Ashlar Village. Ashlar Village is neither liable for, nor bound in any manner by, any statements, representations or promises made by any person representing or proposing to represent Ashlar Village unless such statements, representations, or promises are set forth in the Residency Agreement. Any modification of the Residency Agreement must be in writing and signed by

you and by Ashlar Village.

G. Partial Illegality

If any portion of this Residency Agreement shall be determined to be illegal or not in conformity with applicable laws, such portion shall be deleted and the validity of the balance of this Residency Agreement shall not be affected.

H. Governing Law

This Residency Agreement shall be construed in accordance with the laws of the State of Connecticut.

Remainder of page intentionally left blank.

I. No Third-Party Beneficiary

This Residency Agreement is between only you and Ashlar Village. Nothing in this Residency Agreement shall be interpreted to confer any rights or benefits to a third party.

IN WITNESS WHEREOF, the parties have signed this Residency Agreement this ___ day of _____.

By signing this Residency Agreement, you also acknowledge receipt of the Disclosure Statement.

Resident(s)	or	Resident's Legal Representative
_____		_____
_____		_____

MASONICARE AT ASHLAR VILLAGE, INC.

By: _____
Alan Zakrzewski
Executive Director

EXHIBIT A

CURRENT FEES

Resident Name(s) _____
Residence # _____
Agreement Start Date _____

Application Fee (non-refundable): \$ _____

Initial Fee: \$ _____

Deposit: \$ _____

Deposit: \$ _____

Residence Type/ Style _____

*Entry Fee Option Selected: _____

** Entry Fee
\$ _____

Balance Due: \$ _____

***Monthly Fee:
\$ _____

Notes:

*Entry Fee option may not be changed.

**Entry Fee does not include any Options Extra that may be added.

***Monthly Fees are subject to change. You will be given at least thirty (30) days' written notice of any changes in fees.

EXHIBIT B

ENTRY FEE REFUND

Resident Name _____
Residence # _____
Entry Fee Amount _____
Agreement Start Date _____

Eight Year Declining Entry Fee Refund Schedule

Should you terminate your residency at Ashlar Village within 8 years (96 months) of this Agreement Start Date, Ashlar Village will refund your Entry Fee according to the following schedule:

<u>Month</u>	<u>Amount of Entry Fee Refund</u>
1 (First 30 Days)	100% minus a standard service charge
2-6	95%
7-10	90%
11-20	80%
21-30	70%
31-40	60%
41-50	50%
51-60	40%
61-70	30%
71-80	20%
81-95	10%
96+	0%

75% Entry Fee Refund

Those who select the 75% Refundable Entry Fee are guaranteed 75% of the Entry Fee (\$_____), as a refund upon termination of the Agreement.

EXHIBIT C

UTILITIES

Resident Name _____
Residence # _____
Agreement Start Date _____

All residences at Ashlar Village include, water, sewer, garbage collection and Ashlar Senior TV Basic Package in the Monthly Fee.

Notch Hill Apartments and Villas also include electricity, natural gas and Ashlar Senior TV Expanded Package in the Monthly Fee.

EXHIBIT D

FLEXIBLE DINING PLANS

Resident Name _____
Residence # _____
Agreement Start Date _____

Cottage and Villa residents are not automatically enrolled in Ashlar Village’s dining program. At their option, Cottage and Villa residents may enroll in a dining plan, purchase a dining package at a discounted rate, or make reservations to dine on a specific day and pay per visit.

Apartment residents are required to participate in Ashlar Village’s dining program as described below.

1) **20 Meal Plan**- Choose the 20 Meal per month plan and receive an allocated amount of Dining Dollars per month equivalent to 20 meals in the Dining Room. Residents choosing this plan will be credited a predetermined amount on their Monthly Fee. This plan allows residents to spend Dining Dollars in the Waterside Dining Room as well as in the Duck Inn. Dining Dollars cannot be used at the bar, Village Store, Salon, for guest meals or for alcohol. Dining Dollars not used in the month cannot be carried over.

2) **25 Meal Plan** - Choose the 25 Meal per month plan and receive an allocated amount of Dining Dollars per month equivalent to 25 meals in the Dining Room. Residents choosing this plan will be credited a predetermined amount on their Monthly Fee. This plan allows residents to spend Dining Dollars in the Waterside Dining Room as well as in the Duck Inn. Dining Dollars cannot be used at the bar, Village Store, Salon, for guest meals or alcohol. Dining Dollars not used in the month cannot be carried over.

3) **Standard Meal Plan**- Choose the Standard Meal Plan and receive an allocated amount of Dining Dollars per month equivalent to 1 meal per day per month. This plan is included in the monthly fee with no added cost. This plan allows Resident to spend their Dining Dollars in the Waterside Dining Room as well as in the Duck Inn. Dining Dollars cannot be used at the bar, Village Store, Salon, for guest meals, or for alcohol. Dining Dollars not used in the month cannot be carried over.

4) **45 Meal Plan** - Choose the 45 Meal per month plan and receive Dining Dollars equivalent to 45 meals per month. Residents choosing this plan will incur an additional charge for the 15 meals above the Standard Plan. This plan allows Resident to spend their Dining Dollars in the Waterside Main Dining Room as well as in the Duck Inn. Dining Dollars cannot be used at the bar, Village Store, Salon, or for guest meals or for alcohol. Dining Dollars not used in the month cannot be carried over.

5) **60 Meal Plan** - Choose 60 Meal per month plan and receive Dining Dollars equivalent to 60 meals per month. Residents choosing this plan will be charged for the 30 meals above the Standard Plan. This plan allows Resident to spend their Dining Dollars in the Waterside Dining Room as well as in the Duck Inn. Dining Dollars cannot be used at the bar, Village Store, Salon, for guest meals or for alcohol. Dining Dollars not used in the month cannot be carried over.

6) **Villa/Cottage 10 Meal Plan** - Villa and Cottage residents, may choose a 10 meal per month plan to receive Dining Dollars per month equivalent to 10 meals in the Waterside Dining Room. This plan allows Residents to spend their Dining Dollars in the Waterside Dining Room as well as in the Duck Inn. Dining Dollars cannot be used at the bar, Village Store, Salon, or for guest meals or for alcohol. Dining Dollars not used in the month cannot be carried over. *Villa/Cottage residents may also choose any of the other dining plan options.*

***All Dining Plans are subject to change with 30 Days written notice.**

EXHIBIT E

FIRE SPRINKLER SYSTEM NOTICE

Resident Name _____
Residence # _____
Agreement Date _____

In accordance with P.A. 15-005, Section 57, of the Connecticut General Statutes, you are being notified that all apartments at Ashlar Village and Pond Ridge are equipped with working fire sprinkler systems.

These systems are maintained and inspected by a sprinkler contractor licensed by the State of Connecticut. The date of the most recent inspection was March 6, 2019.

Please note that Cottages and Villas are not equipped with fire sprinkler systems.