

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In re

GUARDIAN ELDER CARE AT
JOHNSTOWN, LLC, d/b/a/ RICHLAND
HEALTHCARE AND REHABILITATION
CENTER, *et al.*,

Debtors/Movants.¹

Chapter 11

Case No. 24-70299 (JAD)

Jointly Administered

Related to Document Nos. 204, 376

NOTICE OF PURCHASER AND CANCELLATION OF AUCTION

PLEASE TAKE NOTICE that on August 19, 2024, the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”), by and through their undersigned counsel, filed the *Debtors’ Motion for Entry of Orders (I) Approving Sale of Substantially All of Owned Facilities Debtors’ Assets, Other than Excluded Assets, Free and Clear of All Liens, Claims, Encumbrances and Interests, (II) Approving Bid Procedures for Sale of Substantially All of Owned Facilities Debtors’ Assets, Other than Excluded Assets, (III) Approving Stalking Horse Bid Protections, (IV) Approving Release Agreement; (V) Scheduling Auction for and Hearing to Approve the Sale of Owned Facilities Debtors’ Assets, (VI) Approving Form and Manner of Notice of Sale, Auction and Sale Hearing, (VII) Approving Assumption and Assignment Procedures, (VIII) Authorizing Assumption and Assignments of Executory Contracts and Unexpired Leases, and (IX) Granting Related Relief* [D. I. 204] (the “**Motion**”).²

PLEASE TAKE NOTICE that, on September 6, 2024, the Court entered the *Order (A) Approving Bid Procedures for Sale of Substantially All of Owned Facilities Debtors’ Assets, Other than Excluded Assets, (B) Approving Stalking Horse Bid Protections, (C) Scheduling Auction for and Hearing to Approve Sale of Substantially All of Owned Facilities Debtors’ Assets, other than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (D) Approving Form and Manner of Notice of Sale, Auction, and Sale Hearing, (E) Approving Assumption and Assignment Procedures, and (F) Granting Related Relief* [D. I. 376] (the “**Bid Procedures Order**”) approving, among other things, the implementation of the Bid Procedures

¹ The last four digits of Guardian Elder Care at Johnstown, LLC d/b/a Richland Healthcare and Rehabilitation Center’s federal tax identification number are 7907. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://omniagentsolutions.com/Guardian>. The Debtors’ mailing address is: 8796 Route 219, Brockway, Pennsylvania 15824.

² Capitalized terms used but not otherwise defined herein shall the meanings ascribed to such terms as set forth in the Motion.

attached to the Bid Procedures Order as **Exhibit 1** in connection with the disposition of the Purchased Assets.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Bid Procedures Order, the deadline for submitting a Qualified Bid for the Purchased Assets was October 2, 2024 at 5:00 p.m. (prevailing Eastern time) (the “**Bid Deadline**”) and, in the event that the Debtors timely received one or more Qualified Bids in addition to the bid submitted by the Stalking Horse Bidders, the Debtors would conduct an Auction on October 10, 2024 at 10:00 a.m. (prevailing Eastern Time).

PLEASE TAKE FURTHER NOTICE that on October 2, 2024, after considering certain ongoing breaches of the Stalking Horse Agreements by the Stalking Horse Bidders and after consulting with the Consultation Parties, the Debtors terminated the Stalking Horse Agreements with the Stalking Horse Bidders and have fully reserved all rights, claims and defenses related to the termination of such agreements.

PLEASE TAKE FURTHER NOTICE that, on October 2, 2024, the Debtors, after consulting with the Consultation Parties, and subject to approval of the Court, entered into the Agreement of Purchase and Sale and the Operations Transfer Agreement attached hereto at **Exhibit A** and **Exhibit B**, respectively (collectively, the “**New Agreements**”), with GBK Eight LLC (the “**Proposed Purchaser/Operator**”), an entity affiliated with Noble Care. The Debtors, in consultation with the Consultation Parties, have determined that the New Agreements represent an appropriate and viable purchase transaction for the Purchased Assets.

PLEASE TAKE FURTHER NOTICE that blacklines comparing the new Agreement of Purchase and Sale and Operations Transfer Agreement with the Stalking Horse Agreements are attached hereto as **Exhibits C** and **D**, respectively.

PLEASE TAKE FURTHER NOTICE that, because no other bids were received by the Bid Deadline, **the Auction scheduled for October 10, 2024 has been cancelled.**

PLEASE TAKE FURTHER NOTICE that the Debtors will seek approval of the New Agreements with the Proposed Purchaser/Operator at the **Sale Hearing scheduled for October 15, 2024, 2024 at 2:00 p.m. (prevailing Eastern time)** before the United States Bankruptcy Court for the Western District of Pennsylvania, Courtroom D, U.S. Steel Building, 600 Grant St., 54th Fl., Pittsburgh, PA 15219.

PLEASE TAKE FURTHER NOTICE that the Proposed Purchaser/Operator shall appear at the Sale Order Hearing and be prepared to testify in support of the New Agreements and its ability to close in a timely manner, including with respect to demonstrating adequate assurance of future performance that may be required in connection with the assumption and assignment of any Assumed Contracts.

PLEASE TAKE FURTHER NOTICE that the Sale Hearing may be adjourned or rescheduled as ordered by the Bankruptcy Court, or by the Debtors in consultation with the Proposed Purchaser/Operator and the Consultation Parties, but without further notice to creditors and parties in interest other than by announcement by Debtors of the adjourned date at the Sale Hearing.

PLEASE TAKE FURTHER NOTICE that the Debtors' presentation to the Bankruptcy Court for approval of the New Agreements does not constitute the Debtors' acceptance of the New Agreements. The Debtors shall be deemed to have accepted the New Agreements only when the New Agreements have been approved by order of the Court in a form acceptable to the Debtors and the Proposed Purchaser/Operator.

PLEASE TAKE FURTHER NOTICE that the deadline to object to the approval of the New Agreements and the sale of the Purchase Assets to the Proposed Purchaser/Operator free and clear of all liens, claims and encumbrances, is **October 14, 2024 at 5:00 p.m. (prevailing Eastern time)**, and any objection must comply with the Bid Procedures Order.

PLEASE TAKE FURTHER NOTICE that copies of the Motion, the Bid Procedures Order, the Bid Procedures, the New Agreements, and all other documents filed with the Court may be obtained, free of charge, on the website of the Debtors' notice agent, Omni Agent Solutions, Inc. website: <https://omniagentsolutions.com/Guardian>.

[remainder of page left intentionally blank]

PLEASE TAKE FURTHER NOTICE THAT ANY PARTY OR ENTITY WHO FAILS TO TIMELY FILE AND SERVE AN OBJECTION TO THE SALE BEFORE THE OBJECTION DEADLINE IN ACCORDANCE WITH THE BID PROCEDURES ORDER SHALL BE DEEMED TO HAVE CONSENTED TO THE SALE AND FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE PURCHASED ASSETS TO THE PROPOSED PURCHASER/OPERATOR FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS THAT SUCH PARTY OR ENTITY MAY HAVE AGAINST THE DEBTORS OR THE PURCHASED ASSETS.

Dated: October 4, 2024

SAUL EWING LLP

By: /s/ Jeffrey C. Hampton

Jeffrey C. Hampton (PA Bar No. 59131)
1500 Market Street, 38th Floor
Philadelphia, PA 19102
Telephone: (215) 972-7777
Email: jeffrey.hampton@saul.com

-and-

Mark Minuti (admitted *pro hac vice*)
Monique B. DiSabatino (PA Bar No. 306448)
(admitted *pro hac vice*)
Paige N. Topper (admitted *pro hac vice*)
1201 N. Market Street, Suite 2300
Wilmington, DE 19801
Telephone: (302) 421-6800
Email: mark.minuti@saul.com
monique.disabatino@saul.com
paige.topper@saul.com

Counsel for Debtors and Debtors in Possession

Exhibit A

Agreement of Purchase and Sale (New)

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE (this “Agreement”) is made and entered into as of the 2nd day of October, 2024 (the “Contract Date”), by and among the “Sellers” identified on Exhibit A hereto (individually, a “Seller” and collectively, “Sellers”), and “Buyers” identified on Exhibit A hereto (individually a “Buyer” and collectively, “Buyers”). Sellers and Buyers will sometimes hereinafter be collectively referred to as the “Parties” or, individually, as a “Party”.

RECITALS:

A. Each Seller is the owner of the skilled nursing facility set forth opposite its name on Exhibit A hereto (each, a “Facility” and collectively, the “Facilities”). The real estate underlying each Facility shall hereinafter be referred to individually as the “Real Property” and collectively as the “Real Properties”. Legal descriptions of the Real Properties are attached as Exhibit B.

B. The Sellers lease the Facilities to the Persons identified as the “Existing Operators” on Exhibit A (each, an “Existing Operator” and collectively, the “Existing Operators”).

C. The Sellers desire to sell, and the Buyers desire to purchase, the Real Property set forth opposite each such Seller and Buyer’s name on Exhibit A and all of such Seller’s right title and interest in all of the tangible personal property located at the applicable Facility other than the Excluded Assets (the “Personal Property” and collectively with the Real Properties, the “Property”), on the terms and conditions set forth in this Agreement.

E. Existing Operators have entered into an Operations Transfer Agreement of even date herewith (the “OTA”) with the “New Operators” identified on Exhibit A (each a “New Operator” and collectively, the “New Operators”), pursuant to which the applicable Existing Operator has agreed to transfer operational responsibility of the applicable Facility to the New Operator whose name is set forth opposite such Facility on Exhibit A hereto.

F. Each Facility identified on Exhibit A as a “HUD Facility” (each, a “HUD Property” and collectively, the “HUD Properties”) is subject to a mortgage in favor of the U.S. Department of Housing and Urban Development (“HUD”) which requires HUD’s consent to the transfer and sale of the HUD Properties pursuant to the terms hereof.

G. On July 29, 2024, each filed its voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Western District of Pennsylvania (“Bankruptcy Court”). The Sellers plan to continue to operate their businesses and manage their respective Properties as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

H. Sellers desire to sell and cause to be sold, and Buyers desire to purchase as the Stalking Horse Bidder (as defined herein), free and clear of all Liens, Claims and Encumbrances, except for the Permitted Exceptions, the Property in accordance with sections 105(a), 363 and other applicable provisions of the Bankruptcy Code, upon the terms and subject to the conditions of this Agreement.

I. On August 19, 2024, Sellers filed a motion under sections 363 and 365 of the Bankruptcy Code [D. I. 204] (the “Sale Motion”) seeking, *inter alia*, entry of an (i) Order (a) approving bidding procedures (the “Bidding Procedures”); (b) setting a date for an auction (the “Auction”) of the Property; and (c) setting a date for a hearing (the “Sale Hearing”) to approve the sale contemplated thereby; and (ii) requesting entry of an Order approving the transactions contemplated by an anticipated sale (the “Sale Procedures Order”).

J. On September 6, 2024, the Bankruptcy Court entered the Sale Procedures Order [D. I. 376] approving the Bidding Procedures.

K. The transactions hereunder are subject to Bankruptcy Court approval and the Property will be sold pursuant to a Sale Order that is reasonably satisfactory to Sellers and Buyers, including without limitation relief ordered by the Bankruptcy Court pursuant to sections 363(f), (m) & (n) of the Bankruptcy Code.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants of the Parties set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.01. Definitions. As used in this Agreement, the following terms will have the meanings set forth below:

“Action” means any claim, action, suit, proceeding or investigation, whether at law or in equity, before any court, arbitrator, arbitration panel or Governmental Authority.

“Affiliate” means any Person that, directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified, where the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Alternative Transaction” means a sale of substantially all of the Property or a portion thereof to a Person or Persons who are not Buyers, pursuant to the Auction; *provided, however*, that any Alternative Transaction must comply with the Bidding Procedures.

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

“Claims” shall include the meaning ascribed by section 101(5) of the Bankruptcy Code and includes, without limitation, all rights, claims, causes of action, defenses, debts, demands, damages, offset rights, setoff rights, recoupment rights, obligations, and liabilities of any kind or nature under contract, at law or in equity, known or unknown, contingent or matured, liquidated or unliquidated, and all rights and remedies with respect thereto.

“Closing” means, as applicable, the First Closing or the Second Closing.

“Closing Date” means, as applicable, the First Closing Date or the Second Closing Date.

“Confidential Information” means any information about a Seller, its Affiliates (including an Existing Operator), the Property and/or the Facilities disclosed or made available to a Buyer, its Affiliates and/or their respective Representatives, directly or indirectly, in writing, orally, electronically, by drawings, observation or otherwise, including without limitation any information given to or obtained in connection with Buyers’ investigation of the Property and the Facilities.

“Contract” means any agreement, contract, license, arrangement, commitment, promise, obligation, right, instrument, document or other similar understanding, that in each case is in writing and signed by parties intending to be bound thereby (other than any Leases), including, in each case, all amendments, modifications and supplements thereto and waivers and consents thereunder.

“Effective Time” means 12:01 a.m. on the applicable Closing Date.

“Encumbrances” means, to the extent not considered a Lien, any security interest, lien, collateral assignment, debt, obligation, Liability, pledge, levy, charge, escrow, encumbrance, option, right of first refusal, restriction (whether on transfer, disposition or otherwise), third party right, right limited to any Seller personally, other agreement term tending to limit any right or privilege of any Seller under any Contract, conditional sale Contract, title retention Contract, mortgage, Lease, deed of trust, hypothecation, indenture, security agreement, easement, license, option, pledge, right of first refusal or restriction of any kind, servitude, proxy, voting trust, transfer restriction under any shareholder or similar agreement, or any other agreement, arrangement, Contract, commitment, understanding or obligation of any kind whatsoever, whether written or oral, or imposed by any Law, equity or otherwise. For the avoidance of doubt, past-due nursing facility assessments are considered “Encumbrances” for purposes of this Agreement.

“Environmental Laws” means all Laws relating to the protection, preservation, remediation or conservation of the environment or worker health or safety, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act of 1976 (“RCRA”), 42 U.S.C. § 6901 et seq., the Emergency Planning and Community Right-to-Know Act (“Right-to-Know Act”), 42 U.S.C. § 11001 et seq., the Clean Air Act (“CAA”), 42 U.S.C. § 7401 et seq., the Federal Water Pollution Control Act (“Clean Water Act”), 33 U.S.C. § 1251 et seq., the Toxic Substances Control Act (“TSCA”), 15 U.S.C. § 2601 et seq., the Safe Drinking Water Act (“Safe Drinking Water Act”), 42 U.S.C. § 300f et seq., the Atomic Energy Act (“AEA”), 42 U.S.C. § 2011 et seq., the Occupational Safety and Health Act (“OSHA”), 29 U.S.C. § 651 et seq., and the Hazardous Materials Transportation Act (“Transportation Act”), 49 U.S.C. § 1802 et seq.

“Excluded Assets” means (a) the Excluded Assets as set forth in the OTA, (b) any Personal Property not owned by the applicable Seller, (c) cash and cash equivalents, and (d) any other assets set forth on Schedule 1.1 hereto.

“Fairmont Facility” means the Fairmont Health and Rehabilitation Center located in Fairmont, West Virginia.

“Final Order” means an Order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari has expired and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the Order or judgment could be appealed or from which certiorari could be sought or the new trial, reargument or rehearing shall have been denied, resulted in no modification of such Order or has otherwise been dismissed with prejudice, provided, however, that no Order shall fail to be a Final Order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Rule 9024 of the Federal Rules of Bankruptcy Procedure may be filed with respect to such Order, as long as such motion has not actually been filed.

“Governmental Authority” means any government or political subdivision or department thereof; any governmental, administrative or regulatory body, commission, board, bureau, agency or instrumentality; or, any court, arbitrator or alternative dispute resolution body, in each case whether federal, state or local.

“Hazardous Materials” means any hazardous, toxic or dangerous waste, substance or material, pollutant or contaminant, as defined and regulated by any Environmental Laws applicable to the Real Properties.

“HUD Application” means one or more applications to be filed by the HUD Buyers with HUD for the assignment and assumption by the HUD Buyers of the HUD Debt.

“HUD Buyers” means the Buyers of the HUD Properties.

“HUD Debt” means the loans made by KeyBank guaranteed by HUD in favor of the HUD Sellers and secured by mortgages on the HUD Properties.

“HUD Sellers” means the Sellers of the HUD Properties.

“Knowledge” means, (a) with respect to each Seller, the actual, knowledge of Michael J. Herald, and (b) with respect to Buyers, the actual, conscious knowledge of Mark Kandelman.

“Law” means any federal, state or local law, treaty, statute, ordinance, code, rule, regulation, judgment, decree, order, writ, award, injunction or determination of a Governmental Authority.

“Leases” mean the existing lease agreements between an Existing Operator and a Seller with respect to the Facilities.

“Liability” means, in the broadest terms possible, any and all Claims, debts, liabilities, assessments (including without limitation, nursing facility assessments), taxes, obligations and commitments of whatever kind or nature, whether known or unknown, asserted or unasserted, fixed, absolute or contingent, matured or unmatured, accrued or unaccrued, liquidated or unliquidated or due or to become due, and whenever or however arising (including those arising out of any Contract or tort, whether based on negligence, strict liability or otherwise) and whether

or not the same would be required by GAAP to be reflected as a liability in financial statements or disclosed in the notes thereto.

“Lien” means, in the broadest terms possible, any lien (statutory or otherwise), Claim, Encumbrance, interest, Liability, deed of trust, right of first offer, easement, servitude, transfer restriction under any shareholder or similar agreement, mortgage, pledge, charge, security interest, option, right of first refusal, easement, security agreement or other encumbrance or restriction on the use or transfer of any property, hypothecation, license, preference, priority, covenant, right of recovery, Order of any Governmental Authority, of any kind or nature.

“Losses” means any loss, liability, claim, demand, obligation, damage, cost or expense (including reasonable legal fees and expenses), but excluding consequential, incidental, indirect, punitive or special damages, except to the extent such damages are paid or payable to a third party in connection with a Third Party Claim.

“Non-HUD Buyers” means the Buyers of the Non-HUD Properties.

“Non-HUD Properties” means each Real Property identified on Exhibit A under the heading “Non-HUD Facilities”.

“Non-HUD Sellers” means the Sellers of the Non-HUD Properties.

“Permitted Exceptions” means: (i) the general printed exceptions contained in the extended coverage Title Policy; (ii) general real estate taxes, association assessments, special assessments, special district taxes and related charges not yet due and payable; however, for the avoidance of doubt, nursing facility bed assessments are not “Permitted Exceptions”; (iii) building and use restrictions and easements, rights of way and similar matters of record so long as such exceptions do not prohibit or otherwise interfere with the current use of the Real Property for operation of a skilled nursing facility as currently operated (including for use of its current licensed number of beds); (iv) all matters shown on the Existing Survey; (v) all matters caused by the actions of a Buyer; (vi) solely with respect to the HUD Properties, the HUD Debt and all liens and encumbrances of HUD and the HUD lender associated therewith; and (vii) all other exceptions and limitations disclosed in the Title Commitment.

“Person” means any individual, corporation, company, association, partnership, limited liability company, joint venture, trust, unincorporated organization, or other entity, or Governmental Authority.

“Representatives” means, with respect to any Person, such Person’s shareholders, officers, directors, partners, members, managers, employees, agents and representatives acting on behalf of, such a Person.

“Sale Order” means an Order of the Bankruptcy Court, reasonably acceptable to Buyers in all respects, authorizing the sale of the Property to Buyers contemplated by this Agreement free and clear of all Liens, Claims, and Encumbrances, except Permitted Exceptions.

Section 1.02. Additional Definitions. Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
Agreement	Preamble
Assumed Liabilities	Section 2.03(a)
Auction	Recitals
Bankruptcy Court	Recitals
Basket	Section 7.03(b)
Bell System Credit	Section 3.03(c)
Bidding Procedures	Recitals
Bill of Sale	Section 3.02(a)(ii)
Buyer/Buyers	Preamble
Buyer's Broker	Section 4.02(e)
Buyer Indemnified Parties	Section 7.01
CIA	Section 6.01
Contract Date	Preamble
Covenant Survival Period	Section 4.03
Deed	Section 3.02(a)(i)
Deposit	Section 2.02(a)
DHS	Section 2.03(b)
Disclaimed Matters	Section 4.02(f)
DOH	Section 2.03(b)
DOL	Section 2.03(b)
Existing Operator/Existing Operators	Recitals
Existing Survey	Section 5.02(a)
Extended HUD Deadline	Section 3.01
Facility/Facilities	Recitals
First Closing	Section 3.01
First Closing Date	Section 3.01
First Closing Outside Date	Section 3.01
First Closing Payment	Section 2.02(b)
HUD	Recitals
HUD Approval	Section 5.05
HUD Approval Deadline	Section 5.05
HUD Buyer Indemnified Parties	Section 7.01
HUD Property/HUD Properties	Recitals
HUD Seller Indemnified Parties	Section 7.02
Indemnified Party	Section 7.04(a)
Indemnifying Party	Section 7.04(a)
New Operator/New Operators	Recitals
Non-HUD Buyer Indemnified Parties	Section 7.01
Non-HUD Seller Indemnified Parties	Section 7.02
OIG Release	Section 6.01
OTA	Recitals
Party/Parties	Preamble
Personal Property	Recitals
Property	Recitals

Term	Section
Purchase Price	Section 2.02
Real Properties	Recitals
Real Property	Recitals
Representation Survival Period	Section 4.03
Sale Motion	Recitals
Sale Procedures Order	Recitals
Second Closing	Section 3.01
Second Closing Date	Section 3.01
Second Closing Outside Date	Section 3.01
Second Closing Payment	Section 2.02(c)
Seller/Sellers	Preamble
Seller Indemnified Parties	Section 7.02
Seller's Broker	Section 4.01(f)
Sellers' Disclosure Documents	Section 5.02(a)
Stalking Horse Bidder	Recitals
Survival Period	Section 4.03
Third Party Claim	Section 7.04(a)
Title Commitment	Section 5.02(b)
Title Company	Section 2.02(a)
Title Policy	Section 5.01(c)
Transaction Documents	Section 4.01(a)

Section 1.03. General Interpretive Principles. Whenever used in this Agreement, except as otherwise expressly provided or unless the context otherwise requires, any noun or pronoun will be deemed to include the plural as well as the singular and to cover all genders. The name assigned this Agreement and the Section captions used herein are for convenience of reference only and will not be construed to affect the meaning, construction or effect hereof. Unless otherwise specified, the terms “hereof,” “herein” and similar terms refer to this Agreement as a whole (including the Exhibits and Schedules hereto), and references herein to Articles or Sections refer to Articles or Sections of this Agreement. Whenever the words “include,” “includes” or “including” are used in this Agreement, they will be deemed to be followed by the words “without limitation.”

Section 1.04. Multiple Properties. Each representation, warranty and covenant hereunder will apply severally, and not jointly, between the Seller and the Buyer whose names are set forth opposite such Real Property on Exhibit A hereto, as if this Agreement applied only to such Parties and to such Real Property; provided, however, that except as otherwise expressly provided herein or as otherwise agreed by the Parties, (a) the First Closing will occur with respect to all Non-HUD Properties simultaneously, (b) the Second Closing will occur with respect to all HUD Properties simultaneously, (c) the closing payments with respect to all Non-HUD Properties will be netted at the First Closing to determine the First Closing Payments payable hereunder, and (d) the closing payments with respect to all HUD Properties will be netted at the Second Closing to determine the Second Closing Payments payable hereunder.

ARTICLE II TRANSFER OF ASSETS AND OPERATIONS

Section 2.01. Generally. Subject to the terms and conditions set forth herein (i) at the First Closing the applicable Sellers will sell, transfer and assign to the applicable Buyers, and the applicable Buyers will purchase and assume, the applicable Non-HUD Properties and Personal Property located thereon and (ii) at the Second Closing, the applicable Sellers will sell, transfer and assign to the applicable Buyers, and the applicable Buyers will purchase and assume, the applicable HUD Properties and Personal Property thereon.

Section 2.02. Purchase Price; Payment. The aggregate purchase price for the Property will be Fifty Six Million Dollars (\$56,000,000.00) (the "Purchase Price"), and will be payable as follows:

(a) Buyer has: (i) deposited in an interest bearing account with Riverside Abstract (the "Title Company") earnest money in the sum of Nine Hundred Thousand (\$900,000) (the "Deposit"). Subject to the provisions of this Agreement, the Deposit has been paid over to the Sellers and will be credited to the Purchase Price at the First Closing, assuming that Buyers are the Successful Bidder and otherwise returned to Buyers or maintained by the Sellers, in accord with the terms of this Agreement.

(b) At the First Closing, the Buyers shall pay in cash by wire transfer of immediately available funds to an account designated by Sellers in writing, Eleven Million Dollars (\$11,000,000), minus the Deposit (the "First Closing Payment").

(c) At the Second Closing, the Buyers shall pay in cash by wire transfer of immediately available funds to an account(s) designated by Sellers in writing, (i) Forty Five Million Dollars (\$45,000,000), minus (ii) an amount equal to the HUD Debt assumed at the Second Closing by Buyers, if any, plus (iii) an amount equal to the balance of reserves funded by Sellers with respect to the HUD Properties pursuant to the HUD Debt or otherwise, provided the same are assigned to Buyer or New Operator at the Second Closing (the "Second Closing Payment").

Section 2.03. Assumption of Liabilities.

(a) Notwithstanding any provision in this Agreement to the contrary, Buyers do not and shall not assume and do not and shall not agree, in any manner, to be responsible or liable to pay, perform, fulfill or discharge, and shall not be responsible to pay, perform, fulfill, or discharge any of Sellers' Liabilities, including, without limitation, any Liabilities directly or indirectly arising out of, or resulting from Sellers' ownership or use of the Property or operation of the Business prior to the Closing and Sellers shall be exclusively obligated for all such Liabilities, except for (1) the HUD Debt, to the extent the HUD Approval is obtained; (2) any obligations arising after the applicable Closing under any Contracts or Leases assumed by Sellers and assigned to Buyers pursuant to Section 2.05 herein; and (3) the cure costs to be paid by Buyers, if any, to the extent any Contracts or Leases are assumed by Sellers and assigned to Buyers pursuant to Section 2.05 herein (collectively, the "Assumed Liabilities"). Without limiting the foregoing, no Buyer nor their Affiliates will be deemed to have assumed or be liable for; (i) any Leases, Contracts (unless explicitly assumed by Buyers or the New Operators under Section 2.05

herein or the OTA, respectively), current Liabilities, or any other Liabilities of Sellers whether or not reflected on the balance sheets of Sellers or their bankruptcy schedules, except for the Permitted Exceptions; (ii) any intercompany liabilities or amounts due to Sellers' Affiliates; (iii) any liabilities of Sellers or any of their Affiliates; (iv) any Liabilities of Sellers or their Affiliates accruing or arising on, before or after the Closing Date; and (v) any Liability or obligation of Sellers to any broker, finder or similar party.

(b) Without limiting the foregoing, and except for the Assumed Liabilities, to the fullest extent permitted by law (including under Section 363 of the Bankruptcy Code), upon the Closing, Buyers shall not be deemed to: (i) be the successors of the Sellers; (ii) have, de facto, or otherwise, merged with or into Sellers; (iii) be a mere continuation or substantial continuation of the Sellers or the business, enterprise(s), or operations of the Sellers; or (iv) be liable for any acts or omissions of Sellers in the conduct of their business or arising under or related to the Property. Without limiting the generality of the foregoing, Buyers shall not be liable for any Claims, Liens or Encumbrances (other than Assumed Liabilities and Permitted Exceptions) against any Seller or any of Sellers' predecessors or affiliates, and Buyers shall have no successor or vicarious liability of any kind or character whether known or unknown as of the applicable Closing, including, without limitation, any Liabilities owed by any Seller to the Pennsylvania Department of Health ("DOH"), the Pennsylvania Department of Human Services ("DHS"), the United States Department of Health and Human Services, or the United States Department of Labor ("DOL"), any taxes of any kind whether now existing or hereafter arising with respect to the Property, or any other liabilities of Sellers arising prior to the applicable Closing. The parties agree that the provisions substantially in the form of this Section 2.03, as well as any other provisions reasonably requested by Buyers to ensure "free and clear" sale of the Property (except for Permitted Exceptions and Assumed Liabilities), shall be reflected in the Sale Order.

Notwithstanding anything to the contrary contained herein or in the OTA, in the event that (i) New Operators or Buyers must engage legal counsel or incur any other costs or expenses to enforce the terms of the Sale Order against any third party asserting any type of Claim, Lien or Encumbrance against New Operators, Buyers, or the Property or the Transferred Assets that is not a Permitted Exception or Assumed Liability or (ii) a Governmental Authority determines pursuant to a Final Order that New Operators, Buyers, or the Property or the Transferred Assets are liable for any type of Claim, Lien or Encumbrance against New Operators, Buyers, or the Property or Transferred Assets that is not a Permitted Exception or Assumed Liability, then New Operators and Buyers may recover the amount of any losses, liabilities or damages resulting from the same, including, without limitation, reasonable costs and fees for legal counsel and related expenses, solely from the Escrow Account as provided in Article VII, subject to the terms and conditions of said Article VII.

Section 2.04. Sale Process. As will be set forth in more detail in the Bidding Procedures, the sale of the Property is subject to a potential Auction pursuant to the following terms:

(a) This Agreement shall be subject to an Auction conducted pursuant to the Bidding Procedures if Sellers receive one or more Qualified Bids (as defined in the Bidding Procedures), and the Purchase Price shall be considered the opening bid at the Auction for the Property as described in the Bidding Procedures;

(b) Intentionally omitted ;

(c) Sellers shall continue to market the sale of the Property prior to the Auction;
and

(d) To the extent that Buyers are declared the Backup Bidder (as defined in the Bidding Procedures) at the Auction for the Property, Buyers agree to serve as Backup Bidder until the earlier of (i) the closing of a transaction with a Successful Bidder (as defined in the Bidding Procedures) or (ii) December 31, 2024.

For the avoidance of doubt, if Sellers do not receive any other Qualified Bids other than the bid from Buyers, then there shall be no Auction, and Buyers and Sellers shall proceed with the transaction subject to the terms and conditions of this Agreement.

Section 2.05. Assumption and Rejection of Contracts and Leases. To any extent permissible, Buyers shall be permitted to designate any and all Contracts and/or Leases for assumption and assignment pursuant to Section 365 of the Bankruptcy Code, provided however, that any cure costs associated with any such assumed and assigned Contract or Lease shall be borne solely by the Buyers.

ARTICLE III CLOSING

Section 3.01. Closing. The consummation of the transactions contemplated herein with respect to the Non-HUD Properties (the “First Closing”) will occur on a date that is no later than five (5) business days after the date on which all of the conditions set forth in Section 3.05 and any other conditions set forth in this Agreement are met (the “First Closing Date”), but in any event no later than December 13, 2024 (the “First Closing Outside Date”). The consummation of the transactions contemplated herein with respect to the HUD Properties (the “Second Closing”) will occur, subject to the satisfaction of all the conditions set forth in Section 3.05 and any other conditions set forth in this Agreement, upon a date (the “Second Closing Date”) designated by Buyer upon at least three (3) days’ prior written notice to Seller so long as it is prior to the Second Closing Outside Date. The “Second Closing Outside Date” shall be the HUD Approval Deadline, provided, however, that in the event that (a) the HUD Approval is not obtained for the Fairmont Facility prior to the HUD Approval Deadline, and (b) as of the HUD Approval Deadline (i) the HUD Buyers have received written notice from HUD or the HUD-insured lender that the HUD Application is in process; (ii) HUD has not notified the HUD Buyers or the HUD Sellers, in writing, of any denial of the HUD Application with respect to the Fairmont Facility; and (iii) the HUD Buyers are diligently pursuing approval from HUD of the HUD Application, then the Second Closing Outside Date shall be extended, for additional one (1) month periods; provided, however, that (i) if at any time the HUD Approval for the Fairmont Facility is not received and the HUD Buyers receive a final determination regarding the HUD Application with respect to the Fairmont Facility stating that Buyers’ assumption of the HUD Debt is denied, this Agreement shall either terminate automatically with respect to the HUD Properties or the HUD Buyers may, at their sole discretion, proceed to closing with respect to all of the HUD Properties, or (ii) if the HUD Approval for the Fairmont Facility is received stating that Buyers’ assumption of the HUD Debt for the Fairmont Facility is approved, the HUD Buyers shall be obligated to proceed to closing with

respect to all of the HUD Properties. Notwithstanding the foregoing, in no event shall the Second Closing Outside Date be extended beyond April 25, 2025. The Closings will be conducted through an escrow with the Title Company, in accordance with the general procedures for similar transactions in the Commonwealth of Pennsylvania or the State of West Virginia, as applicable. Each Closing will occur simultaneously with the closing with respect to the corresponding Facilities under the OTA and will be effective for all purposes hereof as of the Effective Time on the applicable Closing Date.

Section 3.02. Deliveries at Closing.

(a) At each Closing, Sellers will make the following deliveries to Buyers, in each case duly executed by Sellers (as applicable):

(i) A special warranty deed (the “Deed”) for transfer and conveyance of good and marketable fee simple title to the applicable Real Properties;

(ii) A bill of sale (the “Bill of Sale”) for transfer and conveyance of the applicable Personal Property;

(iii) A non-foreign affidavit;

(iv) A certificate of an officer of Sellers, certifying as to the satisfaction of the conditions set forth in Section 3.05(a)(iii) and Section 3.05(a)(iv) hereof, as of the applicable Closing;

(v) A termination of the applicable Leases;

(vi) Any and all other documents and deliverables reasonably requested by the Title Company to effectuate the transactions contemplated hereby.

(b) At each Closing, Buyers will make the following deliveries to Sellers, in each case duly executed by Buyers (as applicable):

(i) A certificate of an officer of Buyers, certifying as to the satisfaction of the conditions set forth in Section 3.05(b)(i) and Section 3.05(b)(ii) hereof, as of the applicable Closing;

(ii) The First Closing Payment or the Second Closing Payment, as applicable; and,

(iii) Any and all other documents and deliverables reasonably requested by the Title Company to effectuate the transactions contemplated hereby.

Section 3.03. Pro-rations; Allocations.

(a) Prorations; Allocations Generally. Unless otherwise provided below, the following are to be adjusted and prorated between Sellers and Buyers as of the Effective Time, based upon a 365-day year:

(i) All state and local real estate transfer taxes incurred in connection with the transfer of the Property will be split equally by Buyers and Sellers.

(ii) Real estate taxes, assessments, personal property taxes, and all other charges or taxes assessed by any Governmental Authority on the Real Properties or the Personal Property will be apportioned as of the applicable Closing Date, based on the rates and assessed valuation applicable in the fiscal year for which assessed, with Sellers being responsible for such amounts prior to the applicable Closing Date and Buyers being responsible for such amounts on and after the applicable Closing Date.

(iii) Sellers will cause Existing Operators to use commercially reasonable efforts to arrange for a final reading of all utility meters for gas, steam, electricity, water, sewage and other public utility charges, as applicable, as of the applicable Closing Date. All such charges will be apportioned as of the applicable Closing Date with Sellers being responsible for such amounts prior to the applicable Closing Date and Buyers being responsible for such amounts on and after the applicable Closing Date. The Sellers shall receive the refund of all deposits held by such utility companies, and Buyers will arrange to make its own deposits with the utility companies for its obligations on and after the applicable Closing Date.

(iv) Buyers will pay any filing or recording fees and the fees of Buyer's Broker, if any.

(v) Sellers will pay the fees of Seller's Broker, if any.

(vi) Buyer and Seller will each pay one-half of the Escrow Agent's fees.

(b) Re-Adjustment. In the event that accurate prorations and other adjustments cannot be made as of the applicable Closing Date because current bills or statements are not obtainable, the Parties will prorate on the best available information, subject to adjustment upon receipt of the final bill or statement. All amounts which are subject to proration under the terms of this Agreement and which require adjustment after the applicable Closing Date will be settled within thirty (30) days after the applicable Closing Date or, in the event the information necessary for such adjustment is not available within said thirty (30) day period, then within ten (10) business days of receipt of information by the applicable Party necessary to settle the amounts subject to proration.

Section 3.04. Allocation of Purchase Price. The Purchase Price will be allocated among the Real Properties, the Personal Property and the Transferred Assets under the OTA in the manner as set forth in Schedule 3.04, which shall be agreed to at or prior to the First Closing, with respect to the Non-HUD Properties, and at or prior to the Second Closing Date, with respect to the HUD Properties. The Parties will adhere to such allocations in filing all returns with the appropriate taxing authorities. The aggregate amount of the Purchase Price allocable at the First Closing shall in no circumstances be less than the amount of \$11,000,000.00.

Section 3.05. Conditions Precedent.

(a) Buyers' obligation to consummate the transactions contemplated in this Agreement will be subject to the following conditions precedent (i) with respect to the Non-HUD

Sellers and the Non-HUD Properties, as of the First Closing Date and (ii) with respect to the HUD Sellers and the HUD Properties, as of the Second Closing Date, in each case, to the reasonable satisfaction of Buyers or the waiver thereof by Buyers, in their sole discretion:

- (i) Intentionally omitted;
- (ii) The Bankruptcy Court shall have entered a Sale Order approving the sale of the Property and Transferred Assets to Buyers and New Operators free and clear of all Claims, Liens and Encumbrances in form and substance reasonably satisfactory to Buyers, and it shall be a Final Order (unless waived by Buyers in Buyers' sole discretion);
- (iii) Each of the representations and warranties of the applicable Sellers contained in this Agreement will be true and correct in all material respects as of the applicable Closing Date;
- (iv) The applicable Sellers will have duly and timely performed and fulfilled all of their covenants and agreements hereunder to be performed by them prior to the applicable Closing in all material respects;
- (v) There will not be any Actions pending or threatened in writing against the applicable Sellers, Buyers or their respective Affiliates to restrain or prohibit the consummation of the transactions contemplated hereby to be consummated on such Closing Date;
- (vi) All conditions to the applicable New Operators' obligations to consummate the transactions that are the subject of the applicable Closing under the OTA shall have been satisfied or waived; and
- (vii) With respect to the HUD Properties, the HUD Approval for the Fairmont Facility shall have been obtained.

(b) Sellers' obligation to consummate the transactions contemplated in this Agreement will be subject to the following conditions precedent (i) with respect to the Non-HUD Buyers and the Non-HUD Properties, as of the First Closing Date and (ii) with respect to the HUD Buyers and the HUD Properties, as of the Second Closing Date, in each case, to the reasonable satisfaction of Sellers or the waiver thereof by Sellers, in their sole discretion:

- (i) Each of the representations and warranties of the applicable Buyers contained in this Agreement will be true and correct in all material respects as of the applicable Closing Date;
- (ii) The applicable Buyers will have duly and timely performed and fulfilled all of their covenants and agreements hereunder to be performed by them prior to the applicable Closing in all material respects;
- (iii) There will not be any Actions pending or threatened in writing against the applicable Buyers or Sellers or their respective Affiliates to restrain or prohibit the consummation of the transactions contemplated hereby to be consummated on such Closing Date; and

(iv) All conditions to the applicable Existing Operators' obligations to consummate the transactions that are the subject of the applicable Closing under the OTA shall have been satisfied or waived;

(v) Intentionally omitted;

(vi) The Bankruptcy Court shall have entered a Sale Order confirming Buyers as the Successful Bidder in form and substance reasonably satisfactory to Buyers, and it shall be a Final Order (unless waived by Buyers in Buyers' sole discretion).

ARTICLE IV REPRESENTATIONS AND WARRANTIES

Section 4.01. Representations and Warranties by Sellers. Each Seller hereby represents and warrants to the applicable Buyer as follows:

(a) Organization. Such Seller is a limited liability company or limited partnership (as designated on Exhibit A), duly organized and validly subsisting under the laws of its state of formation (as designated on Exhibit A) and, subject to the entry of the Sale Order, has the power and authority to execute, deliver and perform this Agreement and each other document, instrument and agreement contemplated by this Agreement (collectively, the "Transaction Documents") to which it is a party.

(b) Authority. The execution, delivery and performance of this Agreement and the other Transaction Documents to which such Seller is a party have been duly authorized by the managers and members (if required) of such Seller, and do not contravene the terms of any Seller's organizational or other governing documents. This Agreement and each other Transaction Document to which it is a party, when executed and delivered by such Seller, will be the valid and legally binding obligation of such Seller, enforceable against it in accordance with their respective terms, subject to the effect of any bankruptcy, insolvency, reorganization, moratorium, arrangement or similar laws affecting the enforcement of creditors' rights generally.

(c) Litigation. There are no Actions pending, nor, to Seller's Knowledge, threatened in writing which affect or relate to its Property.

(d) Compliance with Law. Seller has not received any notice from any Governmental Authority having jurisdiction over its Property alleging that the Property is in material violation of any applicable Law.

(e) Title; Encumbrances. Subject to the Sale Order, at the Closing, Sellers shall transfer to Buyers good and valid title to, or, in the case of property leased or licensed by Sellers, a valid and subsisting leasehold interest in or a legal, valid and enforceable licensed interest in or right to use, all of the Property, except the Excluded Assets, free and clear of all Liens, Claims, and Encumbrances (except for the Permitted Exceptions), as provided under section 363(f) of the Bankruptcy Code. At the Closing, Sellers shall have the right to freely assign all of their rights and interests in the Property to Buyers free and clear of all Liens, Claims and Encumbrances (except for the Permitted Exceptions). Other than the Leases, which will be terminated, as of the applicable Closing, such Seller is not a party to any lease that affects any portion of the Real

Properties and/or Facilities. Other than the right to purchase contained in any deed of trust or the right to purchase provided in this Agreement, Seller has not granted outstanding options or rights of first refusal to purchase the any Real Properties, or any portion thereof or interest therein. All contractors and subcontractors and other persons or entities engaged by Seller who have performed work on or supplied materials to any portion of the Real Properties have been fully paid for all amounts due and owing (or will be paid in the ordinary course), and, to Seller's Knowledge there are no claims against the Property arising from any non-payment by Seller which may give rise to a mechanic's lien against the Property or any portion thereof.

(f) Brokers. Except as set forth in Schedule 4.01(f) (the "Seller's Broker"), no broker or finder has acted for Seller, Existing Operator and/or their respective Affiliates in connection with the transactions contemplated by this Agreement, and no broker or finder is entitled to any broker's fee or finder's fee or other commission in respect thereof based in any way on agreements, understandings or arrangements with such Person.

(g) Financial Statements. The financial statements provided by Seller to Buyers are true, complete and accurate and fairly present the financial condition and results of operations of Seller as at the respective dates thereof and for the periods referenced therein, have been prepared in accordance with GAAP.

(h) Licenses. Seller and/or the applicable Existing Operator have all material licenses and permits relating to the ownership of the assets and operation of the applicable Facility as are currently necessary and required for such ownership and operation, as currently conducted.

(i) Disclaimer of Other Warranties. Except as expressly set forth in this Section 4.01, no Seller makes, and Sellers specifically disclaim any and all representations or warranties, of any kind or character whatsoever, whether express or implied, concerning, with respect to or regarding Sellers, their Affiliates (including any Existing Operator), the Facilities, the Property or any matter affecting or relating to the transactions contemplated hereby. Without limiting the generality of the foregoing, except as expressly set forth herein, Sellers make no representations or warranties relating to the condition of the Property, and hereby expressly disclaim any such implied warranties, including without limitation any warranty of merchantability or fitness for a particular purpose.

Section 4.02. Representations and Warranties by Buyer. Each Buyer hereby represents and warrants to the applicable Seller as follows:

(a) Organization. Such Buyer is a limited liability company duly organized and validly subsisting under the laws of the State of Ohio and has the power and authority to execute, deliver and perform this Agreement and each other Transaction Document to which it is a party.

(b) Authority. The execution, delivery and performance of this Agreement and the other Transaction Documents to which Buyer is a party have been duly authorized by the managers and members (if required) of such Buyer, and do not contravene the terms of any Buyer's organizational or other governing documents. This Agreement and each other Transaction Document to which it is a party, when executed and delivered by Buyer, will be the valid and legally binding obligation of such Buyer, enforceable against it in accordance with their respective

terms, subject to the effect of any bankruptcy, insolvency, reorganization, moratorium, arrangement or similar laws affecting the enforcement of creditors' rights generally.

(c) Proceedings. There are no Actions pending or, to Buyer's Knowledge, threatened against Buyer and/or its Affiliates that seek to prohibit, restrict or enjoin, or that would otherwise be reasonably likely to adversely affect the ability of Buyer to consummate, the transactions described in this Agreement.

(d) Financing. Buyer has, or as of the applicable Closing Date will have, sufficient resources to consummate the transactions contemplated herein.

(e) Brokers. Except as set forth in Schedule 4.02(e) (the "Buyer's Broker"), no broker or finder has acted for Buyers, New Operators and/or their respective Affiliates in connection with the transactions contemplated by this Agreement, and no broker or finder is entitled to any broker's fee or finder's fee or other commission in respect thereof based in any way on agreements, understandings or arrangements with such Person.

(f) No Other Warranties. Buyers acknowledge and agree that, except as expressly set forth in Section 4.01, it will be purchasing the Property "AS IS" and "WITH ALL FAULTS". Buyers hereby release Sellers and their Affiliates (including the Existing Operators) and their respective Representatives from any and all claims, whether known or unknown, which Buyers, their Affiliates and/or Representatives had, have or may in the future have against such Persons, and Buyers hereby agree not to assert any claims for contribution, cost recovery, or otherwise, against such Persons, relating directly or indirectly to Property. For the avoidance of doubt, the release contained in this Section 4.03(f) does not release Sellers from their indemnification obligations under Article VII.

Section 4.03. Survival. Each representation and warranty of Sellers and Buyers set forth in this Article IV will survive the applicable Closing Date for a period of twelve (12) months (the "Representation Survival Period"). All covenants which, by their terms, contemplate performance after the Effective Time, including without limitation Section 3.03(b), Section 3.04, Section 5.02(b), and Articles VI, VII and IX, will survive the applicable Closing for the time periods set forth therein or, if no time period is specified, for the applicable statute of limitations (the "Covenant Survival Period" and, collectively with the Representation Survival Period, the "Survival Period").

ARTICLE V CONDUCT PRIOR TO CLOSING

Section 5.01. Business in the Ordinary Course. Sellers covenant and agree that, except with the prior written consent of Buyers (such consent not to be unreasonably withheld or delayed in the case of matters in the ordinary course of business) between the Contract Date and the Closing and subject to the Orders of the Bankruptcy Court:

(a) Sellers shall conduct the operations of the facilities in the ordinary course of business as currently conducted and subject to all limitations imposed by the Bankruptcy Code and/or resulting from Sellers' bankruptcy filings;

(b) Sellers shall not amend or modify in any material respect or terminate (other than by completion thereof) any existing Contract or Lease or enter into any new Contract or Lease, in each case other than in the ordinary course of business and provided that such amendment or modification will not increase Buyers' obligations thereunder or reduce Buyers' rights following consummation of the transaction;

(c) the books, records and accounts of Sellers shall be maintained in the usual, regular and ordinary course of business;

(d) each Seller shall use commercially reasonable efforts to preserve its business organization, to keep available the services of its officers, employees and agents, and to preserve the goodwill of, and maintain good business relationships with, its suppliers, customers and others having business relations with it;

(e) each Seller shall not sell or dispose of any Property other than collections of accounts, the utilization of inventory, and the retirement or disposition of equipment in the ordinary course of business;

(f) each Seller shall keep in full force and effect and pay all premiums and other amounts due under all insurance policies of Sellers;

(g) each Seller shall not modify the compensation paid or payable to any employee other than compensation adjustments made in the ordinary course of business;

(h) each Seller shall not make any material changes to the operation of the Facilities or suspend any material expenses, including required capital expenses; and

(i) each Seller shall not make any commitments to incur capital expenditures other than in the ordinary course of business.

Section 5.02. Title Commitment and Third Party Reports.

(a) Sellers may furnish to Buyers certain third party reports with respect to the Real Properties within its possession, including, but not limited to, any existing survey for the Real Properties (such survey, the "Existing Survey" and, all such third party reports collectively, with the Existing Survey, the "Sellers' Disclosure Documents"). Sellers disclaim all warranties, express and implied, with respect to the Sellers' Disclosure Documents, including but not limited to warranties of title, accuracy, transferability and fitness for a particular use.

(b) Within three (3) days of the Contract Date, Buyers will order a title insurance commitment covering the Real Properties (collectively, the "Title Commitment"). The Title Commitment will commit the Title Company to issue its current form of ALTA owner's title insurance policy to the applicable Buyer, with standard exceptions and in the amount of the amount Purchase Price, and will include copies of all documents evidencing the items referred to as exceptions in the Title Commitment. If the Title Commitment contains any encumbrances or exceptions which are not acceptable to Buyers, before the applicable Closing, Buyers may attempt to remedy such defect and request that the Title Company agree to remove such encumbrance/exception from the Title Policy. Buyers acknowledge that Sellers will have no

obligation to remedy or eliminate any encumbrances or exceptions, other than any liens securing indebtedness of Sellers.

(c) At the applicable Closing, title to the applicable Real Properties will be insured by a standard ALTA owner's policy of title insurance issued by the Title Company in the amount of the amount of the Purchase Price (the "Title Policy"). The Title Policy will insure title subject only to the Permitted Exceptions. Buyers will pay for the cost of the basic Title Policy. Buyers, in their discretion, may secure such extended coverage and endorsements to the standard coverage as Buyers may elect to obtain, but Buyers will bear the cost of all such extended coverage and endorsements as Buyers may elect to obtain. Issuance of such extended coverage or endorsements will not be a condition to Buyers' obligation to close this transaction. Buyers acknowledge that at applicable Closing title to the applicable Real Properties will be conveyed subject to the Permitted Exceptions, and that neither these exceptions nor the standard printed exceptions in the Title Commitment or the Title Policy will constitute title defects.

Section 5.03. Condemnation, Eminent Domain, Damage and Casualty. Buyers will have the right to terminate this Agreement with respect to the affected Facility if (i) all or a material part of the applicable Property is destroyed without fault of Buyers on or before the date such Buyer takes possession of such Property, or (ii) all or a material part of the applicable Property is taken by eminent domain. Buyers will give written notice of Buyers' election to terminate this Agreement with respect to such Facility under this Section 5.03 within five (5) business days after such Buyer first learns of any damage to or condemnation of the Property which entitles Buyer to terminate this Agreement. If such Buyer does not give such notice, then this Agreement will remain in full force and effect and there will be no reduction in the Purchase Price, but Sellers will, at the applicable Closing, assign to the applicable Buyer (a) any insurance proceeds payable to such Seller with respect to such damage; or (b) the entire award payable with respect to such condemnation proceeding, whichever is applicable. For purposes of this paragraph, (i) a taking by eminent domain of a portion of the Property will be deemed to affect a "material part" of the Property if the estimated value of the portion of the Property taken exceeds fifteen percent (15%) of the Purchase Price allocable to such Facility or if such taking results in a reduction of the licensed skilled nursing beds at such Facility and (ii) the destruction of a "material part" of the Property will be deemed to mean a casualty to the Property prior to the applicable Closing having an estimated cost of repair which equals or exceeds fifteen percent (15%) of the Purchase Price allocable to such Facility or if the casualty results in a reduction of the licensed skilled nursing beds at such Facility.

Section 5.04. Filing of HUD Application. No later than November 15, 2024, the HUD Buyers shall file the HUD Application and will, at all times thereafter, use their commercially reasonable best efforts and diligently proceed to pursue and secure HUD approval for the HUD Application with respect to all of the HUD Properties (the "HUD Approval") no later than December 20, 2024 (the "HUD Approval Deadline"). The HUD Buyers will keep the HUD Sellers apprised in writing on a weekly basis of the status of the HUD Application and the HUD Approval. The HUD Sellers will provide the HUD Buyers with all cooperation reasonably requested by the HUD Buyers from time to time in connection with the HUD Buyers' efforts to obtain the HUD Approval.

ARTICLE VI POST-CLOSING COVENANTS

Section 6.01. CIA. At the First Closing, Seller will deliver to Buyer evidence that the Facilities will be released from the Corporate Integrity Agreement, fully executed as of January 22, 2020 by and among the U.S. Department of Justice and on behalf of the Office of Inspector General of the Department of Health and Human Services (OIG-HHS), Guardian Healthcare Management Services Holdco, LLC, Guardian Healthcare Ancillary Services Holdco, LLC and their affiliated skilled nursing facilities (the “CIA”), from and after the Effective Time (the “OIG Release”).

Section 6.02. Confidentiality of Certain Information. Buyers shall, and shall cause their Affiliates and Representatives to, hold in strict confidence all Confidential Information received by them in connection with this Agreement and the transactions contemplated hereby. Without the prior written consent of Sellers, none of the Buyers, their Affiliates or Representatives will disclose and/or use any such Confidential Information, in whole or in part, except in connection with the performance of the transactions, or enforcement of its rights or obligations, pursuant to this Agreement and the other Transaction Documents. Unless otherwise required by applicable Law, Buyers will not disclose any Confidential Information to any Person, other than their Affiliates and Representatives, and such other Persons (such as insurers, bankers and Governmental Authorities) who have a need to know in order to allow Buyers to consummate the transactions described in this Agreement, all of whom (excluding any Governmental Authority) must be subject to legally binding obligations to keep the Confidential Information confidential. If any Closing does not occur, Buyers will, and will cause their Affiliates and Representatives to, destroy or return to Sellers all copies of the Confidential Information in their possession or under their control with respect to the Property and Facilities to which such Closing relates. Buyers will be liable for any breach of this Section 6.02 by their Affiliates or Representatives.

Section 6.03. Further Assurances. Each of the Parties hereto agrees to use its reasonable best efforts to take, and to cause its Representatives to take, all action and to do, or cause to be done, all things reasonably necessary, proper or advisable to effectuate the transactions contemplated herein at the earliest practicable time.

Section 6.04. Bulk Sales Compliance. The Parties hereby waive compliance with any applicable bulk sales Law.

ARTICLE VII INDEMNIFICATION

Section 7.01. Seller Indemnification Obligations. From and after the Effective Time of the First Closing, conditioned on such Closing, the Non-HUD Sellers will indemnify, defend and hold harmless the Non-HUD Buyers and their Affiliates and Representatives (collectively, the “Non-HUD Buyer Indemnified Parties”) from and against any and all Losses suffered or incurred by any of the Non-HUD Buyer Indemnified Parties as a result of or arising out of (a) a breach by a Non-HUD Seller of its representations or warranties in this Agreement, or (b) a breach by a Non-HUD Seller of its covenants in this Agreement. , From and after the Effective Time of the Second Closing, conditioned on such Closing, the HUD Sellers will indemnify, defend and hold harmless

the HUD Buyers and their Affiliates and Representatives (collectively, the “HUD Buyer Indemnified Parties” and, together with the Non-HUD Buyer Indemnified Parties, collectively, the “Buyer Indemnified Parties”) from and against any and all Losses suffered or incurred by any of the HUD Buyer Indemnified Parties as a result of or arising out of (a) a breach by a HUD Seller of its representations or warranties in this Agreement, or (b) a breach by a HUD Seller of its covenants in this Agreement. The indemnities set forth in this Section 7.01 shall be joint and several among the Sellers and the Existing Operators. As security for Sellers’ and the Existing Operators’ indemnity obligations, at the Second Closing, Sellers shall place into escrow with the Title Company as escrow agent (the “Escrow Agent”) the sum of \$250,000 (the “Escrow Amount”) for the period expiring with the expiration of the Representation Survival Period from and after the Second Closing. The Escrow Amount shall be held and disbursed by the Escrow Agent in accordance with the terms of an escrow agreement in form and substance reasonably satisfactory to the Parties and the Escrow Agent (the “Escrow Agreement”). New Operators are third-party beneficiaries with respect to the foregoing and shall have the right to assert a demand for the Escrow Amount hereunder in connection with any indemnification claims made pursuant to the OTA.

Section 7.02. Buyer Indemnification Obligations. From and after the Effective Time of the First Closing, conditioned on such Closing, the Non-HUD Buyers will indemnify, defend and hold harmless the Non-HUD Sellers and their Affiliates and Representatives (collectively, the “Non-HUD Seller Indemnified Parties”) from and against any and all Losses suffered or incurred by any of the Non-HUD Seller Indemnified Parties as a result of or arising out of (a) a breach by a Non-HUD Buyer of its representations or warranties in this Agreement, or (b) a breach by a Non-HUD Buyer of its covenants in this Agreement. From and after the Effective Time of the Second Closing, conditioned on such Closing, the HUD Buyers will indemnify, defend and hold harmless the HUD Sellers and their Affiliates and Representatives (collectively, the “HUD Seller Indemnified Parties” and, together with the Non-HUD Seller Indemnified Parties, collectively, the “Seller Indemnified Parties”) from and against any and all Losses suffered or incurred by any of the HUD Seller Indemnified Parties as a result of or arising out of (a) a breach by a HUD Buyer of its representations or warranties in this Agreement, or (b) a breach by a HUD Buyer of its covenants in this Agreement. The indemnities set forth in this Section 7.02 shall be joint and several among the Buyers and the New Operators.

Section 7.03. Limitations of Liability. Notwithstanding anything to the contrary contained in this Agreement, each Party’s obligations to indemnify the other will be subject to the limitations set forth below:

(a) No claim for indemnification may be asserted against an Indemnifying Party on or after the expiration of the applicable Survival Period, unless the Indemnified Parties have notified the Indemnifying Party of such claim in writing prior to the expiration of the Survival Period.

(b) Sellers' indemnity obligations pursuant to Section 7.01 shall be limited to the Escrow Amount.

(c) The recovery by the Indemnified Parties under this Agreement will be net of any reimbursement recovered or recoverable from any insurance carrier or other third parties in

connection with the Losses that form the basis of the Indemnified Party's claim for indemnification hereunder. The Indemnified Party will use commercially reasonable efforts to collect the maximum amount of insurance proceeds and proceeds available from other third persons in connection with any such Losses. The Indemnifying Party will be subrogated to all rights that the Indemnified Party may have against others for recovery of Losses paid by the Indemnifying Party, and the Indemnified Party will take all actions reasonably necessary to effect such subrogation rights of the Indemnifying Party.

(d) An Indemnified Party will use its reasonable best efforts to mitigate Losses for which it is entitled to indemnification pursuant to this Article VII. The Indemnifying Party will have the right, but not the obligation, and will be afforded the opportunity to the extent possible, to take all available steps to minimize Losses for which the Indemnified Party is entitled to indemnification before such Losses are actually incurred by the Indemnified Party.

Section 7.04. Indemnity Claims.

(a) If any Action is commenced or threatened by a third party that may give rise to a claim for indemnification (an "Third Party Claim") by any Person entitled to indemnification under this Agreement (each, an "Indemnified Party"), then such Indemnified Party will promptly (i) notify the Party required to indemnify hereunder (the "Indemnifying Party") and (ii) deliver to the Indemnifying Party a written notice (A) describing in reasonable detail the nature of the Action, (B) including a copy of all papers served with respect to such Action, (C) including the Indemnified Party's good faith estimate of the amount of Losses that may arise from such Action, and (D) describing in reasonable detail the basis for the Indemnified Party's request for indemnification under this Agreement. Failure to notify the Indemnifying Party in accordance with this Section 7.04(a) will not relieve the Indemnifying Party of any liability that it may have to the Indemnified Party pursuant to this Article VII, except to the extent (1) the defense of such Action is prejudiced by the Indemnified Party's failure to give such notice or (2) the Indemnified Party fails to notify the Indemnifying Party of such Third Party Claim in accordance with this Section 7.04(a) prior to the expiration of the applicable Survival Period.

(b) An Indemnifying Party may elect at any time to assume and thereafter conduct the defense of any Action subject to any such Third Party Claim with counsel of the Indemnifying Party's choice and to settle or compromise any such Action, and each Indemnified Party will cooperate in all respects with the conduct of such defense by the Indemnifying Party (including the making of any related claims, counterclaim or cross complaint against any Person in connection with the Action) and the settlement of such Action by the Indemnifying Party; provided, however, that the Indemnifying Party will not approve of the entry of any judgment or enter into any settlement or compromise with respect to such Action that is not limited to payment of money damages by the Indemnifying Party without the Indemnified Party's prior written consent (not to be unreasonably withheld, conditioned or delayed). If the Indemnified Party gives an Indemnifying Party notice of a Third Party Claim and the Indemnifying Party does not give notice to the Indemnified Party of its election to assume the defense of the Action subject to such Third Party Claim, then the Indemnified Party may conduct the defense of such Action; provided, however, that the Indemnified Party will not agree to the entry of any judgment or enter into any settlement or compromise with respect to such Action without the prior written consent of the Indemnifying Party (not to be unreasonably withheld, conditioned or delayed).

(c) In circumstances where the Indemnifying Party assumes the defense of a Third Party Claim in accordance with Section 7.04(b), the Indemnified Party will be entitled to participate in the defense of such Third Party Claim and to employ separate counsel of its choice for such purpose, in which case the fees and expenses of such separate counsel will be borne by such Indemnified Party; provided, however, that if in the reasonable opinion of counsel to the Indemnified Party, (i) there are legal defenses available to the Indemnified Party that are different from or additional to those available to the Indemnifying Party; or (ii) there exists a conflict of interest between the Indemnifying Party and the Indemnified Party that cannot be waived, the Indemnifying Party will be liable for the reasonable fees and expenses of counsel to the Indemnified Party.

(d) If any Indemnified Party becomes aware of any circumstances that may give rise to claim for indemnification for any matter not involving a Third Party Claim, then such Indemnified Party will promptly notify the Indemnifying Party and deliver to the Indemnifying Party a written notice describing in reasonable detail the nature of the circumstances giving rise to such claim, including the Indemnified Party's good faith estimate of the amount of Losses that may arise from such circumstances. Failure to notify the Indemnifying Party in accordance with this Section 7.04(d), will not relieve the Indemnifying Party of any liability that it may have to the Indemnified Party pursuant to this Article VII, except to the extent (i) the defense of such claim is prejudiced by the Indemnified Party's failure to give such notice or (ii) the Indemnified Party fails to notify the Indemnifying Party of such claim in accordance with this Section 7.04(d) prior to the expiration of the applicable Survival Period. If the Indemnifying Party disputes its indemnity obligations for any Losses with respect to any such claim, the Parties will proceed in good faith to negotiate a resolution of such dispute and, if not resolved through negotiations, either Party may submit such dispute to an appropriate court of jurisdiction in accordance with Section 9.06.

Section 7.05. Tax Treatment. All amounts paid with respect to claims for indemnification pursuant to this Article VII will be treated by the Parties hereto for all tax purposes as adjustments to the Purchase Price, and will be reported as such by the Parties hereto on their tax returns, each to the extent permitted by applicable Law.

Section 7.06. Sole Remedy. The Parties acknowledge and agree that, from and after the Effective Time, their sole and exclusive remedy with respect to any and all claims for any breach of this Agreement and/or any other Transaction Document (other than claims for fraud), will be pursuant to the indemnification provisions set forth in this Article VII, and none of the Sellers, Existing Operators or any of their Affiliates or Representatives will have any other liabilities arising out of the negotiation, entry into or consummation of the transactions contemplated by this Agreement, whether at law or in equity. Nothing in this Section 7.06 will limit any claim for specific performance, injunctive or declaratory relief to which a Party is entitled.

ARTICLE VIII DEFAULT; TERMINATION; BANKRUPTCY PROVISIONS

Section 8.01. Termination.

(a) This Agreement will terminate automatically upon termination of the OTA.

(b) This Agreement may be terminated and the transactions contemplated hereby abandoned prior to the applicable Closing as follows:

(i) by mutual written consent of Sellers and Buyers;

(ii) intentionally omitted;

(iii) intentionally omitted;

(iv) by either Sellers or Buyers by written notice to the other Party, (A) with respect to all, but not less than all, of the Property, if the First Closing has not occurred on or before the First Closing Outside Date, unless extended by written agreement of the Sellers and Buyers, and (B) with respect to all, but not less than all, of the HUD Properties, if the Second Closing has not occurred on or before the Second Closing Outside Date (as same may be extended pursuant to Section 3.01); provided, however, that (w) in the event that (a) DOH approval of the CHOWs with respect to the Non-HUD Facilities is not obtained prior to the First Closing Outside Date, and (b) as of such date (i) all other conditions to the Sellers' obligation to consummate the First Closing have been satisfied; (ii) DOH has not notified the Non-HUD Existing Operators or the Non-HUD New Operators of a final-non appealable determination objecting to the CHOW applications with respect to any of the Non-HUD Facilities due to a fault of the New Operators; and (iii) the Non-HUD New Operators are diligently pursuing approval from DOH of the CHOW applications, then the Buyers and Sellers shall negotiate in good faith for a reasonable extension of the First Closing Outside Date, and (x) the right to terminate this Agreement pursuant to this Section 8.01(b)(iv) will not be available to any Party whose breach (as stipulated by the Parties or as determined by the Bankruptcy Court) of any provision of this Agreement results in the failure of the applicable Closing to be consummated by such time;

(v) by Sellers in the event of a material breach of any representation, warranty or covenant herein by Buyers, which breach is incapable of cure or, if capable of cure, remains uncured for five (5) days after written notice is given to Buyers (or such longer notice and cure period as may be set forth in any other provision of this Agreement);

(vi) by Buyers in the event of a material breach of any representation, warranty or covenant herein by Sellers, which breach is incapable of cure or, if capable of cure, remains uncured for five (5) days after written notice is given to Sellers (or such longer notice and cure period as may be set forth in any other provision of this Agreement);

(vii) by Buyers if there has been a material breach, inaccuracy in or failure to perform any material representation, warranty, covenant or agreement made by Sellers pursuant to this Agreement that would render any of the Conditions specified in Section 3.05 incapable of being satisfied and such breach, inaccuracy or failure cannot be cured by Sellers by the First Closing Outside Date;

(viii) by Buyers if Buyers are not the Successful Bidder at the Auction; provided that if Buyers are the Backup Bidder; then Buyers shall not be permitted to terminate this Agreement pursuant to this Section 8.01(b)(viii) until the earlier of (A) the closing of an Alternative Transaction with the Successful Bidder or (B) the First Closing Outside Date;

(ix) by Buyers if the sale is disapproved by the Bankruptcy Court or if Sellers accept or agree to any Alternative Transaction (unless Buyers are the Backup Bidder, then in such case, upon the closing of the Alternative Transaction);

(x) by Buyers if prior to the applicable Closing, the Sale Order, after being entered by the Bankruptcy Court, has subsequently and finally been reversed, revoked, or voided, amended or modified in form and substance no longer reasonably satisfactory to Buyers;

(xi) by Buyers if the bankruptcy case is dismissed in whole or in part or converted to chapter 7 of the Bankruptcy Code for any reason prior to the applicable Closing or delays the applicable Closing from occurring;

(xii) by Buyers if upon conclusion of the Auction, Buyers are not selected as the Successful Bidder or the Backup Bidder; and

(xiii) by Buyers if the Sale Order is not in form and substance reasonably satisfactory to Buyers.

Section 8.02. Manner and Effect of Termination.

(a) Written notice of any termination pursuant to this Article VIII shall be given by Buyers to Sellers or by Sellers to Buyers, as the case may be, and such notice shall state the reason for termination.

(b) Subject to Section 8.02(c), if this Agreement is terminated by a Party pursuant to Section 8.01(a), Section 8.01(b)(iv), or Sections 8.01(b)(vi)-(xiii), in addition to any other rights such Party may have under this Agreement, this Agreement will thereupon become void and of no effect and all further obligations of the Parties under this Agreement shall terminate, except that the obligations and provisions set forth in this Section 8.02, Section 1.03, Section 3.03, Section 8.01, Section 8.02(e), Section 8.03, Section 8.04(e), Section 9.01, Section 9.03, Section 9.06, Section 9.07, Section 9.09, and Section 9.13, and those other obligations which explicitly provide for survival in the event of termination pursuant to their respective terms.

(c) Notwithstanding anything to the contrary herein, if this Agreement is terminated under Section 8.01(b)(v) by Sellers because of the breach of this Agreement by Buyers or because one or more of the conditions to Sellers' obligations under this Agreement are not satisfied as a result of Buyers' failure to comply with its obligations under this Agreement, Sellers' sole and exclusive remedy shall be to retain and keep the Deposit as liquidated damages. In such event, Sellers waive and release any right to (and Sellers covenant that they shall not) sue Buyer with respect to this Agreement for specific performance or to recover any damages of any kind or nature other than, or in excess of, the Deposit.

(d) If this Agreement is terminated for any reason pursuant to Section 8.01(a), Sections 8.01(b)(i)-(iv) or Sections 8.01(b)(vi)-(xiii), Sellers shall: within five (5) business days of such termination, fully refund the Deposit to Buyers in cash, by wire transfer of immediately available funds to an account designated in writing by Buyers.

(e) Intentionally omitted.

(f) Notwithstanding anything herein or in the OTA to the contrary, if this Agreement is terminated by Buyers because the Bankruptcy Court enters an Order approving the sale of the Property and the Transferred Assets to Buyers and the New Operators, respectively, but such Order is not free and clear of all Claims, Liens and Encumbrances of DHS and DOH, Buyers shall be entitled to immediate return of the Deposit.

Section 8.03. The Parties acknowledge that the agreements contained in this Article VIII are an integral part of the transactions contemplated hereby, and that, without these agreements, Buyers would not have entered into this Agreement. For purposes of clarity, Sellers' obligations to refund the Deposit, if any, as provided herein shall survive termination of this Agreement.

Section 8.04. Bankruptcy Covenants.

(a) Intentionally omitted.

(b) Sale Order. If Buyers are the Successful Bidder (as defined in the Bidding Procedures), Sellers agree to use best efforts to cause the Bankruptcy Court to enter a Sale Order approving the sale of the Property to Buyers under the terms of this Agreement as soon as reasonably possible, which shall include provisions authorizing and approving the transactions contemplated hereby, including, without limitation: (i) the sale of the Property to Buyers free and clear of all Liens, Claims, and Encumbrances pursuant to the terms of this Agreement and section 363(b) and (f) of the Bankruptcy Code; (ii) finding Sellers and Buyers to have acted and negotiated at arm's-length and in good faith and providing for the protections afforded under section 363(m) and 363(n) of the Bankruptcy Code; (iii) waiving the stays set forth in Rules 6004(h) and 6006(d) of the Federal Rules of Bankruptcy Procedure; (iv) providing that Buyers shall not be subject to any successor liability and shall have no Liability or suffer any damages for any Liens, Claims, and Encumbrances existing prior to the Closing Date which may be asserted against Sellers, the Property, or Sellers' bankruptcy estates, or any Claims against Buyers as successor to the Property; (v) providing for a waiver and release of all Claims and causes of action by Sellers of Buyers and its Affiliates as of the Closing Date, except for all Claims, causes of action, counter claims, and rights arising under this Agreement; (vi) providing for the retention of jurisdiction by the Bankruptcy Court to resolve any and all disputes that may arise under or relate to this Agreement or the Sale Order, whether between Sellers and Buyers or involving a Person in interest in Sellers' bankruptcy case; (vii) containing findings of fact and conclusions of Law that include the following: (A) the transactions under this Agreement were negotiated and entered into in good faith and at arm's-length; (B) the marketing and sale process conducted by Sellers pursuant to the Sale Procedures Order are bona fide and adequate; (C) Sellers gave due and proper notice and an opportunity to be heard to all interested parties of this Agreement and the transactions contemplated herein; (D) Buyers are not holding themselves out to the public as a continuation of Sellers; (E) the consideration to be paid by Buyers under this Agreement constitutes reasonably equivalent value (as that term is used in each of the Uniform Fraudulent Transfer Act, as applied by state Law and section 548 of the Bankruptcy Code) and fair consideration for the Property; and (F) neither Buyers nor Sellers are entering into the transactions contemplated by this Agreement fraudulently.

(c) Appeal or Delay. In the event an appeal is taken or a stay pending appeal is requested (or a petition for certiorari or motion for rehearing or reargument is filed), with respect to the Sale Procedures Order, the Sale Order, or any other Order of the Bankruptcy Court related to the transactions contemplated by this Agreement, Sellers shall take all steps as may be reasonable and appropriate to defend against such appeal, petition, or motion, and Buyers shall cooperate in such efforts. Each Party shall use its commercially reasonable best efforts to obtain an expedited resolution for such appeal. From and after the Contract Date, except as may be provided in the Sale Procedures Order or any other order of the Bankruptcy Court, Sellers shall not take any action or fail to take any action, which action or failure to act would reasonably be expected to prevent or impede the consummation of the transactions contemplated by this Agreement in accordance with the terms of this Agreement.

(d) Pleadings. The Parties shall consult with each other regarding pleadings that any of them intends to file with the Bankruptcy Court in connection with the Sale Order. Each Party shall promptly provide the other Party and its counsel with copies of all material notices, filings and Orders of the Bankruptcy Court that such Party has in its possession (or receives) pertaining to any Order related to any of the transactions contemplated by this Agreement, but only to the extent such papers are not publicly available on the docket of the Bankruptcy Court or otherwise made available to the other Parties and their counsel.

(e) Intentionally omitted.

ARTICLE IX MISCELLANEOUS

Section 9.01. Notices. Any notice or demand which either Party hereto is required or may desire to give or deliver to or make upon the other Party will be in writing and may be personally delivered or given or made by overnight courier such as Federal Express, by email transmission or made by United States registered or certified mail addressed as follows:

If to Sellers:

c/o Guardian Healthcare
8796 Route 219
Brockway, PA 15824-0240
Attn: Michael J. Herald, Esq., General Counsel
[Email: Michael.Herald@guardianeldercare.net](mailto:Michael.Herald@guardianeldercare.net)

with a copy to:

and with a copy to:

Saul Ewing LLP
1500 Market Street
3800 Centre Square West
Philadelphia, PA 19102
Attn: Jeffrey C. Hampton, Esq.
Email: jeffrey.hampton@saul.com

and with a copy to:

Saul Ewing LLP
1201 North Market Street
Suite 2300
Wilmington, DE 19801
Attn: Mark Minuti, Esq.
Email: mark.minuti@saul.com

If to Buyers:

[insert information]

with copy to:

[Insert information]

subject to the right of either Party to designate a different address for itself by notice similarly given. Any notice or demand so given will be deemed to be delivered or made on the next business day if sent by overnight courier, or the same day as given if sent by e-mail (with confirmation of receipt) and received by 5:00 p.m. Brockway, Pennsylvania time or on the third (3rd) business day after the same is deposited in the United States Mail as registered or certified matter, addressed as above provided, with postage thereon fully prepaid. Any such notice, demand or document not given, delivered or made by registered or certified mail, by overnight courier or by e-mail (with confirmation of transmission) as aforesaid will be deemed to be given, delivered or made upon receipt of the same by the Party to whom the same is to be given, delivered or made.

Section 9.02. Payment of Expenses. Except as otherwise expressly set forth herein, each Party will pay its own expenses, including legal expenses, incurred in connection with the transactions contemplated hereby, including all expenses incident to the negotiation, preparation and performance of this Agreement and the other Transaction Documents.

Section 9.03. Entire Agreement; Amendment; Waiver. This Agreement, the OTA and the other Transaction Documents set forth the entire agreement between the Parties hereto with respect to the transactions contemplated by this Agreement. Any provision of this Agreement may only be amended, modified or supplemented in whole or in part at any time by an agreement in writing among the Parties hereto executed in the same manner as this Agreement and with approval of the Bankruptcy Court. No waiver will be effective except in a writing executed by the waiving Party. No failure on the part of any Party to exercise, and no delay in exercising, any right will operate as waiver thereof, nor will any single or partial exercise by any Party of any right preclude any other or future exercise thereof or the exercise of any other right.

Section 9.04. Joint Venture; Third Party Beneficiaries. Nothing contained herein will be construed as forming a joint venture or partnership between the Parties hereto with respect to the

subject matter hereof. The Parties hereto do not intend that any third party will have any rights under this Agreement, except that the provisions of Article VII will inure to the benefit of and be enforceable by each Seller Indemnified Party and each Buyer Indemnified Party.

Section 9.05. Counterparts. This Agreement may be executed in one or more counterparts and each such counterpart may be signed, transmitted, and/or stored electronically, with each deemed as an “original” and all of which together constitutes one and the same written instrument.

Section 9.06. Governing Law and Venue. This Agreement will be governed in accordance with the Laws of the Commonwealth of Pennsylvania without reference to its conflict of laws principles. Any dispute, controversy, proceeding or question of interpretation arising out of, in connection with or relating to the transactions contemplated herein, this Agreement or any other Transaction Document or any amendment hereof or thereof, any provision hereof or thereof or the breach, performance, validity or invalidity hereof or thereof shall be litigated in the Bankruptcy Court or any higher court. Each of the Parties hereby irrevocably and unconditionally submits to the exclusive jurisdiction of the Bankruptcy Court or any higher court for any dispute, controversy, proceeding or question of interpretation arising out of, in connection with or relating to the transactions contemplated herein, this Agreement or any other Transaction Document or any amendment hereof or thereof, any provision hereof or thereof or the breach, performance, validity or invalidity hereof or thereof. It is understood and agreed that the provisions of this Agreement relating to jurisdiction and venue are part of the value consideration given and relied upon by the Parties in connection with the purchase contemplated hereby.

Section 9.07. Injunctive Relief. In the event of a breach by a Party hereto of any of its obligations hereunder, a non-breaching Party will have the right, in addition to any other remedies which may be available, to obtain specific performance of the terms of this Agreement. The Parties hereby waive any requirement for the obtaining or posting of a bond, indemnity or similar instrument in connection herewith.

Section 9.08. Severability. Except as otherwise provided herein, in the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof will not affect the remainder of this Agreement, which will remain in full force and effect and enforceable in accordance with its terms.

Section 9.09. Assignment. No Party may assign this Agreement without the consent of the other Parties hereto and any attempted assignment in violation of this Section 9.09 will be null and void; provided however, that Buyer may assign its rights hereunder to new entities formed by Buyer to that title to the Facilities and further provided, however, that Buyer may pledge any or all of its rights and obligations hereunder to any Person who is providing the financing to Buyer and/or New Operator from time to time as collateral security for such financing.

Section 9.10. Public Announcement. Unless the Parties agree otherwise, no Party will make any press release or other public announcement regarding this Agreement or the transactions described in this Agreement, unless such Party is obligated by the Bankruptcy Code, Law, or the rules of any stock exchange upon which its shares are traded to make such a disclosure. When a Party determines that it is obligated by any Law or the rules of a stock exchange to make such a

disclosure, it will notify the other Party in writing prior to such disclosure and the Parties will cooperate to cause a mutually agreeable release or announcement to be issued.

Section 9.11. No Presumption. No provision of this Agreement will be interpreted in favor of, or against, either Party hereto by reason of the extent to which any such Party or its counsel participated in the drafting of this Agreement or by reason of the extent to which any such provision is inconsistent with any prior draft of this Agreement or any other document.

Section 9.12. Schedules. Sellers will deliver to Buyers drafts of the Schedules to this Agreement within three (3) days of the Contract Date. Buyers will have three (3) business days after receipt of such Schedules to object to any provision thereof by written notice to Sellers. In the event that Sellers do not receive a timely notice of objection from Buyers pursuant to the foregoing sentence, all Schedules as delivered by Sellers hereunder will be deemed final and binding on all Parties hereto.

Section 9.13. Waiver Of Jury Trial. EACH OF SELLER AND BUYER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR COUNTERCLAIM ARISING IN CONNECTION WITH, OUT OF OR OTHERWISE RELATING TO THIS AGREEMENT.

[Execution page follow]

IN WITNESS WHEREOF, the Parties hereby execute this Agreement as of the day and year first set forth above.

SELLERS:

GEC Beaver Falls Real Estate, LLC
GEC Lower Burrell Real Estate, LLC
GEC Munhall Real Estate, LLC
GEC Monongahela Real Estate, LLC
GEC Bethel Park Real Estate, LLC
GEC Greensburg Real Estate, LLC
GEC Fairmont Real Estate, LLC
GEC Highland View, LP

By: _____
Michael J. Herald, President

BUYERS:

[Insert information]

By: _____
Name: _____
Title: _____

EXHIBIT A

Facilities, Sellers, Buyers, Existing Operators, New Operators

Facility Name and Address	Seller	Existing Operator	Buyers	New Operator	Number of Beds
HUD Facilities:					
Beaver Valley Healthcare and Rehabilitation Center, 257 Georgetown Road, Beaver Falls, PA 15010	GEC Beaver Falls Real Estate, LLC, a Pennsylvania limited liability company	Guardian Elder Care at Beaver Falls, LLC, a Pennsylvania limited liability company	[Insert Information]	[Insert Information]	120
Fairmont Healthcare and Rehabilitation Center, 130 Kaufman Drive, Fairmont, WV 26554	GEC Fairmont Real Estate, LLC, a West Virginia limited liability company	Guardian Elder Care at Fairmont, LLC, a West Virginia limited liability company	[Insert Information]	[Insert Information]	120
Havencrest Healthcare and Rehabilitation Center, 1277 Country Club Road, Monongahela, PA 15063	GEC Monongahela Real Estate, LLC, a Pennsylvania limited liability company	Guardian Elder Care at Monongahela, LLC, a Pennsylvania limited liability company	[Insert Information]	[Insert Information]	48
Non-HUD Facilities:					
Belair Healthcare and Rehabilitation Center, 100 Little Drive, Lower Burrell, PA 15068	GEC Lower Burrell Real Estate, LLC, a Pennsylvania limited liability company	Guardian Elder Care at Lower Burrell, LLC, a Pennsylvania limited liability company	[Insert Information]	[Insert Information]	103
Eldercrest Healthcare and Rehabilitation Center, 2600 West Run Road,	GEC Munhall Real Estate LLC, a Pennsylvania limited liability company	Guardian Elder Care at Munhall, LLC, a Pennsylvania limited liability company	[Insert Information]	[Insert Information]	48

Munhall, PA 15120					
----------------------	--	--	--	--	--

Facility Name and Address	Seller	Existing Operator	Buyers	New Operator	Number of Beds
Meadowcrest Healthcare and Rehabilitation Center, 1200 Braun Road, Bethel Park, PA 15102	GEC Bethel Park Real Estate LLC, a Pennsylvania limited liability company	Guardian Elder Care at Bethel Park, LLC, a Pennsylvania limited liability company	[Insert Information]	[Insert Information]	50
Oak Hill Healthcare and Rehabilitation Center, 827 Georges Station Road, Greensburg, PA 15601	GEC Greensburg Real Estate LLC, a Pennsylvania limited liability company	Guardian Elder Care at Greensburg, LLC, a Pennsylvania limited liability company	[Insert Information]	[Insert Information]	48
Highland View Healthcare and Rehabilitation Center, 90 Main Street, Brockway, PA 15824	GEC Highland View, LP, a Pennsylvania limited partnership	Guardian Elder Care at Brockway, LLC, a Pennsylvania limited liability company	[Insert Information]	[Insert Information]	50

EXHIBIT B

Legal Descriptions of Real Properties

See attached.

Exhibit B

Operations Transfer Agreement (New)

Execution Version

OPERATIONS TRANSFER AGREEMENT

THIS **OPERATIONS TRANSFER AGREEMENT** (this “Agreement”) is made and entered into as of the 2nd day of October, 2024 (“Contract Date”), by and among the “Existing Operators” identified on Exhibit A hereto (individually, an “Existing Operator” and collectively, “Existing Operators”), and the “New Operators” identified on Exhibit A hereto (individually a “New Operator” and collectively, “New Operators”). Existing Operators and New Operators will sometimes hereinafter be collectively referred to as the “Parties” or, individually, as a “Party”.

RECITALS:

A. Each Existing Operator is the licensed operator of the skilled nursing facility set forth opposite its name on Exhibit A hereto (each a “Facility” and collectively, the “Facilities”);

B. The Existing Operators lease the Facilities from the Persons identified as “Sellers” on Exhibit A (each a “Seller” and collectively, the “Sellers”);

C. The Sellers have entered into a purchase and sale agreement executed of even date herewith (the “Purchase and Sale Agreement”), pursuant to which the Sellers have agreed to sell the land and improvements comprising the Facilities (individually the “Real Property” and collectively, the “Real Properties”) and personal property at the Facilities thereon, to the Persons identified in Exhibit A as “Buyers” (each a “Buyer” and collectively, the “Buyers”);

D. Each Facility identified on Exhibit A as a “HUD Facility” (each, a “HUD Facility” and collectively, the “HUD Facilities”) is subject to a mortgage in favor of the U.S. Department of Housing and Urban Development (“HUD”) which requires HUD’s consent to the transfer and sale of the HUD Facilities pursuant to the terms of the Purchase and Sale Agreement;

E. The Parties desire to enter into this Agreement in order to facilitate a transition of operational responsibility for the Facilities from Existing Operators to New Operators;

F. On or about July 29, 2024, each Existing Operator filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Western District of Pennsylvania (“Bankruptcy Court”). The Existing Operators are continuing to operate their respective Facilities as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code;

G. The Existing Operators desire to sell and cause to be sold, and the New Operators desire to purchase as the Stalking Horse Bidder (as defined herein), free and clear of all Liens, Claims and Encumbrances, the Transferred Assets in accordance with sections 105(a), 363 and other applicable provisions of the Bankruptcy Code, upon the terms and subject to the conditions of this Agreement;

H. On August 19, 2024, the Sellers and the Existing Operators filed a motion under sections 363 and 365 of the Bankruptcy Code [D. I. 204] (the “Sale Motion”) seeking, *inter alia*, entry of an (i) Order (a) approving bidding procedures (the “Bidding Procedures”); (b) setting a date for an auction (the “Auction”) of the Real Properties and the Transferred Assets; and (c) setting a date for a hearing (the “Sale Hearing”) to approve the sale contemplated by the Sale

Motion; and (ii) requesting entry of an Order approving the transactions contemplated by an anticipated sale (the “Sale Procedures Order”).

I. On September 6, 2024, the Bankruptcy Court entered the Sale Procedures Order [D. I. 376] approving the Bidding Procedures;

J. The transactions hereunder are subject to Bankruptcy Court approval and the Transferred Assets will be transferred pursuant to a Sale Order (as defined herein) that is reasonably satisfactory to the Existing Operators and the New Operators, including without limitation relief ordered by the Bankruptcy Court pursuant to sections 363(f), (m) & (n) of the Bankruptcy Code.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants of the Parties set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions. Capitalized terms used and not defined herein will have the meanings ascribed to them in the Purchase and Sale Agreement. As used in this Agreement, the following terms will have the meanings set forth below:

“Accounts Receivable” means the Existing Operator Accounts Receivable and/or the New Operator Accounts Receivable, as applicable.

“Action” means any claim, action, suit, proceeding or investigation, whether at law or in equity, before any court, arbitrator, arbitration panel or Governmental Authority.

“Affiliate” means any Person that, directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified, where the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Alternative Transaction” means a sale of substantially all of the Transferred Assets or a portion thereof to a Person or Persons who are not the New Operators, pursuant to the Auction; *provided, however*, that any Alternative Transaction must comply with the Bidding Procedures.

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

“Claims” shall include the meaning ascribed by section 101(5) of the Bankruptcy Code and includes, without limitation, all rights, claims, causes of action, defenses, debts, demands, damages, offset rights, setoff rights, recoupment rights, obligations, and liabilities of any kind or nature under contract, at law or in equity, known or unknown, contingent or matured, liquidated or unliquidated, and all rights and remedies with respect thereto.

“Closing” means the First Closing or the Second Closing, as applicable.

“Closing Date” means the First Closing Date or Second Closing Date, as defined in the Purchase and Sale Agreement.

“COBRA” means Section 601, et seq. of ERISA, as amended, and Section 4980B of the Code, as amended.

“Code” means the U.S. Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder, as in effect from time to time.

“Confidential Information” means any information about an Existing Operator, its Affiliates (including Sellers), a Facility, the Business and/or the Transferred Assets disclosed or made available to a New Operator, its Affiliates and/or their respective Representatives, directly or indirectly, in writing, orally, electronically, by drawings, observation or otherwise, including without limitation any information given to or obtained in connection with New Operators’ investigation of Existing Operators, the Transferred Assets, the Business or the Facilities.

“Contracts” mean any contract, agreement, mortgage, indenture, license, lease, commitment, arrangement, sales order and purchase order of every kind, whether written or oral.

“COVID-19” means SARS-CoV-2 or COVID-19, and any evolutions or mutations thereof or related or associated epidemics, pandemic or disease outbreaks.

“Cure Costs” means the amount necessary pursuant to Section 365(b)(1) of the Bankruptcy Code, as determined by the Bankruptcy Court, to satisfy any amounts owing by an Existing Operator under an Assumed Contract.

“Effective Time” means 12:01 a.m. on the applicable Closing Date.

“Encumbrances” means, to the extent not considered a Lien, any security interest, lien, collateral assignment, debt, obligation, Liability, pledge, levy, charge, escrow, encumbrance, option, right of first refusal, restriction (whether on transfer, disposition or otherwise), third party right, right limited to any Existing Operator personally, other agreement term tending to limit any right or privilege of any Existing Operator under any Contract, conditional sale Contract, title retention Contract, mortgage, Lease, deed of trust, hypothecation, indenture, security agreement, easement, license, option, pledge, right of first refusal or restriction of any kind, servitude, proxy, voting trust, transfer restriction under any shareholder or similar agreement, or any other agreement, arrangement, Contract, commitment, understanding or obligation of any kind whatsoever, whether written or oral, or imposed by any Law, equity or otherwise. For the avoidance of doubt, past-due nursing facility bed assessments are considered “Encumbrances” for purposes of this Agreement.

“ERISA” means the Employee Retirement Security Act of 1974, as amended, and all regulations promulgated thereunder, as in effect from time to time.

“Excluded Contracts” means (i) Contracts between any Existing Operator and its Affiliates, (ii) Contracts that relate to one or more facilities owned or managed by an Existing Operator’s

Affiliates other than a Facility (i.e., so-called “enterprise agreements”), and (iii) Contracts with government, quasi-government, or third parties that are not assignable.

“Final Order” means an Order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari has expired and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the Order or judgment could be appealed or from which certiorari could be sought or the new trial, reargument or rehearing shall have been denied, resulted in no modification of such Order or has otherwise been dismissed with prejudice, provided, however, that no Order shall fail to be a Final Order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Rule 9024 of the Federal Rules of Bankruptcy Procedure may be filed with respect to such Order, as long as such motion has not actually been filed.

“Governmental Authority” means any government or political subdivision or department thereof; any governmental, administrative or regulatory body, commission, board, bureau, agency or instrumentality; or, any court, arbitrator or alternative dispute resolution body, in each case whether federal, state or local.

“HUD New Operators” means the New Operators of the HUD Facilities.

“HUD Existing Operators” means the Existing Operators of the HUD Facilities.

“Knowledge” means, (a) with respect to each Existing Operator, the actual, conscious knowledge of Michael J. Herald, and (b) with respect to Buyers, the actual, conscious knowledge of Charles Obstfeld.

“Law” means any federal, state or local law, treaty, statute, ordinance, code, rule, regulation, judgment, decree, order, writ, award, injunction or determination of a Governmental Authority.

“Liability” means, in the broadest terms possible, any and all Claims, debts, liabilities, assessments (including without limitation, “bed taxes”), taxes, obligations and commitments of whatever kind or nature, whether known or unknown, asserted or unasserted, fixed, absolute or contingent, matured or unmatured, accrued or unaccrued, liquidated or unliquidated or due or to become due, and whenever or however arising (including those arising out of any Contract or tort, whether based on negligence, strict liability or otherwise) and whether or not the same that would be required by GAAP to be reflected as a liability in financial statements or disclosed in the notes thereto.

“Lien” means, in the broadest terms possible, any lien (statutory or otherwise), claim, encumbrance, interest, Liability, deed of trust, right of first offer, easement, servitude, transfer restriction under any shareholder or similar agreement, mortgage, pledge, charge, security interest, option, right of first refusal, easement, security agreement or other encumbrance or restriction on the use or transfer of any property, hypothecation, license, preference, priority, covenant, right of recovery, Order of any Governmental Authority, of any kind or nature.

“Losses” means any loss, liability, claim, demand, obligation, damage, cost or expense (including reasonable legal fees and expenses), but excluding consequential, incidental, indirect, punitive or special damages, except to the extent such damages are paid or payable to a third party in connection with a Third Party Claim.

“Material Adverse Effect” means any circumstance, event, effect or change that, individually or in the aggregate, has or would reasonably be expected to have a material adverse effect on (a) the business, assets, results of operations or financial condition of the Facilities taken as a whole, or (b) the ability of Existing Operators to perform their obligations under this Agreement or to consummate the transactions contemplated herein; provided, however, that none of the following, either alone or in combination, will be considered in determining whether there has been a “Material Adverse Effect”: (i) any change in general economic, business, financial, credit or market conditions, (ii) any occurrence generally affecting the residential health care industry, (iii) any changes in Laws or accounting requirements or principles or the interpretations thereof, (iv) the announcement, pendency or consummation of the transactions contemplated herein, (iv) any change or effect of the current COVID-19 pandemic, or any worsening or recurrence thereof, and any action or response of any Governmental Authority with respect to same, and/or (v) the filing of bankruptcy proceedings by the Existing Operators.

“Non-HUD Existing Operators” means the Existing Operators of the Non-HUD Facilities.

“Non-HUD Facilities” means each Facility identified on Exhibit A under the heading “Non-HUD Facilities”.

“Non-HUD New Operators” means the New Operators of the Non-HUD Facilities.

“Person” means any individual, corporation, company, association, partnership, limited liability company, joint venture, trust, unincorporated organization, or other entity, or Governmental Authority.

“Records” means all of the following, regardless of where or how maintained, including paper or electronic copies, in each case to the extent within the possession or control of Existing Operator and to the extent transferrable under applicable Law:

- (a) financial and accounting records pertaining to the operation of the Facilities;
- (b) employment records of the Hired Employees;
- (c) as to Current Residents of a Facility, clinical records and quality of care records.

“Representatives” means, with respect to any Person, such Person’s shareholders, officers, directors, partners, members, managers, employees, agents and representatives acting on behalf of, such a Person.

“Resident Agreement” means a Contract pursuant to which an individual agrees to become a resident at a Facility and undertake all rights and obligations associated with being a resident at a Facility.

“Sale Order” means an Order of the Bankruptcy Court, acceptable to the New Operators in all respects, authorizing the sale of the Transferred Assets to the New Operators contemplated by this Agreement free and clear of all Liens, Claims, and Encumbrances.

“Tax” means any U.S. federal, state, local or non-U.S. income, gross receipts, franchise, alternative minimum, add-on minimum, franchise, sales, use, transfer, registration, value added, excise, severance, stamp, occupation, windfall profits, environmental, customs, real property, personal property, escheat, unclaimed property, capital stock, withholding, social security (or similar), unemployment, disability, payroll, license, or other tax, of any kind, including, in each case, any interest, penalties or additions thereto.

Section 1.02 Additional Definitions. Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
Accrued ETO	Section 6.02(a)
Advances	Section 7.02(d)
Agreement	Preamble
Assignment and Assumption Agreement	Section 3.02(a)(ii)
Assumed Contracts	Section 5.04
Assumed Employment Liabilities	Section 6.02(c)
Assumed ETO Liabilities	Section 6.02(a)
Assumed Liabilities	Section 2.03(b)
Auction	Recitals
Bankruptcy Court	Recitals
Bill of Sale	Section 3.02(a)(i)
Business	Section 2.03(a)
Buyer/Buyers	Recitals
Buyers’ Broker	Section 4.02(f)
CARES Act Payments	Section 7.02(d)
CHOW	Section 5.02(a)
CIA	Section 7.04
CIA-Related Liabilities	Section 7.04
Closing Payment	Section 3.02(a)(vii)
Closing Statement	Section 3.02(a)(vi)
CMS	Section 5.03
Contract Date	Preamble
Covenant Survival Period	Section 4.03
Current Residents	Section 3.02(a)(iv)
DHHR	Section 5.02(a)
DOH	Section 5.02(a)
DHS	Section 5.02(a)

Term	Section
Employees	Section 6.01(a)
Employee Plan(s)	Section 4.01(c)(i)(f)
Excluded Assets	Section 2.02(b)
Excluded Liabilities	Section 2.03(a)
Existing Operator/Existing Operators	Preamble
Existing Operators' Accounts Receivable	Section 2.02(b)(ii)
Existing Operator Indemnified Parties	Section 8.02
Extended HUD Deadline	Section 3.01
Facility/Facilities	Recitals
Facility Contracts	Section 4.01(f)
First Closing	Section 3.01
First Closing Date	Section 3.01
Fundamental Rep Survival Period	Section 4.03
Group Health Plan	Section 6.01(a)
Healthcare Reform Law	Section 4.01(c)(iv)
Hired Employees	Section 6.01(a)
HUD Existing Operator Indemnified Parties	Section 8.02
HUD Facility/HUD Facilities	Recitals
HUD New Operator Indemnified Parties	Section 8.01
Indemnified Party	Section 8.05(a)
Indemnified Withdrawal Liability	Section 8.01
Indemnifying Party	Section 8.05(a)
Inventory	Section 2.02(a)(i)
Licenses	Section 4.01(d)(ii)
New Operator	Preamble
New Operators	Preamble
New Operators' Accounts Receivable	Section 7.02(c)
New Operator Indemnified Parties	Section 8.01
Non-Assumed Contracts	Section 5.04
Non-HUD Existing Operator Indemnified Parties	Section 8.02
Non-HUD New Operator Indemnified Parties	Section 8.01
OIG Release	Section 7.04
Other COVID-19 Funds	Section 7.02(d)
Party/Parties	Preamble
Personal Property	Section 2.02(a)(ii)
Petty Cash	Section 3.04(d)
Post-Closing Stimulus Funds	Section 7.02(g)
Pre-Closing Stimulus Funds	Section 7.02(e)
Provider Taxes	Section 3.04(b)
Provisional License Condition	Section 3.06(a)(vii)
Purchase and Sale Agreement	Recitals
Real Property(ies)	Recitals
Recapture Claim	Section 5.03
Regulatory Approvals	Section 5.02(a)

Term	Section
Representation Survival Period	Section 4.03
Resident Trust Funds	Section 3.02(a)(v)
Sale Hearing	Recitals
Sale Motion	Recitals
Sale Procedures Order	Recitals
Second Closing	Section 3.01
Second Closing Date	Section 3.01
Second Closing Outside Date	Section 3.01
Seller/Sellers	Recitals
Sellers' Broker	Section 4.01(k)
SFF Condition	Section 3.06(a)(vii)
Stalking Horse Bidder	Recitals
Stimulus Funds	Section 7.02(d)
Survival Period	Section 4.03
Third Party Claim	Section 8.05(a)
Transaction Documents	Section 4.01(a)
Transferred Assets	Section 2.02(a)
Union Contract(s)	Section 6.03(a)
Union Employees	Section 6.03(a)
Unions	Section 6.03(a)
WARN Act	Section 6.01(b)
Withdrawal Liability	Section 4.01(e)(ii)

Section 1.03 General Interpretive Principles. Whenever used in this Agreement, except as otherwise expressly provided or unless the context otherwise requires, any noun or pronoun will be deemed to include the plural as well as the singular and to cover all genders. The name assigned this Agreement and the Section captions used herein are for convenience of reference only and will not be construed to affect the meaning, construction or effect hereof. Unless otherwise specified, the terms “hereof,” “herein” and similar terms refer to this Agreement as a whole (including the Exhibits and Schedules hereto), and references herein to Articles or Sections refer to Articles or Sections of this Agreement. Whenever the words “include,” “includes” or “including” are used in this Agreement, they will be deemed to be followed by the words “without limitation.”

Section 1.04 Multiple Facilities. Each representation, warranty and covenant hereunder will apply severally, and not jointly, between the Existing Operator and the New Operator whose names are set forth opposite such Facility on Exhibit A hereto, as if this Agreement applied only to such Parties and to such Facility; provided, however, that except as otherwise expressly provided herein or as otherwise agreed by the Parties, (a) the First Closing will occur with respect to all Non-HUD Facilities simultaneously, (b) the Second Closing will occur with respect to all HUD Facilities simultaneously, (c) the Closing Payments with respect to all Non-HUD Facilities will be netted at the First Closing to determine the Closing Payments payable hereunder at the First Closing and the Closing Payments with respect to all HUD Facilities will be netted at the Second Closing to determine the Closing Payments payable hereunder at the Second Closing.

ARTICLE II TRANSFER OF ASSETS AND OPERATIONS

Section 2.01 Generally. Subject to the terms and conditions set forth herein, (i) at the First Closing, the Non-HUD Existing Operators will assign, and the Non-HUD New Operators will assume, as of the Effective Time, (a) responsibility for operating the Non-HUD Facility set forth opposite such Non-HUD Existing Operator's and Non-HUD New Operator's names on Exhibit A, and (b) the Transferred Assets with respect to such Non-HUD Facilities and (ii) at the Second Closing, the HUD Existing Operators will assign, and the HUD New Operators will assume, as of the Effective Time, (a) responsibility for operating the HUD Facility set forth opposite such HUD Existing Operator's and HUD New Operator's names on Exhibit A, and (b) the Transferred Assets with respect to such HUD Facilities.

Section 2.02 Transferred Assets.

(a) For purposes of this Agreement, "Transferred Assets" means all assets of Existing Operators other than the Excluded Assets, including, without limitation, the following assets that are owned or used by an Existing Operator in connection with the operation of the Business at the applicable Facility:

(i) All inventory and supplies, including, without limitation, all food, pharmacy, medical, office, maintenance and other inventory and supplies owned by Existing Operators as of the applicable Closing Date (collectively the "Inventory"); and Existing Operators shall use commercially reasonable efforts to ensure that the amount of inventory and supplies on the Closing Date is sufficient for operation of each Facility for at least fourteen (14) days from and after such Closing Date;

(ii) All other personal property, vehicles and equipment owned by an Existing Operator (the "Personal Property");

(iii) All of Existing Operators' rights, benefits and interests under the Resident Agreements and other Assumed Contracts arising or accruing after the Effective Time of the applicable Closing Date;

(iv) All Licenses, to the extent transferable;

(v) The Records;

(vi) All of Existing Operators' right, title and interest in the name of the applicable Facility, and any goodwill related thereto;

(vii) All patents, trademarks, copyrights, domain names and other intellectual property, whether registered or unregistered, and any applications therefor;

(viii) Subject to the Section 3.04(d), the Petty Cash; and

(ix) All vehicles.

(b) Notwithstanding the foregoing, the Transferred Assets will not include any of the following assets of Existing Operators (collectively, the “Excluded Assets”):

- (i) Cash and cash equivalents;
- (ii) Accounts receivable and security deposits with respect to ownership of the Transferred Assets and/or operation of the Business at the Facilities prior to the applicable Closing Date (collectively, “Existing Operators’ Accounts Receivable”), including, without limitation, all receivables representing amounts payable to the Existing Operators for services rendered, or products provided or sold, to residents of the Facilities prior to the Effective Time of the applicable Closing Date, and all sums due on account of audits or appeals of audits, rate adjustments, reconciliations, refunds, reimbursements and other recoupments with any third party payor or Governmental Authority, all rights to refunds from whatever source including, without limitation, for Taxes, fees, assessments and charges and those arising out of retrospective premium adjustments under insurance policies covering the Transferred Assets and/or the Facilities or the operations thereof for periods ending prior to the Effective Time of the applicable Closing Date and, subject to Section 7.02, any federal, state, local or other governmental or quasi-governmental stimulus or relief funds with respect to COVID-19 relating to the ownership or operation of the Facilities prior to the Effective Time of the applicable Closing Date;
- (iii) All deposits, prepayments, escrowed funds and similar funds with third parties;
- (iv) All insurance policies and claims and/or refunds thereunder;
- (v) All Actions against third parties, including, but not limited to, actions arising under the Bankruptcy Code;
- (vi) The “Guardian Elder Care” and “Guardian Healthcare” tradenames, trademarks and logos, and all goodwill associated therewith;
- (vii) Proprietary materials and trade secrets of Existing Operators and/or their Affiliates used or useable in the operation of the Business generally (and not specific to a Facility), including, without limitation, dietary plans, policies, manuals and proprietary software;
- (viii) The Non-Assumed Contracts;
- (ix) Any leased Personal Property, unless the underlying lease constitutes an Assumed Contract;
- (x) Any License that is not assignable or transferable by its terms or pursuant to applicable Law;
- (xi) The National Provider Identification number issued to each Facility by the National Plan and Provider Enumeration System, a division of CMS; and,

(xii) Any other asset listed on Schedule 2.02(b).

Section 2.03 No Assumption of Liabilities.

(a) Other than as specifically set forth in this Agreement, New Operators will not assume and will not be liable for any Liabilities of Existing Operators or their Affiliates of any nature, known or unknown, fixed or contingent (the “Excluded Liabilities”), including, without limitation, any Liabilities with respect to ownership of the Transferred Assets or operation of a Facility as a skilled nursing facility (the “Business”) prior to the Effective Time of the applicable Closing Date, including any Employee Plan(s).

(b) Notwithstanding the foregoing, as of the Effective Time of the applicable Closing, and contingent on the applicable Closing occurring, New Operators will assume and duly satisfy the following (collectively, the “Assumed Liabilities”): (i) in addition to the payment of Cure Costs, all Liabilities of Existing Operators under the Assumed Contracts, solely to the extent relating to ownership of the Transferred Assets or operation of the Facilities during periods from and after the Effective Time of the applicable Closing Date, (ii) the Assumed Employment Liabilities, and (iii) all other Liabilities with respect to ownership of the Transferred Assets or the operation of the Facilities during periods from and after the applicable Effective Time.

Section 2.04 Sale Process. As set forth in more detail in the Bidding Procedures, the sale of the Transferred Assets, along with the Real Properties, is subject to a potential Auction pursuant to the following terms:

(a) This Agreement shall be subject to an Auction conducted pursuant to the Bidding Procedures if the Existing Operators receive one or more Qualified Bids (as defined in the Bidding Procedures), and the Purchase Price (as defined in the Purchase and Sale Agreement) shall be considered the opening bid at the Auction as described in the Bidding Procedures;

(b) Intentionally omitted;

(c) The Existing Operators shall continue to market the sale of the Transferred Assets prior to the Auction; and

(d) To the extent that the New Operators and Buyers are declared the Backup Bidder (as defined in the Bidding Procedures) at the Auction, the New Operators and Buyers agree to serve as Backup Bidder until the earlier of (a) the closing of a transaction with a Successful Bidder (as defined in the Bidding Procedures) or (b) December 13, 2024.

For the avoidance of doubt, if the Sellers and Existing Operators do not receive any other Qualified Bids other than the bid from the Buyers and New Operators, then there shall be no Auction, and the Existing Operators and New Operators shall proceed with the transaction subject to the terms and conditions of this Agreement.

ARTICLE III CLOSING

Section 3.01 Closing. The consummation of the transactions contemplated herein with respect to the Non-HUD Facilities (the “First Closing”) will occur simultaneously with the Closing under the Purchase and sale Agreement for the Non-HUD Properties (the “First Closing Date”). The consummation of the transactions contemplated herein with respect to the HUD Facilities (the “Second Closing”) will occur simultaneously with the Closing under the Purchase and Sale Agreement for the HUD-Properties. The Closings will be conducted through an escrow with the Title Company, in accordance with the general procedures for similar transactions in the Commonwealth of Pennsylvania or the State of West Virginia, as applicable. Each Closing will occur simultaneously with the closing with respect to the corresponding Real Property under the Purchase and Sale Agreement and will be effective for all purposes hereof as of the Effective Time on the applicable Closing Date.

Section 3.02 Deliveries at Closing.

(a) At each Closing, the applicable Existing Operators will make the following deliveries to the applicable New Operators, in each case duly executed by such Existing Operators (as applicable):

(i) A bill of sale (the “Bill of Sale”) for transfer and conveyance of the Transferred Assets relating to the Facilities applicable as of such Closing;

(ii) An assignment and assumption agreement (the “Assignment and Assumption Agreement”) with respect to the Assumed Contracts relating to the Facilities applicable as of such Closing;

(iii) A certificate of an officer of Existing Operators, certifying as to the satisfaction of the conditions set forth in Section 3.06(a)(iii) and Section 3.06(a)(iv) hereof, as of the applicable Closing Date;

(iv) A census of the residents of the applicable Facilities as of the Effective Time on the applicable Closing Date (the “Current Residents”);

(v) An accounting of any resident trust funds held by an Existing Operator for the benefit of the Current Residents at the Non-HUD Facilities or at the HUD Facilities, as applicable, as of the Effective Time of the applicable Closing (the “Resident Trust Funds”);

(vi) A closing statement setting forth the payments to be made by the Parties to each other at the applicable Closing pursuant to the provisions of this Agreement (the “Closing Statement”),

(vii) The net amount (“Closing Payment”) due and payable by Existing Operators under the Closing Statement, if any, by wire transfer or other immediately available funds;

(viii) Completed and signed portions of CMS Form 855-A requiring information about Existing Operator;

(ix) A duly executed copy of the Escrow Agreement (as defined in the Purchase and Sale Agreement); and

(x) Any and all other documents and deliverables reasonably requested by the Title Company to effectuate the transactions contemplated hereby.

(b) At each Closing, the applicable New Operators will make the following deliveries to the applicable Existing Operators, in each case duly executed by such New Operators (as applicable):

(i) The Assignment and Assumption Agreement;

(ii) A certificate of an officer of New Operators, certifying as to the satisfaction of the conditions set forth in Section 3.06(b)(i) and Section 3.06(b)(ii) hereof as of the applicable Closing Date;

(iii) Counterpart to the Closing Statement;

(iv) The Closing Payment due and payable by New Operators under the Closing Statement, if any, by wire transfer or other immediately available funds;

(v) A duly executed copy of the Escrow Agreement; and,

(vi) Any and all other documents and deliverables reasonably requested by the Title Company to effectuate the transactions contemplated hereby.

Section 3.03 Resident Trust Funds. Upon each Closing, with a full reconciliation to occur immediately prior to each Closing, the applicable Existing Operators will transfer the Resident Trust Funds to the applicable New Operators. From and after receipt thereof, New Operators will maintain and hold such Resident Trust Funds in trust for the residents or residents' responsible parties and will assume, perform, discharge and be accountable to such residents and responsible parties for such Resident Trust Funds in accordance with the terms of any applicable agreements or trust instruments in effect with the residents or residents' responsible parties, and applicable Law.

Section 3.04 Pro-rations; Allocations. Unless otherwise provided below, the following are to be adjusted and prorated between Existing Operators and New Operators as of the Effective Time, based upon a 365-day year:

(a) **Sales Taxes.** Any applicable sales taxes payable in connection with the transfer of the Transferred Assets will be borne by New Operators.

(b) **Provider Taxes.** Existing Operator will retain liability for the any and all Taxes related to the operation of the Business at the Facility that are assessed for periods prior to the Effective Time, including, but not limited to, provider Tax, gross receipts Tax and quality

assessment Tax (collectively, the “Provider Taxes”). New Operator will be responsible for the payment of any and all Provider Taxes related to the operation of the Business at the Facility that are assessed for periods from and after the Effective Time.

(c) Assumed Contracts. All Cure Costs under all Assumed Contracts, shall be paid by New Operators.

(d) Petty Cash. An amount equal to the petty cash remaining at each Facility as of the Effective Time of the applicable Closing (“Petty Cash”) will be included in the Closing Statement as a credit to Existing Operators.

(e) Brokers. Sellers will pay the fees of Seller’ Broker, if any, and Buyers will pay the fees of Buyers’ Broker, if any.

(f) Re-Adjustment. In the event that accurate prorations and other adjustments cannot be made as of the applicable Closing Date because current bills or statements are not obtainable, the Parties will prorate on the best available information, subject to adjustment upon receipt of the final bill or statement. All amounts which are subject to proration under the terms of this Agreement (except for Accounts Receivable which are subject to Section 7.02 hereof) and which require adjustment after the applicable Closing Date will be settled within thirty (30) days after the each such Closing Date or, in the event the information necessary for such adjustment is not available within said thirty (30) day period, then within ten (10) business days of receipt of information by the applicable Party necessary to settle the amounts subject to proration.

Section 3.05 Allocation of Purchase Price. The purchase price paid under the Purchase and Sale Agreement will be allocated among the Real Properties and the Transferred Assets in a manner agreed by the Parties. The Parties will adhere to such allocations in filing all returns with the appropriate Taxing authorities.

Section 3.06 Conditions Precedent.

(a) New Operators’ obligation to consummate the transactions contemplated in this Agreement will be subject to the following conditions precedent (i) with respect to the Non-HUD Existing Operators and the Non-HUD Facilities as of the First Closing Date, and (ii) with respect to the HUD Existing Operators and the HUD Facilities as of the Second Closing Date, in each case to the reasonable satisfaction of New Operators or the waiver thereof by New Operators, in their sole discretion:

(i) Intentionally omitted;

(ii) The Bankruptcy Court shall have entered a Sale Order approving the sale of the Real Properties and Transferred Assets to Buyers and New Operators free and clear of all Claims, Liens and Encumbrances in form and substance reasonably satisfactory to the New Operators, and it shall be a Final Order (unless waived by the New Operators in the New Operators’ sole discretion);

(iii) Each of the representations and warranties of the applicable Existing Operators contained in this Agreement will be true and correct in all material respects as of the applicable Closing Date;

(iv) The applicable Existing Operators will have duly and timely performed and fulfilled all of their covenants and agreements hereunder to be performed by them prior to the applicable Closing in all material respects;

(v) There will not be any Actions pending or threatened in writing against the applicable Existing Operators, New Operators or their respective Affiliates to restrain or prohibit the consummation of the transactions contemplated hereby to be consummated on such Closing Date;

(vi) New Operators shall have received all Regulatory Approvals necessary for New Operators to operate the Business at the Facilities from and after the Effective Time;

(vii) No Facility shall be on the Special Focus Facility List maintained by CMS (an “SFF Condition”) or be subject to a provisional license from the applicable DOH (a “Provisional License Condition”) and Existing Operators shall not have received any notice that a Facility is being considered for placement on the Special Focus Facility List or a provisional license. Any SFF Condition will be deemed to be resolved and no longer constitute an SFF Condition when the affected Facility receives written confirmation that it is no longer on the CMS Special Focus Facility List and any Provisional License Condition will be deemed to be resolved and no longer constitute a Provisional License Condition when the affected Facility receives written notice that its license is no longer provisional. For the sake of clarity, a Provisional License Condition will exist only if a provisional license is received by a Facility for the period prior to Closing (i.e., under Existing Operator’s ownership/operation), and not solely with respect to New Operator’s assumption of ownership/operation post-Closing. Each Party acknowledges and agrees that if there is an SFF Condition or Provisional License Condition at one or more (but less than all) of the Facilities that are the subject of a particular Closing, the Parties will initially close in accordance with the terms of this Agreement with respect to the Facilities where there is no SFF Condition or Provisional License Condition, and New Operator will be required to close on the affected Facilities within 45-days following the resolution of the SFF Condition or Provisional License Condition, as applicable; provided, notwithstanding the foregoing, if any Facility is still subject to an SFF Condition or Provisional License Condition, as applicable, as of December 31, 2024 (the “SFF/Provisional License Outside Date”), such condition shall be deemed an Existing Operator default, and Buyer may elect to terminate this Agreement immediately on such SFF/Provisional License Outside Date or at any time within 90-days thereafter.

(viii) New Operators shall have secured licenses to operate the Facilities from the DOH, without the necessity of executing any application, agreement, or other document in favor of the DHS or any other Governmental Authority that expressly or impliedly provides that Buyers or New Operators shall assume or have assumed any

Claims, Liens, Encumbrances, or other Liabilities of Sellers or the Existing Operators except for Assumed Liabilities;

(ix) All conditions to the applicable Buyer's obligations to consummate the transactions that are the subject of the applicable Closing under the Purchase and Sale Agreement at of the applicable Closing shall have been satisfied or waived.

(x) With respect to Belair Healthcare and Rehabilitation Center only, Existing Operator shall have provided evidence of tail insurance with an Unlimited ERP at 175% of allocated premium.

(b) Existing Operators' obligation to consummate the transactions contemplated in this Agreement will be subject to the following conditions precedent (i) with respect to the Non-HUD New Operators and the Non-HUD Facilities, as of the First Closing Date and (ii) with respect to the HUD New Operators and the HUD Facilities, as of the Second Closing Date, in each case to the reasonable satisfaction of Existing Operators or the waiver thereof by Existing Operators, in their sole discretion:

(i) Each of the representations and warranties of the applicable New Operators contained in this Agreement will be true and correct in all material respects as of the applicable Closing Date;

(ii) The applicable New Operators will have duly and timely performed and fulfilled all of their covenants and agreements hereunder to be performed by them prior to the applicable Closing in all material respects;

(iii) There will not be any Actions, pending or threatened in writing against the applicable New Operators, Existing Operators or their respective Affiliates, to restrain or prohibit the consummation of the transactions contemplated hereby to be consummated on such Closing Date; and

(iv) All conditions to the applicable Sellers' obligations to consummate the transactions that are the subject of the applicable Closing under the Purchase and Sale Agreement at the applicable Closing shall have been satisfied or waived.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

Section 4.01 Representations and Warranties by Existing Operator. Each Existing Operator hereby represents and warrants to New Operators as follows:

(a) Organization. Such Existing Operator is a limited liability company duly organized and validly subsisting under the laws of either the Commonwealth of Pennsylvania or the State of West Virginia, as provided in Exhibit A, and has the power and authority to conduct its Business as currently conducted, and , subject to entry of the Sale Order, to execute, deliver and perform this Agreement and each other document, instrument and agreement contemplated by this Agreement (collectively, the "Transaction Documents") to which it is a party.

(b) Authority. The execution, delivery and performance of this Agreement and the other Transaction Documents to which such Existing Operator is a party have been duly authorized by the managers and members (if required) of such Existing Operator, and do not contravene the terms of such Existing Operator's organizational or other governing documents. This Agreement and each other Transaction Document to which it is a party, when executed and delivered by such Existing Operator, will, subject to the entry of the Sale Order, be the valid and legally binding obligation of such Existing Operator, enforceable against it in accordance with their respective terms, subject to the effect of any bankruptcy, insolvency, reorganization, moratorium, arrangement or similar laws affecting the enforcement of creditors' rights generally.

(c) Litigation. As of the date hereof, there are no Actions pending, nor, to Existing Operator's Knowledge, threatened in writing involving ownership of such Existing Operator's Transferred Assets or the operation of the Business at such Existing Operator's Facility that would constitute or are reasonably likely to cause a Material Adverse Effect.

(d) Compliance with Law; Licenses. Except as set forth on Schedule 4.01(d):

(i) To Existing Operator's Knowledge, the Facility operated by such Existing Operator is currently operated in material compliance with all applicable Law. As used herein, "material compliance" means a level of compliance that would keep such Existing Operator and the operation of the Facility free from any final orders or sanctions by any Governmental Authority having jurisdiction over the operation of the Facility and that would not materially and adversely affect such Existing Operator's right to receive reimbursement or insurance payments from Medicare, Medicaid or any third party payor;

(ii) All material Medicare and Medicaid provider agreements, certificates of need (if applicable), certifications, licenses, permits, regulatory agreements or other approvals of Governmental Authorities required for the lawful use, occupancy and operation of the Business at the Existing Operator's Facility (collectively, the "Licenses") have been issued to Existing Operator (or such other party required to hold such Licenses) and are in full force and effect. Existing Operator has not taken any action to rescind, withdraw, or revoke any License;

(iii) The Facility of such Existing Operator is duly licensed or certified to operate the number of beds set forth opposite its name in Exhibit A. Such Existing Operator has not applied to change the number of licensed or certified beds of such Existing Operator's Facility nor to move or transfer the right to any and all of the licensed or certified beds of such Facility to any other location. There are no Actions pending or to Existing Operator's Knowledge, threatened in writing to reduce the number of licensed or certified beds of its Facility;

(iv) To Existing Operator's Knowledge, such Existing Operator is in material compliance with the requirements for participation in the Medicare and Medicaid programs with respect to the applicable Facility. Such Existing Operator has not had any uncured deficiencies on its most recent survey (standard or complaint) that are reasonably likely to result in a denial of payment for new admissions, and, as of the date hereof, its

Facility has not been designated as a Special Focus Facility (as such term is defined by the CMS Special Focus Facility Program);

(v) There are no current, pending or outstanding Medicare, Medicaid or third party payor programs reimbursement audits or appeals pending at such Existing Operator's Facility, and there are no Actions pending or threatened in writing alleging the overpayment of Medicaid, Medicare or other governmental or quasi-governmental reimbursements or demanding the return of such alleged overpayments by any third party payor. All Advances (as defined below) received by Existing Operator prior to the date hereof have been paid in full to CMS.

(e) Employee Matters.

(i) Schedule 4.01(e)(i) sets forth, as of the applicable Closing, a complete and accurate list of the current employees of each Existing Operator at the Facilities, including: (i) name, (ii) position or duty title, (iii) vacation, sick, holiday, personal time-off, and any other paid time off, whether vested or unvested, to the extent it was accrued prior to the Effective Time of the applicable Closing and remains unused, (iv) current base salary or wage rate, (v) exempt or non-exempt status (whether or not paid at an hourly or salary rate), (vi) date of hire or commencement of most recent employment, and (vii) number of hours worked in the preceding twelve (12) months, each of which shall be updated as of the most recent payroll date prior to the applicable Closing Date. Except for the Union Contracts, Existing Operator is not a party to any collective bargaining agreement with any labor union or similar organization. Except for the Unions, to Existing Operator's Knowledge, no labor union or similar organization represents such Existing Operator's employees or has engaged in material efforts to organize such Existing Operator's employees. Except as provided in the Union Contracts, Existing Operator has not entered into, nor has Existing Operator established or maintained, any change-in-control or severance agreements or plans, and Existing Operator does not maintain or contribute to:

(A) any non-qualified deferred compensation or retirement plans, contracts or arrangements;

(B) any qualified defined contribution plans (as defined in Section 3(34) of ERISA, or Section 414(i) of the Code;

(C) any qualified defined benefit plans (as defined in Section 3(35) of ERISA or Section 414(j) of the Code);

(D) any multiemployer plan, as defined in Section 3(37) of ERISA;

(E) any employee welfare benefit plans (as defined in Section 3(1) of ERISA); or

(F) any other severance, stock option, equity plan, incentive Plan or fringe benefit plan ((A) through (F) collectively referred to as “Employee Plan(s)”).

(ii) Existing Operator is not and has never been a participant in, and is not and has never been obligated to maintain or to make contributions to, a multiemployer plan (within the meaning of ERISA Section 3(37) and ERISA Section 4001(a)(3)) or an Employee Plan (regardless of whether such Employee Plan relates to the Employees) which is subject to Title IV of ERISA or a plan that was ever subject to Sections 412 or 430 of the Code, or Part 3 of Title I of ERISA. Existing Operator has not incurred any withdrawal liability (as that term is understood under 29. U.S.C. § 131) with respect any pension fund, pension plan or similar arrangement in which any Existing Operator is required by the Union Contracts (“Withdrawal Liability”). Under no circumstances will New Operators have any liability with respect to any Employee Plan maintained by, contributed to by or ever maintained or contributed to by any of an Existing Operator’s ERISA Affiliates.

(iii) None of the Employee Plans promises or provides medical, life or other welfare benefits to any current or future retired employees, managers, members or directors (or any spouse or dependents thereof), except as required by the Consolidated Omnibus Budget Reconciliation Act (COBRA).

(iv) Existing Operator has complied in all material respects with the notice and continuation coverage requirements of Section 4980B of the Code and the regulations thereunder with respect to each Employee Plan that is a group health plan within the meaning of Section 5000(b)(1) of the Code. Each Employee Plan that is a group health plan is in compliance with the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act (collectively, the “Healthcare Reform Law”), to the extent applicable, and such Existing Operator has complied with all of its obligations thereunder, including all reporting obligations.

(f) Contracts. Schedule 4.01(f) sets forth a complete list of all Contracts entered into by the Existing Operators and/or their Affiliates in connection with the operation of the Business at the Facilities other than the Resident Agreements and the Excluded Contracts (the “Facility Contracts”). The Facility Contracts were entered into and require performance in the ordinary course of the Business and are in full force and effect. Neither Existing Operator nor, to such Existing Operator’s Knowledge any counterparty thereto, is in material breach or default of any Facility Contract.

(g) Resident Agreements. Existing Operator has provided New Operators with its standard form of Resident Agreement. To Existing Operator’s Knowledge, the information set forth in the applicable Resident Agreements and Resident rolls pertaining to such Existing Operator’s residents of the applicable Facility are true and correct in all material respects as of the respective dates of such admission agreements and Resident rolls. As of the Contract Date and as of the date no more than three (3) business days before the Closing Date, no current resident of any of the Facilities has been admitted other than with a Resident Agreement signed without material deviation from the standard form.

(h) Inventory. The Inventory consists of such inventory and supplies as are sufficient for the proper conduct and operation of the Business at the Facilities.

(i) Taxes. Except as set forth in Schedule 4.01(i), Existing Operator has timely filed all Tax returns and reports required by Law to have been filed by it and has paid all Taxes due and payable with respect to such returns, other than such Taxes being contested in good faith.

(j) Financial Statements. The financial statements of Existing Operator provided to New Operators are true and correct in all material respects, and fairly present the financial position of such Existing Operator as of the date or the results of operations or changes in financial position, as is the appropriate, of such Existing Operator for the periods then ended.

(k) Brokers. Except as set forth in Schedule 4.01(k) (“Sellers’ Broker”), no broker or finder has acted for any Existing Operator, Seller and/or their respective Affiliates in connection with the transactions contemplated by this Agreement, and no broker or finder is entitled to any broker’s fee or finder’s fee or other commission in respect thereof based in any way on agreements, understandings or arrangements with such Person.

(l) Disclaimer of Other Warranties. Except as expressly set forth in this Section 4.01, no Existing Operators makes any, and each Existing Operator specifically disclaims any and all representations or warranties, of any kind or character whatsoever, whether express or implied, concerning, with respect to or regarding Existing Operators, their Affiliates, the Facilities, the Real Properties, the Transferred Assets, each Existing Operator’s or the Facility’s Business or any matter affecting or relating to the transactions contemplated hereby. Notwithstanding anything to the contrary herein, the Parties acknowledge and agree that, except as expressly set forth in this Section 4.01, the New Operators are acquiring the Transferred Assets “AS IS, WHERE IS”, with all faults.

Section 4.02 Representations and Warranties by New Operators. Each New Operator hereby represents and warrants to Existing Operators as follows:

(a) Organization. Such New Operator is a limited liability company duly organized and validly subsisting under the laws of the State of Ohio, and has the power and authority to conduct its Business as currently conducted, and to execute, deliver and perform this Agreement and each other Transaction Document to which it is a party.

(b) Authority. The execution, delivery and performance of this Agreement and the other Transaction Documents to which each New Operator is a party have been duly authorized by the managers and members (if required) of such New Operator, and do not contravene the terms of any New Operator’s organizational or other governing documents. This Agreement and each other Transaction Document to which it is a party, when executed and delivered by New Operators, will be the valid and legally binding obligation of each New Operator, enforceable against it in accordance with their respective terms, subject to the effect of any bankruptcy, insolvency, reorganization, moratorium, arrangement or similar laws affecting the enforcement of creditors’ rights generally.

(c) Health Care Compliance.

(i) None of Buyers, New Operators or their respective Affiliates or Representatives has been disbarred, suspended, or otherwise excluded from participation in any federal or state health care program, including the Medicare and Medicaid programs, nor to New Operator's Knowledge is any such disbarment, suspension or exclusion threatened. No New Operator is subject to any order or agreement with any Governmental Authority that would limit or restrict its ability to operate the Business at the Facilities from and after the applicable Effective Time as currently operated.

(ii) To New Operator's Knowledge, there are no circumstances concerning New Operator, Buyers or their respective Affiliates or Representatives that would prevent or impede the ability of New Operator to obtain and receive assignment of any License (or obtain any replacement license) or the other Regulatory Approvals required to operate the Facilities for the current use from and after the applicable Closing Date.

(d) Proceedings. There are no Actions pending or, to New Operator's Knowledge, threatened against New Operator and/or its Affiliates that seek to prohibit, restrict or enjoin, or that would otherwise be reasonably likely to adversely affect the ability of any New Operator to consummate, the transactions described in this Agreement.

(e) Financing. New Operators have sufficient cash on-hand or readily available under existing credit facilities to consummate the transactions contemplated herein.

(f) Brokers. Except as set forth in Schedule 4.02(f) ("Buyers' Broker"), no broker or finder has acted for any New Operator, Buyer and/or their respective Affiliates in connection with the transactions contemplated by this Agreement, and no broker or finder is entitled to any broker's fee or finder's fee or other commission in respect thereof based in any way on agreements, understandings or arrangements with such Person.

(g) No Other Warranties. New Operators acknowledge that, except as expressly set forth in this Agreement, they will acquire the Transferred Assets and commence operation of the Facilities in their then condition, "AS IS, WHERE IS" and with all faults.

Section 4.03 Survival. Each representation and warranty of Existing Operators and New Operators set forth in this Article IV will survive the applicable Closing Date for a period of twelve (12) months (the "Representation Survival Period"); provided that any fraudulent or intentional misrepresentation of an Existing Operator shall survive until sixty (60) days after the expiration of the applicable statute of limitations (the "Fundamental Rep Survival Period"). All covenants which, by their terms, contemplate performance after the Effective Time, including without limitation Section 2.03(b), Section 3.03, Section 3.04, Section 3.05, and Section 5.03 and Article VI, Article VII, Article VIII and Article X, will survive the Closing for the time periods set forth therein or, if no time period is specified, for the applicable statute of limitations (the "Covenant Survival Period") and, collectively with the Representation Survival Period, the Fundamental Rep Survival Period the "Survival Period").

ARTICLE V CONDUCT PRIOR TO CLOSING

Section 5.01 Cooperation; Interim Operations. From the date hereof until the earlier of the applicable Closing Date or termination of this Agreement, Existing Operators will, subject to limitations imposed by their bankruptcy proceedings and/or the Bankruptcy Code, operate the Business at the Facilities in substantially the same manner as it has heretofore operated. Without limiting the generality of the preceding sentence, until the earlier of the applicable Closing Date or the termination of this Agreement, except with respect to payment of Provider Taxes, Existing Operators will operate the Facilities in material compliance with all applicable Laws, and will not, without the prior written consent of New Operators (such consent not to be unreasonably withheld), do any of the following:

- (a) sell, transfer or otherwise dispose of any material part of the Transferred Assets, except in the ordinary course of the Business consistent with past practice;
- (b) enter into any Contract, other than Resident Agreements, which will become the obligation of New Operators, or terminate or modify in any material respect any Assumed Contract except in the ordinary course of the Business consistent with past practice;
- (c) decrease the private pay rates of the residents of the Facilities;
- (d) materially increase compensation or benefit packages payable to the Employees, other than in the ordinary course of the Business, consistent with past practice;
- (e) open a fully or partially dedicated wing in the Facilities dedicated to residents who have tested positive for COVID-19, other than a segregated area (which may consist of a fully or partially dedicated wing) for existing residents who test positive for COVID-19; or
- (f) dissolve, merge or enter into a share exchange with or into any other entity;
- (g) cease from using the name of the Facilities;
- (h) change from an accrual basis of accounting; or
- (i) make any promise or commitment to do any of the foregoing.

Section 5.02 Regulatory Approvals.

(a) New Operators will use their commercially reasonable efforts to obtain all licenses, permits, registrations, certifications, payor agreements, provider numbers, provider agreements and other consents and approvals of any Governmental Authority necessary or appropriate for New Operators to operate the Business at the Facilities from and after the Effective Time ("Regulatory Approvals"), including, without limitation, by submitting within the time period required by applicable law, all applications for change of control with the applicable Governmental Authorities to obtain such Regulatory Approvals as are required for the Closing. Without limiting the generality of the foregoing, on or before October 11, 2024 (for the Non-HUD Facilities), and within five (5) business days after the First Closing (for the HUD Facilities), New

Operator will file a notice of change of ownership (the “CHOW”) with the Pennsylvania Department of Health (the “DOH”), the Pennsylvania Department of Human Services (“DHS”), and the West Virginia Department of Health and Human Resources (“DHHR”), as applicable. New Operators will diligently proceed to pursue and secure the Regulatory Approvals and will keep Existing Operators apprised in writing of the status of each New Operator’s application(s) for the Regulatory Approvals. Existing Operators will provide New Operators with all cooperation reasonably requested by New Operators from time to time in connection with New Operators’ efforts to obtain the Regulatory Approvals, including, but not limited to, notifying DOH and DHS regarding the submission of the CHOW by New Operators.

(b) Notwithstanding anything herein to the contrary, the Parties acknowledge and agree that New Operators are not expected to have received as of the Effective Time “tie in” notices or approvals from CMS for Existing Operators’ Medicare provider agreements and may not have approvals from certain other applicable government payors with respect to participation and enrollment in Medicaid updated with each New Operator’s provider information. Accordingly, Existing Operators agree that, to the extent permitted under applicable Law and by applicable Governmental Authorities consistent with and specifically subject to the provisions of Section 7.02, each New Operator is entitled, as of the Effective Time of the applicable Closing and solely with respect to the applicable Facility, to (1) provide services and bill patients under the applicable Existing Operator’s provider numbers and provider agreements for applicable third party payors for Medicare, (2) subject to Section 7.02, collect accounts receivable resulting from such billing under such Existing Operator’s provider numbers and provider agreements. Notwithstanding the foregoing, the Existing Operators retain any and all rights and Liabilities relating to the existing Medicaid and Medicare provider numbers and Medicaid and Medicare provider reimbursement agreements relating to the Facilities and relating to any and all periods preceding the applicable Closing Date. Notwithstanding anything to the contrary herein, no terms of the Purchase and Sale Agreement, this Agreement, the Sale Order, or any other Transaction Documents will require Buyers or the New Operators to execute any application, agreement, or other document in favor of the DOH, DHS or any other Governmental Authority that expressly or impliedly provides that Buyers or the New Operators shall assume or have assumed any Claims, Liens or Encumbrances of Sellers or the Existing Operators except for Assumed Liabilities.

(c) On the applicable Closing Date, the Existing Operators shall retain any and all rights and Liabilities relating to the existing provider agreements relating to any and all periods preceding the applicable Closing Date, and the Sale Order shall provide that the Transferred Assets and Real Properties are being sold free and clear of all such Liabilities.

(d) The Existing Operators shall remain liable for all amounts of any license fees/taxes or other amounts payable to any Governmental Authority with jurisdiction over the Facilities accrued through the Closing Date, including, but not limited to, any nursing facility bed assessments owed to the DHS, and the Sale Order shall provide that the Transferred Assets and Real Properties are being sold free and clear of the same. The Sale Order shall include language substantially similar to the following: "As of the Closing, all persons and entities holding Liens and/or Claims and their respective successors and assigns, are hereby forever barred, estopped, and permanently enjoined from asserting, prosecuting, or otherwise pursuing such Liens and Claims of any kind and nature against the New Operators, the Transferred Assets, or any other assets or properties of the New Operators, including conditioning the issuance to New Operators

of new licenses, new certifications, new Medicaid provider agreements or other payor program agreements on the assumption or payment by New Operators of any nursing assessment, liability or other amount owed by any of the Debtors, or commencing or continuing any action that does not comply or is inconsistent with this Order. As of the Closing, the Court hereby reserves exclusive jurisdiction over this Order and its provisions, and the injunctions provided herein including in this paragraph, barring any Claims from being asserted, and if notwithstanding such injunction such Claims are asserted in violation of this Order, they are required to be asserted in the United States Bankruptcy Court for the Western District of Pennsylvania in furtherance of this Court's injunction and reservation of exclusive jurisdiction."

Section 5.03 Recapture Claims. Each Party hereto agrees to notify the other within ten (10) business days after receipt of any notice of any claim of recapture by The Centers for Medicare and Medicaid Services ("CMS") or any other Governmental Authority or other third party payor with respect to an alleged overpayment or alleged underpayment with respect to operation of the Business at the Facilities, for periods prior to the applicable Closing Date (collectively "Recapture Claim"); provided, however, that Recapture Claims do not include recoupment of Stimulus Funds or Provider Taxes, each of which are dealt with separately in this Agreement.

Section 5.04 Contracts. Within ten days of the date of this Agreement, Existing Operators will provide to New Operators complete copies of the Facility Contracts. No later than ten (10) days after their receipt of the Facility Contracts, New Operators will provide Existing Operators with a list of the Facility Contracts, if any, that they will assume as of the applicable Closing Date (such contracts, together with the Resident Agreements, collectively, the "Assumed Contracts"). The New Operators shall be permitted to select any and all Contracts and/or Leases for assumption and assignment pursuant to Section 365 of the Bankruptcy Code, provided however, that all Cure Costs associated with any such assumed and assigned Contract or Lease shall be paid solely by the New Operators. Failure by New Operators to identify any such Facility Contract as an Assumed Contract during such ten (10) day period will be deemed to be an election by New Operators not to assume such Facility Contract. All Excluded Contracts and all Facility Contracts which are not included in the list of Assumed Contracts delivered by New Operator will be referred to herein as the "Non-Assumed Contracts". At the applicable Closing, Existing Operators will transfer, convey and assign to New Operators, in accordance with the Assignment and Assumption Agreement and New Operators will assume, all rights and obligations of Existing Operators, under the Assumed Contracts arising or accruing on or after the Effective Time of the applicable Closing Date. New Operators will use commercially reasonable efforts to obtain the consent of the counter-parties to each Assumed Contract that requires consent to assignment.

ARTICLE VI EMPLOYMENT MATTERS

Section 6.01 Hired Employees.

(a) At least fourteen (14) days prior to the applicable Closing, effective as of the Effective Time, and conditioned on the applicable Closing, the applicable New Operators will offer employment to all then-current employees of the applicable Facilities, including Union Employees (collectively, the "Employees"), pursuant to initial terms and conditions of employment acceptable to New Operators. All Employees electing to accept such offers of

employment with New Operators are hereinafter referred to as the “Hired Employees”. The applicable Existing Operators will terminate the employment of all Hired Employees immediately prior to the applicable Closing.

(b) Notwithstanding anything in this Agreement to the contrary, New Operators will offer employment to such number of Employees on such terms and conditions that are sufficient to not give rise to any liability under the Worker Adjustment and Retraining Notification Act of 1988 or any similar state or local Law (collectively, “WARN Act”). Taking into account the number of Employees not hired by New Operators, New Operators will not, for a period of ninety (90) days after the Second Closing Date, engage in any conduct which, if aggregated with Existing Operators’ termination of such non-Hired Employees, would trigger any liability under the WARN Act.

Section 6.02 Employee Benefits.

(a) As of the Effective Time of the applicable Closing and subject to Section 6.03 below, New Operators will credit each Hired Employee who is not a Union Employee with the vested, earned vacation leave such individual has accrued and not used as of immediately prior to the applicable Closing Date (collectively, “Accrued ETO”) by including such Accrued ETO in each such Hired Employee’s vacation bank, and permit such Hired Employees to utilize all such Accrued ETO in their vacation bank pursuant to New Operators’ policies (the “Assumed ETO Liabilities”); provided, however, that Existing Operators will reimburse New Operators for one hundred percent (100%) of the amount of the Assumed ETO Liabilities. At Existing Operators’ request, New Operators will include in their offers of employment to Employees a written statement that, by accepting employment with a New Operator, the Employee consents to receive credit for such Accrued ETO in lieu of payment for same from Existing Operators.

(b) Hired Employees who are eligible to participate as of the applicable Closing Date in group health insurance coverage sponsored by an Existing Operator will be eligible for participation in a group health plan (as defined for purposes of Section 4980B of the Code) sponsored, established or otherwise maintained by the applicable New Operator for the general benefit of employees and their dependents (the “Group Health Plan”) on the applicable Closing Date. Each Hired Employee will be covered under such Group Health Plan without a waiting period and without regard to any preexisting condition, provided that such Hired Employee was not subject to such restrictions under the applicable Existing Operator’s group health plan at the time of the applicable Closing. Each Employee will receive credit for the length of service with such Existing Operator, or its Affiliates, for purposes of determining such employee’s eligibility and vesting under the New Operator’s benefit plans and for purposes of calculation of paid time off to be provided by New Operator to the Hired Employees.

(c) As of the Effective Time of the applicable Closing, conditioned on the applicable Closing, New Operators will assume, and be solely responsible for, all liabilities with respect to: (i) the employment of any Hired Employees after the Effective Time, (ii) group health plan continuation coverage pursuant to the requirements of COBRA (if any) owed by any New Operator to any Hired Employees, (iii) Action or Losses by or on behalf of any Employee to the extent resulting from any New Operator’s hiring or non-hiring of any Employee, including the failure to offer employment in accordance with applicable Law, (iv) the Assumed ETO Liabilities,

and (v) any other claims to the extent related to the foregoing subsections (i) - (iv) (collectively, the “Assumed Employment Liabilities”).

(d) Existing Operators shall be responsible for providing COBRA Notices and COBRA continuation healthcare coverage for all Employees who fail to become Hired Employees as well as their spouses and qualifying dependents, each to the extent required by applicable Law. Subject to the terms of the Employee Plan(s), Existing Operators shall remain solely responsible for the satisfaction of all claims for medical, dental, life insurance, health accident or disability benefits brought by or in respect of the Employees which claims related to events occurring prior to the Effective Time of the applicable Closing. Each Existing Operator also shall remain solely responsible for all workers’ compensation claims of any Employees which relate to events occurring prior to the Effective Time of the applicable Closing.

Section 6.03 Union Employees.

(a) Schedule 6.03 lists the collective bargaining agreements applicable with respect to the Facilities or the Employees (the “Union Contract(s)” and any Employees subject to such Union Contract(s) the “Union Employees”). New Operators acknowledge receipt of the Union Contracts.

(b) Existing Operators shall be responsible for paying out vacation leave in accordance with the relevant provisions of the Union Contracts that require Union Employees to be paid for any awarded but unused vacation time in the event of a sale of a facility.

(c) New Operator will recognize the unions specified in Schedule 6.03 (the “Unions”) as the exclusive collective bargaining agent for currently represented employees at the respective unionized Facilities in accordance with applicable law and, to the extent so required, intends to negotiate a new collective bargaining agreement with the respective Unions at the respective Facilities covering the terms and conditions of employment for such Hired Employees, to replace the initial terms and conditions of employment set by New Operators. New Operators do not intend to adopt or assume, or agree to be bound by, any other terms or conditions of employment of Existing Operators or the Union Contracts, and specifically do not intend to adopt Existing Operator’s benefit plans, including, but not limited to, any multiemployer plan (within the meaning of ERISA Section 3(37) and ERISA Section 4001(a)(3) or any Employee Plan maintained by, contributed to by, or ever maintained and contributed to by any of an Existing Operator’s ERISA Affiliates. Existing Operators shall be responsible for all rights, obligations and liabilities under the Union Contracts (to the extent required by the terms of a Union Contract or applicable Law) applicable to the Facility for the period of time prior to the Effective Time. The Union Contracts will be Non-Assumed Contracts and not Assumed Contracts. New Operators will exercise their rights under the applicable Law to set their own initial terms and conditions of employment as to Union Employees at the time they offer employment to Union Employees.

Section 6.04 No Employment Contract. Nothing in this Agreement will create any rights in favor of any Employee, or constitute an employment agreement or condition of employment for any Employee.

ARTICLE VII POST-CLOSING COVENANTS

Section 7.01 Cost Reports.

(a) Existing Operators will prepare and file with the appropriate Medicare and Medicaid agencies their final cost reports in respect to the operation of the Business at the Facilities no later than the date on which such final cost report is required to be filed by Law under the terms of the Medicare and Medicaid programs, and will provide the appropriate Medicare and Medicaid agencies with any information reasonably necessary to support claims for reimbursement made by Existing Operators either in said final cost report or in any cost reports filed for prior cost reporting periods. Each New Operator will claim on its first cost report all “bad debt” of the applicable Existing Operator that such Existing Operator is unable to claim on its last cost report. Existing Operators will provide New Operators with all supporting documents reasonably necessary for such filing. All repayments or adjustments made as a result of such filing arising from the “bad debt” will be paid to the applicable Existing Operator promptly upon receipt by New Operators. Notwithstanding any of the foregoing, to the extent there are any audits relating to Existing Operator’s reimbursable bad debt reported by New Operator, Existing Operator shall be responsible therefore and shall indemnify New Operator for any Losses incurred by New Operator in connection with such audit.

(b) Existing Operators agree to provide cooperation reasonably requested by New Operators in connection with any audit by any applicable Governmental Authority of any Medicaid or Medicare cost reports filed by an Existing Operator, including, without limitation, providing New Operators with all reasonably necessary documentation in their possession in order to support the dollar figures and classifications/characterizations contained in such Existing Operator’s cost reports.

Section 7.02 Accounts Receivable.

(a) Existing Operators will retain all right, title and interest in and to all Existing Operators’ Accounts Receivable.

(b) Payments received by New Operators after the Effective Time of the applicable Closing with respect to the Existing Operators’ Accounts Receivable will be forwarded to Existing Operators, along with the applicable remittance advice, within five (5) business days of the last day of the month, for that month. Any payments received by any New Operator during the first ninety (90) days after the Effective Time of the applicable Closing, from or on behalf of residents with outstanding Existing Operators’ Accounts Receivable as of such Effective Time which fail to designate the period to which they relate will first be applied to such Existing Operators’ Accounts Receivable and paid over to Existing Operators as provided in this paragraph.

(c) New Operators shall assume responsibility for the billing for and collection of payments on account of services rendered by them at the Facilities, on and after the applicable Closing Date (the “New Operators’ Accounts Receivable”) and shall be entitled to any payments made for services rendered following such Closing Date. New Operators’ Accounts Receivable shall include private pay or third party payor payments received by Existing Operators that

designate the dates of service, or other identifying data on the remittance received by Existing Operators, as on or after the applicable Closing Date, including payments that include any reimbursement with respect to payments or underpayments made to New Operators for services rendered following the applicable Closing Date. Any of New Operators' Accounts Receivable that are paid to an Existing Operator's bank account will be forwarded to New Operators, along with the applicable remittance advice, within five (5) business days of the last day of the month, for that month.

(d) New Operators acknowledge that Existing Operators or their Affiliates have received, and may continue to receive after each Closing Date: (1) grant funds made available to Existing Operators pursuant to the Coronavirus Aid, Relief and Economic Security Act ("CARES Act Payments"), (2) advanced payments from CMS pursuant to the CMS Accelerated and Advance Payment Program related to COVID-19, or any other advances on receivables from third-party payors ("Advances"), and/or (3) certain other stimulus funds related to COVID-19 which are not CARES Act Payments or Advances including, without limitation, funds from the Pennsylvania Department of Human Services related to the American Rescue Plan Act ("Other COVID-19 Funds") and, together with the CARES Act Payment and Advances, the "Stimulus Funds").

(e) Existing Operators or their Affiliates shall be entitled to any Stimulus Funds relating to the ownership or operation of the Facilities and designated for dates of service prior to the Effective Time of the applicable Closing Date (the "Pre-Closing Stimulus Funds"), regardless of when received. To the extent that any New Operator receives any Pre-Closing Stimulus Funds, it shall promptly pay over such Pre-Closing Stimulus Funds as part of the Existing Operators' Accounts Receivable pursuant to Section 7.02(b) above in accordance with applicable Law; provided, however, that to the extent that any Pre-Closing Stimulus Funds that are subject to repayment are recouped by the applicable Governmental Authority or other third party payor from amounts otherwise payable on the New Operators' Accounts Receivable, New Operators shall be entitled to offset such recouped Pre-Closing Stimulus Funds against amounts received by New Operators with respect to Existing Operators' Accounts Receivable and otherwise payable to Existing Operators pursuant to Section 7.02(b) above, subject to provision to Existing Operators of reasonable documentation with respect thereto. In the event that Existing Operators' Accounts Receivable are insufficient to offset the amount of Pre-Closing Stimulus Funds recouped against amount owed by New Operators to Existing Operators, then Existing Operators shall promptly remit the difference to New Operators following demand therefor, subject to provision to Existing Operators of reasonable documentation with respect thereto.

(f) For any Stimulus Funds received by either Existing Operators or New Operators that designate dates of service both prior to and on or after the Effective Time of the applicable Closing Date, Existing Operators and New Operators shall cooperate with each other to ensure that such Stimulus Funds are properly allocated between the Parties based on such designated dates of service to ensure they are used solely to offset applicable COVID-19 costs and expenses incurred by such Party in accordance with applicable Law.

(g) New Operators or their affiliates shall be entitled to any Stimulus Funds relating to the ownership or operation of the Facilities from and after the Effective Time of the applicable Closing Date (the "Post-Closing Stimulus Funds"). To the extent that any Existing Operator receives any Post-Closing Stimulus Funds, it shall promptly pay over such Post-Closing

Stimulus Funds as part of the New Operators' Accounts Receivable pursuant to Section 7.02(c) above. Nothing in this Agreement shall be construed to prohibit New Operators from applying for and receiving such Post-Closing Stimulus Funds with respect to their operation of the Facilities from and after the applicable Closing Date.

(h) Nothing in this Section 7.02 will be construed so as to create any obligation on behalf of New Operators to take active or affirmative steps to pursue the Existing Operators' Accounts Receivable, provided, however, that New Operators will reasonably cooperate with Existing Operators in their efforts with respect thereto. Without limiting the generality of the foregoing, New Operators agrees that they will reasonably cooperate and provide Existing Operators with such information as Existing Operators reasonably request in connection with the Existing Operator Accounts Receivable and the billing and collection thereof.

Section 7.03 Records.

(a) From and after each Closing, the applicable New Operators will retain, maintain and dispose of the Records in accordance with applicable Law, and upon reasonable prior notice and during normal business hours, allow the applicable Existing Operators (i) to access, and to make copies of, at Existing Operators' expense, the Records, and (ii) to have access to the Hired Employees, in each of (i) and (ii) to the extent reasonably necessary to enable such Existing Operators to investigate and defend any Action, file or pay any Tax, administer their bankruptcy proceedings, investigate and defend any Recapture Claims or similar claims of third party payors, verify Accounts Receivable, and for all other proper purposes.

(b) Existing Operators will be entitled to remove, at their sole cost and expense, the available originals of any Records delivered to New Operators if an officer of a court of competent jurisdiction, agency official or outside legal counsel for Existing Operators certifies that (i) such original must be produced in order to comply with applicable Law or the order of a court of competent jurisdiction or other Governmental Authority, and (ii) such removal is permitted by applicable Law. Any Record so removed will promptly be returned to New Operators following its use.

(c) New Operators will maintain in accordance with applicable Law or in accordance with any litigation hold of Existing Operators that New Operators have been given notice of, and will not destroy, without the prior written consent of Existing Operators, the Records transferred to New Operators.

Section 7.04 CIA. At the Closing, Existing Operator will provide New Operator a copy of the OIG Release (as defined in the Purchase and Sale Agreement).

Section 7.05 Confidentiality of Certain Information; Nonsolicitation.

(a) New Operators will, and will cause their Affiliates and Representatives to, hold in strict confidence all Confidential Information received by them in connection with this Agreement and the transactions contemplated hereby. Without the prior written consent of Existing Operators, none of the New Operators, their Affiliates or Representatives will use any such Confidential Information, in whole or in part, except in connection with the performance of the transactions, or enforcement of its rights or obligations, pursuant to this Agreement and the other

Transaction Documents. Unless otherwise required by applicable Law, New Operators will not disclose any Confidential Information to any Person, other than their Affiliates and Representatives, and such other Persons (such as insurers, bankers and Governmental Authorities) who have a need to know in order to allow New Operators to consummate the transactions described in this Agreement, all of whom (excluding any Governmental Authority) must be subject to legally binding obligations to keep the Confidential Information confidential. If any Closing does not occur, New Operators will, and will cause their Affiliates and Representatives to, destroy or return to Existing Operators all copies of the Confidential Information in their possession or under their control with respect to the Facilities to which such Closing relates. New Operators will be liable for any breach of this Section 7.05 by their Affiliates or Representatives.

(b) Except as expressly provided herein with respect to the Hired Employees, from and after the date hereof and until the first anniversary of the earlier of the Second Closing or termination of this Agreement, New Operators will not, and will cause their Affiliates or Representatives not to, directly or indirectly, solicit, induce, recruit or encourage any employees of any Existing Operator and/or its Affiliates to leave their employment, or take away such employees, or attempt to solicit, induce, recruit, encourage or take away employees of any Existing Operator and/or its Affiliates, either for New Operators or for any other Person.

(c) From and after the date hereof and until the first anniversary of the Second Closing, Existing Operators will not, and will cause their Affiliate or Representative not to, directly or indirectly, solicit, induce, recruit or encourage any Hired Employees of New Operators and/or their Affiliates to leave their employment, or take away such employees, or attempt to solicit, induce, recruit, encourage or take away Hired Employees of New Operators and/or their Affiliates, either for Existing Operators or for any other Person, provided, however, that nothing in this Section 7.05(c) will prohibit Existing Operators or any of their Affiliates from (A) conducting general mass solicitations of employment and generalized employee searches through headhunter/search firms or otherwise (in either case not targeted, directed or indirectly, at the Hired Employees) and hiring any individual who responds to any such general mass solicitation or generalized employee search; or (B) hiring or inducing or assisting any other person in hiring any Hired Employee after such individual has been involuntarily terminated by a New Operator or any of its Affiliates. For purposes of clarification, the foregoing shall not apply in the event this Agreement is terminated.

Section 7.06 Further Assurances. Each of the Parties hereto agrees to use its reasonable best efforts to take, and to cause its Representatives to take, all action and to do, or cause to be done, all things reasonably necessary, proper or advisable to effectuate the transactions contemplated herein at the earliest practicable time.

Section 7.07 Bulk Sales Compliance. The Parties hereby waive compliance with any applicable bulk sales Law.

Section 7.08 Provider Relief Funds Reports. Existing Operators will prepare and file with the United States Department of Health and Human Services (HHS) or the Pennsylvania Department of Human Services all required reports regarding receipt and use of distributions from the Provider Relief Fund, for periods of their ownership and operation of the Facility prior to Effective Time, including but not limited to any and all distributions by HHS and the Pennsylvania

Department of Human Services of funds from the CARES Act and the Paycheck Protection Program (PPP), and Health Care Enhancement Act (PPPCHE).

ARTICLE VIII INDEMNIFICATION

Section 8.01 Existing Operators Indemnification Obligations. From and after the Effective Time of the First Closing, conditioned on such Closing, the Non-HUD Existing Operators will indemnify, defend and hold harmless the Non-HUD New Operators and their Affiliates and Representatives (collectively, the “Non-HUD New Operator Indemnified Parties”) from and against any and all Losses suffered or incurred by any of the Non-HUD New Operator Indemnified Parties as a result of or arising out of (a) a breach by a Non-HUD Existing Operator of its representations or warranties in this Agreement, (b) a breach by a Non-HUD Existing Operator of its covenants in this Agreement, (c) the Excluded Liabilities of the Non-HUD Existing Operators, (d) any recoupment of Stimulus Funds from any Non-HUD New Operators’ Accounts Receivable which are not offset by amounts received on account of the Non-HUD Existing Operators’ Accounts Receivable pursuant to Section 7.02(e) above, or (d) any Withdrawal Liability of any Non-HUD Existing Operator, From and after the Effective Time of the Second Closing, conditioned on such Closing, the HUD Existing Operators will indemnify, defend and hold harmless the HUD New Operators and their Affiliates and Representatives (the “HUD New Operator Indemnified Parties” and collectively with the Non-HUD New Operator Indemnified Parties, the “New Operator Indemnified Parties”) from and against any and all Losses suffered or incurred by any of the HUD New Operator Indemnified Parties as a result of or arising out of (a) a breach by a HUD Existing Operator of its representations or warranties in this Agreement, (b) a breach by a HUD Existing Operator of its covenants in this Agreement, (c) the Excluded Liabilities of the HUD Existing Operators, or (d) any recoupment of Stimulus Funds from any HUD New Operators’ Accounts Receivable which are not offset by amounts received on account of the HUD Existing Operators’ Accounts Receivable pursuant to Section 7.02(e) above, (e) any Withdrawal Liability of any HUD Existing Operator (collectively, with the indemnity provided in subsection (e) above, the “Indemnified Withdrawal Liability”), The indemnities set forth in this Section 8.01 shall be joint and several among all of the Existing Operators and all of the Sellers.

Section 8.02 New Operators Indemnification Obligations. From and after the Effective Time of the First Closing, conditioned on such Closing, the Non-HUD New Operators will indemnify, defend and hold harmless the Non-HUD Existing Operators and their Affiliates and Representatives (collectively, the “Non-HUD Existing Operator Indemnified Parties”) from and against any and all Losses suffered incurred by any of the Non-HUD Existing Operator Indemnified Parties as a result of or arising out of (a) a breach by a Non-HUD New Operator of its representations or warranties in this Agreement, (b) a breach by a Non-HUD New Operator of its covenants in this Agreement, (c) the Assumed Liabilities of the Non-HUD New Operators, or (d) use of any Non-HUD Existing Operator’s Medicare and Medicaid provider numbers and/or provider agreements from and after the applicable Closing Date. From and after the Effective Time of the Second Closing, conditioned on such Closing, the HUD New Operators will indemnify, defend and hold harmless the HUD Existing Operators and their Affiliates and Representatives (collectively, the “HUD Existing Operator Indemnified Parties” and together with the Non-HUD Existing Operator Indemnified Parties, the “Existing Operator Indemnified Parties”) from and against any and all Losses suffered incurred by any of the HUD Existing

Operator Indemnified Parties as a result of or arising out of (a) a breach by a HUD New Operator of its representations or warranties in this Agreement, (b) a breach by a HUD New Operator of its covenants in this Agreement, (c) the Assumed Liabilities of the HUD New Operators, or (d) use of any HUD Existing Operator's Medicare and Medicaid provider numbers and/or provider agreements from and after the applicable Closing Date. The indemnities set forth in this Section 8.02 shall be joint and several among the New Operators and the Buyers.

Section 8.03 Indemnification Escrow. At the First Closing, the sum of \$250,000.00 from the Purchase Price under the Purchase and Sale Agreement shall remain with the Escrow Agent (as defined in the Purchase and Sale Agreement) for the Representation Survival Period for purposes of reimbursing the Buyers and the New Operators for any indemnification obligations of Sellers or the Existing Operators under the Purchase and Sale Agreement or this Agreement, respectively. Any dispute as to whether a claim is recoverable from the Escrow Amount shall be resolved pursuant to the Escrow Agreement and, if no resolution is reached, such dispute shall be resolved in the Bankruptcy Court.

Section 8.04 Limitations of Liability. Notwithstanding anything to the contrary contained in this Agreement, each Party's obligations to indemnify the other will be subject to the limitations set forth below:

(a) No claim for indemnification may be asserted against an Indemnifying Party on or after the expiration of the applicable Survival Period, unless the Indemnified Parties have notified the Indemnifying Party of such claim in writing prior to the expiration of the Survival Period.

(b) Existing Operators' indemnity obligations pursuant to Section 8.01 shall be limited to the Escrow Amount.

(c) The recovery by the Indemnified Parties under this Agreement will be net of any reimbursement recovered or recoverable from any insurance carrier or other third parties in connection with the Losses that form the basis of the Indemnified Party's claim for indemnification hereunder. The Indemnified Party will use commercially reasonable efforts to collect the maximum amount of insurance proceeds and proceeds available from other third persons in connection with any such Losses. The Indemnifying Party will be subrogated to all rights that the Indemnified Party may have against others for recovery of Losses paid by the Indemnifying Party, and the Indemnified Party will take all actions reasonably necessary to effect such subrogation rights of the Indemnifying Party.

(d) An Indemnified Party will use its reasonable best efforts to mitigate Losses for which it is entitled to indemnification pursuant to this Article VIII. The Indemnifying Party will have the right, but not the obligation, and will be afforded the opportunity to the extent possible, to take all available steps to minimize Losses for which the Indemnified Party is entitled to indemnification before such Losses are actually incurred by the Indemnified Party.

Section 8.05 Indemnity Claims.

(a) If any Action is commenced or threatened by a third party that may give rise to a claim for indemnification (an "Third Party Claim") by any Person entitled to

indemnification under this Agreement (each, an “Indemnified Party”), then such Indemnified Party will promptly (i) notify the Party required to indemnify hereunder (the “Indemnifying Party”) and (ii) deliver to the Indemnifying Party a written notice (A) describing in reasonable detail the nature of the Action, (B) including a copy of all papers served with respect to such Action, (C) including the Indemnified Party’s good faith estimate of the amount of Losses that may arise from such Action, and (D) describing in reasonable detail the basis for the Indemnified Party’s request for indemnification under this Agreement. Failure to notify the Indemnifying Party in accordance with this Section 8.05(a) will not relieve the Indemnifying Party of any liability that it may have to the Indemnified Party pursuant to this Article VIII, except to the extent (1) the defense of such Action is prejudiced by the Indemnified Party’s failure to give such notice or (2) the Indemnified Party fails to notify the Indemnifying Party of such Third Party Claim in accordance with this Section 8.05(a) prior to the expiration of the applicable Survival Period.

(b) An Indemnifying Party may elect at any time to assume and thereafter conduct the defense of any Action subject to any such Third Party Claim with counsel of the Indemnifying Party’s choice and to settle or compromise any such Action, and each Indemnified Party will cooperate in all respects with the conduct of such defense by the Indemnifying Party (including the making of any related claims, counterclaim or cross complaint against any Person in connection with the Action) and the settlement of such Action by the Indemnifying Party; provided, however, that the Indemnifying Party will not approve of the entry of any judgment or enter into any settlement or compromise with respect to such Action that is not limited to payment of money damages by the Indemnifying Party without the Indemnified Party’s prior written consent (not to be unreasonably withheld, conditioned or delayed). If the Indemnified Party gives an Indemnifying Party notice of a Third Party Claim and the Indemnifying Party does not give notice to the Indemnified Party of its election to assume the defense of the Action subject to such Third Party Claim, then the Indemnified Party may conduct the defense of such Action; provided, however, that the Indemnified Party will not agree to the entry of any judgment or enter into any settlement or compromise with respect to such Action without the prior written consent of the Indemnifying Party (not to be unreasonably withheld, conditioned or delayed).

(c) In circumstances where the Indemnifying Party assumes the defense of a Third Party Claim in accordance with Section 8.05(b) the Indemnified Party will be entitled to participate in the defense of such Third Party Claim and to employ separate counsel of its choice for such purpose, in which case the fees and expenses of such separate counsel will be borne by such Indemnified Party; provided, however, that if in the reasonable opinion of counsel to the Indemnified Party, (i) there are legal defenses available to the Indemnified Party that are different from or additional to those available to the Indemnifying Party; or (ii) there exists a conflict of interest between the Indemnifying Party and the Indemnified Party that cannot be waived, the Indemnifying Party will be liable for the reasonable fees and expenses of counsel to the Indemnified Party.

(d) If any Indemnified Party becomes aware of any circumstances that may give rise to claim for indemnification for any matter not involving a Third Party Claim, then such Indemnified Party will promptly notify the Indemnifying Party and deliver to the Indemnifying Party a written notice describing in reasonable detail the nature of the circumstances giving rise to such claim, including the Indemnified Party’s good faith estimate of the amount of Losses that may arise from such circumstances. Failure to notify the Indemnifying Party in accordance with

this Section 8.05(d), will not relieve the Indemnifying Party of any liability that it may have to the Indemnified Party pursuant to this Article VIII, except to the extent (i) the defense of such claim is prejudiced by the Indemnified Party's failure to give such notice or (ii) the Indemnified Party fails to notify the Indemnifying Party of such claim in accordance with this Section 8.05(d) prior to the expiration of the applicable Survival Period. If the Indemnifying Party disputes its indemnity obligations for any Losses with respect to any such claim, the Parties will proceed in good faith to negotiate a resolution of such dispute and, if not resolved through negotiations, either Party may submit such dispute to an appropriate court of jurisdiction in accordance with Section 10.06.

Section 8.06 Tax Treatment. All amounts paid with respect to claims for indemnification pursuant to this Article VII will be treated by the Parties hereto for all Tax purposes as adjustments to the purchase price paid pursuant to the Purchase and Sale Agreement, and will be reported as such by the Parties hereto on their Tax returns, each to the extent permitted by applicable Law.

Section 8.07 Sole Remedy. The Parties acknowledge and agree that, from and after the Effective Time, their sole and exclusive remedy with respect to any and all claims for any breach of this Agreement and/or any other Transaction Document (other than claims for fraud), will be pursuant to the indemnification provisions set forth in this Article VIII, and none of the Existing Operators, Sellers or any of their Affiliates or Representatives will have any other liabilities arising out of the negotiation, entry into or consummation of the transactions contemplated by this Agreement, whether at law or in equity. Nothing in this Section 8.07 will limit any claim for specific performance, injunctive or declaratory relief to which a Party is entitled.

ARTICLE IX DEFAULT; TERMINATION

Section 9.01 Termination.

(a) This Agreement will terminate automatically upon termination of the Purchase and Sale Agreement.

(b) This Agreement may be terminated and the transactions contemplated hereby abandoned prior to the Second Closing as follows:

(i) by mutual written consent of Existing Operators and New Operators;

(ii) intentionally omitted;

(iii) by either Existing Operators or New Operators by written notice to the other Party, (A) with respect to all, but not less than all, of the Facilities, if the First Closing has not occurred on or before the First Closing Outside Date, unless extended by written agreement of the Existing Operators and New Operators, and (B) with respect to all, but not less than all, of the HUD Facilities, if the Second Closing has not occurred on or before the Second Closing Outside Date (as same may be extended pursuant to Section 3.01); provided, however, that (w) in the event that (a) DOH approval of the CHOWs with respect to the Non-HUD Facilities is not obtained prior to the First Closing Outside Date, and (b) as of such date (i) all other conditions to the Non-HUD Existing Operators'

obligation to consummate the First Closing have been satisfied; (ii) DOH has not notified the Non-HUD Existing Operators or the Non-HUD New Operators of a final-non appealable determination objecting to the CHOW applications with respect to any of the Non-HUD Facilities due to a fault of the New Operators; and (iii) the Non-HUD New Operators are diligently pursuing approval from DOH of the CHOW applications, then the Non-HUD New Operators and the Non-HUD Existing Operators shall negotiate in good faith for a reasonable extension of the First Closing Outside Date, (x) the right to terminate this Agreement pursuant to this Section 9.01(b)(iii) will not be available to any Party whose breach (as stipulated by the Parties or as determined by the Bankruptcy Court) of any provision of this Agreement results in the failure of the applicable Closing to be consummated by such time, and (y) provided that if an SFF Condition or Provisional License Condition as to an individual Facility has not been satisfied or waived by such Outside Date, the Outside Date and Closing as to such affected a Facility shall be postponed as contemplated under Section 3.06(a)(vii), but if not resolved by the SFF/Provisional License Outside Date, New Operator will have the right to terminate this Agreement as to the affected Facility by notice to Existing Operator, immediately on such SFF/Provisional License Outside Date or at any time within 90-days thereafter.

(iv) by Existing Operators, in the event of a material breach of any representation, warranty or covenant herein by the New Operators, which breach is incapable of cure or, if capable of cure, remains uncured five (5) days after written notice is given to the New Operators (or such longer notice and cure period as may be set forth in any other provision of this Agreement).

(v) by the New Operators in the event of a material breach of any representation, warranty or covenant herein by the Existing Operators, which breach is incapable of cure or, if capable of cure, remains uncured five (5) days after written notice is given to the Existing Operators (or such longer notice and cure period as may be set forth in any other provision of this Agreement);

(vi) by the New Operators if there has been a material breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Existing Operators pursuant to this Agreement that would render any of the conditions specified in Section 3.06 incapable of being satisfied and such breach, inaccuracy or failure cannot be cured by the Existing Operators by the First Closing Outside Date;

(vii) by the New Operators if the New Operators are not the Successful Bidder at the Auction; provided that if the New Operators are the Backup Bidder; then the New Operators shall not be permitted to terminate this Agreement pursuant to this Section 9.01(b)(vii) until the earlier of (A) the closing of an Alternative Transaction with the Successful Bidder or (B) the First Closing Outside Date;

(viii) by the New Operators if the sale is disapproved by the Bankruptcy Court or if the Existing Operators accept or agree to any Alternative Transaction (unless the New Operators are the Backup Bidder, then in such case, upon the closing of the Alternative Transaction);

(ix) by the New Operators if prior to the applicable Closing, the Sale Order, after being entered by the Bankruptcy Court, has subsequently and finally been reversed, revoked, or voided, amended or modified in form and substance no longer reasonably satisfactory to the New Operators;

(x) by the New Operators if the bankruptcy case is dismissed in whole or in part or converted to chapter 7 of the Bankruptcy Code for any reason prior to the applicable Closing or delays the applicable Closing from occurring;

(xi) by the New Operators if upon conclusion of the Auction, the New Operators are not selected as the Successful Bidder or the Backup Bidder;

(xii) by the New Operators if the Sale Order is not in form and substance reasonably satisfactory to the New Operators.

Section 9.02 Manner and Effect of Termination.

(a) Written notice of any termination pursuant to this Article IX shall be given by the New Operators to the Existing Operators or by the Existing Operators to the New Operators, as the case may be, and such notice shall state the reason for termination.

(b) Upon termination of this Agreement pursuant to this Article IX, (i) all further obligations of the Parties under this Agreement will terminate and be of no further force and effect, except for the provisions of Section 7.05 hereof, which will survive such termination.

Section 9.03 Bankruptcy Covenants.

(a) Intentionally omitted.

(b) Sale Order. If the New Operators are the Successful Bidder (as defined in the Bidding Procedures), the Existing Operators agree to use best efforts to cause the Bankruptcy Court to enter a Sale Order approving the sale of the Transferred Assets to the New Operators under the terms of this Agreement as soon as reasonably possible, which shall include provisions authorizing and approving the transactions contemplated hereby, including, without limitation: (i) the sale of the Transferred Assets to the New Operators free and clear of all Liens, Claims, and Encumbrances pursuant to the terms of this Agreement and section 363(b) and (f) of the Bankruptcy Code; (ii) finding the Existing Operators and the New Operators to have acted and negotiated at arm's-length and in good faith and providing for the protections afforded under section 363(m) and 363(n) of the Bankruptcy Code; (iii) waiving the stays set forth in Rules 6004(h) and 6006(d) of the Federal Rules of Bankruptcy Procedure; (iv) providing that the New Operators shall not be subject to any successor liability and shall have no Liability or suffer any damages for any Liens, Claims, and Encumbrances existing prior to the Closing Date which may be asserted against the Existing Operators, the Transferred Assets, or the Existing Operators' bankruptcy estates, or any Claims against the New Operators as successor to the Transferred Assets; (v) providing for a waiver and release of all Claims and causes of action by the Existing Operators of the New Operators and its Affiliates as of the Closing Date; (vi) providing for the retention of jurisdiction by the Bankruptcy Court to resolve any and all disputes that may arise under or relate to this Agreement or the Sale Order, whether between the Existing Operators and

the New Operators or involving a Person in interest in the Existing Operators' bankruptcy case; (vii) containing findings of fact and conclusions of Law that include the following: (A) the transactions under this Agreement were negotiated and entered into in good faith and at arm's-length; (B) the marketing and sale process conducted by the Existing Operators pursuant to the Sale Procedures Order are bona fide and adequate; (C) the Existing Operators gave due and proper notice and an opportunity to be heard to all interested parties of this Agreement and the transactions contemplated herein; (D) the New Operators are not holding themselves out to the public as a continuation of the Existing Operators; (E) the consideration to be paid by the New Operators under this Agreement constitutes reasonably equivalent value (as that term is used in each of the Uniform Fraudulent Transfer Act, as applied by state Law and section 548 of the Bankruptcy Code) and fair consideration for the Transferred Assets; and (F) neither the New Operators nor the Existing Operators are entering into the transactions contemplated by this Agreement fraudulently.

(c) Appeal or Delay. In the event an appeal is taken or a stay pending appeal is requested (or a petition for certiorari or motion for rehearing or reargument is filed), with respect to the Sale Procedures Order, the Sale Order, or any other Order of the Bankruptcy Court related to the transactions contemplated by this Agreement, the Existing Operators shall take all steps as may be reasonable and appropriate to defend against such appeal, petition, or motion, and the New Operators agree to cooperate in such efforts. Each Party shall use its commercially reasonable best efforts to obtain an expedited resolution for such appeal. From and after the Contract Date, except as may be provided in the Sale Procedures Order, the Existing Operators shall not take any action or fail to take any action, which action or failure to act would reasonably be expected to prevent or impede the consummation of the transactions contemplated by this Agreement in accordance with the terms of this Agreement.

(d) Pleadings. The Parties shall consult with each other regarding pleadings that any of them intends to file with the Bankruptcy Court in connection with the Sale Order. Each Party shall promptly provide the other Party and its counsel with copies of all material notices, filings and Orders of the Bankruptcy Court that such Party has in its possession (or receives) pertaining to any Order related to any of the transactions contemplated by this Agreement, but only to the extent such papers are not publicly available on the docket of the Bankruptcy Court or otherwise made available to the other Parties and their counsel.

(e) Intentionally omitted.

ARTICLE X MISCELLANEOUS

Section 10.01 Notices. Any notice or demand which either Party hereto is required or may desire to give or deliver to or make upon the other Party will be in writing and may be personally delivered or given or made by overnight courier such as Federal Express, by email transmission or made by United States registered or certified mail addressed as follows:

If to Existing Operators:

c/o Guardian Healthcare
8796 Route 219

Brockway, PA 15824-0240
Attn: Michael J. Herald, Esq., General Counsel
Email: Michael.Herald@guardianeldercare.net

with a copy to:

Saul Ewing LLP
1500 Market Street
3800 Centre Square West
Philadelphia, PA 19102
Attn: Jeffrey C. Hampton, Esq.
Email: jeffrey.hampton@saul.com

and with a copy to:

Saul Ewing LLP
1201 North Market Street
Suite 2300
Wilmington, DE 19801
Attn: Mark Minuti, Esq.
Email: mark.minuti@saul.com

If to New Operators:

GBK Eight LLC
229 Route 70
Tom's River, NJ 08755
Attn: Eric Anderson
Email: eric@noblecareco.com

with copy to:

GUTNICKI LLP
4711 Golf Rd., Suite 200
Skokie, IL 60076
Attn: Aaron Rokach
Email: arokach@gutnicki.com

subject to the right of either Party to designate a different address for itself by notice similarly given. Any notice or demand so given will be deemed to be delivered or made on the next business day if sent by overnight courier, or the same day as given if sent by e-mail (with confirmation of receipt) and received by 5:00 p.m. Brockway, Pennsylvania time or on the third (3rd) business day after the same is deposited in the United States Mail as registered or certified matter, addressed as above provided, with postage thereon fully prepaid. Any such notice, demand or document not given, delivered or made by registered or certified mail, by overnight courier or by e-mail (with

confirmation of transmission) as aforesaid will be deemed to be given, delivered or made upon receipt of the same by the Party to whom the same is to be given, delivered or made.

Section 10.02 Payment of Expenses. Except as otherwise expressly set forth herein, each Party will pay its own expenses, including legal expenses, incurred in connection with the transactions contemplated hereby, including without limitation, all expenses incident to the negotiation, preparation and performance of this Agreement and the other Transaction Documents.

Section 10.03 Entire Agreement; Amendment; Waiver. This Agreement, the Purchase and Sale Agreement and the other Transaction Documents set forth the entire agreement between the Parties hereto with respect to the transactions contemplated by this Agreement. Any provision of this Agreement may only be amended, modified or supplemented in whole or in part at any time by an agreement in writing among the Parties hereto executed in the same manner as this Agreement and with approval of the Bankruptcy Court. No waiver will be effective except in a writing executed by the waiving Party. No failure on the part of any Party to exercise, and no delay in exercising, any right will operate as waiver thereof, nor will any single or partial exercise by any Party of any right preclude any other or future exercise thereof or the exercise of any other right.

Section 10.04 Joint Venture; Third Party Beneficiaries. Nothing contained herein will be construed as forming a joint venture or partnership between the Parties hereto with respect to the subject matter hereof. The Parties hereto do not intend that any third party will have any rights under this Agreement, except that the provisions of Article VIII will inure to the benefit of and be enforceable by each Existing Operator Indemnified Party and each New Operator Indemnified Party.

Section 10.05 Counterparts. This Agreement may be executed in one or more counterparts and each such counterpart may be signed, transmitted, and/or stored electronically, with each deemed as an “original” and all of which together constitutes one and the same written instrument.

Section 10.06 Governing Law and Venue. This Agreement will be governed in accordance with the Laws of the Commonwealth of Pennsylvania without reference to its conflict of laws principles. Any dispute, controversy, proceeding or question of interpretation arising out of, in connection with or relating to the transactions contemplated herein, this Agreement or any other Transaction Document or any amendment hereof or thereof, any provision hereof or thereof or the breach, performance, validity or invalidity hereof or thereof shall be litigated in the Bankruptcy Court or any higher court. Each of the Parties hereby irrevocably and unconditionally submits to the exclusive jurisdiction of the Bankruptcy Court or any higher court for any dispute, controversy, proceeding or question of interpretation arising out of, in connection with or relating to the transactions contemplated herein, this Agreement or any other Transaction Document or any amendment hereof or thereof, any provision hereof or thereof or the breach, performance, validity or invalidity hereof or thereof. It is understood and agreed that the provisions of this Agreement relating to jurisdiction and venue are part of the value consideration given and relied upon by the Parties in connection with the purchase contemplated hereby.

Section 10.07 Injunctive Relief. In the event of a breach by a Party hereto of any of its obligations hereunder, a non-breaching Party will have the right, in addition to any other remedies

which may be available, to obtain specific performance of the terms of this Agreement. The Parties hereby waive any requirement for the obtaining or posting of a bond, indemnity or similar instrument in connection herewith.

Section 10.08 Severability. Except as otherwise provided herein, in the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof will not affect the remainder of this Agreement, which will remain in full force and effect and enforceable in accordance with its terms.

Section 10.09 Assignment. No Party may assign this Agreement without the consent of the other Parties hereto and any attempted assignment in violation of this Section 10.09 will be null and void; provided however, that New Operator may assign its rights hereunder to new entities formed by New Operator to serve as licensed operations of the Facilities subject to the prior written consent of Existing Operators, with such consent not to be unreasonably withheld or delayed. Notwithstanding the foregoing, New Operator may pledge any or all of its rights and obligations hereunder to any Person who is providing the financing to Buyer and/or New Operator from time to time as collateral security for such financing.

Section 10.10 Public Announcement. Unless the Parties agree otherwise, no Party will make any press release or other public announcement regarding this Agreement or the transactions described in this Agreement, unless such Party is obligated by the Bankruptcy Code, Law, or the rules of any stock exchange upon which its shares are traded to make such a disclosure. When a Party determines that it is obligated by any Law or the rules of a stock exchange to make such a disclosure, it will notify the other Party in writing prior to such disclosure and the Parties will cooperate to cause a mutually agreeable release or announcement to be issued.

Section 10.11 No Presumption. No provision of this Agreement will be interpreted in favor of, or against, either Party hereto by reason of the extent to which any such Party or its counsel participated in the drafting of this Agreement or by reason of the extent to which any such provision is inconsistent with any prior draft of this Agreement or any other document.

Section 10.12 Waiver Of Jury Trial. EACH OF EXISTING OPERATOR AND NEW OPERATOR HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR COUNTERCLAIM ARISING IN CONNECTION WITH, OUT OF OR OTHERWISE RELATING TO THIS AGREEMENT.

[Execution page follows]

IN WITNESS WHEREOF, the Parties hereby execute this Agreement as of the day and year first set forth above.

EXISTING OPERATORS:

Guardian Elder Care at Beaver Falls, LLC
Guardian Elder Care at Lower Burrell, LLC
Guardian Elder Care at Munhall, LLC
Guardian Elder Care at Monongahela, LLC
Guardian Elder Care at Bethel Park, LLC
Guardian Elder Care at Greensburg, LLC
Guardian Elder Care at Brockway, LLC
Guardian Elder Care at Fairmont, LLC

By: _____
Michael J. Herald, President

NEW OPERATORS:

GBK Eight LLC

By: _____
Name:
Title:

Exhibit A

Facilities, Sellers, Buyers, Existing Operators, New Operators

Facility Name and Address	Seller	Existing Operator	Buyers	New Operator	Number of Beds
HUD Facilities:					
Beaver Valley Healthcare and Rehabilitation Center, 257 Georgetown Road, Beaver Falls, PA 15010	GEC Beaver Falls Real Estate, LLC, a Pennsylvania limited liability company	Guardian Elder Care at Beaver Falls, LLC, a Pennsylvania limited liability company	[insert information]	[insert information]	120
Fairmont Healthcare and Rehabilitation Center, 130 Kaufman Drive, Fairmont, WV 26554	GEC Fairmont Real Estate, LLC, a West Virginia limited liability company	Guardian Elder Care at Fairmont, LLC, a West Virginia limited liability company	[insert information]	[insert information]	120
Havencrest Healthcare and Rehabilitation Center, 1277 Country Club Road, Monongahela, PA 15063	GEC Monongahela Real Estate, LLC, a Pennsylvania limited liability company	Guardian Elder Care at Monongahela, LLC, a Pennsylvania limited liability company	[insert information]	[insert information]	48
Non-HUD Facilities:					
Belair Healthcare and Rehabilitation Center, 100 Little Drive, Lower Burrell, PA 15068	GEC Lower Burrell Real Estate, LLC, a Pennsylvania limited liability company	Guardian Elder Care at Lower Burrell, LLC, a Pennsylvania limited liability company	[insert information]	[insert information]	103
Eldercrest Healthcare and Rehabilitation Center, 2600 West Run Road, Munhall, PA 15120	GEC Munhall Real Estate LLC, a Pennsylvania limited liability company	Guardian Elder Care at Munhall, LLC, a Pennsylvania limited liability company	[insert information]	[insert information]	48

Meadowcrest Healthcare and Rehabilitation Center, 1200 Braun Road, Bethel Park, PA 15102	GEC Bethel Park Real Estate LLC, a Pennsylvania limited liability company	Guardian Elder Care at Bethel Park, LLC, a Pennsylvania limited liability company	[insert information]	[insert information]	50
Oak Hill Healthcare and Rehabilitation Center, 827 Georges Station Road, Greensburg, PA 15601	GEC Greensburg Real Estate LLC, a Pennsylvania limited liability company	Guardian Elder Care at Greensburg, LLC, a Pennsylvania limited liability company	[insert information]	[insert information]	48
Highland View Healthcare and Rehabilitation Center, 90 Main Street, Brockway, PA 15824	GEC Highland View, LP, a Pennsylvania limited partnership	Guardian Elder Care at Brockway, LLC, a Pennsylvania limited liability company	[insert information]	[insert information]	50

Exhibit C

Blackline – Agreement of Purchase and Sale

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE (this “Agreement”) is made and entered into as of the ~~19th~~2nd day of ~~August~~October, 2024 (the “Contract Date”), by and among the “Sellers” identified on Exhibit A hereto (individually, a “Seller” and collectively, “Sellers”), and “Buyers” identified on Exhibit A hereto (individually a “Buyer” and collectively, “Buyers”). Sellers and Buyers will sometimes hereinafter be collectively referred to as the “Parties” or, individually, as a “Party”.

RECITALS:

A. Each Seller is the owner of the skilled nursing facility set forth opposite its name on Exhibit A hereto (each, a “Facility” and collectively, the “Facilities”). The real estate underlying each Facility shall hereinafter be referred to individually as the “Real Property” and collectively as the “Real Properties”. Legal descriptions of the Real Properties are attached as Exhibit B.

B. The Sellers lease the Facilities to the Persons identified as the “Existing Operators” on Exhibit A (each, an “Existing Operator” and collectively, the “Existing Operators”).

C. The Sellers desire to sell, and the Buyers desire to purchase, the Real Property set forth opposite each such Seller and Buyer’s name on Exhibit A and all of such Seller’s right title and interest in all of the tangible personal property located at the applicable Facility other than the Excluded Assets (the “Personal Property” and collectively with the Real Properties, the “Property”), on the terms and conditions set forth in this Agreement.

E. Existing Operators have entered into an Operations Transfer Agreement of even date herewith (the “OTA”) with the “New Operators” identified on Exhibit A (each a “New Operator” and collectively, the “New Operators”), pursuant to which the applicable Existing Operator has agreed to transfer operational responsibility of the applicable Facility to the New Operator whose name is set forth opposite such Facility on Exhibit A hereto.

F. Each Facility identified on Exhibit A as a “HUD Facility” (each, a “HUD Property” and collectively, the “HUD Properties”) is subject to a mortgage in favor of the U.S. Department of Housing and Urban Development (“HUD”) which requires HUD’s consent to the transfer and sale of the HUD Properties pursuant to the terms hereof.

G. On July 29, 2024, each filed its voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Western District of Pennsylvania (“Bankruptcy Court”). The Sellers plan to continue to operate their businesses and manage their respective Properties as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

H. Sellers desire to sell and cause to be sold, and Buyers desire to purchase as the Stalking Horse Bidder (as defined herein), free and clear of all Liens, Claims and Encumbrances, except for the Permitted Exceptions, the Property in accordance with sections 105(a), 363 and other applicable provisions of the Bankruptcy Code, upon the terms and subject to the conditions of this Agreement.

I. On August 19, 2024, Sellers ~~will file~~filed a motion under sections 363 and 365 of the Bankruptcy Code [D. I. 204] (the “Sale Motion”) seeking, inter alia, entry of an (i) Order (a) approving bidding procedures (the “Bidding Procedures” ~~and such Bidding Procedures are attached hereto as Exhibit C~~); (b) setting a date for an auction (the “Auction”) of the Property; and (c) ~~seeking authority to identify and name Buyers as the stalking horse bidder (the “Stalking Horse Bidder”) for the Property and as operator of the facilities under the OTA that is linked to this Agreement to set a floor price for, among other things, the Property at the Auction and to compensate such Stalking Horse Bidder with bidder protections of (1) a break-up fee of three and one half percent (3.5%) of the Purchase Price and (2) reimbursement of Buyer’s reasonable and actual documented out of pocket expenses incurred in respect of considering, negotiating and consummating this Transaction, up to Three Hundred Thousand and XX/100 Dollars (\$300,000) (the “Expense Reimbursement”) in this Agreement; and (d)~~ setting a date for a hearing (the “Sale Hearing”) to approve the sale contemplated thereby; and (ii) requesting entry of an Order approving the transactions contemplated by an anticipated sale (the “Sale Procedures Order”).

J. On September 6, 2024, the Bankruptcy Court entered the Sale Procedures Order [D. I. 376] approving the Bidding Procedures.

~~JK.~~ The transactions hereunder are subject to Bankruptcy Court approval and the Property will be sold pursuant to a Sale Order that is reasonably satisfactory to Sellers and Buyers, including without limitation relief ordered by the Bankruptcy Court pursuant to sections 363(f), (m) & (n) of the Bankruptcy Code.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants of the Parties set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.01. Definitions. As used in this Agreement, the following terms will have the meanings set forth below:

“Action” means any claim, action, suit, proceeding or investigation, whether at law or in equity, before any court, arbitrator, arbitration panel or Governmental Authority.

“Affiliate” means any Person that, directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified, where the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Alternative Transaction” means a sale of substantially all of the Property or a portion thereof to a Person or Persons who are not Buyers, pursuant to the Auction; *provided, however*, that any Alternative Transaction must comply with the Bidding Procedures, ~~including providing~~

~~for cash payment from the closing of such Alternative Transaction of the Break-Up Fee and Expense Reimbursement to Buyers in full upon closing.~~

"Bankruptcy Code" means title 11 of the United States Code, 11 U.S.C. §§ 101-1532.

~~"Break-Up Fee" means cash in the amount of One Million Nine Hundred and Sixty Thousand and XX/100 Dollars (\$1,960,000) which is equal to three and one half percent (3.5% of the Purchase Price).~~

"Claims" shall include the meaning ascribed by section 101(5) of the Bankruptcy Code and includes, without limitation, all rights, claims, causes of action, defenses, debts, demands, damages, offset rights, setoff rights, recoupment rights, obligations, and liabilities of any kind or nature under contract, at law or in equity, known or unknown, contingent or matured, liquidated or unliquidated, and all rights and remedies with respect thereto.

"Closing" means, as applicable, the First Closing or the Second Closing.

"Closing Date" means, as applicable, the First Closing Date or the Second Closing Date.

"Confidential Information" means any information about a Seller, its Affiliates (including an Existing Operator), the Property and/or the Facilities disclosed or made available to a Buyer, its Affiliates and/or their respective Representatives, directly or indirectly, in writing, orally, electronically, by drawings, observation or otherwise, including without limitation any information given to or obtained in connection with Buyers' investigation of the Property and the Facilities.

"Contract" means any agreement, contract, license, arrangement, commitment, promise, obligation, right, instrument, document or other similar understanding, that in each case is in writing and signed by parties intending to be bound thereby (other than any Leases), including, in each case, all amendments, modifications and supplements thereto and waivers and consents thereunder.

"Effective Time" means 12:01 a.m. on the applicable Closing Date.

"Encumbrances" means, to the extent not considered a Lien, any security interest, lien, collateral assignment, debt, obligation, Liability, pledge, levy, charge, escrow, encumbrance, option, right of first refusal, restriction (whether on transfer, disposition or otherwise), third party right, right limited to any Seller personally, other agreement term tending to limit any right or privilege of any Seller under any Contract, conditional sale Contract, title retention Contract, mortgage, Lease, deed of trust, hypothecation, indenture, security agreement, easement, license, option, pledge, right of first refusal or restriction of any kind, servitude, proxy, voting trust, transfer restriction under any shareholder or similar agreement, or any other agreement, arrangement, Contract, commitment, understanding or obligation of any kind whatsoever, whether written or oral, or imposed by any Law, equity or otherwise. For the avoidance of doubt, past-due nursing facility assessments are considered "Encumbrances" for purposes of this Agreement.

"Environmental Laws" means all Laws relating to the protection, preservation, remediation or conservation of the environment or worker health or safety, including without limitation, the

Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act of 1976 (“RCRA”), 42 U.S.C. § 6901 et seq., the Emergency Planning and Community Right-to-Know Act (“Right-to-Know Act”), 42 U.S.C. § 11001 et seq., the Clean Air Act (“CAA”), 42 U.S.C. § 7401 et seq., the Federal Water Pollution Control Act (“Clean Water Act”), 33 U.S.C. § 1251 et seq., the Toxic Substances Control Act (“TSCA”), 15 U.S.C. § 2601 et seq., the Safe Drinking Water Act (“Safe Drinking Water Act”), 42 U.S.C. § 300f et seq., the Atomic Energy Act (“AEA”), 42 U.S.C. § 2011 et seq., the Occupational Safety and Health Act (“OSHA”), 29 U.S.C. § 651 et seq., and the Hazardous Materials Transportation Act (“Transportation Act”), 49 U.S.C. § 1802 et seq.

“Excluded Assets” means (a) the Excluded Assets as set forth in the OTA, (b) any Personal Property not owned by the applicable Seller, (c) cash and cash equivalents, and (d) any other assets set forth on Schedule 1.1 hereto.

“Fairmont Facility” means the Fairmont Health and Rehabilitation Center located in Fairmont, West Virginia.

“Final Order” means an Order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari has expired and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the Order or judgment could be appealed or from which certiorari could be sought or the new trial, reargument or rehearing shall have been denied, resulted in no modification of such Order or has otherwise been dismissed with prejudice, provided, however, that no Order shall fail to be a Final Order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Rule 9024 of the Federal Rules of Bankruptcy Procedure may be filed with respect to such Order, as long as such motion has not actually been filed.

“Governmental Authority” means any government or political subdivision or department thereof; any governmental, administrative or regulatory body, commission, board, bureau, agency or instrumentality; or, any court, arbitrator or alternative dispute resolution body, in each case whether federal, state or local.

“Hazardous Materials” means any hazardous, toxic or dangerous waste, substance or material, pollutant or contaminant, as defined and regulated by any Environmental Laws applicable to the Real Properties.

“HUD Application” means one or more applications to be filed by the HUD Buyers with HUD for the assignment and assumption by the HUD Buyers of the HUD Debt.

“HUD Buyers” means the Buyers of the HUD Properties.

“HUD Debt” means the loans made by KeyBank guaranteed by HUD in favor of the HUD Sellers and secured by mortgages on the HUD Properties.

“HUD Sellers” means the Sellers of the HUD Properties.

“Knowledge” means, (a) with respect to each Seller, the actual, knowledge of Michael J. Herald, and (b) with respect to Buyers, the actual, conscious knowledge of Mark Kandelman.

“Law” means any federal, state or local law, treaty, statute, ordinance, code, rule, regulation, judgment, decree, order, writ, award, injunction or determination of a Governmental Authority.

“Leases” mean the existing lease agreements between an Existing Operator and a Seller with respect to the Facilities.

“Liability” means, in the broadest terms possible, any and all Claims, debts, liabilities, assessments (including without limitation, nursing facility assessments), taxes, obligations and commitments of whatever kind or nature, whether known or unknown, asserted or unasserted, fixed, absolute or contingent, matured or unmatured, accrued or unaccrued, liquidated or unliquidated or due or to become due, and whenever or however arising (including those arising out of any Contract or tort, whether based on negligence, strict liability or otherwise) and whether or not the same would be required by GAAP to be reflected as a liability in financial statements or disclosed in the notes thereto.

“Lien” means, in the broadest terms possible, any lien (statutory or otherwise), Claim, Encumbrance, interest, Liability, deed of trust, right of first offer, easement, servitude, transfer restriction under any shareholder or similar agreement, mortgage, pledge, charge, security interest, option, right of first refusal, easement, security agreement or other encumbrance or restriction on the use or transfer of any property, hypothecation, license, preference, priority, covenant, right of recovery, Order of any Governmental Authority, of any kind or nature.

“Losses” means any loss, liability, claim, demand, obligation, damage, cost or expense (including reasonable legal fees and expenses), but excluding consequential, incidental, indirect, punitive or special damages, except to the extent such damages are paid or payable to a third party in connection with a Third Party Claim.

“Non-HUD Buyers” means the Buyers of the Non-HUD Properties.

“Non-HUD Properties” means each Real Property identified on Exhibit A under the heading “Non-HUD Facilities”.

“Non-HUD Sellers” means the Sellers of the Non-HUD Properties.

“Permitted Exceptions” means: (i) the general printed exceptions contained in the extended coverage Title Policy; (ii) general real estate taxes, association assessments, special assessments, special district taxes and related charges not yet due and payable; however, for the avoidance of doubt, nursing facility bed assessments are not “Permitted Exceptions”; (iii) building and use restrictions and easements, rights of way and similar matters of record so long as such exceptions do not prohibit or otherwise interfere with the current use of the Real Property for operation of a skilled nursing facility as currently operated (including for use of its current licensed number of beds); (iv) all matters shown on the Existing Survey; (v) all matters caused by the actions of a Buyer; (vi) solely with respect to the HUD Properties, the HUD Debt and all liens and

encumbrances of HUD and the HUD lender associated therewith; and (vii) all other exceptions and limitations disclosed in the Title Commitment.

“Person” means any individual, corporation, company, association, partnership, limited liability company, joint venture, trust, unincorporated organization, or other entity, or Governmental Authority.

“Representatives” means, with respect to any Person, such Person’s shareholders, officers, directors, partners, members, managers, employees, agents and representatives acting on behalf of, such a Person.

“Sale Order” means an Order of the Bankruptcy Court, reasonably acceptable to Buyers in all respects, authorizing the sale of the Property to Buyers contemplated by this Agreement free and clear of all Liens, Claims, and Encumbrances, except Permitted Exceptions.

Section 1.02. Additional Definitions. Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
Agreement	Preamble
Assumed Liabilities	Section 2.03(a)
Auction	Recitals
Bankruptcy Court	Recitals
Basket	Section 7.03(b)
Bell System Credit	Section 3.03(c)
Bidding Procedures	Recitals
Bill of Sale	Section 3.02(a)(ii)
Buyer/Buyers	Preamble
Buyer’s Broker	Section 4.02(e)
Buyer Indemnified Parties	Section 7.01
CIA	Section 6.01
Contract Date	Preamble
Covenant Survival Period	Section 4.03
Deed	Section 3.02(a)(i)
Deposit	Section 2.02(a)
DHS	Section 2.03(b)
Disclaimed Matters	Section 4.02(f)
DOH	Section 2.03(b)
DOL	Section 2.03(b)
Existing Operator/Existing Operators	Recitals
Existing Survey	Section 5.02(a)
~~Expense Reimbursement~~	~~Recitals~~
Extended HUD Deadline	Section 3.01
~~Extension Fee~~	~~Section 2.02(a)~~
Facility/Facilities	Recitals
First Closing	Section 3.01

Term	Section
First Closing Date	Section 3.01
First Closing Outside Date	Section 3.01
First Closing Payment	Section 2.02(b)
HUD	Recitals
HUD Approval	Section 5.05
HUD Approval Deadline	Section 5.05
HUD Buyer Indemnified Parties	Section 7.01
HUD Property/HUD Properties	Recitals
HUD Seller Indemnified Parties	Section 7.02
Indemnified Party	Section 7.04(a)
Indemnifying Party	Section 7.04(a)
New Operator/New Operators	Recitals
Non-HUD Buyer Indemnified Parties	Section 7.01
Non-HUD Seller Indemnified Parties	Section 7.02
OIG Release	Section 6.01
OTA	Recitals
Party/Parties	Preamble
Personal Property	Recitals
Property	Recitals
Purchase Price	Section 2.02
Real Properties	Recitals
Real Property	Recitals
Representation Survival Period	Section 4.03
Sale Motion	Recitals
Sale Procedures Order	Recitals
Second Closing	Section 3.01
Second Closing Date	Section 3.01
Second Closing Outside Date	Section 3.01
Second Closing Payment	Section 2.02(c)
Seller/Sellers	Preamble
Seller Indemnified Parties	Section 7.02
Seller's Broker	Section 4.01(f)
Sellers' Disclosure Documents	Section 5.02(a)
Stalking Horse Bidder	Recitals
Survival Period	Section 4.03
Third Party Claim	Section 7.04(a)
Title Commitment	Section 5.02(b)
Title Company	Section 2.02(a)
Title Policy	Section 5.01(c)
Transaction Documents	Section 4.01(a)

Section 1.03. General Interpretive Principles. Whenever used in this Agreement, except as otherwise expressly provided or unless the context otherwise requires, any noun or pronoun will

be deemed to include the plural as well as the singular and to cover all genders. The name assigned this Agreement and the Section captions used herein are for convenience of reference only and will not be construed to affect the meaning, construction or effect hereof. Unless otherwise specified, the terms “hereof,” “herein” and similar terms refer to this Agreement as a whole (including the Exhibits and Schedules hereto), and references herein to Articles or Sections refer to Articles or Sections of this Agreement. Whenever the words “include,” “includes” or “including” are used in this Agreement, they will be deemed to be followed by the words “without limitation.”

Section 1.04. Multiple Properties. Each representation, warranty and covenant hereunder will apply severally, and not jointly, between the Seller and the Buyer whose names are set forth opposite such Real Property on Exhibit A hereto, as if this Agreement applied only to such Parties and to such Real Property; provided, however, that except as otherwise expressly provided herein or as otherwise agreed by the Parties, (a) the First Closing will occur with respect to all Non-HUD Properties simultaneously, (b) the Second Closing will occur with respect to all HUD Properties simultaneously, (c) the closing payments with respect to all Non-HUD Properties will be netted at the First Closing to determine the First Closing Payments payable hereunder, and (d) the closing payments with respect to all HUD Properties will be netted at the Second Closing to determine the Second Closing Payments payable hereunder.

ARTICLE II TRANSFER OF ASSETS AND OPERATIONS

Section 2.01. Generally. Subject to the terms and conditions set forth herein (i) at the First Closing the applicable Sellers will sell, transfer and assign to the applicable Buyers, and the applicable Buyers will purchase and assume, the applicable Non-HUD Properties and Personal Property located thereon and (ii) at the Second Closing, the applicable Sellers will sell, transfer and assign to the applicable Buyers, and the applicable Buyers will purchase and assume, the applicable HUD Properties and Personal Property thereon.

Section 2.02. Purchase Price; Payment. The aggregate purchase price for the Property will be Fifty Six Million Dollars (\$56,000,000.00) (the “Purchase Price”), and will be payable as follows:

(a) Buyer has ~~previously~~: (i) deposited in an interest bearing account with Riverside Abstract (the “Title Company”) earnest money in the sum of Nine Hundred Thousand (\$900,000) (the “Deposit”); ~~and (ii) paid to Sellers an extension fee in the amount of Eight Hundred Fifty Thousand Dollars \$850,000 (the “Extension Fee”).~~ Subject to the provisions of this Agreement, the Deposit ~~and the Extension Fee have~~ has been paid over to the Sellers and will be credited to the Purchase Price at the First Closing, assuming that Buyers are the Successful Bidder and otherwise returned to Buyers or maintained by the Sellers, in accord with the terms of this Agreement.

(b) At the First Closing, the Buyers shall pay in cash by wire transfer of immediately available funds to an account designated by Sellers in writing, Eleven Million Dollars (\$11,000,000), minus ~~(i) the Deposit and (ii) the Extension Fee~~ (the “First Closing Payment”).

(c) At the Second Closing, the Buyers shall pay in cash by wire transfer of immediately available funds to an account(s) designated by Sellers in writing, (i) Forty Five Million Dollars (\$45,000,000), minus (ii) an amount equal to the HUD Debt assumed at the Second Closing by Buyers, if any, plus (iii) an amount equal to the balance of reserves funded by Sellers with respect to the HUD Properties pursuant to the HUD Debt or otherwise, provided the same are assigned to Buyer or New Operator at the Second Closing (the “Second Closing Payment”).

Section 2.03. Assumption of Liabilities.

(a) Notwithstanding any provision in this Agreement to the contrary, Buyers do not and shall not assume and do not and shall not agree, in any manner, to be responsible or liable to pay, perform, fulfill or discharge, and shall not be responsible to pay, perform, fulfill, or discharge any of Sellers’ Liabilities, including, without limitation, any Liabilities directly or indirectly arising out of, or resulting from Sellers’ ownership or use of the Property or operation of the Business prior to the Closing and Sellers shall be exclusively obligated for all such Liabilities, except for (1) the HUD Debt, to the extent the HUD Approval is obtained; (2) any obligations arising after the applicable Closing under any Contracts or Leases assumed by Sellers and assigned to Buyers pursuant to Section 2.05 herein; and (3) the cure costs to be paid by Buyers, if any, to the extent any Contracts or Leases are assumed by Sellers and assigned to Buyers pursuant to Section 2.05 herein (collectively, the “Assumed Liabilities”). Without limiting the foregoing, no Buyer nor their Affiliates will be deemed to have assumed or be liable for; (i) any Leases, Contracts (unless explicitly assumed by Buyers or the New Operators under Section 2.05 herein or the OTA, respectively), current Liabilities, or any other Liabilities of Sellers whether or not reflected on the balance sheets of Sellers or their bankruptcy schedules, except for the Permitted Exceptions; (ii) any intercompany liabilities or amounts due to Sellers’ Affiliates; (iii) any liabilities of Sellers or any of their Affiliates; (iv) any Liabilities of Sellers or their Affiliates accruing or arising on, before or after the Closing Date; and (v) any Liability or obligation of Sellers to any broker, finder or similar party.

(b) Without limiting the foregoing, and except for the Assumed Liabilities, to the fullest extent permitted by law (including under Section 363 of the Bankruptcy Code), upon the Closing, Buyers shall not be deemed to: (i) be the successors of the Sellers; (ii) have, de facto, or otherwise, merged with or into Sellers; (iii) be a mere continuation or substantial continuation of the Sellers or the business, enterprise(s), or operations of the Sellers; or (iv) be liable for any acts or omissions of Sellers in the conduct of their business or arising under or related to the Property. Without limiting the generality of the foregoing, Buyers shall not be liable for any Claims, Liens or Encumbrances (other than Assumed Liabilities and Permitted Exceptions) against any Seller or any of Sellers’ predecessors or affiliates, and Buyers shall have no successor or vicarious liability of any kind or character whether known or unknown as of the applicable Closing, including, without limitation, any Liabilities owed by any Seller to the Pennsylvania Department of Health (“DOH”), the Pennsylvania Department of Human Services (“DHS”), the United States Department of Health and Human Services, or the United States Department of Labor (“DOL”), any taxes of any kind whether now existing or hereafter arising with respect to the Property, or any other liabilities of Sellers arising prior to the applicable Closing. The parties agree that the provisions substantially in the form of this Section 2.03, as well as any other provisions reasonably requested by Buyers to ensure “free and clear” sale of the Property (except for Permitted Exceptions and Assumed Liabilities), shall be reflected in the Sale Order.

Notwithstanding anything to the contrary contained herein or in the OTA, in the event that (i) New Operators or Buyers must engage legal counsel or incur any other costs or expenses to enforce the terms of the Sale Order against any third party asserting any type of Claim, Lien or Encumbrance against New Operators, Buyers, or the Property or the Transferred Assets that is not a Permitted Exception or Assumed Liability or (ii) a Governmental Authority determines pursuant to a Final Order that New Operators, Buyers, or the Property or the Transferred Assets are liable for any type of Claim, Lien or Encumbrance against New Operators, Buyers, or the Property or Transferred Assets that is not a Permitted Exception or Assumed Liability, then New Operators and Buyers may recover the amount of any losses, liabilities or damages resulting from the same, including, without limitation, reasonable costs and fees for legal counsel and related expenses, solely from the Escrow Account as provided in Article VII, subject to the terms and conditions of said Article VII.

Section 2.04. Sale Process. As will be set forth in more detail in the Bidding Procedures, the sale of the Property is subject to a potential Auction pursuant to the following terms:

(a) This Agreement shall be subject to an Auction conducted pursuant to the Bidding Procedures if Sellers receive one or more Qualified Bids (as defined in the Bidding Procedures), and the Purchase Price shall be considered the opening bid at the Auction for the Property as described in the Bidding Procedures;

(b) ~~The Bidding Procedures shall have terms and conditions agreed to by Buyers and the Sellers, in the exercise of their reasonable discretion~~ Intentionally omitted ;

(c) Sellers shall continue to market the sale of the Property prior to the Auction;
and

(d) ~~At the Auction, in evaluating Qualified Bids and the advancements in Qualified Bids, Buyers shall receive credit for the full amount of the Break-Up Fee and Expense Reimbursement as consideration over and above the cash amount of Buyers' bid regardless of the nature of or consideration provided by any competing Qualified Bids.~~ To the extent that Buyers are declared the Backup Bidder (as defined in the Bidding Procedures) at the Auction for the Property, Buyers agree to serve as Backup Bidder until the earlier of (i) the closing of a transaction with a Successful Bidder (as defined in the Bidding Procedures) or (ii) ~~October~~ December 31, 2024.

For the avoidance of doubt, if Sellers do not receive any other Qualified Bids other than the bid from Buyers, then there shall be no Auction, and Buyers and Sellers shall proceed with the transaction subject to the terms and conditions of this Agreement.

Section 2.05. Assumption and Rejection of Contracts and Leases. To any extent permissible, Buyers shall be permitted to designate any and all Contracts and/or Leases for assumption and assignment pursuant to Section 365 of the Bankruptcy Code, provided however, that any cure costs associated with any such assumed and assigned Contract or Lease shall be borne solely by the Buyers.

ARTICLE III CLOSING

Section 3.01. Closing. The consummation of the transactions contemplated herein with respect to the Non-HUD Properties (the “First Closing”) will occur on a date that is no later than five (5) business days after the date on which all of the conditions set forth in Section 3.05 and any other conditions set forth in this Agreement are met (the “First Closing Date”), but in any event no later than ~~October 31~~December 13, 2024 (the “First Closing Outside Date”). The consummation of the transactions contemplated herein with respect to the HUD Properties (the “Second Closing”) will occur, subject to the satisfaction of all the conditions set forth in Section 3.05 and any other conditions set forth in this Agreement, upon a date (the “Second Closing Date”) designated by Buyer upon at least three (3) days’ prior written notice to Seller so long as it is prior to the Second Closing Outside Date. The “Second Closing Outside Date” shall be the HUD Approval Deadline, provided, however, that in the event that (a) the HUD Approval is not obtained for the Fairmont Facility prior to the HUD Approval Deadline, and (b) as of the HUD Approval Deadline (i) the HUD Buyers have received written notice from HUD or the HUD-insured lender that the HUD Application is in process; (ii) HUD has not notified the HUD Buyers or the HUD Sellers, in writing, of any denial of the HUD Application with respect to the Fairmont Facility; and (iii) the ~~Sellers have determined in their sole discretion that the~~ HUD Buyers are diligently pursuing approval from HUD of the HUD Application, then the Second Closing Outside Date ~~may~~shall be extended, ~~with the prior written consent of the Sellers, not to be unreasonably withheld~~, for additional one (1) month periods; provided, however, that (i) if at any time the HUD Approval for the Fairmont Facility is not received and the HUD Buyers receive a final determination regarding the HUD Application with respect to the Fairmont Facility stating that Buyers’ assumption of the HUD Debt is denied, this Agreement shall either terminate automatically with respect to the HUD Properties or the HUD Buyers may, at their sole discretion, proceed to closing with respect to all of the HUD Properties, or (ii) if the HUD Approval for the Fairmont Facility is received stating that Buyers’ assumption of the HUD Debt for the Fairmont Facility is approved, the HUD Buyers shall be obligated to proceed to closing with respect to all of the HUD Properties. Notwithstanding the foregoing, in no event shall the Second Closing Outside Date be extended beyond April 25, 2025. The Closings will be conducted through an escrow with the Title Company, in accordance with the general procedures for similar transactions in the Commonwealth of Pennsylvania or the State of West Virginia, as applicable. Each Closing will occur simultaneously with the closing with respect to the corresponding Facilities under the OTA and will be effective for all purposes hereof as of the Effective Time on the applicable Closing Date.

Section 3.02. Deliveries at Closing.

(a) At each Closing, Sellers will make the following deliveries to Buyers, in each case duly executed by Sellers (as applicable):

(i) A special warranty deed (the “Deed”) for transfer and conveyance of good and marketable fee simple title to the applicable Real Properties;

(ii) A bill of sale (the “Bill of Sale”) for transfer and conveyance of the applicable Personal Property;

- (iii) A non-foreign affidavit;
 - (iv) A certificate of an officer of Sellers, certifying as to the satisfaction of the conditions set forth in Section 3.05(a)(iii) and Section 3.05(a)(iv) hereof, as of the applicable Closing;
 - (v) A termination of the applicable Leases;
 - (vi) Any and all other documents and deliverables reasonably requested by the Title Company to effectuate the transactions contemplated hereby.
- (b) At each Closing, Buyers will make the following deliveries to Sellers, in each case duly executed by Buyers (as applicable):
- (i) A certificate of an officer of Buyers, certifying as to the satisfaction of the conditions set forth in Section 3.05(b)(i) and Section 3.05(b)(ii) hereof, as of the applicable Closing;
 - (ii) The First Closing Payment or the Second Closing Payment, as applicable; and,
 - (iii) Any and all other documents and deliverables reasonably requested by the Title Company to effectuate the transactions contemplated hereby.

Section 3.03. Pro-rations; Allocations.

(a) Prorations; Allocations Generally. Unless otherwise provided below, the following are to be adjusted and prorated between Sellers and Buyers as of the Effective Time, based upon a 365-day year:

- (i) All state and local real estate transfer taxes incurred in connection with the transfer of the Property will be split equally by Buyers and Sellers.
- (ii) Real estate taxes, assessments, personal property taxes, and all other charges or taxes assessed by any Governmental Authority on the Real Properties or the Personal Property will be apportioned as of the applicable Closing Date, based on the rates and assessed valuation applicable in the fiscal year for which assessed, with Sellers being responsible for such amounts prior to the applicable Closing Date and Buyers being responsible for such amounts on and after the applicable Closing Date.
- (iii) Sellers will cause Existing Operators to use commercially reasonable efforts to arrange for a final reading of all utility meters for gas, steam, electricity, water, sewage and other public utility charges, as applicable, as of the applicable Closing Date. All such charges will be apportioned as of the applicable Closing Date with Sellers being responsible for such amounts prior to the applicable Closing Date and Buyers being responsible for such amounts on and after the applicable Closing Date. The Sellers shall receive the refund of all deposits held by such utility companies, and Buyers will arrange to make its own deposits with the utility companies for its obligations on and after the applicable Closing Date.

(iv) Buyers will pay any filing or recording fees and the fees of Buyer's Broker, if any.

(v) Sellers will pay the fees of Seller's Broker, if any.

(vi) Buyer and Seller will each pay one-half of the Escrow Agent's fees.

(b) Re-Adjustment. In the event that accurate prorations and other adjustments cannot be made as of the applicable Closing Date because current bills or statements are not obtainable, the Parties will prorate on the best available information, subject to adjustment upon receipt of the final bill or statement. All amounts which are subject to proration under the terms of this Agreement and which require adjustment after the applicable Closing Date will be settled within thirty (30) days after the applicable Closing Date or, in the event the information necessary for such adjustment is not available within said thirty (30) day period, then within ten (10) business days of receipt of information by the applicable Party necessary to settle the amounts subject to proration.

Section 3.04. Allocation of Purchase Price. The Purchase Price will be allocated among the Real Properties, the Personal Property and the Transferred Assets under the OTA in the manner as set forth in Schedule 3.04, which shall be agreed to at or prior to the First Closing, with respect to the Non-HUD Properties, and at or prior to the Second Closing Date, with respect to the HUD Properties. The Parties will adhere to such allocations in filing all returns with the appropriate taxing authorities. The aggregate amount of the Purchase Price allocable at the First Closing shall in no circumstances be less than the amount of \$11,000,000.00.

Section 3.05. Conditions Precedent.

(a) Buyers' obligation to consummate the transactions contemplated in this Agreement will be subject to the following conditions precedent (i) with respect to the Non-HUD Sellers and the Non-HUD Properties, as of the First Closing Date and (ii) with respect to the HUD Sellers and the HUD Properties, as of the Second Closing Date, in each case, to the reasonable satisfaction of Buyers or the waiver thereof by Buyers, in their sole discretion:

~~(i) The Sellers shall have filed the Sale Motion, and the Bankruptcy Court shall have approved the Sale Procedures Order in form and substance reasonably satisfactory to Buyers, and it shall be a Final Order;~~

(i) Intentionally omitted;

(ii) The Bankruptcy Court shall have entered a Sale Order approving the sale of the Property and Transferred Assets to Buyers and New Operators free and clear of all Claims, Liens and Encumbrances in form and substance reasonably satisfactory to Buyers, and it shall be a Final Order (unless waived by Buyers in Buyers' sole discretion);

(iii) Each of the representations and warranties of the applicable Sellers contained in this Agreement will be true and correct in all material respects as of the applicable Closing Date;

(iv) The applicable Sellers will have duly and timely performed and fulfilled all of their covenants and agreements hereunder to be performed by them prior to the applicable Closing in all material respects;

(v) There will not be any Actions pending or threatened in writing against the applicable Sellers, Buyers or their respective Affiliates to restrain or prohibit the consummation of the transactions contemplated hereby to be consummated on such Closing Date;

(vi) All conditions to the applicable New Operators' obligations to consummate the transactions that are the subject of the applicable Closing under the OTA shall have been satisfied or waived; and

(vii) With respect to the HUD Properties, the HUD Approval for the Fairmont Facility shall have been obtained.

(b) Sellers' obligation to consummate the transactions contemplated in this Agreement will be subject to the following conditions precedent (i) with respect to the Non-HUD Buyers and the Non-HUD Properties, as of the First Closing Date and (ii) with respect to the HUD Buyers and the HUD Properties, as of the Second Closing Date, in each case, to the reasonable satisfaction of Sellers or the waiver thereof by Sellers, in their sole discretion:

(i) Each of the representations and warranties of the applicable Buyers contained in this Agreement will be true and correct in all material respects as of the applicable Closing Date;

(ii) The applicable Buyers will have duly and timely performed and fulfilled all of their covenants and agreements hereunder to be performed by them prior to the applicable Closing in all material respects;

(iii) There will not be any Actions pending or threatened in writing against the applicable Buyers or Sellers or their respective Affiliates to restrain or prohibit the consummation of the transactions contemplated hereby to be consummated on such Closing Date; and

(iv) All conditions to the applicable Existing Operators' obligations to consummate the transactions that are the subject of the applicable Closing under the OTA shall have been satisfied or waived;

(v) ~~The Bankruptcy Court shall have approved the Sale Procedures Order in form and substance reasonably satisfactory to Buyers, and it shall be a Final Order~~Intentionally omitted;

(vi) The Bankruptcy Court shall have entered a Sale Order confirming Buyers as the Successful Bidder in form and substance reasonably satisfactory to Buyers, and it shall be a Final Order (unless waived by Buyers in Buyers' sole discretion).

ARTICLE IV REPRESENTATIONS AND WARRANTIES

Section 4.01. Representations and Warranties by Sellers. Each Seller hereby represents and warrants to the applicable Buyer as follows:

(a) Organization. Such Seller is a limited liability company or limited partnership (as designated on Exhibit A), duly organized and validly subsisting under the laws of its state of formation (as designated on Exhibit A) and, subject to the entry of the Sale Order, has the power and authority to execute, deliver and perform this Agreement and each other document, instrument and agreement contemplated by this Agreement (collectively, the “Transaction Documents”) to which it is a party.

(b) Authority. The execution, delivery and performance of this Agreement and the other Transaction Documents to which such Seller is a party have been duly authorized by the managers and members (if required) of such Seller, and do not contravene the terms of any Seller’s organizational or other governing documents. This Agreement and each other Transaction Document to which it is a party, when executed and delivered by such Seller, will be the valid and legally binding obligation of such Seller, enforceable against it in accordance with their respective terms, subject to the effect of any bankruptcy, insolvency, reorganization, moratorium, arrangement or similar laws affecting the enforcement of creditors’ rights generally.

(c) Litigation. There are no Actions pending, nor, to Seller’s Knowledge, threatened in writing which affect or relate to its Property.

(d) Compliance with Law. Seller has not received any notice from any Governmental Authority having jurisdiction over its Property alleging that the Property is in material violation of any applicable Law.

(e) Title; Encumbrances. Subject to the Sale Order, at the Closing, Sellers shall transfer to Buyers good and valid title to, or, in the case of property leased or licensed by Sellers, a valid and subsisting leasehold interest in or a legal, valid and enforceable licensed interest in or right to use, all of the Property, except the Excluded Assets, free and clear of all Liens, Claims, and Encumbrances (except for the Permitted Exceptions), as provided under section 363(f) of the Bankruptcy Code. At the Closing, Sellers shall have the right to freely assign all of their rights and interests in the Property to Buyers free and clear of all Liens, Claims and Encumbrances (except for the Permitted Exceptions). Other than the Leases, which will be terminated, as of the applicable Closing, such Seller is not a party to any lease that affects any portion of the Real Properties and/or Facilities. Other than the right to purchase contained in any deed of trust or the right to purchase provided in this Agreement, Seller has not granted outstanding options or rights of first refusal to purchase the any Real Properties, or any portion thereof or interest therein. All contractors and subcontractors and other persons or entities engaged by Seller who have performed work on or supplied materials to any portion of the Real Properties have been fully paid for all amounts due and owing (or will be paid in the ordinary course), and, to Seller’s Knowledge there are no claims against the Property arising from any non-payment by Seller which may give rise to a mechanic’s lien against the Property or any portion thereof.

(f) Brokers. Except as set forth in Schedule 4.01(f) (the “Seller’s Broker”), no broker or finder has acted for Seller, Existing Operator and/or their respective Affiliates in connection with the transactions contemplated by this Agreement, and no broker or finder is entitled to any broker’s fee or finder’s fee or other commission in respect thereof based in any way on agreements, understandings or arrangements with such Person.

(g) Financial Statements. The financial statements provided by Seller to Buyers are true, complete and accurate and fairly present the financial condition and results of operations of Seller as at the respective dates thereof and for the periods referenced therein, have been prepared in accordance with GAAP.

(h) Licenses. Seller and/or the applicable Existing Operator have all material licenses and permits relating to the ownership of the assets and operation of the applicable Facility as are currently necessary and required for such ownership and operation, as currently conducted.

(i) Disclaimer of Other Warranties. Except as expressly set forth in this Section 4.01, no Seller makes, and Sellers specifically disclaim any and all representations or warranties, of any kind or character whatsoever, whether express or implied, concerning, with respect to or regarding Sellers, their Affiliates (including any Existing Operator), the Facilities, the Property or any matter affecting or relating to the transactions contemplated hereby. Without limiting the generality of the foregoing, except as expressly set forth herein, Sellers make no representations or warranties relating to the condition of the Property, and hereby expressly disclaim any such implied warranties, including without limitation any warranty of merchantability or fitness for a particular purpose.

Section 4.02. Representations and Warranties by Buyer. Each Buyer hereby represents and warrants to the applicable Seller as follows:

(a) Organization. Such Buyer is a limited liability company duly organized and validly subsisting under the laws of the State of Ohio and has the power and authority to execute, deliver and perform this Agreement and each other Transaction Document to which it is a party.

(b) Authority. The execution, delivery and performance of this Agreement and the other Transaction Documents to which Buyer is a party have been duly authorized by the managers and members (if required) of such Buyer, and do not contravene the terms of any Buyer’s organizational or other governing documents. This Agreement and each other Transaction Document to which it is a party, when executed and delivered by Buyer, will be the valid and legally binding obligation of such Buyer, enforceable against it in accordance with their respective terms, subject to the effect of any bankruptcy, insolvency, reorganization, moratorium, arrangement or similar laws affecting the enforcement of creditors’ rights generally.

(c) Proceedings. There are no Actions pending or, to Buyer’s Knowledge, threatened against Buyer and/or its Affiliates that seek to prohibit, restrict or enjoin, or that would otherwise be reasonably likely to adversely affect the ability of Buyer to consummate, the transactions described in this Agreement.

(d) Financing. Buyer has, or as of the applicable Closing Date will have, sufficient resources to consummate the transactions contemplated herein.

(e) Brokers. Except as set forth in Schedule 4.02(e) (the “Buyer’s Broker”), no broker or finder has acted for Buyers, New Operators and/or their respective Affiliates in connection with the transactions contemplated by this Agreement, and no broker or finder is entitled to any broker’s fee or finder’s fee or other commission in respect thereof based in any way on agreements, understandings or arrangements with such Person.

(f) No Other Warranties. Buyers acknowledge and agree that, except as expressly set forth in Section 4.01, it will be purchasing the Property “AS IS” and “WITH ALL FAULTS”. Buyers hereby release Sellers and their Affiliates (including the Existing Operators) and their respective Representatives from any and all claims, whether known or unknown, which Buyers, their Affiliates and/or Representatives had, have or may in the future have against such Persons, and Buyers hereby agree not to assert any claims for contribution, cost recovery, or otherwise, against such Persons, relating directly or indirectly to Property. For the avoidance of doubt, the release contained in this Section 4.03(f) does not release Sellers from their indemnification obligations under Article VII.

Section 4.03. Survival. Each representation and warranty of Sellers and Buyers set forth in this Article IV will survive the applicable Closing Date for a period of twelve (12) months (the “Representation Survival Period”). All covenants which, by their terms, contemplate performance after the Effective Time, including without limitation Section 3.03(b), Section 3.04, Section 5.02(b), and Articles VI, VII and IX, will survive the applicable Closing for the time periods set forth therein or, if no time period is specified, for the applicable statute of limitations (the “Covenant Survival Period” and, collectively with the Representation Survival Period, the “Survival Period”).

ARTICLE V CONDUCT PRIOR TO CLOSING

Section 5.01. Business in the Ordinary Course. Sellers covenant and agree that, except with the prior written consent of Buyers (such consent not to be unreasonably withheld or delayed in the case of matters in the ordinary course of business) between the Contract Date and the Closing and subject to the Orders of the Bankruptcy Court:

(a) Sellers shall conduct the operations of the facilities in the ordinary course of business as currently conducted and subject to all limitations imposed by the Bankruptcy Code and/or resulting from Sellers’ bankruptcy filings;

(b) Sellers shall not amend or modify in any material respect or terminate (other than by completion thereof) any existing Contract or Lease or enter into any new Contract or Lease, in each case other than in the ordinary course of business and provided that such amendment or modification will not increase Buyers’ obligations thereunder or reduce Buyers’ rights following consummation of the transaction;

(c) the books, records and accounts of Sellers shall be maintained in the usual, regular and ordinary course of business;

(d) each Seller shall use commercially reasonable efforts to preserve its business organization, to keep available the services of its officers, employees and agents, and to preserve the goodwill of, and maintain good business relationships with, its suppliers, customers and others having business relations with it;

(e) each Seller shall not sell or dispose of any Property other than collections of accounts, the utilization of inventory, and the retirement or disposition of equipment in the ordinary course of business;

(f) each Seller shall keep in full force and effect and pay all premiums and other amounts due under all insurance policies of Sellers;

(g) each Seller shall not modify the compensation paid or payable to any employee other than compensation adjustments made in the ordinary course of business;

(h) each Seller shall not make any material changes to the operation of the Facilities or suspend any material expenses, including required capital expenses; and

(i) each Seller shall not make any commitments to incur capital expenditures other than in the ordinary course of business.

Section 5.02. Title Commitment and Third Party Reports.

(a) Sellers may furnish to Buyers certain third party reports with respect to the Real Properties within its possession, including, but not limited to, any existing survey for the Real Properties (such survey, the “Existing Survey” and, all such third party reports collectively, with the Existing Survey, the “Sellers’ Disclosure Documents”). Sellers disclaim all warranties, express and implied, with respect to the Sellers’ Disclosure Documents, including but not limited to warranties of title, accuracy, transferability and fitness for a particular use.

(b) Within three (3) days of the Contract Date, Buyers will order a title insurance commitment covering the Real Properties (collectively, the “Title Commitment”). The Title Commitment will commit the Title Company to issue its current form of ALTA owner’s title insurance policy to the applicable Buyer, with standard exceptions and in the amount of the amount Purchase Price, and will include copies of all documents evidencing the items referred to as exceptions in the Title Commitment. If the Title Commitment contains any encumbrances or exceptions which are not acceptable to Buyers, before the applicable Closing, Buyers may attempt to remedy such defect and request that the Title Company agree to remove such encumbrance/exception from the Title Policy. Buyers acknowledge that Sellers will have no obligation to remedy or eliminate any encumbrances or exceptions, other than any liens securing indebtedness of Sellers.

(c) At the applicable Closing, title to the applicable Real Properties will be insured by a standard ALTA owner’s policy of title insurance issued by the Title Company in the amount of the amount of the Purchase Price (the “Title Policy”). The Title Policy will insure title

subject only to the Permitted Exceptions. Buyers will pay for the cost of the basic Title Policy. Buyers, in their discretion, may secure such extended coverage and endorsements to the standard coverage as Buyers may elect to obtain, but Buyers will bear the cost of all such extended coverage and endorsements as Buyers may elect to obtain. Issuance of such extended coverage or endorsements will not be a condition to Buyers' obligation to close this transaction. Buyers acknowledge that at applicable Closing title to the applicable Real Properties will be conveyed subject to the Permitted Exceptions, and that neither these exceptions nor the standard printed exceptions in the Title Commitment or the Title Policy will constitute title defects.

Section 5.03. Condemnation, Eminent Domain, Damage and Casualty. Buyers will have the right to terminate this Agreement with respect to the affected Facility if (i) all or a material part of the applicable Property is destroyed without fault of Buyers on or before the date such Buyer takes possession of such Property, or (ii) all or a material part of the applicable Property is taken by eminent domain. Buyers will give written notice of Buyers' election to terminate this Agreement with respect to such Facility under this Section 5.03 within five (5) business days after such Buyer first learns of any damage to or condemnation of the Property which entitles Buyer to terminate this Agreement. If such Buyer does not give such notice, then this Agreement will remain in full force and effect and there will be no reduction in the Purchase Price, but Sellers will, at the applicable Closing, assign to the applicable Buyer (a) any insurance proceeds payable to such Seller with respect to such damage; or (b) the entire award payable with respect to such condemnation proceeding, whichever is applicable. For purposes of this paragraph, (i) a taking by eminent domain of a portion of the Property will be deemed to affect a "material part" of the Property if the estimated value of the portion of the Property taken exceeds fifteen percent (15%) of the Purchase Price allocable to such Facility or if such taking results in a reduction of the licensed skilled nursing beds at such Facility and (ii) the destruction of a "material part" of the Property will be deemed to mean a casualty to the Property prior to the applicable Closing having an estimated cost of repair which equals or exceeds fifteen percent (15%) of the Purchase Price allocable to such Facility or if the casualty results in a reduction of the licensed skilled nursing beds at such Facility.

Section 5.04. Filing of HUD Application. No later than ~~five (5) business days following the Contract Date~~ November 15, 2024, the HUD Buyers shall file the HUD Application and will, at all times thereafter, use their commercially reasonable best efforts and diligently proceed to pursue and secure HUD approval for the HUD Application with respect to all of the HUD Properties (the "HUD Approval") no later than December 20, 2024 (the "HUD Approval Deadline"). The HUD Buyers will keep the HUD Sellers apprised in writing on a weekly basis of the status of the HUD Application and the HUD Approval. The HUD Sellers will provide the HUD Buyers with all cooperation reasonably requested by the HUD Buyers from time to time in connection with the HUD Buyers' efforts to obtain the HUD Approval.

ARTICLE VI POST-CLOSING COVENANTS

Section 6.01. CIA. At the First Closing, Seller will deliver to Buyer evidence that the Facilities will be released from the Corporate Integrity Agreement, fully executed as of January 22, 2020 by and among the U.S. Department of Justice and on behalf of the Office of Inspector General of the Department of Health and Human Services (OIG-HHS), Guardian Healthcare

Management Services Holdco, LLC, Guardian Healthcare Ancillary Services Holdco, LLC and their affiliated skilled nursing facilities (the “CIA”), from and after the Effective Time (the “OIG Release”).

Section 6.02. Confidentiality of Certain Information. Buyers shall, and shall cause their Affiliates and Representatives to, hold in strict confidence all Confidential Information received by them in connection with this Agreement and the transactions contemplated hereby. Without the prior written consent of Sellers, none of the Buyers, their Affiliates or Representatives will disclose and/or use any such Confidential Information, in whole or in part, except in connection with the performance of the transactions, or enforcement of its rights or obligations, pursuant to this Agreement and the other Transaction Documents. Unless otherwise required by applicable Law, Buyers will not disclose any Confidential Information to any Person, other than their Affiliates and Representatives, and such other Persons (such as insurers, bankers and Governmental Authorities) who have a need to know in order to allow Buyers to consummate the transactions described in this Agreement, all of whom (excluding any Governmental Authority) must be subject to legally binding obligations to keep the Confidential Information confidential. If any Closing does not occur, Buyers will, and will cause their Affiliates and Representatives to, destroy or return to Sellers all copies of the Confidential Information in their possession or under their control with respect to the Property and Facilities to which such Closing relates. Buyers will be liable for any breach of this Section 6.02 by their Affiliates or Representatives.

Section 6.03. Further Assurances. Each of the Parties hereto agrees to use its reasonable best efforts to take, and to cause its Representatives to take, all action and to do, or cause to be done, all things reasonably necessary, proper or advisable to effectuate the transactions contemplated herein at the earliest practicable time.

Section 6.04. Bulk Sales Compliance. The Parties hereby waive compliance with any applicable bulk sales Law.

ARTICLE VII INDEMNIFICATION

Section 7.01. Seller Indemnification Obligations. From and after the Effective Time of the First Closing, conditioned on such Closing, the Non-HUD Sellers will indemnify, defend and hold harmless the Non-HUD Buyers and their Affiliates and Representatives (collectively, the “Non-HUD Buyer Indemnified Parties”) from and against any and all Losses suffered or incurred by any of the Non-HUD Buyer Indemnified Parties as a result of or arising out of (a) a breach by a Non-HUD Seller of its representations or warranties in this Agreement, or (b) a breach by a Non-HUD Seller of its covenants in this Agreement. , From and after the Effective Time of the Second Closing, conditioned on such Closing, the HUD Sellers will indemnify, defend and hold harmless the HUD Buyers and their Affiliates and Representatives (collectively, the “HUD Buyer Indemnified Parties” and, together with the Non-HUD Buyer Indemnified Parties, collectively, the “Buyer Indemnified Parties”) from and against any and all Losses suffered or incurred by any of the HUD Buyer Indemnified Parties as a result of or arising out of (a) a breach by a HUD Seller of its representations or warranties in this Agreement, or (b) a breach by a HUD Seller of its covenants in this Agreement. The indemnities set forth in this Section 7.01 shall be joint and several among the Sellers and the Existing Operators. As security for Sellers’ and the Existing

Operators' indemnity obligations, at the Second Closing, Sellers shall place into escrow with the Title Company as escrow agent (the "Escrow Agent") the sum of \$250,000 (the "Escrow Amount") for the period expiring with the expiration of the Representation Survival Period from and after the Second Closing. The Escrow Amount shall be held and disbursed by the Escrow Agent in accordance with the terms of an escrow agreement in form and substance reasonably satisfactory to the Parties and the Escrow Agent (the "Escrow Agreement"). New Operators are third-party beneficiaries with respect to the foregoing and shall have the right to assert a demand for the Escrow Amount hereunder in connection with any indemnification claims made pursuant to the OTA.

Section 7.02. Buyer Indemnification Obligations. From and after the Effective Time of the First Closing, conditioned on such Closing, the Non-HUD Buyers will indemnify, defend and hold harmless the Non-HUD Sellers and their Affiliates and Representatives (collectively, the "Non-HUD Seller Indemnified Parties") from and against any and all Losses suffered or incurred by any of the Non-HUD Seller Indemnified Parties as a result of or arising out of (a) a breach by a Non-HUD Buyer of its representations or warranties in this Agreement, or (b) a breach by a Non-HUD Buyer of its covenants in this Agreement. From and after the Effective Time of the Second Closing, conditioned on such Closing, the HUD Buyers will indemnify, defend and hold harmless the HUD Sellers and their Affiliates and Representatives (collectively, the "HUD Seller Indemnified Parties") and, together with the Non-HUD Seller Indemnified Parties, collectively, the "Seller Indemnified Parties") from and against any and all Losses suffered or incurred by any of the HUD Seller Indemnified Parties as a result of or arising out of (a) a breach by a HUD Buyer of its representations or warranties in this Agreement, or (b) a breach by a HUD Buyer of its covenants in this Agreement. The indemnities set forth in this Section 7.02 shall be joint and several among the Buyers and the New Operators.

Section 7.03. Limitations of Liability. Notwithstanding anything to the contrary contained in this Agreement, each Party's obligations to indemnify the other will be subject to the limitations set forth below:

(a) No claim for indemnification may be asserted against an Indemnifying Party on or after the expiration of the applicable Survival Period, unless the Indemnified Parties have notified the Indemnifying Party of such claim in writing prior to the expiration of the Survival Period.

(b) Sellers' indemnity obligations pursuant to Section 7.01 shall be limited to the Escrow Amount.

(c) The recovery by the Indemnified Parties under this Agreement will be net of any reimbursement recovered or recoverable from any insurance carrier or other third parties in connection with the Losses that form the basis of the Indemnified Party's claim for indemnification hereunder. The Indemnified Party will use commercially reasonable efforts to collect the maximum amount of insurance proceeds and proceeds available from other third persons in connection with any such Losses. The Indemnifying Party will be subrogated to all rights that the Indemnified Party may have against others for recovery of Losses paid by the Indemnifying Party, and the Indemnified Party will take all actions reasonably necessary to effect such subrogation rights of the Indemnifying Party.

(d) An Indemnified Party will use its reasonable best efforts to mitigate Losses for which it is entitled to indemnification pursuant to this Article VII. The Indemnifying Party will have the right, but not the obligation, and will be afforded the opportunity to the extent possible, to take all available steps to minimize Losses for which the Indemnified Party is entitled to indemnification before such Losses are actually incurred by the Indemnified Party.

Section 7.04. Indemnity Claims.

(a) If any Action is commenced or threatened by a third party that may give rise to a claim for indemnification (an “Third Party Claim”) by any Person entitled to indemnification under this Agreement (each, an “Indemnified Party”), then such Indemnified Party will promptly (i) notify the Party required to indemnify hereunder (the “Indemnifying Party”) and (ii) deliver to the Indemnifying Party a written notice (A) describing in reasonable detail the nature of the Action, (B) including a copy of all papers served with respect to such Action, (C) including the Indemnified Party’s good faith estimate of the amount of Losses that may arise from such Action, and (D) describing in reasonable detail the basis for the Indemnified Party’s request for indemnification under this Agreement. Failure to notify the Indemnifying Party in accordance with this Section 7.04(a) will not relieve the Indemnifying Party of any liability that it may have to the Indemnified Party pursuant to this Article VII, except to the extent (1) the defense of such Action is prejudiced by the Indemnified Party’s failure to give such notice or (2) the Indemnified Party fails to notify the Indemnifying Party of such Third Party Claim in accordance with this Section 7.04(a) prior to the expiration of the applicable Survival Period.

(b) An Indemnifying Party may elect at any time to assume and thereafter conduct the defense of any Action subject to any such Third Party Claim with counsel of the Indemnifying Party’s choice and to settle or compromise any such Action, and each Indemnified Party will cooperate in all respects with the conduct of such defense by the Indemnifying Party (including the making of any related claims, counterclaim or cross complaint against any Person in connection with the Action) and the settlement of such Action by the Indemnifying Party; provided, however, that the Indemnifying Party will not approve of the entry of any judgment or enter into any settlement or compromise with respect to such Action that is not limited to payment of money damages by the Indemnifying Party without the Indemnified Party’s prior written consent (not to be unreasonably withheld, conditioned or delayed). If the Indemnified Party gives an Indemnifying Party notice of a Third Party Claim and the Indemnifying Party does not give notice to the Indemnified Party of its election to assume the defense of the Action subject to such Third Party Claim, then the Indemnified Party may conduct the defense of such Action; provided, however, that the Indemnified Party will not agree to the entry of any judgment or enter into any settlement or compromise with respect to such Action without the prior written consent of the Indemnifying Party (not to be unreasonably withheld, conditioned or delayed).

(c) In circumstances where the Indemnifying Party assumes the defense of a Third Party Claim in accordance with Section 7.04(b), the Indemnified Party will be entitled to participate in the defense of such Third Party Claim and to employ separate counsel of its choice for such purpose, in which case the fees and expenses of such separate counsel will be borne by such Indemnified Party; provided, however, that if in the reasonable opinion of counsel to the Indemnified Party, (i) there are legal defenses available to the Indemnified Party that are different from or additional to those available to the Indemnifying Party; or (ii) there exists a conflict of

interest between the Indemnifying Party and the Indemnified Party that cannot be waived, the Indemnifying Party will be liable for the reasonable fees and expenses of counsel to the Indemnified Party.

(d) If any Indemnified Party becomes aware of any circumstances that may give rise to claim for indemnification for any matter not involving a Third Party Claim, then such Indemnified Party will promptly notify the Indemnifying Party and deliver to the Indemnifying Party a written notice describing in reasonable detail the nature of the circumstances giving rise to such claim, including the Indemnified Party's good faith estimate of the amount of Losses that may arise from such circumstances. Failure to notify the Indemnifying Party in accordance with this Section 7.04(d), will not relieve the Indemnifying Party of any liability that it may have to the Indemnified Party pursuant to this Article VII, except to the extent (i) the defense of such claim is prejudiced by the Indemnified Party's failure to give such notice or (ii) the Indemnified Party fails to notify the Indemnifying Party of such claim in accordance with this Section 7.04(d) prior to the expiration of the applicable Survival Period. If the Indemnifying Party disputes its indemnity obligations for any Losses with respect to any such claim, the Parties will proceed in good faith to negotiate a resolution of such dispute and, if not resolved through negotiations, either Party may submit such dispute to an appropriate court of jurisdiction in accordance with Section 9.06.

Section 7.05. Tax Treatment. All amounts paid with respect to claims for indemnification pursuant to this Article VII will be treated by the Parties hereto for all tax purposes as adjustments to the Purchase Price, and will be reported as such by the Parties hereto on their tax returns, each to the extent permitted by applicable Law.

Section 7.06. Sole Remedy. The Parties acknowledge and agree that, from and after the Effective Time, their sole and exclusive remedy with respect to any and all claims for any breach of this Agreement and/or any other Transaction Document (other than claims for fraud), will be pursuant to the indemnification provisions set forth in this Article VII, and none of the Sellers, Existing Operators or any of their Affiliates or Representatives will have any other liabilities arising out of the negotiation, entry into or consummation of the transactions contemplated by this Agreement, whether at law or in equity. Nothing in this Section 7.06 will limit any claim for specific performance, injunctive or declaratory relief to which a Party is entitled.

ARTICLE VIII

DEFAULT; TERMINATION; BANKRUPTCY PROVISIONS

Section 8.01. Termination.

- (a) This Agreement will terminate automatically upon termination of the OTA.
- (b) This Agreement may be terminated and the transactions contemplated hereby abandoned prior to the applicable Closing as follows:
 - (i) by mutual written consent of Sellers and Buyers;
 - (ii) intentionally omitted;

(iii) ~~by Buyers, if the Bankruptcy Court does not approve of the Buyers as Stalking Horse Bidder~~intentionally omitted;

(iv) by either Sellers or Buyers by written notice to the other Party, (A) with respect to all, but not less than all, of the Property, if the First Closing has not occurred on or before the First Closing Outside Date, unless extended by written agreement of the Sellers and Buyers, and (B) with respect to all, but not less than all, of the HUD Properties, if the Second Closing has not occurred on or before the Second Closing Outside Date (as same may be extended pursuant to Section 3.01); provided, however, that (w) in the event that (a) DOH approval of the CHOWs with respect to the Non-HUD Facilities is not obtained prior to the First Closing Outside Date, and (b) as of such date (i) all other conditions to the Sellers' obligation to consummate the First Closing have been satisfied; (ii) DOH has not notified the Non-HUD Existing Operators or the Non-HUD New Operators of a final-non appealable determination objecting to the CHOW applications with respect to any of the Non-HUD Facilities due to a fault of the New Operators; and (iii) the Non-HUD New Operators are diligently pursuing approval from DOH of the CHOW applications, then the Buyers and Sellers shall negotiate in good faith for a reasonable extension of the First Closing Outside Date, and (x) the right to terminate this Agreement pursuant to this Section 8.01(b)(iv) will not be available to any Party whose breach (as stipulated by the Parties or as determined by the Bankruptcy Court) of any provision of this Agreement results in the failure of the applicable Closing to be consummated by such time;

(v) by Sellers in the event of a material breach of any representation, warranty or covenant herein by Buyers, which breach is incapable of cure or, if capable of cure, remains uncured for five (5) days after written notice is given to Buyers (or such longer notice and cure period as may be set forth in any other provision of this Agreement);

(vi) by Buyers in the event of a material breach of any representation, warranty or covenant herein by Sellers, which breach is incapable of cure or, if capable of cure, remains uncured for five (5) days after written notice is given to Sellers (or such longer notice and cure period as may be set forth in any other provision of this Agreement);

(vii) by Buyers if there has been a material breach, inaccuracy in or failure to perform any material representation, warranty, covenant or agreement made by Sellers pursuant to this Agreement that would render any of the Conditions specified in Section 3.05 incapable of being satisfied and such breach, inaccuracy or failure cannot be cured by Sellers by the First Closing Outside Date;

(viii) by Buyers if Buyers are not the Successful Bidder at the Auction; provided that if Buyers are the Backup Bidder; then Buyers shall not be permitted to terminate this Agreement pursuant to this Section 8.01(b)(viii) until the earlier of (A) the closing of an Alternative Transaction with the Successful Bidder or (B) the First Closing Outside Date;

(ix) by Buyers if the sale is disapproved by the Bankruptcy Court or if Sellers accept or agree to any Alternative Transaction (unless Buyers are the Backup Bidder, then in such case, upon the closing of the Alternative Transaction);

(x) by Buyers if prior to the applicable Closing, the Sale Order, after being entered by the Bankruptcy Court, has subsequently and finally been reversed, revoked, or voided, amended or modified in form and substance no longer reasonably satisfactory to Buyers;

(xi) by Buyers if the bankruptcy case is dismissed in whole or in part or converted to chapter 7 of the Bankruptcy Code for any reason prior to the applicable Closing or delays the applicable Closing from occurring;

(xii) by Buyers if upon conclusion of the Auction, Buyers are not selected as the Successful Bidder or the Backup Bidder; and

(xiii) by Buyers if the Sale Order is not in form and substance reasonably satisfactory to Buyers.

Section 8.02. Manner and Effect of Termination.

(a) Written notice of any termination pursuant to this Article VIII shall be given by Buyers to Sellers or by Sellers to Buyers, as the case may be, and such notice shall state the reason for termination.

(b) Subject to Section 8.02(c), if this Agreement is terminated by a Party pursuant to Section 8.01(a), Section 8.01(b)(iv), or Sections 8.01(b)(vi)-(xiii), in addition to any other rights such Party may have under this Agreement, this Agreement will thereupon become void and of no effect and all further obligations of the Parties under this Agreement shall terminate, except that the obligations and provisions set forth in this Section 8.02, Section 1.03, Section 3.03, Section 8.01, Section 8.02(e), Section 8.03, Section 8.04(e), Section 9.01, Section 9.03, Section 9.06, Section 9.07, Section 9.09, and Section 9.13, and those other obligations which explicitly provide for survival in the event of termination pursuant to their respective terms.

(c) Notwithstanding anything to the contrary herein, if this Agreement is terminated under Section 8.01(b)(v) by Sellers because of the breach of this Agreement by Buyers or because one or more of the conditions to Sellers' obligations under this Agreement are not satisfied as a result of Buyers' failure to comply with its obligations under this Agreement, Sellers' sole and exclusive remedy shall be to retain and keep the Deposit ~~and the Extension Fee~~ as liquidated damages. In such event, Sellers waive and release any right to (and Sellers covenant that they shall not) sue Buyer with respect to this Agreement for specific performance or to recover any damages of any kind or nature other than, or in excess of, the Deposit ~~and Extension Fee and Buyer shall not be entitled to any Break-Up Fee or Expense Reimbursement~~.

(d) If this Agreement is terminated for any reason pursuant to Section 8.01(a), Sections 8.01(b)(i)-(iv) or Sections 8.01(b)(vi)-(xiii), Sellers shall: within five (5) business days of such termination, fully refund the Deposit to Buyers in cash, by wire transfer of immediately available funds to an account designated in writing by Buyers.

~~(e) In consideration of Buyers having expended considerable time and expense in connection with this Agreement and the negotiation thereof and the identification and quantification of the Property, if this Agreement is terminated for any reason pursuant to Section 8.01(b)(viii), or Section 8.01(b)(xii), then Sellers shall, jointly and severally, pay solely from the~~

~~proceeds of the closing of an Alternative Transaction the amount of the Break-Up Fee and the Expense Reimbursement, by wire transfer of immediately available funds to an account designated in writing by Buyers to compensate Buyers for serving as the “stalking horse bidder” and subjecting this Agreement and the transactions contemplated hereby to higher and better offers in accordance with this Agreement and the Sale Procedures Order.~~

(e) Intentionally omitted.

(f) Notwithstanding anything herein or in the OTA to the contrary, if this Agreement is terminated by Buyers because the Bankruptcy Court enters an Order approving the sale of the Property and the Transferred Assets to Buyers and the New Operators, respectively, but such Order is not free and clear of all Claims, Liens and Encumbrances of DHS and DOH, Buyers shall be entitled to immediate return of the Deposit.

Section 8.03. The Parties acknowledge that the agreements contained in this Article VIII are an integral part of the transactions contemplated hereby, and that, without these agreements, Buyers would not have entered into this Agreement. ~~The Parties further acknowledge and agree that Sellers shall use best efforts to obtain Bankruptcy Court approval of the Break-Up Fee and Expense Reimbursement, which shall be paid to Buyers in connection with, at the time of and solely from the proceeds of the closing of any Alternative Transaction.~~ For purposes of clarity, Sellers’ obligations to refund the Deposit, if any, as provided herein shall survive termination of this Agreement.

Section 8.04. Bankruptcy Covenants.

~~(a) Sale Motion. The Sale Motion seeking the entry of the Sale Procedures Order shall be filed no later than seven (7) days after the Contract Date. The purchase and sale of the Property shall be subject to the terms and conditions of the Sale Procedures Order.~~

(a) Intentionally omitted.

(b) Sale Order. If Buyers are the Successful Bidder (as defined in the Bidding Procedures), Sellers agree to use best efforts to cause the Bankruptcy Court to enter a Sale Order approving the sale of the Property to Buyers under the terms of this Agreement as soon as reasonably possible, which shall include provisions authorizing and approving the transactions contemplated hereby, including, without limitation: (i) the sale of the Property to Buyers free and clear of all Liens, Claims, and Encumbrances pursuant to the terms of this Agreement and section 363(b) and (f) of the Bankruptcy Code; (ii) finding Sellers and Buyers to have acted and negotiated at arm’s-length and in good faith and providing for the protections afforded under section 363(m) and 363(n) of the Bankruptcy Code; (iii) waiving the stays set forth in Rules 6004(h) and 6006(d) of the Federal Rules of Bankruptcy Procedure; (iv) providing that Buyers shall not be subject to any successor liability and shall have no Liability or suffer any damages for any Liens, Claims, and Encumbrances existing prior to the Closing Date which may be asserted against Sellers, the Property, or Sellers’ bankruptcy estates, or any Claims against Buyers as successor to the Property; (v) providing for a waiver and release of all Claims and causes of action by Sellers of Buyers and its Affiliates as of the Closing Date, except for all Claims, causes of action, counter claims, and rights arising under this Agreement; (vi) providing for the retention of jurisdiction by the Bankruptcy Court to resolve any and all disputes that may arise under or relate to this Agreement

or the Sale Order, whether between Sellers and Buyers or involving a Person in interest in Sellers' bankruptcy case; (vii) containing findings of fact and conclusions of Law that include the following: (A) the transactions under this Agreement were negotiated and entered into in good faith and at arm's-length; (B) the marketing and sale process conducted by Sellers pursuant to the Sale Procedures Order are bona fide and adequate; (C) Sellers gave due and proper notice and an opportunity to be heard to all interested parties of this Agreement and the transactions contemplated herein; (D) Buyers are not holding themselves out to the public as a continuation of Sellers; (E) the consideration to be paid by Buyers under this Agreement constitutes reasonably equivalent value (as that term is used in each of the Uniform Fraudulent Transfer Act, as applied by state Law and section 548 of the Bankruptcy Code) and fair consideration for the Property; and (F) neither Buyers nor Sellers are entering into the transactions contemplated by this Agreement fraudulently.

(c) Appeal or Delay. In the event an appeal is taken or a stay pending appeal is requested (or a petition for certiorari or motion for rehearing or reargument is filed), with respect to the Sale Procedures Order, the Sale Order, or any other Order of the Bankruptcy Court related to the transactions contemplated by this Agreement, Sellers shall take all steps as may be reasonable and appropriate to defend against such appeal, petition, or motion, and Buyers shall cooperate in such efforts. Each Party shall use its commercially reasonable best efforts to obtain an expedited resolution for such appeal. From and after the Contract Date, except as may be provided in the Sale Procedures Order or any other order of the Bankruptcy Court, Sellers shall not take any action or fail to take any action, which action or failure to act would reasonably be expected to prevent or impede the consummation of the transactions contemplated by this Agreement in accordance with the terms of this Agreement.

(d) Pleadings. The Parties shall consult with each other regarding pleadings that any of them intends to file with the Bankruptcy Court in connection with ~~the Bankruptcy Court's approval of, as applicable, the Sale Motion, the Sale Procedures Order and~~ the Sale Order. Each Party shall promptly provide the other Party and its counsel with copies of all material notices, filings and Orders of the Bankruptcy Court that such Party has in its possession (or receives) pertaining to any Order related to any of the transactions contemplated by this Agreement, but only to the extent such papers are not publicly available on the docket of the Bankruptcy Court or otherwise made available to the other Parties and their counsel.

~~(e) Break-Up Fee and Expense Reimbursement. Recognizing Buyers' expenditure of time, energy and resources, and the benefit that these efforts provided to Sellers' bankruptcy estates, Buyers shall be entitled to the Break-Up Fee and Expense Reimbursement on the terms and conditions contained herein and in the Sale Procedures Order.~~

(e) Intentionally omitted.

ARTICLE IX MISCELLANEOUS

Section 9.01. Notices. Any notice or demand which either Party hereto is required or may desire to give or deliver to or make upon the other Party will be in writing and may be personally

delivered or given or made by overnight courier such as Federal Express, by email transmission or made by United States registered or certified mail addressed as follows:

If to Sellers:

c/o Guardian Healthcare
8796 Route 219
Brockway, PA 15824-0240
Attn: Michael J. Herald, Esq., General Counsel
~~Email: Michael.Herald@guardianeldercare.net~~ Email:
Michael.Herald@guardianeldercare.net

with a copy to:

and with a copy to:

Saul Ewing LLP
1500 Market Street
3800 Centre Square West
Philadelphia, PA 19102
Attn: Jeffrey C. Hampton, Esq.
Email: ~~jeffrey.hampton@saul.com~~ jeffrey.hampton@saul.com

and with a copy to:

Saul Ewing LLP
1201 North Market Street
Suite 2300
Wilmington, DE 19801
Attn: Mark Minuti, Esq.
Email: ~~mark.minuti@saul.com~~ mark.minuti@saul.com

If to Buyers:

[insert information]
~~c/o Premier Management Support LLC,~~
~~1044 Broadway, Woodmere, NY 11795~~
~~Attn: Mark Kandelman~~
~~Email: mkandelman@GBMAdvisors.com~~

with copy to:

~~Tenzer and Lunin LLP
1120 Avenue of the Americas, 4th Floor
New York, New York 10036
Attn: Joshua M. Tenzer, Esq.
E-mail: jtenzer@tenzerlunin.com~~

~~[\[Insert information\]](#)~~

~~and with a copy to:~~

~~Wickens Herzer Panza~~

~~35765 Chester Road~~

~~Avon, Ohio 44011~~

~~Attn: Christopher Peer, Esq.~~

~~E-mail: cpeer@wickenslaw.com~~

subject to the right of either Party to designate a different address for itself by notice similarly given. Any notice or demand so given will be deemed to be delivered or made on the next business day if sent by overnight courier, or the same day as given if sent by e-mail (with confirmation of receipt) and received by 5:00 p.m. Brockway, Pennsylvania time or on the third (3rd) business day after the same is deposited in the United States Mail as registered or certified matter, addressed as above provided, with postage thereon fully prepaid. Any such notice, demand or document not given, delivered or made by registered or certified mail, by overnight courier or by e-mail (with confirmation of transmission) as aforesaid will be deemed to be given, delivered or made upon receipt of the same by the Party to whom the same is to be given, delivered or made.

Section 9.02. Payment of Expenses. Except as otherwise expressly set forth herein, each Party will pay its own expenses, including legal expenses, incurred in connection with the transactions contemplated hereby, including all expenses incident to the negotiation, preparation and performance of this Agreement and the other Transaction Documents.

Section 9.03. Entire Agreement; Amendment; Waiver. This Agreement, the OTA and the other Transaction Documents set forth the entire agreement between the Parties hereto with respect to the transactions contemplated by this Agreement. Any provision of this Agreement may only be amended, modified or supplemented in whole or in part at any time by an agreement in writing among the Parties hereto executed in the same manner as this Agreement and with approval of the Bankruptcy Court. No waiver will be effective except in a writing executed by the waiving Party. No failure on the part of any Party to exercise, and no delay in exercising, any right will operate as waiver thereof, nor will any single or partial exercise by any Party of any right preclude any other or future exercise thereof or the exercise of any other right.

Section 9.04. Joint Venture; Third Party Beneficiaries. Nothing contained herein will be construed as forming a joint venture or partnership between the Parties hereto with respect to the subject matter hereof. The Parties hereto do not intend that any third party will have any rights under this Agreement, except that the provisions of Article VII will inure to the benefit of and be enforceable by each Seller Indemnified Party and each Buyer Indemnified Party.

Section 9.05. Counterparts. This Agreement may be executed in one or more counterparts and each such counterpart may be signed, transmitted, and/or stored electronically, with each deemed as an “original” and all of which together constitutes one and the same written instrument.

Section 9.06. Governing Law and Venue. This Agreement will be governed in accordance with the Laws of the Commonwealth of Pennsylvania without reference to its conflict of laws principles. Any dispute, controversy, proceeding or question of interpretation arising out of, in connection with or relating to the transactions contemplated herein, this Agreement or any other Transaction Document or any amendment hereof or thereof, any provision hereof or thereof or the breach, performance, validity or invalidity hereof or thereof shall be litigated in the Bankruptcy Court or any higher court. Each of the Parties hereby irrevocably and unconditionally submits to the exclusive jurisdiction of the Bankruptcy Court or any higher court for any dispute, controversy, proceeding or question of interpretation arising out of, in connection with or relating to the transactions contemplated herein, this Agreement or any other Transaction Document or any amendment hereof or thereof, any provision hereof or thereof or the breach, performance, validity or invalidity hereof or thereof. It is understood and agreed that the provisions of this Agreement relating to jurisdiction and venue are part of the value consideration given and relied upon by the Parties in connection with the purchase contemplated hereby.

Section 9.07. Injunctive Relief. In the event of a breach by a Party hereto of any of its obligations hereunder, a non-breaching Party will have the right, in addition to any other remedies which may be available, to obtain specific performance of the terms of this Agreement. The Parties hereby waive any requirement for the obtaining or posting of a bond, indemnity or similar instrument in connection herewith.

Section 9.08. Severability. Except as otherwise provided herein, in the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof will not affect the remainder of this Agreement, which will remain in full force and effect and enforceable in accordance with its terms.

Section 9.09. Assignment. No Party may assign this Agreement without the consent of the other Parties hereto and any attempted assignment in violation of this Section 9.09 will be null and void; provided however, that Buyer may assign its rights hereunder to new entities formed by Buyer to that title to the Facilities and further provided, however, that Buyer may pledge any or all of its rights and obligations hereunder to any Person who is providing the financing to Buyer and/or New Operator from time to time as collateral security for such financing.

Section 9.10. Public Announcement. Unless the Parties agree otherwise, no Party will make any press release or other public announcement regarding this Agreement or the transactions described in this Agreement, unless such Party is obligated by the Bankruptcy Code, Law, or the rules of any stock exchange upon which its shares are traded to make such a disclosure. When a

Party determines that it is obligated by any Law or the rules of a stock exchange to make such a disclosure, it will notify the other Party in writing prior to such disclosure and the Parties will cooperate to cause a mutually agreeable release or announcement to be issued.

Section 9.11. No Presumption. No provision of this Agreement will be interpreted in favor of, or against, either Party hereto by reason of the extent to which any such Party or its counsel participated in the drafting of this Agreement or by reason of the extent to which any such provision is inconsistent with any prior draft of this Agreement or any other document.

Section 9.12. Schedules. Sellers will deliver to Buyers drafts of the Schedules to this Agreement within three (3) days of the Contract Date. Buyers will have three (3) business days after receipt of such Schedules to object to any provision thereof by written notice to Sellers. In the event that Sellers do not receive a timely notice of objection from Buyers pursuant to the foregoing sentence, all Schedules as delivered by Sellers hereunder will be deemed final and binding on all Parties hereto.

Section 9.13. Waiver Of Jury Trial. EACH OF SELLER AND BUYER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR COUNTERCLAIM ARISING IN CONNECTION WITH, OUT OF OR OTHERWISE RELATING TO THIS AGREEMENT.

[Execution page follow]

IN WITNESS WHEREOF, the Parties hereby execute this Agreement as of the day and year first set forth above.

SELLERS:

GEC Beaver Falls Real Estate, LLC
GEC Lower Burrell Real Estate, LLC
GEC Munhall Real Estate, LLC
GEC Monongahela Real Estate, LLC
GEC Bethel Park Real Estate, LLC
GEC Greensburg Real Estate, LLC
GEC Fairmont Real Estate, LLC
GEC Highland View, LP

By: _____
Michael J. Herald, President

BUYERS:

[\[Insert information\]](#)

~~Beaver Valley PropCo, LLC~~
~~Belair Orchard Park PropCo, LLC~~
~~Eldercrest PropCo, LLC~~
~~Fairmont PropCo, LLC~~
~~Havenercrest PropCo, LLC~~
~~Meadowercrest PropCo, LLC~~
~~Oak Hill PropCo, LLC~~
~~Highland View PropCo, LLC~~

By: _____
Name:
Title:

EXHIBIT A

Facilities, Sellers, Buyers, Existing Operators, New Operators

Facility Name and Address	Seller	Existing Operator	Buyers	New Operator	Number of Beds
HUD Facilities:					
Beaver Valley Healthcare and Rehabilitation Center, 257 Georgetown Road, Beaver Falls, PA 15010	GEC Beaver Falls Real Estate, LLC, a Pennsylvania limited liability company	Guardian Elder Care at Beaver Falls, LLC, a Pennsylvania limited liability company	~~Beaver Valley PropCo,~~ LLC[Insert Information]	~~Beaver Valley OpCo,~~ LLC[Insert Information]	120
Fairmont Healthcare and Rehabilitation Center, 130 Kaufman Drive, Fairmont, WV 26554	GEC Fairmont Real Estate, LLC, a West Virginia limited liability company	Guardian Elder Care at Fairmont, LLC, a West Virginia limited liability company	~~Fairmont PropCo,~~ LLC[Insert Information]	~~Fairmont OpCo,~~ LLC[Insert Information]	120
Havencrest Healthcare and Rehabilitation Center, 1277 Country Club Road, Monongahela, PA 15063	GEC Monongahela Real Estate, LLC, a Pennsylvania limited liability company	Guardian Elder Care at Monongahela, LLC, a Pennsylvania limited liability company	~~Havencrest PropCo,~~ LLC[Insert Information]	~~Havencrest OpCo,~~ LLC[Insert Information]	48
Non-HUD Facilities:					
Belair Healthcare and Rehabilitation Center, 100 Little Drive, Lower Burrell, PA 15068	GEC Lower Burrell Real Estate, LLC, a Pennsylvania limited liability company	Guardian Elder Care at Lower Burrell, LLC, a Pennsylvania limited liability company	~~Belair Orchard Park PropCo,~~ LLC[Insert Information]	~~Belair Orchard Park OpCo,~~ LLC[Insert Information]	103
Eldercrest Healthcare and Rehabilitation Center, 2600 West Run Road,	GEC Munhall Real Estate LLC, a Pennsylvania limited liability company	Guardian Elder Care at Munhall, LLC, a Pennsylvania limited liability company	~~Eldercrest PropCo,~~ LLC[Insert Information]	~~Eldercrest OpCo,~~ LLC[Insert Information]	48

Munhall, PA 15120					
----------------------	--	--	--	--	--

Exhibit A

Facility Name and Address	Seller	Existing Operator	Buyers	New Operator	Number of Beds
Meadowcrest Healthcare and Rehabilitation Center, 1200 Braun Road, Bethel Park, PA 15102	GEC Bethel Park Real Estate LLC, a Pennsylvania limited liability company	Guardian Elder Care at Bethel Park, LLC, a Pennsylvania limited liability company	~~Meadowcrest PropCo,~~ ~~LLC~~ [Insert Information]	~~Meadowcrest OpCo,~~ ~~LLC~~ [Insert Information]	50
Oak Hill Healthcare and Rehabilitation Center, 827 Georges Station Road, Greensburg, PA 15601	GEC Greensburg Real Estate LLC, a Pennsylvania limited liability company	Guardian Elder Care at Greensburg, LLC, a Pennsylvania limited liability company	~~Oak Hill PropCo,~~ ~~LLC~~ [Insert Information]	~~Oak Hill OpCo,~~ ~~LLC~~ [Insert Information]	48
Highland View Healthcare and Rehabilitation Center, 90 Main Street, Brockway, PA 15824	GEC Highland View, LP, a Pennsylvania limited partnership	Guardian Elder Care at Brockway, LLC, a Pennsylvania limited liability company	~~Highland View PropCo,~~ ~~LLC~~ [Insert Information]	~~Highland View OpCo,~~ ~~LLC~~ [Insert Information]	50

EXHIBIT B

Legal Descriptions of Real Properties

~~See attached.~~

Exhibit A

~~**EXHIBIT C**~~

~~**Bidding Procedures**~~

See attached.

Summary report: Litera Compare for Word 11.9.1.1 Document comparison done on 10/3/2024 9:05:36 AM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://saul.imanage.work/FIRMDMS/53147209/1	
Modified DMS: iw://saul.imanage.work/FIRMDMS/53147237/1	
Changes:	
<u>Add</u>	50
~~Delete~~	88
~~Move From~~	0
<u>Move To</u>	0
<u>Table Insert</u>	0
~~Table Delete~~	2
<u>Table moves to</u>	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	140

Exhibit D

Blackline – Operations Transfer Agreement

Execution Version

OPERATIONS TRANSFER AGREEMENT

THIS **OPERATIONS TRANSFER AGREEMENT** (this “Agreement”) is made and entered into as of the ~~19th~~2nd day of ~~August~~October, 2024 (“Contract Date”), by and among the “Existing Operators” identified on Exhibit A hereto (individually, an “Existing Operator” and collectively, “Existing Operators”), and the “New Operators” identified on Exhibit A hereto (individually a “New Operator” and collectively, “New Operators”). Existing Operators and New Operators will sometimes hereinafter be collectively referred to as the “Parties” or, individually, as a “Party”.

RECITALS:

A. Each Existing Operator is the licensed operator of the skilled nursing facility set forth opposite its name on Exhibit A hereto (each a “Facility” and collectively, the “Facilities”);

B. The Existing Operators lease the Facilities from the Persons identified as “Sellers” on Exhibit A (each a “Seller” and collectively, the “Sellers”);

C. The Sellers have entered into a purchase and sale agreement executed of even date herewith (the “Purchase and Sale Agreement”), pursuant to which the Sellers have agreed to sell the land and improvements comprising the Facilities (individually the “Real Property” and collectively, the “Real Properties”) and personal property at the Facilities thereon, to the Persons identified in Exhibit A as “Buyers” (each a “Buyer” and collectively, the “Buyers”);

D. Each Facility identified on Exhibit A as a “HUD Facility” (each, a “HUD Facility” and collectively, the “HUD Facilities”) is subject to a mortgage in favor of the U.S. Department of Housing and Urban Development (“HUD”) which requires HUD’s consent to the transfer and sale of the HUD Facilities pursuant to the terms of the Purchase and Sale Agreement;

E. The Parties desire to enter into this Agreement in order to facilitate a transition of operational responsibility for the Facilities from Existing Operators to New Operators;

F. On or about July 29, 2024, each Existing Operator filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Western District of Pennsylvania (“Bankruptcy Court”). The Existing Operators ~~plan to continue~~are continuing to operate their respective Facilities as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code;

G. The Existing Operators desire to sell and cause to be sold, and the New Operators desire to purchase as the Stalking Horse Bidder (as defined herein), free and clear of all Liens, Claims and Encumbrances, the Transferred Assets in accordance with sections 105(a), 363 and other applicable provisions of the Bankruptcy Code, upon the terms and subject to the conditions of this Agreement;

H. ~~The~~On August 19, 2024, the Sellers and the Existing Operators ~~will file~~filed a motion under sections 363 and 365 of the Bankruptcy Code [D. I. 204] (the (“Sale Motion”) seeking, inter alia, entry of an (i) Order (a) approving bidding procedures (the “Bidding Procedures”); (b) setting a date for an auction (the “Auction”) of the Real Properties and the

Transferred Assets; ~~and (c) seeking authority to identify and name New Operators and Buyers as the stalking horse bidder (the “Stalking Horse Bidder”) for the Transferred Assets and the Real Properties, respectively, to set a floor price for, among other things, the Transferred Assets and the Real Properties at the Auction and to compensate such Stalking Horse Bidder with bidder protections of (i) a Break-Up Fee (as defined in the Purchase and Sale Agreement) and (ii) Expense Reimbursement (as defined in the Purchase and Sale Agreement); and (d) setting a date for a hearing (the “Sale Hearing”) to approve the sale contemplated thereby by the Sale Motion; and (ii) requesting entry of an Order approving the transactions contemplated by an anticipated sale (the “Sale Procedures Order”).~~

I. On September 6, 2024, the Bankruptcy Court entered the Sale Procedures Order [D. I. 376] approving the Bidding Procedures;

I. The transactions hereunder are subject to Bankruptcy Court approval and the Transferred Assets will be transferred pursuant to a Sale Order (as defined herein) that is reasonably satisfactory to the Existing Operators and the New Operators, including without limitation relief ordered by the Bankruptcy Court pursuant to sections 363(f), (m) & (n) of the Bankruptcy Code.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants of the Parties set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions. Capitalized terms used and not defined herein will have the meanings ascribed to them in the Purchase and Sale Agreement. As used in this Agreement, the following terms will have the meanings set forth below:

“Accounts Receivable” means the Existing Operator Accounts Receivable and/or the New Operator Accounts Receivable, as applicable.

“Action” means any claim, action, suit, proceeding or investigation, whether at law or in equity, before any court, arbitrator, arbitration panel or Governmental Authority.

“Affiliate” means any Person that, directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified, where the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Alternative Transaction” means a sale of substantially all of the Transferred Assets or a portion thereof to a Person or Persons who are not the New Operators, pursuant to the Auction; *provided, however*, that any Alternative Transaction must comply with the Bidding Procedures; ~~including providing for cash payment of the Break-Up Fee in full upon closing.~~

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

“Claims” shall include the meaning ascribed by section 101(5) of the Bankruptcy Code and includes, without limitation, all rights, claims, causes of action, defenses, debts, demands, damages, offset rights, setoff rights, recoupment rights, obligations, and liabilities of any kind or nature under contract, at law or in equity, known or unknown, contingent or matured, liquidated or unliquidated, and all rights and remedies with respect thereto.

“Closing” means the First Closing or the Second Closing, as applicable.

“Closing Date” means the First Closing Date or Second Closing Date, as defined in the Purchase and Sale Agreement.

“COBRA” means Section 601, et seq. of ERISA, as amended, and Section 4980B of the Code, as amended.

“Code” means the U.S. Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder, as in effect from time to time.

“Confidential Information” means any information about an Existing Operator, its Affiliates (including Sellers), a Facility, the Business and/or the Transferred Assets disclosed or made available to a New Operator, its Affiliates and/or their respective Representatives, directly or indirectly, in writing, orally, electronically, by drawings, observation or otherwise, including without limitation any information given to or obtained in connection with New Operators’ investigation of Existing Operators, the Transferred Assets, the Business or the Facilities.

“Contracts” mean any contract, agreement, mortgage, indenture, license, lease, commitment, arrangement, sales order and purchase order of every kind, whether written or oral.

“COVID-19” means SARS-CoV-2 or COVID-19, and any evolutions or mutations thereof or related or associated epidemics, pandemic or disease outbreaks.

“Cure Costs” means the amount necessary pursuant to Section 365(b)(1) of the Bankruptcy Code, as determined by the Bankruptcy Court, to satisfy any amounts owing by an Existing Operator under an Assumed Contract.

“Effective Time” means 12:01 a.m. on the applicable Closing Date.

“Encumbrances” means, to the extent not considered a Lien, any security interest, lien, collateral assignment, debt, obligation, Liability, pledge, levy, charge, escrow, encumbrance, option, right of first refusal, restriction (whether on transfer, disposition or otherwise), third party right, right limited to any Existing Operator personally, other agreement term tending to limit any right or privilege of any Existing Operator under any Contract, conditional sale Contract, title retention Contract, mortgage, Lease, deed of trust, hypothecation, indenture, security agreement, easement, license, option, pledge, right of first refusal or restriction of any kind, servitude, proxy, voting trust, transfer restriction under any shareholder or similar agreement, or any other agreement, arrangement, Contract, commitment, understanding or obligation of any kind whatsoever, whether written or oral, or imposed by any Law, equity or otherwise. For the

avoidance of doubt, past-due nursing facility bed assessments are considered “Encumbrances” for purposes of this Agreement.

“ERISA” means the Employee Retirement Security Act of 1974, as amended, and all regulations promulgated thereunder, as in effect from time to time.

“Excluded Contracts” means (i) Contracts between any Existing Operator and its Affiliates, (ii) Contracts that relate to one or more facilities owned or managed by an Existing Operator’s Affiliates other than a Facility (i.e., so-called “enterprise agreements”), and (iii) Contracts with government, quasi-government, or third parties that are not assignable.

“Final Order” means an Order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari has expired and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the Order or judgment could be appealed or from which certiorari could be sought or the new trial, reargument or rehearing shall have been denied, resulted in no modification of such Order or has otherwise been dismissed with prejudice, provided, however, that no Order shall fail to be a Final Order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Rule 9024 of the Federal Rules of Bankruptcy Procedure may be filed with respect to such Order, as long as such motion has not actually been filed.

“Governmental Authority” means any government or political subdivision or department thereof; any governmental, administrative or regulatory body, commission, board, bureau, agency or instrumentality; or, any court, arbitrator or alternative dispute resolution body, in each case whether federal, state or local.

“HUD New Operators” means the New Operators of the HUD Facilities.

“HUD Existing Operators” means the Existing Operators of the HUD Facilities.

“Knowledge” means, (a) with respect to each Existing Operator, the actual, conscious knowledge of Michael J. Herald, and (b) with respect to Buyers, the actual, conscious knowledge of ~~Mark Kandelman~~[Charles Obstfeld](#).

“Law” means any federal, state or local law, treaty, statute, ordinance, code, rule, regulation, judgment, decree, order, writ, award, injunction or determination of a Governmental Authority.

“Liability” means, in the broadest terms possible, any and all Claims, debts, liabilities, assessments (including without limitation, “bed taxes”), taxes, obligations and commitments of whatever kind or nature, whether known or unknown, asserted or unasserted, fixed, absolute or contingent, matured or unmatured, accrued or unaccrued, liquidated or unliquidated or due or to become due, and whenever or however arising (including those arising out of any Contract or tort, whether based on negligence, strict liability or otherwise) and whether or not the same that would be required by GAAP to be reflected as a liability in financial statements or disclosed in the notes thereto.

“Lien” means, in the broadest terms possible, any lien (statutory or otherwise), claim, encumbrance, interest, Liability, deed of trust, right of first offer, easement, servitude, transfer restriction under any shareholder or similar agreement, mortgage, pledge, charge, security interest, option, right of first refusal, easement, security agreement or other encumbrance or restriction on the use or transfer of any property, hypothecation, license, preference, priority, covenant, right of recovery, Order of any Governmental Authority, of any kind or nature.

“Losses” means any loss, liability, claim, demand, obligation, damage, cost or expense (including reasonable legal fees and expenses), but excluding consequential, incidental, indirect, punitive or special damages, except to the extent such damages are paid or payable to a third party in connection with a Third Party Claim.

“Material Adverse Effect” means any circumstance, event, effect or change that, individually or in the aggregate, has or would reasonably be expected to have a material adverse effect on (a) the business, assets, results of operations or financial condition of the Facilities taken as a whole, or (b) the ability of Existing Operators to perform their obligations under this Agreement or to consummate the transactions contemplated herein; provided, however, that none of the following, either alone or in combination, will be considered in determining whether there has been a “Material Adverse Effect”: (i) any change in general economic, business, financial, credit or market conditions, (ii) any occurrence generally affecting the residential health care industry, (iii) any changes in Laws or accounting requirements or principles or the interpretations thereof, (iv) the announcement, pendency or consummation of the transactions contemplated herein, (iv) any change or effect of the current COVID-19 pandemic, or any worsening or recurrence thereof, and any action or response of any Governmental Authority with respect to same, and/or (v) the filing of bankruptcy proceedings by the Existing Operators.

“Non-HUD Existing Operators” means the Existing Operators of the Non-HUD Facilities.

“Non-HUD Facilities” means each Facility identified on Exhibit A under the heading “Non-HUD Facilities”.

“Non-HUD New Operators” means the New Operators of the Non-HUD Facilities.

“Person” means any individual, corporation, company, association, partnership, limited liability company, joint venture, trust, unincorporated organization, or other entity, or Governmental Authority.

“Records” means all of the following, regardless of where or how maintained, including paper or electronic copies, in each case to the extent within the possession or control of Existing Operator and to the extent transferrable under applicable Law:

- (a) financial and accounting records pertaining to the operation of the Facilities;
- (b) employment records of the Hired Employees;
- (c) as to Current Residents of a Facility, clinical records and quality of care records.

“Representatives” means, with respect to any Person, such Person’s shareholders, officers, directors, partners, members, managers, employees, agents and representatives acting on behalf of, such a Person.

“Resident Agreement” means a Contract pursuant to which an individual agrees to become a resident at a Facility and undertake all rights and obligations associated with being a resident at a Facility.

“Sale Order” means an Order of the Bankruptcy Court, acceptable to the New Operators in all respects, authorizing the sale of the Transferred Assets to the New Operators contemplated by this Agreement free and clear of all Liens, Claims, and Encumbrances.

“Tax” means any U.S. federal, state, local or non-U.S. income, gross receipts, franchise, alternative minimum, add-on minimum, franchise, sales, use, transfer, registration, value added, excise, severance, stamp, occupation, windfall profits, environmental, customs, real property, personal property, escheat, unclaimed property, capital stock, withholding, social security (or similar), unemployment, disability, payroll, license, or other tax, of any kind, including, in each case, any interest, penalties or additions thereto.

Section 1.02 Additional Definitions. Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
Accrued ETO	Section 6.02(a)
Advances	Section 7.02(d)
Agreement	Preamble
Assignment and Assumption Agreement	Section 3.02(a)(ii)
Assumed Contracts	Section 5.04
Assumed Employment Liabilities	Section 6.02(c)
Assumed ETO Liabilities	Section 6.02(a)
Assumed Liabilities	Section 2.03(b)
Auction	Recitals
Bankruptcy Court	Recitals
Bill of Sale	Section 3.02(a)(i)
Business	Section 2.03(a)
Buyer/Buyers	Recitals
Buyers’ Broker	Section 4.02(f)
CARES Act Payments	Section 7.02(d)
CHOW	Section 5.02(a)
CIA	Section 7.04
CIA-Related Liabilities	Section 7.04
Closing Payment	Section 3.02(a)(vii)
Closing Statement	Section 3.02(a)(vi)
CMS	Section 5.03
Contract Date	Preamble
Covenant Survival Period	Section 4.03

Term	Section
Current Residents	Section 3.02(a)(iv)
DHHR	Section 5.02(a)
DOH	Section 5.02(a)
DHS	Section 5.02(a)
Employees	Section 6.01(a)
Employee Plan(s)	Section 4.01(e)(i)(f)
Excluded Assets	Section 2.02(b)
Excluded Liabilities	Section 2.03(a)
Existing Operator/Existing Operators	Preamble
Existing Operators' Accounts Receivable	Section 2.02(b)(ii)
Existing Operator Indemnified Parties	Section 8.02
Expense Reimbursement	Recitals
Extended HUD Deadline	Section 3.01
Facility/Facilities	Recitals
Facility Contracts	Section 4.01(f)
First Closing	Section 3.01
First Closing Date	Section 3.01
Fundamental Rep Survival Period	Section 4.03
Group Health Plan	Section 6.01(a)
Healthcare Reform Law	Section 4.01(e)(iv)
Hired Employees	Section 6.01(a)
HUD Existing Operator Indemnified Parties	Section 8.02
HUD Facility/HUD Facilities	Recitals
HUD New Operator Indemnified Parties	Section 8.01
Indemnified Party	Section 8.05(a)
Indemnified Withdrawal Liability	Section 8.01
Indemnifying Party	Section 8.05(a)
Inventory	Section 2.02(a)(i)
Licenses	Section 4.01(d)(ii)
New Operator	Preamble
New Operators	Preamble
New Operators' Accounts Receivable	Section 7.02(c)
New Operator Indemnified Parties	Section 8.01
Non-Assumed Contracts	Section 5.04
Non-HUD Existing Operator Indemnified Parties	Section 8.02
Non-HUD New Operator Indemnified Parties	Section 8.01
OIG Release	Section 7.04
Other COVID-19 Funds	Section 7.02(d)
Party/Parties	Preamble
Personal Property	Section 2.02(a)(ii)
Petty Cash	Section 3.04(d)
Post-Closing Stimulus Funds	Section 7.02(g)
Pre-Closing Stimulus Funds	Section 7.02(e)
Provider Taxes	Section 3.04(b)

Term	Section
Provisional License Condition	Section 3.06(a)(vi)
Purchase and Sale Agreement	Recitals
Real Property(ies)	Recitals
Recapture Claim	Section 5.03
Regulatory Approvals	Section 5.02(a)
Representation Survival Period	Section 4.03
Resident Trust Funds	Section 3.02(a)(v)
Sale Hearing	Recitals
Sale Motion	Recitals
Sale Procedures Order	Recitals
Second Closing	Section 3.01
Second Closing Date	Section 3.01
Second Closing Outside Date	Section 3.01
Seller/Sellers	Recitals
Sellers' Broker	Section 4.01(k)
SFF Condition	Section 3.06(a)(vi)
Stalking Horse Bidder	Recitals
Stimulus Funds	Section 7.02(d)
Survival Period	Section 4.03
Third Party Claim	Section 8.05(a)
Transaction Documents	Section 4.01(a)
Transferred Assets	Section 2.02(a)
Union Contract(s)	Section 6.03(a)
Union Employees	Section 6.03(a)
Unions	Section 6.03(a)
WARN Act	Section 6.01(b)
Withdrawal Liability	Section 4.01(e)(ii)

Section 1.03 General Interpretive Principles. Whenever used in this Agreement, except as otherwise expressly provided or unless the context otherwise requires, any noun or pronoun will be deemed to include the plural as well as the singular and to cover all genders. The name assigned this Agreement and the Section captions used herein are for convenience of reference only and will not be construed to affect the meaning, construction or effect hereof. Unless otherwise specified, the terms “hereof,” “herein” and similar terms refer to this Agreement as a whole (including the Exhibits and Schedules hereto), and references herein to Articles or Sections refer to Articles or Sections of this Agreement. Whenever the words “include,” “includes” or “including” are used in this Agreement, they will be deemed to be followed by the words “without limitation.”

Section 1.04 Multiple Facilities. Each representation, warranty and covenant hereunder will apply severally, and not jointly, between the Existing Operator and the New Operator whose names are set forth opposite such Facility on Exhibit A hereto, as if this Agreement applied only to such Parties and to such Facility; provided, however, that except as otherwise expressly provided herein or as otherwise agreed by the Parties, (a) the First Closing will occur with respect

to all Non-HUD Facilities simultaneously, (b) the Second Closing will occur with respect to all HUD Facilities simultaneously, (c) the Closing Payments with respect to all Non-HUD Facilities will be netted at the First Closing to determine the Closing Payments payable hereunder at the First Closing and the Closing Payments with respect to all HUD Facilities will be netted at the Second Closing to determine the Closing Payments payable hereunder at the Second Closing.

ARTICLE II TRANSFER OF ASSETS AND OPERATIONS

Section 2.01 Generally. Subject to the terms and conditions set forth herein, (i) at the First Closing, the Non-HUD Existing Operators will assign, and the Non-HUD New Operators will assume, as of the Effective Time, (a) responsibility for operating the Non-HUD Facility set forth opposite such Non-HUD Existing Operator's and Non-HUD New Operator's names on Exhibit A, and (b) the Transferred Assets with respect to such Non-HUD Facilities and (ii) at the Second Closing, the HUD Existing Operators will assign, and the HUD New Operators will assume, as of the Effective Time, (a) responsibility for operating the HUD Facility set forth opposite such HUD Existing Operator's and HUD New Operator's names on Exhibit A, and (b) the Transferred Assets with respect to such HUD Facilities.

Section 2.02 Transferred Assets.

(a) For purposes of this Agreement, "Transferred Assets" means all assets of Existing Operators other than the Excluded Assets, including, without limitation, the following assets that are owned or used by an Existing Operator in connection with the operation of the Business at the applicable Facility:

(i) All inventory and supplies, including, without limitation, all food, pharmacy, medical, office, maintenance and other inventory and supplies owned by Existing Operators as of the applicable Closing Date (collectively the "Inventory"); and Existing Operators shall use commercially reasonable efforts to ensure that the amount of inventory and supplies on the Closing Date is sufficient for operation of each Facility for at least fourteen (14) days from and after such Closing Date;

(ii) All other personal property, vehicles and equipment owned by an Existing Operator (the "Personal Property");

(iii) All of Existing Operators' rights, benefits and interests under the Resident Agreements and other Assumed Contracts arising or accruing after the Effective Time of the applicable Closing Date;

(iv) All Licenses, to the extent transferable;

(v) The Records;

(vi) All of Existing Operators' right, title and interest in the name of the applicable Facility, and any goodwill related thereto;

(vii) All patents, trademarks, copyrights, domain names and other intellectual property, whether registered or unregistered, and any applications therefor;

(viii) Subject to the Section 3.04(d), the Petty Cash; and

(ix) All vehicles.

(b) Notwithstanding the foregoing, the Transferred Assets will not include any of the following assets of Existing Operators (collectively, the “Excluded Assets”):

(i) Cash and cash equivalents;

(ii) Accounts receivable and security deposits with respect to ownership of the Transferred Assets and/or operation of the Business at the Facilities prior to the applicable Closing Date (collectively, “Existing Operators’ Accounts Receivable”), including, without limitation, all receivables representing amounts payable to the Existing Operators for services rendered, or products provided or sold, to residents of the Facilities prior to the Effective Time of the applicable Closing Date, and all sums due on account of audits or appeals of audits, rate adjustments, reconciliations, refunds, reimbursements and other recoupments with any third party payor or Governmental Authority, all rights to refunds from whatever source including, without limitation, for Taxes, fees, assessments and charges and those arising out of retrospective premium adjustments under insurance policies covering the Transferred Assets and/or the Facilities or the operations thereof for periods ending prior to the Effective Time of the applicable Closing Date and, subject to Section 7.02, any federal, state, local or other governmental or quasi-governmental stimulus or relief funds with respect to COVID-19 relating to the ownership or operation of the Facilities prior to the Effective Time of the applicable Closing Date;

(iii) All deposits, prepayments, escrowed funds and similar funds with third parties;

(iv) All insurance policies and claims and/or refunds thereunder;

(v) All Actions against third parties, including, but not limited to, actions arising under the Bankruptcy Code;

(vi) The “Guardian Elder Care” and “Guardian Healthcare” tradenames, trademarks and logos, and all goodwill associated therewith;

(vii) Proprietary materials and trade secrets of Existing Operators and/or their Affiliates used or useable in the operation of the Business generally (and not specific to a Facility), including, without limitation, dietary plans, policies, manuals and proprietary software;

(viii) The Non-Assumed Contracts;

(ix) Any leased Personal Property, unless the underlying lease constitutes an Assumed Contract;

(x) Any License that is not assignable or transferable by its terms or pursuant to applicable Law;

(xi) The National Provider Identification number issued to each Facility by the National Plan and Provider Enumeration System, a division of CMS; and,

(xii) Any other asset listed on Schedule 2.02(b).

Section 2.03 No Assumption of Liabilities.

(a) Other than as specifically set forth in this Agreement, New Operators will not assume and will not be liable for any Liabilities of Existing Operators or their Affiliates of any nature, known or unknown, fixed or contingent (the "Excluded Liabilities"), including, without limitation, any Liabilities with respect to ownership of the Transferred Assets or operation of a Facility as a skilled nursing facility (the "Business") prior to the Effective Time of the applicable Closing Date, including any Employee Plan(s).

(b) Notwithstanding the foregoing, as of the Effective Time of the applicable Closing, and contingent on the applicable Closing occurring, New Operators will assume and duly satisfy the following (collectively, the "Assumed Liabilities"): (i) in addition to the payment of Cure Costs, all Liabilities of Existing Operators under the Assumed Contracts, solely to the extent relating to ownership of the Transferred Assets or operation of the Facilities during periods from and after the Effective Time of the applicable Closing Date, (ii) the Assumed Employment Liabilities, and (iii) all other Liabilities with respect to ownership of the Transferred Assets or the operation of the Facilities during periods from and after the applicable Effective Time.

Section 2.04 Sale Process. As ~~will be~~ set forth in more detail in the Bidding Procedures, the sale of the Transferred Assets, along with the Real Properties, is subject to a potential Auction pursuant to the following terms:

(a) This Agreement shall be subject to an Auction conducted pursuant to the Bidding Procedures if the Existing Operators receive one or more Qualified Bids (as defined in the Bidding Procedures), and the Purchase Price (as defined in the Purchase and Sale Agreement) shall be considered the opening bid at the Auction as described in the Bidding Procedures;

(b) ~~The Bidding Procedures shall have terms and conditions agreed to by the New Operators and Buyers, in their sole discretion (which shall not be unreasonably withheld)~~ Intentionally omitted;

(c) The Existing Operators shall continue to market the sale of the Transferred Assets prior to the Auction; and

(d) ~~At the Auction, in evaluating Qualified Bids and the advancements in Qualified Bids, the New Operators and Buyers shall receive credit for the full amount of the Break-Up Fee and Expense Reimbursement as consideration over and above the cash amount of the New Operators' and Buyers' bid regardless of the nature of or consideration provided by any competing Qualified Bids.~~ To the extent that the New Operators and Buyers are declared the Backup Bidder (as defined in the Bidding Procedures) at the Auction, the New Operators and Buyers agree to

serve as Backup Bidder until the earlier of (a) the closing of a transaction with a Successful Bidder (as defined in the Bidding Procedures) or (b) ~~October 31~~December 13, 2024.

For the avoidance of doubt, if the Sellers and Existing Operators do not receive any other Qualified Bids other than the bid from the Buyers and New Operators, then there shall be no Auction, and the Existing Operators and New Operators shall proceed with the transaction subject to the terms and conditions of this Agreement.

ARTICLE III CLOSING

Section 3.01 Closing. The consummation of the transactions contemplated herein with respect to the Non-HUD Facilities (the “First Closing”) will occur simultaneously with the Closing under the Purchase and sale Agreement for the Non-HUD Properties (the “First Closing Date”). The consummation of the transactions contemplated herein with respect to the HUD Facilities (the “Second Closing”) will occur simultaneously with the Closing under the Purchase and Sale Agreement for the HUD-Properties. The Closings will be conducted through an escrow with the Title Company, in accordance with the general procedures for similar transactions in the Commonwealth of Pennsylvania or the State of West Virginia, as applicable. Each Closing will occur simultaneously with the closing with respect to the corresponding Real Property under the Purchase and Sale Agreement and will be effective for all purposes hereof as of the Effective Time on the applicable Closing Date.

Section 3.02 Deliveries at Closing.

(a) At each Closing, the applicable Existing Operators will make the following deliveries to the applicable New Operators, in each case duly executed by such Existing Operators (as applicable):

(i) A bill of sale (the “Bill of Sale”) for transfer and conveyance of the Transferred Assets relating to the Facilities applicable as of such Closing;

(ii) An assignment and assumption agreement (the “Assignment and Assumption Agreement”) with respect to the Assumed Contracts relating to the Facilities applicable as of such Closing;

(iii) A certificate of an officer of Existing Operators, certifying as to the satisfaction of the conditions set forth in Section 3.06(a)(iii) and Section 3.06(a)(iv) hereof, as of the applicable Closing Date;

(iv) A census of the residents of the applicable Facilities as of the Effective Time on the applicable Closing Date (the “Current Residents”);

(v) An accounting of any resident trust funds held by an Existing Operator for the benefit of the Current Residents at the Non-HUD Facilities or at the HUD Facilities, as applicable, as of the Effective Time of the applicable Closing (the “Resident Trust Funds”);

(vi) A closing statement setting forth the payments to be made by the Parties to each other at the applicable Closing pursuant to the provisions of this Agreement (the "Closing Statement"),

(vii) The net amount ("Closing Payment") due and payable by Existing Operators under the Closing Statement, if any, by wire transfer or other immediately available funds;

(viii) Completed and signed portions of CMS Form 855-A requiring information about Existing Operator;

(ix) A duly executed copy of the Escrow Agreement (as defined in the Purchase and Sale Agreement); and

(x) Any and all other documents and deliverables reasonably requested by the Title Company to effectuate the transactions contemplated hereby.

(b) At each Closing, the applicable New Operators will make the following deliveries to the applicable Existing Operators, in each case duly executed by such New Operators (as applicable):

(i) The Assignment and Assumption Agreement;

(ii) A certificate of an officer of New Operators, certifying as to the satisfaction of the conditions set forth in Section 3.06(b)(i) and Section 3.06(b)(ii) hereof as of the applicable Closing Date;

(iii) Counterpart to the Closing Statement;

(iv) The Closing Payment due and payable by New Operators under the Closing Statement, if any, by wire transfer or other immediately available funds;

(v) A duly executed copy of the Escrow Agreement; and,

(vi) Any and all other documents and deliverables reasonably requested by the Title Company to effectuate the transactions contemplated hereby.

Section 3.03 Resident Trust Funds. Upon each Closing, with a full reconciliation to occur immediately prior to each Closing, the applicable Existing Operators will transfer the Resident Trust Funds to the applicable New Operators. From and after receipt thereof, New Operators will maintain and hold such Resident Trust Funds in trust for the residents or residents' responsible parties and will assume, perform, discharge and be accountable to such residents and responsible parties for such Resident Trust Funds in accordance with the terms of any applicable agreements or trust instruments in effect with the residents or residents' responsible parties, and applicable Law.

Section 3.04 Pro-rations; Allocations. Unless otherwise provided below, the following are to be adjusted and prorated between Existing Operators and New Operators as of the Effective Time, based upon a 365-day year:

(a) Sales Taxes. Any applicable sales taxes payable in connection with the transfer of the Transferred Assets will be borne by New Operators.

(b) Provider Taxes. Existing Operator will retain liability for the any and all Taxes related to the operation of the Business at the Facility that are assessed for periods prior to the Effective Time, including, but not limited to, provider Tax, gross receipts Tax and quality assessment Tax (collectively, the "Provider Taxes"). New Operator will be responsible for the payment of any and all Provider Taxes related to the operation of the Business at the Facility that are assessed for periods from and after the Effective Time.

(c) Assumed Contracts. All Cure Costs under all Assumed Contracts, shall be paid by New Operators.

(d) Petty Cash. An amount equal to the petty cash remaining at each Facility as of the Effective Time of the applicable Closing ("Petty Cash") will be included in the Closing Statement as a credit to Existing Operators.

(e) Brokers. Sellers will pay the fees of Seller' Broker, if any, and Buyers will pay the fees of Buyers' Broker, if any.

(f) Re-Adjustment. In the event that accurate prorations and other adjustments cannot be made as of the applicable Closing Date because current bills or statements are not obtainable, the Parties will prorate on the best available information, subject to adjustment upon receipt of the final bill or statement. All amounts which are subject to proration under the terms of this Agreement (except for Accounts Receivable which are subject to Section 7.02 hereof) and which require adjustment after the applicable Closing Date will be settled within thirty (30) days after the each such Closing Date or, in the event the information necessary for such adjustment is not available within said thirty (30) day period, then within ten (10) business days of receipt of information by the applicable Party necessary to settle the amounts subject to proration.

Section 3.05 Allocation of Purchase Price. The purchase price paid under the Purchase and Sale Agreement will be allocated among the Real Properties and the Transferred Assets in a manner agreed by the Parties. The Parties will adhere to such allocations in filing all returns with the appropriate Taxing authorities.

Section 3.06 Conditions Precedent.

(a) New Operators' obligation to consummate the transactions contemplated in this Agreement will be subject to the following conditions precedent (i) with respect to the Non-HUD Existing Operators and the Non-HUD Facilities as of the First Closing Date, and (ii) with respect to the HUD Existing Operators and the HUD Facilities as of the Second Closing Date, in each case to the reasonable satisfaction of New Operators or the waiver thereof by New Operators, in their sole discretion:

~~(i) The Existing Operators shall have filed the Sale Motion, and the Bankruptcy Court shall have approved the Sale Procedures Order in form and substance reasonably satisfactory to the New Operators, and it shall be a Final Order;~~

(i) Intentionally omitted;

(ii) The Bankruptcy Court shall have entered a Sale Order approving the sale of the Real Properties and Transferred Assets to Buyers and New Operators free and clear of all Claims, Liens and Encumbrances in form and substance reasonably satisfactory to the New Operators, and it shall be a Final Order (unless waived by the New Operators in the New Operators' sole discretion);

(iii) Each of the representations and warranties of the applicable Existing Operators contained in this Agreement will be true and correct in all material respects as of the applicable Closing Date;

(iv) The applicable Existing Operators will have duly and timely performed and fulfilled all of their covenants and agreements hereunder to be performed by them prior to the applicable Closing in all material respects;

(v) There will not be any Actions pending or threatened in writing against the applicable Existing Operators, New Operators or their respective Affiliates to restrain or prohibit the consummation of the transactions contemplated hereby to be consummated on such Closing Date;

(vi) New Operators shall have received all Regulatory Approvals necessary for New Operators to operate the Business at the Facilities from and after the Effective Time;

(vii) No Facility shall be on the Special Focus Facility List maintained by CMS (an "SFF Condition") or be subject to a provisional license from the applicable DOH (a "Provisional License Condition") and Existing Operators shall not have received any notice that a Facility is being considered for placement on the Special Focus Facility List or a provisional license. Any SFF Condition will be deemed to be resolved and no longer constitute an SFF Condition when the affected Facility receives written confirmation that it is no longer on the CMS Special Focus Facility List and any Provisional License Condition will be deemed to be resolved and no longer constitute a Provisional License Condition when the affected Facility receives written notice that its license is no longer provisional. For the sake of clarity, a Provisional License Condition will exist only if a provisional license is received by a Facility for the period prior to Closing (i.e., under Existing Operator's ownership/operation), and not solely with respect to New Operator's assumption of ownership/operation post-Closing. Each Party acknowledges and agrees that if there is an SFF Condition or Provisional License Condition at one or more (but less than all) of the Facilities that are the subject of a particular Closing, the Parties will initially close in accordance with the terms of this Agreement with respect to the Facilities where there is no SFF Condition or Provisional License Condition, and New Operator will be required to close on the affected Facilities within 45-days following the resolution of the

SFF Condition or Provisional License Condition, as applicable; provided, notwithstanding the foregoing, if any Facility is still subject to an SFF Condition or Provisional License Condition, as applicable, as of December 31, 2024 (the “SFF/Provisional License Outside Date”), such condition shall be deemed an Existing Operator default, and Buyer may elect to terminate this Agreement immediately on such SFF/Provisional License Outside Date or at any time within 90-days thereafter.

(viii) New Operators shall have secured licenses to operate the Facilities from the DOH, without the necessity of executing any application, agreement, or other document in favor of the DHS or any other Governmental Authority that expressly or impliedly provides that Buyers or New Operators shall assume or have assumed any Claims, Liens, Encumbrances, or other Liabilities of Sellers or the Existing Operators except for Assumed Liabilities;

(ix) All conditions to the applicable Buyer’s obligations to consummate the transactions that are the subject of the applicable Closing under the Purchase and Sale Agreement at of the applicable Closing shall have been satisfied or waived.

(x) With respect to Belair Healthcare and Rehabilitation Center only, Existing Operator shall have provided evidence of tail insurance with an Unlimited ERP at 175% of allocated premium.

(b) Existing Operators’ obligation to consummate the transactions contemplated in this Agreement will be subject to the following conditions precedent (i) with respect to the Non-HUD New Operators and the Non-HUD Facilities, as of the First Closing Date and (ii) with respect to the HUD New Operators and the HUD Facilities, as of the Second Closing Date, in each case to the reasonable satisfaction of Existing Operators or the waiver thereof by Existing Operators, in their sole discretion:

(i) Each of the representations and warranties of the applicable New Operators contained in this Agreement will be true and correct in all material respects as of the applicable Closing Date;

(ii) The applicable New Operators will have duly and timely performed and fulfilled all of their covenants and agreements hereunder to be performed by them prior to the applicable Closing in all material respects;

(iii) There will not be any Actions, pending or threatened in writing against the applicable New Operators, Existing Operators or their respective Affiliates, to restrain or prohibit the consummation of the transactions contemplated hereby to be consummated on such Closing Date; and

(iv) All conditions to the applicable Sellers’ obligations to consummate the transactions that are the subject of the applicable Closing under the Purchase and Sale Agreement at the applicable Closing shall have been satisfied or waived.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

Section 4.01 Representations and Warranties by Existing Operator. Each Existing Operator hereby represents and warrants to New Operators as follows:

(a) Organization. Such Existing Operator is a limited liability company duly organized and validly subsisting under the laws of either the Commonwealth of Pennsylvania or the State of West Virginia, as provided in Exhibit A, and has the power and authority to conduct its Business as currently conducted, and, subject to entry of the Sale Order, to execute, deliver and perform this Agreement and each other document, instrument and agreement contemplated by this Agreement (collectively, the “Transaction Documents”) to which it is a party.

(b) Authority. The execution, delivery and performance of this Agreement and the other Transaction Documents to which such Existing Operator is a party have been duly authorized by the managers and members (if required) of such Existing Operator, and do not contravene the terms of such Existing Operator’s organizational or other governing documents. This Agreement and each other Transaction Document to which it is a party, when executed and delivered by such Existing Operator, will, subject to the entry of the Sale Order, be the valid and legally binding obligation of such Existing Operator, enforceable against it in accordance with their respective terms, subject to the effect of any bankruptcy, insolvency, reorganization, moratorium, arrangement or similar laws affecting the enforcement of creditors’ rights generally.

(c) Litigation. As of the date hereof, there are no Actions pending, nor, to Existing Operator’s Knowledge, threatened in writing involving ownership of such Existing Operator’s Transferred Assets or the operation of the Business at such Existing Operator’s Facility that would constitute or are reasonably likely to cause a Material Adverse Effect.

(d) Compliance with Law; Licenses. Except as set forth on Schedule 4.01(d):

(i) To Existing Operator’s Knowledge, the Facility operated by such Existing Operator is currently operated in material compliance with all applicable Law. As used herein, “material compliance” means a level of compliance that would keep such Existing Operator and the operation of the Facility free from any final orders or sanctions by any Governmental Authority having jurisdiction over the operation of the Facility and that would not materially and adversely affect such Existing Operator’s right to receive reimbursement or insurance payments from Medicare, Medicaid or any third party payor;

(ii) All material Medicare and Medicaid provider agreements, certificates of need (if applicable), certifications, licenses, permits, regulatory agreements or other approvals of Governmental Authorities required for the lawful use, occupancy and operation of the Business at the Existing Operator’s Facility (collectively, the “Licenses”) have been issued to Existing Operator (or such other party required to hold such Licenses) and are in full force and effect. Existing Operator has not taken any action to rescind, withdraw, or revoke any License;

(iii) The Facility of such Existing Operator is duly licensed or certified to operate the number of beds set forth opposite its name in Exhibit A. Such Existing

Operator has not applied to change the number of licensed or certified beds of such Existing Operator's Facility nor to move or transfer the right to any and all of the licensed or certified beds of such Facility to any other location. There are no Actions pending or to Existing Operator's Knowledge, threatened in writing to reduce the number of licensed or certified beds of its Facility;

(iv) To Existing Operator's Knowledge, such Existing Operator is in material compliance with the requirements for participation in the Medicare and Medicaid programs with respect to the applicable Facility. Such Existing Operator has not had any uncured deficiencies on its most recent survey (standard or complaint) that are reasonably likely to result in a denial of payment for new admissions, and, as of the date hereof, its Facility has not been designated as a Special Focus Facility (as such term is defined by the CMS Special Focus Facility Program);

(v) There are no current, pending or outstanding Medicare, Medicaid or third party payor programs reimbursement audits or appeals pending at such Existing Operator's Facility, and there are no Actions pending or threatened in writing alleging the overpayment of Medicaid, Medicare or other governmental or quasi-governmental reimbursements or demanding the return of such alleged overpayments by any third party payor. All Advances (as defined below) received by Existing Operator prior to the date hereof have been paid in full to CMS.

(e) Employee Matters.

(i) Schedule 4.01(e)(i) sets forth, as of the applicable Closing, a complete and accurate list of the current employees of each Existing Operator at the Facilities, including: (i) name, (ii) position or duty title, (iii) vacation, sick, holiday, personal time-off, and any other paid time off, whether vested or unvested, to the extent it was accrued prior to the Effective Time of the applicable Closing and remains unused, (iv) current base salary or wage rate, (v) exempt or non-exempt status (whether or not paid at an hourly or salary rate), (vi) date of hire or commencement of most recent employment, and (vii) number of hours worked in the preceding twelve (12) months, each of which shall be updated as of the most recent payroll date prior to the applicable Closing Date. Except for the Union Contracts, Existing Operator is not a party to any collective bargaining agreement with any labor union or similar organization. Except for the Unions, to Existing Operator's Knowledge, no labor union or similar organization represents such Existing Operator's employees or has engaged in material efforts to organize such Existing Operator's employees. Except as provided in the Union Contracts, Existing Operator has not entered into, nor has Existing Operator established or maintained, any change-in-control or severance agreements or plans, and Existing Operator does not maintain or contribute to:

(A) any non-qualified deferred compensation or retirement plans, contracts or arrangements;

(B) any qualified defined contribution plans (as defined in Section 3(34) of ERISA, or Section 414(i) of the Code;

(C) any qualified defined benefit plans (as defined in Section 3(35) of ERISA or Section 414(j) of the Code);

(D) any multiemployer plan, as defined in Section 3(37) of ERISA;

(E) any employee welfare benefit plans (as defined in Section 3(1) of ERISA); or

(F) any other severance, stock option, equity plan, incentive Plan or fringe benefit plan ((A) through (F) collectively referred to as “Employee Plan(s)”).

(ii) Existing Operator is not and has never been a participant in, and is not and has never been obligated to maintain or to make contributions to, a multiemployer plan (within the meaning of ERISA Section 3(37) and ERISA Section 4001(a)(3)) or an Employee Plan (regardless of whether such Employee Plan relates to the Employees) which is subject to Title IV of ERISA or a plan that was ever subject to Sections 412 or 430 of the Code, or Part 3 of Title I of ERISA. Existing Operator has not incurred any withdrawal liability (as that term is understood under 29. U.S.C. § 131) with respect any pension fund, pension plan or similar arrangement in which any Existing Operator is required by the Union Contracts (“Withdrawal Liability”). Under no circumstances will New Operators have any liability with respect to any Employee Plan maintained by, contributed to by or ever maintained or contributed to by any of an Existing Operator’s ERISA Affiliates.

(iii) None of the Employee Plans promises or provides medical, life or other welfare benefits to any current or future retired employees, managers, members or directors (or any spouse or dependents thereof), except as required by the Consolidated Omnibus Budget Reconciliation Act (COBRA).

(iv) Existing Operator has complied in all material respects with the notice and continuation coverage requirements of Section 4980B of the Code and the regulations thereunder with respect to each Employee Plan that is a group health plan within the meaning of Section 5000(b)(1) of the Code. Each Employee Plan that is a group health plan is in compliance with the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act (collectively, the “Healthcare Reform Law”), to the extent applicable, and such Existing Operator has complied with all of its obligations thereunder, including all reporting obligations.

(f) Contracts. Schedule 4.01(f) sets forth a complete list of all Contracts entered into by the Existing Operators and/or their Affiliates in connection with the operation of the Business at the Facilities other than the Resident Agreements and the Excluded Contracts (the “Facility Contracts”). The Facility Contracts were entered into and require performance in the ordinary course of the Business and are in full force and effect. Neither Existing Operator nor, to such Existing Operator’s Knowledge any counterparty thereto, is in material breach or default of any Facility Contract.

(g) Resident Agreements. Existing Operator has provided New Operators with its standard form of Resident Agreement. To Existing Operator's Knowledge, the information set forth in the applicable Resident Agreements and Resident rolls pertaining to such Existing Operator's residents of the applicable Facility are true and correct in all material respects as of the respective dates of such admission agreements and Resident rolls. As of the Contract Date and as of the date no more than three (3) business days before the Closing Date, no current resident of any of the Facilities has been admitted other than with a Resident Agreement signed without material deviation from the standard form.

(h) Inventory. The Inventory consists of such inventory and supplies as are sufficient for the proper conduct and operation of the Business at the Facilities.

(i) Taxes. Except as set forth in Schedule 4.01(i), Existing Operator has timely filed all Tax returns and reports required by Law to have been filed by it and has paid all Taxes due and payable with respect to such returns, other than such Taxes being contested in good faith.

(j) Financial Statements. The financial statements of Existing Operator provided to New Operators are true and correct in all material respects, and fairly present the financial position of such Existing Operator as of the date or the results of operations or changes in financial position, as is the appropriate, of such Existing Operator for the periods then ended.

(k) Brokers. Except as set forth in Schedule 4.01(k) ("Sellers' Broker"), no broker or finder has acted for any Existing Operator, Seller and/or their respective Affiliates in connection with the transactions contemplated by this Agreement, and no broker or finder is entitled to any broker's fee or finder's fee or other commission in respect thereof based in any way on agreements, understandings or arrangements with such Person.

(l) Disclaimer of Other Warranties. Except as expressly set forth in this Section 4.01, no Existing Operators makes any, and each Existing Operator specifically disclaims any and all representations or warranties, of any kind or character whatsoever, whether express or implied, concerning, with respect to or regarding Existing Operators, their Affiliates, the Facilities, the Real Properties, the Transferred Assets, each Existing Operator's or the Facility's Business or any matter affecting or relating to the transactions contemplated hereby. Notwithstanding anything to the contrary herein, the Parties acknowledge and agree that, except as expressly set forth in this Section 4.01, the New Operators are acquiring the Transferred Assets "AS IS, WHERE IS", with all faults.

Section 4.02 Representations and Warranties by New Operators. Each New Operator hereby represents and warrants to Existing Operators as follows:

(a) Organization. Such New Operator is a limited liability company duly organized and validly subsisting under the laws of the State of Ohio, and has the power and authority to conduct its Business as currently conducted, and to execute, deliver and perform this Agreement and each other Transaction Document to which it is a party.

(b) Authority. The execution, delivery and performance of this Agreement and the other Transaction Documents to which each New Operator is a party have been duly authorized by the managers and members (if required) of such New Operator, and do not contravene the terms

of any New Operator's organizational or other governing documents. This Agreement and each other Transaction Document to which it is a party, when executed and delivered by New Operators, will be the valid and legally binding obligation of each New Operator, enforceable against it in accordance with their respective terms, subject to the effect of any bankruptcy, insolvency, reorganization, moratorium, arrangement or similar laws affecting the enforcement of creditors' rights generally.

(c) Health Care Compliance.

(i) None of Buyers, New Operators or their respective Affiliates or Representatives has been disbarred, suspended, or otherwise excluded from participation in any federal or state health care program, including the Medicare and Medicaid programs, nor to New Operator's Knowledge is any such disbarment, suspension or exclusion threatened. No New Operator is subject to any order or agreement with any Governmental Authority that would limit or restrict its ability to operate the Business at the Facilities from and after the applicable Effective Time as currently operated.

(ii) To New Operator's Knowledge, there are no circumstances concerning New Operator, Buyers or their respective Affiliates or Representatives that would prevent or impede the ability of New Operator to obtain and receive assignment of any License (or obtain any replacement license) or the other Regulatory Approvals required to operate the Facilities for the current use from and after the applicable Closing Date.

(d) Proceedings. There are no Actions pending or, to New Operator's Knowledge, threatened against New Operator and/or its Affiliates that seek to prohibit, restrict or enjoin, or that would otherwise be reasonably likely to adversely affect the ability of any New Operator to consummate, the transactions described in this Agreement.

(e) Financing. New Operators have sufficient cash on-hand or readily available under existing credit facilities to consummate the transactions contemplated herein.

(f) Brokers. Except as set forth in Schedule 4.02(f) ("Buyers' Broker"), no broker or finder has acted for any New Operator, Buyer and/or their respective Affiliates in connection with the transactions contemplated by this Agreement, and no broker or finder is entitled to any broker's fee or finder's fee or other commission in respect thereof based in any way on agreements, understandings or arrangements with such Person.

(g) No Other Warranties. New Operators acknowledge that, except as expressly set forth in this Agreement, they will acquire the Transferred Assets and commence operation of the Facilities in their then condition, "AS IS, WHERE IS" and with all faults.

Section 4.03 Survival. Each representation and warranty of Existing Operators and New Operators set forth in this Article IV will survive the applicable Closing Date for a period of twelve (12) months (the "Representation Survival Period"); provided that any fraudulent or intentional misrepresentation of an Existing Operator shall survive until sixty (60) days after the expiration of the applicable statute of limitations (the "Fundamental Rep Survival Period"). All covenants which, by their terms, contemplate performance after the Effective Time, including

without limitation Section 2.03(b), Section 3.03, Section 3.04, Section 3.05, and Section 5.03 and Article VI, Article VII, Article VIII and Article X, will survive the Closing for the time periods set forth therein or, if no time period is specified, for the applicable statute of limitations (the “Covenant Survival Period” and, collectively with the Representation Survival Period, the Fundamental Rep Survival Period the “Survival Period”).

ARTICLE V CONDUCT PRIOR TO CLOSING

Section 5.01 Cooperation; Interim Operations. From the date hereof until the earlier of the applicable Closing Date or termination of this Agreement, Existing Operators will, subject to limitations imposed by their bankruptcy proceedings and/or the Bankruptcy Code, operate the Business at the Facilities in substantially the same manner as it has heretofore operated. Without limiting the generality of the preceding sentence, until the earlier of the applicable Closing Date or the termination of this Agreement, except with respect to payment of Provider Taxes, Existing Operators will operate the Facilities in material compliance with all applicable Laws, and will not, without the prior written consent of New Operators (such consent not to be unreasonably withheld), do any of the following:

- (a) sell, transfer or otherwise dispose of any material part of the Transferred Assets, except in the ordinary course of the Business consistent with past practice;
- (b) enter into any Contract, other than Resident Agreements, which will become the obligation of New Operators, or terminate or modify in any material respect any Assumed Contract except in the ordinary course of the Business consistent with past practice;
- (c) decrease the private pay rates of the residents of the Facilities;
- (d) materially increase compensation or benefit packages payable to the Employees, other than in the ordinary course of the Business, consistent with past practice;
- (e) open a fully or partially dedicated wing in the Facilities dedicated to residents who have tested positive for COVID-19, other than a segregated area (which may consist of a fully or partially dedicated wing) for existing residents who test positive for COVID-19; or
- (f) dissolve, merge or enter into a share exchange with or into any other entity;
- (g) cease from using the name of the Facilities;
- (h) change from an accrual basis of accounting; or
- (i) make any promise or commitment to do any of the foregoing.

Section 5.02 Regulatory Approvals.

- (a) New Operators will use their commercially reasonable efforts to obtain all licenses, permits, registrations, certifications, payor agreements, provider numbers, provider agreements and other consents and approvals of any Governmental Authority necessary or

appropriate for New Operators to operate the Business at the Facilities from and after the Effective Time (“Regulatory Approvals”), including, without limitation, by submitting within the time period required by applicable law, all applications for change of control with the applicable Governmental Authorities to obtain such Regulatory Approvals as are required for the Closing. Without limiting the generality of the foregoing, ~~within five (5) business days after the Contract Date on or before October 11, 2024~~ (for the Non-HUD Facilities), and within five (5) business days after the First Closing (for the HUD Facilities), New Operator will file a notice of change of ownership (the “CHOW”) with the Pennsylvania Department of Health (the “DOH”), the Pennsylvania Department of Human Services (“DHS”), and the West Virginia Department of Health and Human Resources (“DHHR”), as applicable. New Operators will diligently proceed to pursue and secure the Regulatory Approvals and will keep Existing Operators apprised in writing of the status of each New Operator’s application(s) for the Regulatory Approvals. Existing Operators will provide New Operators with all cooperation reasonably requested by New Operators from time to time in connection with New Operators’ efforts to obtain the Regulatory Approvals, including, but not limited to, notifying DOH and DHS regarding the submission of the CHOW by New Operators.

(b) Notwithstanding anything herein to the contrary, the Parties acknowledge and agree that New Operators are not expected to have received as of the Effective Time “tie in” notices or approvals from CMS for Existing Operators’ Medicare provider agreements and may not have approvals from certain other applicable government payors with respect to participation and enrollment in Medicaid updated with each New Operator’s provider information. Accordingly, Existing Operators agree that, to the extent permitted under applicable Law and by applicable Governmental Authorities consistent with and specifically subject to the provisions of Section 7.02, each New Operator is entitled, as of the Effective Time of the applicable Closing and solely with respect to the applicable Facility, to (1) provide services and bill patients under the applicable Existing Operator’s provider numbers and provider agreements for applicable third party payors for Medicare, (2) subject to Section 7.02, collect accounts receivable resulting from such billing under such Existing Operator’s provider numbers and provider agreements. Notwithstanding the foregoing, the Existing Operators retain any and all rights and Liabilities relating to the existing Medicaid and Medicare provider numbers and Medicaid and Medicare provider reimbursement agreements relating to the Facilities and relating to any and all periods preceding the applicable Closing Date. Notwithstanding anything to the contrary herein, no terms of the Purchase and Sale Agreement, this Agreement, the Sale Order, or any other Transaction Documents will require Buyers or the New Operators to execute any application, agreement, or other document in favor of the DOH, DHS or any other Governmental Authority that expressly or impliedly provides that Buyers or the New Operators shall assume or have assumed any Claims, Liens or Encumbrances of Sellers or the Existing Operators except for Assumed Liabilities.

(c) On the applicable Closing Date, the Existing Operators shall retain any and all rights and Liabilities relating to the existing provider agreements relating to any and all periods preceding the applicable Closing Date, and the Sale Order shall provide that the Transferred Assets and Real Properties are being sold free and clear of all such Liabilities.

(d) The Existing Operators shall remain liable for all amounts of any license fees/taxes or other amounts payable to any Governmental Authority with jurisdiction over the Facilities accrued through the Closing Date, including, but not limited to, any nursing facility bed

assessments owed to the DHS, and the Sale Order shall provide that the Transferred Assets and Real Properties are being sold free and clear of the same. The Sale Order shall include language substantially similar to the following: "As of the Closing, all persons and entities holding Liens and/or Claims and their respective successors and assigns, are hereby forever barred, estopped, and permanently enjoined from asserting, prosecuting, or otherwise pursuing such Liens and Claims of any kind and nature against the New Operators, the Transferred Assets, or any other assets or properties of the New Operators, including conditioning the issuance to New Operators of new licenses, new certifications, new Medicaid provider agreements or other payor program agreements on the assumption or payment by New Operators of any nursing assessment, liability or other amount owed by any of the Debtors, or commencing or continuing any action that does not comply or is inconsistent with this Order. As of the Closing, the Court hereby reserves exclusive jurisdiction over this Order and its provisions, and the injunctions provided herein including in this paragraph, barring any Claims from being asserted, and if notwithstanding such injunction such Claims are asserted in violation of this Order, they are required to be asserted in the United States Bankruptcy Court for the Western District of Pennsylvania in furtherance of this Court's injunction and reservation of exclusive jurisdiction."

Section 5.03 Recapture Claims. Each Party hereto agrees to notify the other within ten (10) business days after receipt of any notice of any claim of recapture by The Centers for Medicare and Medicaid Services ("CMS") or any other Governmental Authority or other third party payor with respect to an alleged overpayment or alleged underpayment with respect to operation of the Business at the Facilities, for periods prior to the applicable Closing Date (collectively "Recapture Claim"); provided, however, that Recapture Claims do not include recoupment of Stimulus Funds or Provider Taxes, each of which are dealt with separately in this Agreement.

Section 5.04 Contracts. Within ten days of the date of this Agreement, Existing Operators will provide to New Operators complete copies of the Facility Contracts. No later than ten (10) days after their receipt of the Facility Contracts, New Operators will provide Existing Operators with a list of the Facility Contracts, if any, that they will assume as of the applicable Closing Date (such contracts, together with the Resident Agreements, collectively, the "Assumed Contracts"). The New Operators shall be permitted to select any and all Contracts and/or Leases for assumption and assignment pursuant to Section 365 of the Bankruptcy Code, provided however, that all Cure Costs associated with any such assumed and assigned Contract or Lease shall be paid solely by the New Operators. Failure by New Operators to identify any such Facility Contract as an Assumed Contract during such ten (10) day period will be deemed to be an election by New Operators not to assume such Facility Contract. All Excluded Contracts and all Facility Contracts which are not included in the list of Assumed Contracts delivered by New Operator will be referred to herein as the "Non-Assumed Contracts". At the applicable Closing, Existing Operators will transfer, convey and assign to New Operators, in accordance with the Assignment and Assumption Agreement and New Operators will assume, all rights and obligations of Existing Operators, under the Assumed Contracts arising or accruing on or after the Effective Time of the applicable Closing Date. New Operators will use commercially reasonable efforts to obtain the consent of the counter-parties to each Assumed Contract that requires consent to assignment.

ARTICLE VI EMPLOYMENT MATTERS

Section 6.01 Hired Employees.

(a) At least fourteen (14) days prior to the applicable Closing, effective as of the Effective Time, and conditioned on the applicable Closing, the applicable New Operators will offer employment to all then-current employees of the applicable Facilities, including Union Employees (collectively, the “Employees”), pursuant to initial terms and conditions of employment acceptable to New Operators. All Employees electing to accept such offers of employment with New Operators are hereinafter referred to as the “Hired Employees”. The applicable Existing Operators will terminate the employment of all Hired Employees immediately prior to the applicable Closing.

(b) Notwithstanding anything in this Agreement to the contrary, New Operators will offer employment to such number of Employees on such terms and conditions that are sufficient to not give rise to any liability under the Worker Adjustment and Retraining Notification Act of 1988 or any similar state or local Law (collectively, “WARN Act”). Taking into account the number of Employees not hired by New Operators, New Operators will not, for a period of ninety (90) days after the Second Closing Date, engage in any conduct which, if aggregated with Existing Operators’ termination of such non-Hired Employees, would trigger any liability under the WARN Act.

Section 6.02 Employee Benefits.

(a) As of the Effective Time of the applicable Closing and subject to Section 6.03 below, New Operators will credit each Hired Employee who is not a Union Employee with the vested, earned vacation leave such individual has accrued and not used as of immediately prior to the applicable Closing Date (collectively, “Accrued ETO”) by including such Accrued ETO in each such Hired Employee’s vacation bank, and permit such Hired Employees to utilize all such Accrued ETO in their vacation bank pursuant to New Operators’ policies (the “Assumed ETO Liabilities”); provided, however, that Existing Operators will reimburse New Operators for one hundred percent (100%) of the amount of the Assumed ETO Liabilities. At Existing Operators’ request, New Operators will include in their offers of employment to Employees a written statement that, by accepting employment with a New Operator, the Employee consents to receive credit for such Accrued ETO in lieu of payment for same from Existing Operators.

(b) Hired Employees who are eligible to participate as of the applicable Closing Date in group health insurance coverage sponsored by an Existing Operator will be eligible for participation in a group health plan (as defined for purposes of Section 4980B of the Code) sponsored, established or otherwise maintained by the applicable New Operator for the general benefit of employees and their dependents (the “Group Health Plan”) on the applicable Closing Date. Each Hired Employee will be covered under such Group Health Plan without a waiting period and without regard to any preexisting condition, provided that such Hired Employee was not subject to such restrictions under the applicable Existing Operator’s group health plan at the time of the applicable Closing. Each Employee will receive credit for the length of service with such Existing Operator, or its Affiliates, for purposes of determining such employee’s eligibility

and vesting under the New Operator's benefit plans and for purposes of calculation of paid time off to be provided by New Operator to the Hired Employees.

(c) As of the Effective Time of the applicable Closing, conditioned on the applicable Closing, New Operators will assume, and be solely responsible for, all liabilities with respect to: (i) the employment of any Hired Employees after the Effective Time, (ii) group health plan continuation coverage pursuant to the requirements of COBRA (if any) owed by any New Operator to any Hired Employees, (iii) Action or Losses by or on behalf of any Employee to the extent resulting from any New Operator's hiring or non-hiring of any Employee, including the failure to offer employment in accordance with applicable Law, (iv) the Assumed ETO Liabilities, and (v) any other claims to the extent related to the foregoing subsections (i) - (iv) (collectively, the "Assumed Employment Liabilities").

(d) Existing Operators shall be responsible for providing COBRA Notices and COBRA continuation healthcare coverage for all Employees who fail to become Hired Employees as well as their spouses and qualifying dependents, each to the extent required by applicable Law. Subject to the terms of the Employee Plan(s), Existing Operators shall remain solely responsible for the satisfaction of all claims for medical, dental, life insurance, health accident or disability benefits brought by or in respect of the Employees which claims related to events occurring prior to the Effective Time of the applicable Closing. Each Existing Operator also shall remain solely responsible for all workers' compensation claims of any Employees which relate to events occurring prior to the Effective Time of the applicable Closing.

Section 6.03 Union Employees.

(a) Schedule 6.03 lists the collective bargaining agreements applicable with respect to the Facilities or the Employees (the "Union Contract(s)") and any Employees subject to such Union Contract(s) the "Union Employees"). New Operators acknowledge receipt of the Union Contracts.

(b) Existing Operators shall be responsible for paying out vacation leave in accordance with the relevant provisions of the Union Contracts that require Union Employees to be paid for any awarded but unused vacation time in the event of a sale of a facility.

(c) New Operator will recognize the unions specified in Schedule 6.03 (the "Unions") as the exclusive collective bargaining agent for currently represented employees at the respective unionized Facilities in accordance with applicable law and, to the extent so required, intends to negotiate a new collective bargaining agreement with the respective Unions at the respective Facilities covering the terms and conditions of employment for such Hired Employees, to replace the initial terms and conditions of employment set by New Operators. New Operators do not intend to adopt or assume, or agree to be bound by, any other terms or conditions of employment of Existing Operators or the Union Contracts, and specifically do not intend to adopt Existing Operator's benefit plans, including, but not limited to, any multiemployer plan (within the meaning of ERISA Section 3(37) and ERISA Section 4001(a)(3) or any Employee Plan maintained by, contributed to by, or ever maintained and contributed to by any of an Existing Operator's ERISA Affiliates. Existing Operators shall be responsible for all rights, obligations and liabilities under the Union Contracts (to the extent required by the terms of a Union Contract

or applicable Law) applicable to the Facility for the period of time prior to the Effective Time. The Union Contracts will be Non-Assumed Contracts and not Assumed Contracts. New Operators will exercise their rights under the applicable Law to set their own initial terms and conditions of employment as to Union Employees at the time they offer employment to Union Employees.

Section 6.04 No Employment Contract. Nothing in this Agreement will create any rights in favor of any Employee, or constitute an employment agreement or condition of employment for any Employee.

ARTICLE VII POST-CLOSING COVENANTS

Section 7.01 Cost Reports.

(a) Existing Operators will prepare and file with the appropriate Medicare and Medicaid agencies their final cost reports in respect to the operation of the Business at the Facilities no later than the date on which such final cost report is required to be filed by Law under the terms of the Medicare and Medicaid programs, and will provide the appropriate Medicare and Medicaid agencies with any information reasonably necessary to support claims for reimbursement made by Existing Operators either in said final cost report or in any cost reports filed for prior cost reporting periods. Each New Operator will claim on its first cost report all "bad debt" of the applicable Existing Operator that such Existing Operator is unable to claim on its last cost report. Existing Operators will provide New Operators with all supporting documents reasonably necessary for such filing. All repayments or adjustments made as a result of such filing arising from the "bad debt" will be paid to the applicable Existing Operator promptly upon receipt by New Operators. Notwithstanding any of the foregoing, to the extent there are any audits relating to Existing Operator's reimbursable bad debt reported by New Operator, Existing Operator shall be responsible therefore and shall indemnify New Operator for any Losses incurred by New Operator in connection with such audit.

(b) Existing Operators agree to provide cooperation reasonably requested by New Operators in connection with any audit by any applicable Governmental Authority of any Medicaid or Medicare cost reports filed by an Existing Operator, including, without limitation, providing New Operators with all reasonably necessary documentation in their possession in order to support the dollar figures and classifications/characterizations contained in such Existing Operator's cost reports.

Section 7.02 Accounts Receivable.

(a) Existing Operators will retain all right, title and interest in and to all Existing Operators' Accounts Receivable.

(b) Payments received by New Operators after the Effective Time of the applicable Closing with respect to the Existing Operators' Accounts Receivable will be forwarded to Existing Operators, along with the applicable remittance advice, within five (5) business days of the last day of the month, for that month. Any payments received by any New Operator during the first ninety (90) days after the Effective Time of the applicable Closing, from or on behalf of residents with outstanding Existing Operators' Accounts Receivable as of such Effective Time

which fail to designate the period to which they relate will first be applied to such Existing Operators' Accounts Receivable and paid over to Existing Operators as provided in this paragraph.

(c) New Operators shall assume responsibility for the billing for and collection of payments on account of services rendered by them at the Facilities, on and after the applicable Closing Date (the "New Operators' Accounts Receivable") and shall be entitled to any payments made for services rendered following such Closing Date. New Operators' Accounts Receivable shall include private pay or third party payor payments received by Existing Operators that designate the dates of service, or other identifying data on the remittance received by Existing Operators, as on or after the applicable Closing Date, including payments that include any reimbursement with respect to payments or underpayments made to New Operators for services rendered following the applicable Closing Date. Any of New Operators' Accounts Receivable that are paid to an Existing Operator's bank account will be forwarded to New Operators, along with the applicable remittance advice, within five (5) business days of the last day of the month, for that month.

(d) New Operators acknowledge that Existing Operators or their Affiliates have received, and may continue to receive after each Closing Date: (1) grant funds made available to Existing Operators pursuant to the Coronavirus Aid, Relief and Economic Security Act ("CARES Act Payments"), (2) advanced payments from CMS pursuant to the CMS Accelerated and Advance Payment Program related to COVID-19, or any other advances on receivables from third-party payors ("Advances"), and/or (3) certain other stimulus funds related to COVID-19 which are not CARES Act Payments or Advances including, without limitation, funds from the Pennsylvania Department of Human Services related to the American Rescue Plan Act ("Other COVID-19 Funds") and, together with the CARES Act Payment and Advances, the "Stimulus Funds").

(e) Existing Operators or their Affiliates shall be entitled to any Stimulus Funds relating to the ownership or operation of the Facilities and designated for dates of service prior to the Effective Time of the applicable Closing Date (the "Pre-Closing Stimulus Funds"), regardless of when received. To the extent that any New Operator receives any Pre-Closing Stimulus Funds, it shall promptly pay over such Pre-Closing Stimulus Funds as part of the Existing Operators' Accounts Receivable pursuant to Section 7.02(b) above in accordance with applicable Law; provided, however, that to the extent that any Pre-Closing Stimulus Funds that are subject to repayment are recouped by the applicable Governmental Authority or other third party payor from amounts otherwise payable on the New Operators' Accounts Receivable, New Operators shall be entitled to offset such recouped Pre-Closing Stimulus Funds against amounts received by New Operators with respect to Existing Operators' Accounts Receivable and otherwise payable to Existing Operators pursuant to Section 7.02(b) above, subject to provision to Existing Operators of reasonable documentation with respect thereto. In the event that Existing Operators' Accounts Receivable are insufficient to offset the amount of Pre-Closing Stimulus Funds recouped against amount owed by New Operators to Existing Operators, then Existing Operators shall promptly remit the difference to New Operators following demand therefor, subject to provision to Existing Operators of reasonable documentation with respect thereto.

(f) For any Stimulus Funds received by either Existing Operators or New Operators that designate dates of service both prior to and on or after the Effective Time of the applicable Closing Date, Existing Operators and New Operators shall cooperate with each other

to ensure that such Stimulus Funds are properly allocated between the Parties based on such designated dates of service to ensure they are used solely to offset applicable COVID-19 costs and expenses incurred by such Party in accordance with applicable Law.

(g) New Operators or their affiliates shall be entitled to any Stimulus Funds relating to the ownership or operation of the Facilities from and after the Effective Time of the applicable Closing Date (the “Post-Closing Stimulus Funds”). To the extent that any Existing Operator receives any Post-Closing Stimulus Funds, it shall promptly pay over such Post-Closing Stimulus Funds as part of the New Operators’ Accounts Receivable pursuant to Section 7.02(c) above. Nothing in this Agreement shall be construed to prohibit New Operators from applying for and receiving such Post-Closing Stimulus Funds with respect to their operation of the Facilities from and after the applicable Closing Date.

(h) Nothing in this Section 7.02 will be construed so as to create any obligation on behalf of New Operators to take active or affirmative steps to pursue the Existing Operators’ Accounts Receivable, provided, however, that New Operators will reasonably cooperate with Existing Operators in their efforts with respect thereto. Without limiting the generality of the foregoing, New Operators agrees that they will reasonably cooperate and provide Existing Operators with such information as Existing Operators reasonably request in connection with the Existing Operator Accounts Receivable and the billing and collection thereof.

Section 7.03 Records.

(a) From and after each Closing, the applicable New Operators will retain, maintain and dispose of the Records in accordance with applicable Law, and upon reasonable prior notice and during normal business hours, allow the applicable Existing Operators (i) to access, and to make copies of, at Existing Operators’ expense, the Records, and (ii) to have access to the Hired Employees, in each of (i) and (ii) to the extent reasonably necessary to enable such Existing Operators to investigate and defend any Action, file or pay any Tax, administer their bankruptcy proceedings, investigate and defend any Recapture Claims or similar claims of third party payors, verify Accounts Receivable, and for all other proper purposes.

(b) Existing Operators will be entitled to remove, at their sole cost and expense, the available originals of any Records delivered to New Operators if an officer of a court of competent jurisdiction, agency official or outside legal counsel for Existing Operators certifies that (i) such original must be produced in order to comply with applicable Law or the order of a court of competent jurisdiction or other Governmental Authority, and (ii) such removal is permitted by applicable Law. Any Record so removed will promptly be returned to New Operators following its use.

(c) New Operators will maintain in accordance with applicable Law or in accordance with any litigation hold of Existing Operators that New Operators have been given notice of, and will not destroy, without the prior written consent of Existing Operators, the Records transferred to New Operators.

Section 7.04 CIA. At the Closing, Existing Operator will provide New Operator a copy of the OIG Release (as defined in the Purchase and Sale Agreement).

Section 7.05 Confidentiality of Certain Information; Nonsolicitation.

(a) New Operators will, and will cause their Affiliates and Representatives to, hold in strict confidence all Confidential Information received by them in connection with this Agreement and the transactions contemplated hereby. Without the prior written consent of Existing Operators, none of the New Operators, their Affiliates or Representatives will use any such Confidential Information, in whole or in part, except in connection with the performance of the transactions, or enforcement of its rights or obligations, pursuant to this Agreement and the other Transaction Documents. Unless otherwise required by applicable Law, New Operators will not disclose any Confidential Information to any Person, other than their Affiliates and Representatives, and such other Persons (such as insurers, bankers and Governmental Authorities) who have a need to know in order to allow New Operators to consummate the transactions described in this Agreement, all of whom (excluding any Governmental Authority) must be subject to legally binding obligations to keep the Confidential Information confidential. If any Closing does not occur, New Operators will, and will cause their Affiliates and Representatives to, destroy or return to Existing Operators all copies of the Confidential Information in their possession or under their control with respect to the Facilities to which such Closing relates. New Operators will be liable for any breach of this Section 7.05 by their Affiliates or Representatives.

(b) Except as expressly provided herein with respect to the Hired Employees, from and after the date hereof and until the first anniversary of the earlier of the Second Closing or termination of this Agreement, New Operators will not, and will cause their Affiliates or Representatives not to, directly or indirectly, solicit, induce, recruit or encourage any employees of any Existing Operator and/or its Affiliates to leave their employment, or take away such employees, or attempt to solicit, induce, recruit, encourage or take away employees of any Existing Operator and/or its Affiliates, either for New Operators or for any other Person.

(c) From and after the date hereof and until the first anniversary of the Second Closing, Existing Operators will not, and will cause their Affiliate or Representative not to, directly or indirectly, solicit, induce, recruit or encourage any Hired Employees of New Operators and/or their Affiliates to leave their employment, or take away such employees, or attempt to solicit, induce, recruit, encourage or take away Hired Employees of New Operators and/or their Affiliates, either for Existing Operators or for any other Person, provided, however, that nothing in this Section 7.05(c) will prohibit Existing Operators or any of their Affiliates from (A) conducting general mass solicitations of employment and generalized employee searches through headhunter/search firms or otherwise (in either case not targeted, directed or indirectly, at the Hired Employees) and hiring any individual who responds to any such general mass solicitation or generalized employee search; or (B) hiring or inducing or assisting any other person in hiring any Hired Employee after such individual has been involuntarily terminated by a New Operator or any of its Affiliates. For purposes of clarification, the foregoing shall not apply in the event this Agreement is terminated.

Section 7.06 Further Assurances. Each of the Parties hereto agrees to use its reasonable best efforts to take, and to cause its Representatives to take, all action and to do, or cause to be done, all things reasonably necessary, proper or advisable to effectuate the transactions contemplated herein at the earliest practicable time.

Section 7.07 Bulk Sales Compliance. The Parties hereby waive compliance with any applicable bulk sales Law.

Section 7.08 Provider Relief Funds Reports. Existing Operators will prepare and file with the United States Department of Health and Human Services (HHS) or the Pennsylvania Department of Human Services all required reports regarding receipt and use of distributions from the Provider Relief Fund, for periods of their ownership and operation of the Facility prior to Effective Time, including but not limited to any and all distributions by HHS and the Pennsylvania Department of Human Services of funds from the CARES Act and the Paycheck Protection Program (PPP), and Health Care Enhancement Act (PPPCHE).

ARTICLE VIII INDEMNIFICATION

Section 8.01 Existing Operators Indemnification Obligations. From and after the Effective Time of the First Closing, conditioned on such Closing, the Non-HUD Existing Operators will indemnify, defend and hold harmless the Non-HUD New Operators and their Affiliates and Representatives (collectively, the “Non-HUD New Operator Indemnified Parties”) from and against any and all Losses suffered or incurred by any of the Non-HUD New Operator Indemnified Parties as a result of or arising out of (a) a breach by a Non-HUD Existing Operator of its representations or warranties in this Agreement, (b) a breach by a Non-HUD Existing Operator of its covenants in this Agreement, (c) the Excluded Liabilities of the Non-HUD Existing Operators, (d) any recoupment of Stimulus Funds from any Non-HUD New Operators’ Accounts Receivable which are not offset by amounts received on account of the Non-HUD Existing Operators’ Accounts Receivable pursuant to Section 7.02(e) above, or (d) any Withdrawal Liability of any Non-HUD Existing Operator, From and after the Effective Time of the Second Closing, conditioned on such Closing, the HUD Existing Operators will indemnify, defend and hold harmless the HUD New Operators and their Affiliates and Representatives (the “HUD New Operator Indemnified Parties” and collectively with the Non-HUD New Operator Indemnified Parties, the “New Operator Indemnified Parties”) from and against any and all Losses suffered or incurred by any of the HUD New Operator Indemnified Parties as a result of or arising out of (a) a breach by a HUD Existing Operator of its representations or warranties in this Agreement, (b) a breach by a HUD Existing Operator of its covenants in this Agreement, (c) the Excluded Liabilities of the HUD Existing Operators, or (d) any recoupment of Stimulus Funds from any HUD New Operators’ Accounts Receivable which are not offset by amounts received on account of the HUD Existing Operators’ Accounts Receivable pursuant to Section 7.02(e) above, (e) any Withdrawal Liability of any HUD Existing Operator (collectively, with the indemnity provided in subsection (e) above, the “Indemnified Withdrawal Liability”), The indemnities set forth in this Section 8.01 shall be joint and several among all of the Existing Operators and all of the Sellers.

Section 8.02 New Operators Indemnification Obligations. From and after the Effective Time of the First Closing, conditioned on such Closing, the Non-HUD New Operators will indemnify, defend and hold harmless the Non-HUD Existing Operators and their Affiliates and Representatives (collectively, the “Non-HUD Existing Operator Indemnified Parties”) from and against any and all Losses suffered incurred by any of the Non-HUD Existing Operator Indemnified Parties as a result of or arising out of (a) a breach by a Non-HUD New Operator of

its representations or warranties in this Agreement, (b) a breach by a Non-HUD New Operator of its covenants in this Agreement, (c) the Assumed Liabilities of the Non-HUD New Operators, or (d) use of any Non-HUD Existing Operator's Medicare and Medicaid provider numbers and/or provider agreements from and after the applicable Closing Date. From and after the Effective Time of the Second Closing, conditioned on such Closing, the HUD New Operators will indemnify, defend and hold harmless the HUD Existing Operators and their Affiliates and Representatives (collectively, the "HUD Existing Operator Indemnified Parties") and together with the Non-HUD Existing Operator Indemnified Parties, the "Existing Operator Indemnified Parties") from and against any and all Losses suffered incurred by any of the HUD Existing Operator Indemnified Parties as a result of or arising out of (a) a breach by a HUD New Operator of its representations or warranties in this Agreement, (b) a breach by a HUD New Operator of its covenants in this Agreement, (c) the Assumed Liabilities of the HUD New Operators, or (d) use of any HUD Existing Operator's Medicare and Medicaid provider numbers and/or provider agreements from and after the applicable Closing Date. The indemnities set forth in this Section 8.02 shall be joint and several among the New Operators and the Buyers.

Section 8.03 Indemnification Escrow. At the First Closing, the sum of \$250,000.00 from the Purchase Price under the Purchase and Sale Agreement shall remain with the Escrow Agent (as defined in the Purchase and Sale Agreement) for the Representation Survival Period for purposes of reimbursing the Buyers and the New Operators for any indemnification obligations of Sellers or the Existing Operators under the Purchase and Sale Agreement or this Agreement, respectively. Any dispute as to whether a claim is recoverable from the Escrow Amount shall be resolved pursuant to the Escrow Agreement and, if no resolution is reached, such dispute shall be resolved in the Bankruptcy Court.

Section 8.04 Limitations of Liability. Notwithstanding anything to the contrary contained in this Agreement, each Party's obligations to indemnify the other will be subject to the limitations set forth below:

(a) No claim for indemnification may be asserted against an Indemnifying Party on or after the expiration of the applicable Survival Period, unless the Indemnified Parties have notified the Indemnifying Party of such claim in writing prior to the expiration of the Survival Period.

(b) Existing Operators' indemnity obligations pursuant to Section 8.01 shall be limited to the Escrow Amount.

(c) The recovery by the Indemnified Parties under this Agreement will be net of any reimbursement recovered or recoverable from any insurance carrier or other third parties in connection with the Losses that form the basis of the Indemnified Party's claim for indemnification hereunder. The Indemnified Party will use commercially reasonable efforts to collect the maximum amount of insurance proceeds and proceeds available from other third persons in connection with any such Losses. The Indemnifying Party will be subrogated to all rights that the Indemnified Party may have against others for recovery of Losses paid by the Indemnifying Party, and the Indemnified Party will take all actions reasonably necessary to effect such subrogation rights of the Indemnifying Party.

(d) An Indemnified Party will use its reasonable best efforts to mitigate Losses for which it is entitled to indemnification pursuant to this Article VIII. The Indemnifying Party will have the right, but not the obligation, and will be afforded the opportunity to the extent possible, to take all available steps to minimize Losses for which the Indemnified Party is entitled to indemnification before such Losses are actually incurred by the Indemnified Party.

Section 8.05 Indemnity Claims.

(a) If any Action is commenced or threatened by a third party that may give rise to a claim for indemnification (an “Third Party Claim”) by any Person entitled to indemnification under this Agreement (each, an “Indemnified Party”), then such Indemnified Party will promptly (i) notify the Party required to indemnify hereunder (the “Indemnifying Party”) and (ii) deliver to the Indemnifying Party a written notice (A) describing in reasonable detail the nature of the Action, (B) including a copy of all papers served with respect to such Action, (C) including the Indemnified Party’s good faith estimate of the amount of Losses that may arise from such Action, and (D) describing in reasonable detail the basis for the Indemnified Party’s request for indemnification under this Agreement. Failure to notify the Indemnifying Party in accordance with this Section 8.05(a) will not relieve the Indemnifying Party of any liability that it may have to the Indemnified Party pursuant to this Article VIII, except to the extent (1) the defense of such Action is prejudiced by the Indemnified Party’s failure to give such notice or (2) the Indemnified Party fails to notify the Indemnifying Party of such Third Party Claim in accordance with this Section 8.05(a) prior to the expiration of the applicable Survival Period.

(b) An Indemnifying Party may elect at any time to assume and thereafter conduct the defense of any Action subject to any such Third Party Claim with counsel of the Indemnifying Party’s choice and to settle or compromise any such Action, and each Indemnified Party will cooperate in all respects with the conduct of such defense by the Indemnifying Party (including the making of any related claims, counterclaim or cross complaint against any Person in connection with the Action) and the settlement of such Action by the Indemnifying Party; provided, however, that the Indemnifying Party will not approve of the entry of any judgment or enter into any settlement or compromise with respect to such Action that is not limited to payment of money damages by the Indemnifying Party without the Indemnified Party’s prior written consent (not to be unreasonably withheld, conditioned or delayed). If the Indemnified Party gives an Indemnifying Party notice of a Third Party Claim and the Indemnifying Party does not give notice to the Indemnified Party of its election to assume the defense of the Action subject to such Third Party Claim, then the Indemnified Party may conduct the defense of such Action; provided, however, that the Indemnified Party will not agree to the entry of any judgment or enter into any settlement or compromise with respect to such Action without the prior written consent of the Indemnifying Party (not to be unreasonably withheld, conditioned or delayed).

(c) In circumstances where the Indemnifying Party assumes the defense of a Third Party Claim in accordance with Section 8.05(b) the Indemnified Party will be entitled to participate in the defense of such Third Party Claim and to employ separate counsel of its choice for such purpose, in which case the fees and expenses of such separate counsel will be borne by such Indemnified Party; provided, however, that if in the reasonable opinion of counsel to the Indemnified Party, (i) there are legal defenses available to the Indemnified Party that are different from or additional to those available to the Indemnifying Party; or (ii) there exists a conflict of

interest between the Indemnifying Party and the Indemnified Party that cannot be waived, the Indemnifying Party will be liable for the reasonable fees and expenses of counsel to the Indemnified Party.

(d) If any Indemnified Party becomes aware of any circumstances that may give rise to claim for indemnification for any matter not involving a Third Party Claim, then such Indemnified Party will promptly notify the Indemnifying Party and deliver to the Indemnifying Party a written notice describing in reasonable detail the nature of the circumstances giving rise to such claim, including the Indemnified Party's good faith estimate of the amount of Losses that may arise from such circumstances. Failure to notify the Indemnifying Party in accordance with this Section 8.05(d), will not relieve the Indemnifying Party of any liability that it may have to the Indemnified Party pursuant to this Article VIII, except to the extent (i) the defense of such claim is prejudiced by the Indemnified Party's failure to give such notice or (ii) the Indemnified Party fails to notify the Indemnifying Party of such claim in accordance with this Section 8.05(d) prior to the expiration of the applicable Survival Period. If the Indemnifying Party disputes its indemnity obligations for any Losses with respect to any such claim, the Parties will proceed in good faith to negotiate a resolution of such dispute and, if not resolved through negotiations, either Party may submit such dispute to an appropriate court of jurisdiction in accordance with Section 10.06.

Section 8.06 Tax Treatment. All amounts paid with respect to claims for indemnification pursuant to this Article VII will be treated by the Parties hereto for all Tax purposes as adjustments to the purchase price paid pursuant to the Purchase and Sale Agreement, and will be reported as such by the Parties hereto on their Tax returns, each to the extent permitted by applicable Law.

Section 8.07 Sole Remedy. The Parties acknowledge and agree that, from and after the Effective Time, their sole and exclusive remedy with respect to any and all claims for any breach of this Agreement and/or any other Transaction Document (other than claims for fraud), will be pursuant to the indemnification provisions set forth in this Article VIII, and none of the Existing Operators, Sellers or any of their Affiliates or Representatives will have any other liabilities arising out of the negotiation, entry into or consummation of the transactions contemplated by this Agreement, whether at law or in equity. Nothing in this Section 8.07 will limit any claim for specific performance, injunctive or declaratory relief to which a Party is entitled.

ARTICLE IX DEFAULT; TERMINATION

Section 9.01 Termination.

(a) This Agreement will terminate automatically upon termination of the Purchase and Sale Agreement.

(b) This Agreement may be terminated and the transactions contemplated hereby abandoned prior to the Second Closing as follows:

(i) by mutual written consent of Existing Operators and New Operators;

(ii) ~~by the New Operators if the Bankruptcy Court does not approve the New Operators and Buyers as the Stalking Horse Bidder~~intentionally omitted;

(iii) by either Existing Operators or New Operators by written notice to the other Party, (A) with respect to all, but not less than all, of the Facilities, if the First Closing has not occurred on or before the First Closing Outside Date, unless extended by written agreement of the Existing Operators and New Operators, and (B) with respect to all, but not less than all, of the HUD Facilities, if the Second Closing has not occurred on or before the Second Closing Outside Date (as same may be extended pursuant to Section 3.01); provided, however, that (w) in the event that (a) DOH approval of the CHOWs with respect to the Non-HUD Facilities is not obtained prior to the First Closing Outside Date, and (b) as of such date (i) all other conditions to the Non-HUD Existing Operators' obligation to consummate the First Closing have been satisfied; (ii) DOH has not notified the Non-HUD Existing Operators or the Non-HUD New Operators of a final-non appealable determination objecting to the CHOW applications with respect to any of the Non-HUD Facilities due to a fault of the New Operators; and (iii) the Non-HUD New Operators are diligently pursuing approval from DOH of the CHOW applications, then the Non-HUD New Operators and the Non-HUD Existing Operators shall negotiate in good faith for a reasonable extension of the First Closing Outside Date, (x) the right to terminate this Agreement pursuant to this Section 9.01(b)(iii) will not be available to any Party whose breach (as stipulated by the Parties or as determined by the Bankruptcy Court) of any provision of this Agreement results in the failure of the applicable Closing to be consummated by such time, and (y) provided that if an SFF Condition or Provisional License Condition as to an individual Facility has not been satisfied or waived by such Outside Date, the Outside Date and Closing as to such affected a Facility shall be postponed as contemplated under Section 3.06(a)(vi), but if not resolved by the SFF/Provisional License Outside Date, New Operator will have the right to terminate this Agreement as to the affected Facility by notice to Existing Operator, immediately on such SFF/Provisional License Outside Date or at any time within 90-days thereafter.

(iv) by Existing Operators, in the event of a material breach of any representation, warranty or covenant herein by the New Operators, which breach is incapable of cure or, if capable of cure, remains uncured five (5) days after written notice is given to the New Operators (or such longer notice and cure period as may be set forth in any other provision of this Agreement).

(v) by the New Operators in the event of a material breach of any representation, warranty or covenant herein by the Existing Operators, which breach is incapable of cure or, if capable of cure, remains uncured five (5) days after written notice is given to the Existing Operators (or such longer notice and cure period as may be set forth in any other provision of this Agreement);

(vi) by the New Operators if there has been a material breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Existing Operators pursuant to this Agreement that would render any of the conditions specified in Section 3.06 incapable of being satisfied and such breach, inaccuracy or failure cannot be cured by the Existing Operators by the First Closing Outside Date;

(vii) by the New Operators if the New Operators are not the Successful Bidder at the Auction; provided that if the New Operators are the Backup Bidder; then the New Operators shall not be permitted to terminate this Agreement pursuant to this Section 9.01(b)(vii) until the earlier of (A) the closing of an Alternative Transaction with the Successful Bidder or (B) the First Closing Outside Date;

(viii) by the New Operators if the sale is disapproved by the Bankruptcy Court or if the Existing Operators accept or agree to any Alternative Transaction (unless the New Operators are the Backup Bidder, then in such case, upon the closing of the Alternative Transaction);

(ix) by the New Operators if prior to the applicable Closing, the Sale Order, after being entered by the Bankruptcy Court, has subsequently and finally been reversed, revoked, or voided, amended or modified in form and substance no longer reasonably satisfactory to the New Operators;

(x) by the New Operators if the bankruptcy case is dismissed in whole or in part or converted to chapter 7 of the Bankruptcy Code for any reason prior to the applicable Closing or delays the applicable Closing from occurring;

(xi) by the New Operators if upon conclusion of the Auction, the New Operators are not selected as the Successful Bidder or the Backup Bidder;

(xii) by the New Operators if the Sale Order is not in form and substance reasonably satisfactory to the New Operators.

Section 9.02 Manner and Effect of Termination.

(a) Written notice of any termination pursuant to this Article IX shall be given by the New Operators to the Existing Operators or by the Existing Operators to the New Operators, as the case may be, and such notice shall state the reason for termination.

(b) Upon termination of this Agreement pursuant to this Article IX, (i) all further obligations of the Parties under this Agreement will terminate and be of no further force and effect, except for the provisions of Section 7.05 hereof, which will survive such termination; ~~and (ii) if applicable in accordance with the Purchase and Sale Agreement, the Existing Operators shall cause Sellers to pay the Deposit, the Break Up Fee, and the Expense Reimbursement to Buyers in accordance with Article XIII of the Purchase and Sale Agreement.~~

Section 9.03 Bankruptcy Covenants.

~~(a) Sale Motion. The Sale Motion seeking the entry of the Sale Procedures Order shall be filed no later than seven (7) days after the Contract Date. The purchase and sale of the Transferred Assets shall be subject to the terms and conditions of the Sale Procedures Order.~~

(a) Intentionally omitted.

(b) Sale Order. If the New Operators are the Successful Bidder (as defined in the Bidding Procedures), the Existing Operators agree to use best efforts to cause the Bankruptcy Court to enter a Sale Order approving the sale of the Transferred Assets to the New Operators under the terms of this Agreement as soon as reasonably possible, which shall include provisions authorizing and approving the transactions contemplated hereby, including, without limitation: (i) the sale of the Transferred Assets to the New Operators free and clear of all Liens, Claims, and Encumbrances pursuant to the terms of this Agreement and section 363(b) and (f) of the Bankruptcy Code; (ii) finding the Existing Operators and the New Operators to have acted and negotiated at arm's-length and in good faith and providing for the protections afforded under section 363(m) and 363(n) of the Bankruptcy Code; (iii) waiving the stays set forth in Rules 6004(h) and 6006(d) of the Federal Rules of Bankruptcy Procedure; (iv) providing that the New Operators shall not be subject to any successor liability and shall have no Liability or suffer any damages for any Liens, Claims, and Encumbrances existing prior to the Closing Date which may be asserted against the Existing Operators, the Transferred Assets, or the Existing Operators' bankruptcy estates, or any Claims against the New Operators as successor to the Transferred Assets; (v) providing for a waiver and release of all Claims and causes of action by the Existing Operators of the New Operators and its Affiliates as of the Closing Date; (vi) providing for the retention of jurisdiction by the Bankruptcy Court to resolve any and all disputes that may arise under or relate to this Agreement or the Sale Order, whether between the Existing Operators and the New Operators or involving a Person in interest in the Existing Operators' bankruptcy case; (vii) containing findings of fact and conclusions of Law that include the following: (A) the transactions under this Agreement were negotiated and entered into in good faith and at arm's-length; (B) the marketing and sale process conducted by the Existing Operators pursuant to the Sale Procedures Order are bona fide and adequate; (C) the Existing Operators gave due and proper notice and an opportunity to be heard to all interested parties of this Agreement and the transactions contemplated herein; (D) the New Operators are not holding themselves out to the public as a continuation of the Existing Operators; (E) the consideration to be paid by the New Operators under this Agreement constitutes reasonably equivalent value (as that term is used in each of the Uniform Fraudulent Transfer Act, as applied by state Law and section 548 of the Bankruptcy Code) and fair consideration for the Transferred Assets; and (F) neither the New Operators nor the Existing Operators are entering into the transactions contemplated by this Agreement fraudulently.

(c) Appeal or Delay. In the event an appeal is taken or a stay pending appeal is requested (or a petition for certiorari or motion for rehearing or reargument is filed), with respect to the Sale Procedures Order, the Sale Order, or any other Order of the Bankruptcy Court related to the transactions contemplated by this Agreement, the Existing Operators shall take all steps as may be reasonable and appropriate to defend against such appeal, petition, or motion, and the New Operators agree to cooperate in such efforts. Each Party shall use its commercially reasonable best efforts to obtain an expedited resolution for such appeal. From and after the Contract Date, except as may be provided in the Sale Procedures Order, the Existing Operators shall not take any action or fail to take any action, which action or failure to act would reasonably be expected to prevent or impede the consummation of the transactions contemplated by this Agreement in accordance with the terms of this Agreement.

(d) Pleadings. The Parties shall consult with each other regarding pleadings that any of them intends to file with the Bankruptcy Court in connection with, ~~or which might reasonably affect the Bankruptcy Court's approval of, as applicable, the Sale Motion, the Sale~~

~~Procedures Order and~~ the Sale Order. Each Party shall promptly provide the other Party and its counsel with copies of all material notices, filings and Orders of the Bankruptcy Court that such Party has in its possession (or receives) pertaining to any Order related to any of the transactions contemplated by this Agreement, but only to the extent such papers are not publicly available on the docket of the Bankruptcy Court or otherwise made available to the other Parties and their counsel.

~~(e) Break Up Fee and Expense Reimbursement. The Existing Operators shall cause the Sellers to pay the Break Up Fee and Expense Reimbursement to Buyers, if applicable, in accordance with Article XIII of the Purchase and Sale Agreement.~~

(e) Intentionally omitted.

ARTICLE X MISCELLANEOUS

Section 10.01 Notices. Any notice or demand which either Party hereto is required or may desire to give or deliver to or make upon the other Party will be in writing and may be personally delivered or given or made by overnight courier such as Federal Express, by email transmission or made by United States registered or certified mail addressed as follows:

If to Existing Operators:

c/o Guardian Healthcare
8796 Route 219
Brockway, PA 15824-0240
Attn: Michael J. Herald, Esq., General Counsel
~~Email: Michael.Herald@guardianeldercare.net~~ Email:
Michael.Herald@guardianeldercare.net

with a copy to:

Saul Ewing LLP
1500 Market Street
3800 Centre Square West
Philadelphia, PA 19102
Attn: Jeffrey C. Hampton, Esq.
Email: jeffrey.hampton@saul.com

and with a copy to:

Saul Ewing LLP
1201 North Market Street
Suite 2300
Wilmington, DE 19801
Attn: Mark Minuti, Esq.
Email: ~~mark.minuti@saul.com~~ mark.minuti@saul.com

If to New Operators:

~~c/o Premier Management Support~~[GBK Eight LLC](#);
~~1044 Broadway, Woodmere, NY 11795~~
~~229 Route 70~~
~~Tom's River, NJ 08755~~
Attn: ~~Mark Kandelman~~[Eric Anderson](#)
Email: ~~mkandelman@GBMAdvisors.com~~[eric@noblecareco.com](#)

with copy to:

~~Tenzer and Lunin~~[GUTNICKI LLP](#)
~~1120 Avenue of the Americas, 4th Floor~~

~~New York, New York 10036~~

~~Joshua M. Tenzer, Esq.~~

~~E-mail: jtenzer@tenzerlunin.com~~

~~4711 Golf Rd., Suite 200~~
~~and with a copy to:~~

~~Wickens Herzer Panza~~

~~35765 Chester Road~~

~~Avon~~[Skokie, Ohio 44011](#)[IL 60076](#)
Attn: ~~Christopher Peer, Esq.~~[Aaron Rokach](#)
E-mail: ~~cpeer@wickenslaw~~[Email: arokach@gutnicki.com](#)

subject to the right of either Party to designate a different address for itself by notice similarly given. Any notice or demand so given will be deemed to be delivered or made on the next business day if sent by overnight courier, or the same day as given if sent by e-mail (with confirmation of receipt) and received by 5:00 p.m. Brockway, Pennsylvania time or on the third (3rd) business day after the same is deposited in the United States Mail as registered or certified matter, addressed as above provided, with postage thereon fully prepaid. Any such notice, demand or document not given, delivered or made by registered or certified mail, by overnight courier or by e-mail (with confirmation of transmission) as aforesaid will be deemed to be given, delivered or made upon receipt of the same by the Party to whom the same is to be given, delivered or made.

Section 10.02 Payment of Expenses. Except as otherwise expressly set forth herein, each Party will pay its own expenses, including legal expenses, incurred in connection with the transactions contemplated hereby, including without limitation, all expenses incident to the negotiation, preparation and performance of this Agreement and the other Transaction Documents.

Section 10.03 Entire Agreement; Amendment; Waiver. This Agreement, the Purchase and Sale Agreement and the other Transaction Documents set forth the entire agreement between the Parties hereto with respect to the transactions contemplated by this Agreement. Any provision of this Agreement may only be amended, modified or supplemented in whole or in part at any time by an agreement in writing among the Parties hereto executed in the same manner as this Agreement and with approval of the Bankruptcy Court. No waiver will be effective except in a writing executed by the waiving Party. No failure on the part of any Party to exercise, and no delay in exercising, any right will operate as waiver thereof, nor will any single or partial exercise by any Party of any right preclude any other or future exercise thereof or the exercise of any other right.

Section 10.04 Joint Venture; Third Party Beneficiaries. Nothing contained herein will be construed as forming a joint venture or partnership between the Parties hereto with respect to the subject matter hereof. The Parties hereto do not intend that any third party will have any rights under this Agreement, except that the provisions of Article VIII will inure to the benefit of and be enforceable by each Existing Operator Indemnified Party and each New Operator Indemnified Party.

Section 10.05 Counterparts. This Agreement may be executed in one or more counterparts and each such counterpart may be signed, transmitted, and/or stored electronically, with each deemed as an “original” and all of which together constitutes one and the same written instrument.

Section 10.06 Governing Law and Venue. This Agreement will be governed in accordance with the Laws of the Commonwealth of Pennsylvania without reference to its conflict of laws principles. Any dispute, controversy, proceeding or question of interpretation arising out of, in connection with or relating to the transactions contemplated herein, this Agreement or any other Transaction Document or any amendment hereof or thereof, any provision hereof or thereof or the breach, performance, validity or invalidity hereof or thereof shall be litigated in the Bankruptcy Court or any higher court. Each of the Parties hereby irrevocably and unconditionally submits to the exclusive jurisdiction of the Bankruptcy Court or any higher court for any dispute, controversy, proceeding or question of interpretation arising out of, in connection with or relating to the transactions contemplated herein, this Agreement or any other Transaction Document or any amendment hereof or thereof, any provision hereof or thereof or the breach, performance, validity or invalidity hereof or thereof. It is understood and agreed that the provisions of this Agreement relating to jurisdiction and venue are part of the value consideration given and relied upon by the Parties in connection with the purchase contemplated hereby.

Section 10.07 Injunctive Relief. In the event of a breach by a Party hereto of any of its obligations hereunder, a non-breaching Party will have the right, in addition to any other remedies which may be available, to obtain specific performance of the terms of this Agreement. The Parties hereby waive any requirement for the obtaining or posting of a bond, indemnity or similar instrument in connection herewith.

Section 10.08 Severability. Except as otherwise provided herein, in the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof will not affect the remainder of this Agreement, which will remain in full force and effect and enforceable in accordance with its terms.

Section 10.09 Assignment. No Party may assign this Agreement without the consent of the other Parties hereto and any attempted assignment in violation of this Section 10.09 will be null and void; provided however, that New Operator may assign its rights hereunder to new entities formed by New Operator to serve as licensed operations of the Facilities subject to the prior written consent of Existing Operators, with such consent not to be unreasonably withheld or delayed. Notwithstanding the foregoing, New Operator may pledge any or all of its rights and obligations hereunder to any Person who is providing the financing to Buyer and/or New Operator from time to time as collateral security for such financing.

Section 10.10 Public Announcement. Unless the Parties agree otherwise, no Party will make any press release or other public announcement regarding this Agreement or the transactions described in this Agreement, unless such Party is obligated by the Bankruptcy Code, Law, or the rules of any stock exchange upon which its shares are traded to make such a disclosure. When a Party determines that it is obligated by any Law or the rules of a stock exchange to make such a disclosure, it will notify the other Party in writing prior to such disclosure and the Parties will cooperate to cause a mutually agreeable release or announcement to be issued.

Section 10.11 No Presumption. No provision of this Agreement will be interpreted in favor of, or against, either Party hereto by reason of the extent to which any such Party or its counsel participated in the drafting of this Agreement or by reason of the extent to which any such provision is inconsistent with any prior draft of this Agreement or any other document.

Section 10.12 Waiver Of Jury Trial. EACH OF EXISTING OPERATOR AND NEW OPERATOR HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR COUNTERCLAIM ARISING IN CONNECTION WITH, OUT OF OR OTHERWISE RELATING TO THIS AGREEMENT.

[Execution page follows]

IN WITNESS WHEREOF, the Parties hereby execute this Agreement as of the day and year first set forth above.

EXISTING OPERATORS:

Guardian Elder Care at Beaver Falls, LLC
Guardian Elder Care at Lower Burrell, LLC
Guardian Elder Care at Munhall, LLC
Guardian Elder Care at Monongahela, LLC
Guardian Elder Care at Bethel Park, LLC
Guardian Elder Care at Greensburg, LLC
Guardian Elder Care at Brockway, LLC
Guardian Elder Care at Fairmont, LLC

By: _____
Michael J. Herald, President

NEW OPERATORS:

~~Beaver Valley OpCo, LLC~~

~~Belair Orchard Park OpCo, LLC~~

~~Eldercrest OpCo, LLC~~ GBK Eight LLC
~~Fairmont OpCo, LLC~~

~~Havenercrest OpCo, LLC~~

~~Meadowercrest OpCo, LLC~~

~~Oak Hill OpCo, LLC~~

~~Highland View OpCo, LLC~~

By: _____
Name:
Title:

Exhibit A

Facilities, Sellers, Buyers, Existing Operators, New Operators

Facility Name and Address	Seller	Existing Operator	Buyers	New Operator	Number of Beds
HUD Facilities:					
Beaver Valley Healthcare and Rehabilitation Center, 257 Georgetown Road, Beaver Falls, PA 15010	GEC Beaver Falls Real Estate, LLC, a Pennsylvania limited liability company	Guardian Elder Care at Beaver Falls, LLC, a Pennsylvania limited liability company	~~Beaver Valley PropCo,~~ LLC[insert information]	~~Beaver Valley OpCo,~~ LLC[insert information]	120
Fairmont Healthcare and Rehabilitation Center, 130 Kaufman Drive, Fairmont, WV 26554	GEC Fairmont Real Estate, LLC, a West Virginia limited liability company	Guardian Elder Care at Fairmont, LLC, a West Virginia limited liability company	~~Fairmont PropCo,~~ LLC[insert information]	~~Fairmont OpCo,~~ LLC[insert information]	120
Havencrest Healthcare and Rehabilitation Center, 1277 Country Club Road, Monongahela, PA 15063	GEC Monongahela Real Estate, LLC, a Pennsylvania limited liability company	Guardian Elder Care at Monongahela, LLC, a Pennsylvania limited liability company	~~Havencrest PropCo,~~ LLC[insert information]	~~Havencrest OpCo,~~ LLC[insert information]	48
Non-HUD Facilities:					
Belair Healthcare and Rehabilitation Center, 100 Little Drive, Lower Burrell, PA 15068	GEC Lower Burrell Real Estate, LLC, a Pennsylvania limited liability company	Guardian Elder Care at Lower Burrell, LLC, a Pennsylvania limited liability company	~~Belair Orchard Park PropCo,~~ LLC[insert information]	~~Belair Orchard Park OpCo,~~ LLC[insert information]	103
Eldercrest Healthcare and Rehabilitation Center, 2600 West Run Road, Munhall, PA 15120	GEC Munhall Real Estate LLC, a Pennsylvania limited liability company	Guardian Elder Care at Munhall, LLC, a Pennsylvania limited liability company	~~Eldercrest PropCo,~~ LLC[insert information]	~~Eldercrest OpCo,~~ LLC[insert information]	48

Meadowcrest Healthcare and Rehabilitation Center, 1200 Braun Road, Bethel Park, PA 15102	GEC Bethel Park Real Estate LLC, a Pennsylvania limited liability company	Guardian Elder Care at Bethel Park, LLC, a Pennsylvania limited liability company	~~Meadowcrest PropCo,~~ ~~LLC~~ [insert information]	~~Meadowcrest OpCo,~~ ~~LLC~~ [insert information]	50
Oak Hill Healthcare and Rehabilitation Center, 827 Georges Station Road, Greensburg, PA 15601	GEC Greensburg Real Estate LLC, a Pennsylvania limited liability company	Guardian Elder Care at Greensburg, LLC, a Pennsylvania limited liability company	~~Oak Hill PropCo,~~ ~~LLC~~ [insert information]	~~Oak Hill OpCo,~~ ~~LLC~~ [insert information]	48
Highland View Healthcare and Rehabilitation Center, 90 Main Street, Brockway, PA 15824	GEC Highland View, LP, a Pennsylvania limited partnership	Guardian Elder Care at Brockway, LLC, a Pennsylvania limited liability company	~~Highland View PropCo,~~ ~~LLC~~ [insert information]	~~Highland View OpCo,~~ ~~LLC~~ [insert information]	50

Summary report: Litera Compare for Word 11.9.1.1 Document comparison done on 10/3/2024 9:08:05 AM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://saul.imatege.work/FIRMDMS/53147211/1	
Modified DMS: iw://saul.imatege.work/FIRMDMS/53144385/1	
Changes:	
<u>Add</u>	57
~~Delete~~	67
~~Move From~~	0
<u>Move To</u>	0
<u>Table Insert</u>	0
~~Table Delete~~	1
<u>Table moves to</u>	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	125