

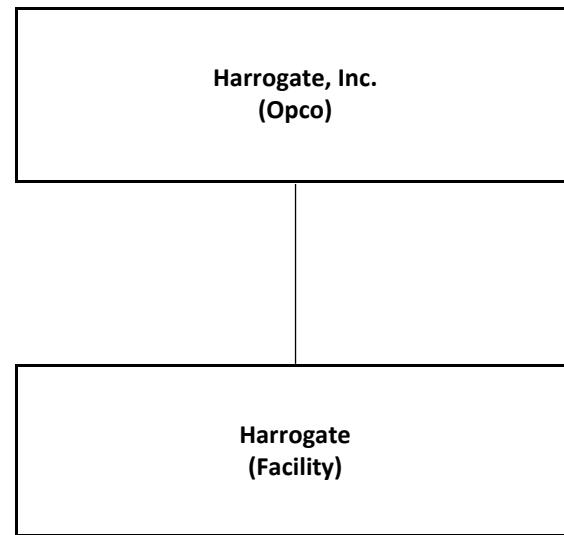
APPLICATION SUMMARY

Date application filed:	August 27, 2025
Name of facility:	Harrogate
License number:	061528
Address:	400 Locust Street, Lakewood, NJ 08701
County:	Ocean
Project Description:	This project involves the Transfer of Ownership of the building and operations of Harrogate located in Ocean County.
Licensed capacity:	68-beds LTC
Current Licensed Owner:	Harrogate Inc.
Proposed Licensed Owner:	Harrogate Village, Inc. (wholly owned by FellowshipLIFE, Inc.)
Proposed Management Company (if applicable):	FellowshipLIFE, Inc.
Ownership of Management Company(if applicable):	N/A*

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Harrogate, Inc.

Current Ownership Information

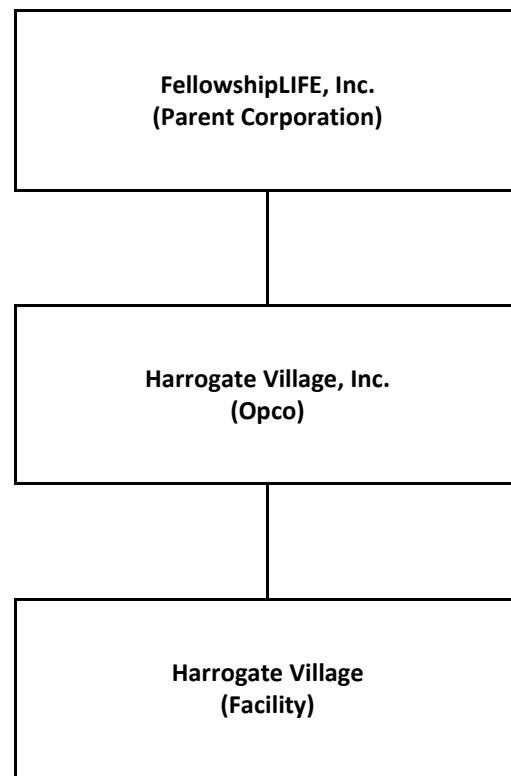


Harrogate, Inc.

Board of Directors Names:	Titles:
William J. Slivka	President
Peter J. Wright	Secretary
Joseph Kamsar	Treasurer
Edwin J. O'Malley, Jr.	Trustee
Charles Benjamin	Trustee

Harrogate Village, Inc.

Proposed Ownership Information



FELLOWSHIP LIFE

Board of Directors Names:	Titles:
Stanley J. Morin	Chairman
Jeffrey (Jeff) J. Zenna	Vice-Chairman
Ralph Acquaviva	Board Member
Mary (Rulene) DiFrancesco	Secretary
Robert A. Fodera	Treasurer
Terence French	Board Member
Dave L. Jones	Board Member
David G. Kostinas	Board Member
Brian G. Lawrence	Board Member
Michael Toscano	Board Member

HARROGATE VILLAGE

Board of Advisors Names:	Titles:
Stanley J. Morin	Chairman
Jeffrey (Jeff) J. Zenna	Vice-Chairman
Terence French	Board Member
Rulene DiFrancesco	Secretary
Michael Toscano	Board Member
Robert A. Fodera	Treasurer
David G. Kostinas	Board Member
Brian G. Lawrence	Board Member

List of Facilities Owned, Operated, or Managed by Harrogate Village, Inc. or its Principals

1. Fellowship Senior Living (Skilled Nursing at Fellowship Village)
8000 Fellowship Drive
Basking Ridge, NJ 07920
License # 061425
2. House of the Good Shepherd, Inc. (House of the Good Shepherd)
798 Willow Grove Street
Hackettstown, NJ 07840
License # 032101
3. Friends Village (Friends Village at Woodstown)
One Friends Drive
Woodstown, NJ 08098
License # 061701
4. Pines Village (Hamilton Place at the Pines at Whiting)
507 Route 530
Whiting, NJ 08759
License # 656000
5. Applewood Village (Applewood Estates)
One Applewood Drive
Freehold, NJ 07728
License # 061343

Community Management Service Agreement

THIS COMMUNITY MANAGEMENT SERVICES AGREEMENT (this "**Agreement**") is entered into as of August 22, 2025, by and between FellowshipLIFE, Inc., a New Jersey nonprofit corporation (hereinafter, "**Manager**"), with its principal office at 8000 Fellowship Road Basking Ridge, NJ 07078, and Harrogate Incorporated, a New Jersey nonprofit corporation d/b/a Harrogate (hereinafter, the "**Owner**"), with its principal office located at 400 Locust Street, Lakewood, NJ 08701.

RECITALS:

WHEREAS, Owner owns and operates a senior living community known as "Harrogate" in Lakewood, New Jersey (the "**Community**"); and

WHEREAS, Manager, is experienced in providing various services to assist in the management of senior living communities; and

WHEREAS, from the Effective Date (as defined in Section 2.01 hereof), Owner has determined to appoint Manager, on an interim basis, to manage the Community, and Manager desires to accept such interim appointment and manage the Community, effective as of the Effective Date, all on the terms and conditions herein provided.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is acknowledged by each of the parties, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

The following terms shall have the following meanings when used in this Agreement:

Section 1.01. "**Affiliate**" means with respect to Manager, any entity which directly or indirectly through one or more intermediaries controls, is controlled by or is under common control of Manager.

Section 1.02. "**Capital Replacements**" means replacements and renewals of FF&E at the Community and such repairs, maintenance, alterations, improvements, renewals and replacements to the Community buildings and its mechanical systems which are classified as capital expenditures under the Community's accounting practices.

Section 1.03. "**Change in Control**" means, with regard to a party, (i) a consolidation, merger or reorganization of such party with or into any other corporation or entity that is not an Affiliate of the party; or (ii) a sale, conveyance or disposition of all or substantially all of the assets of such party to a corporation or other entity that is not an Affiliate of such party; or (iii) any transaction or series of related transactions which result in the existing member of such party no longer having the right to appoint a majority of the trustees on the party's Board of Trustees.

Section 1.04. "**Code**" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated pursuant thereto.

Section 1.05. "Condemnation" means a taking by Governmental Authority in an eminent domain, condemnation, compulsory acquisition or similar proceeding for any public or quasi-public use or purpose.

Section 1.06. "Executive Director" is defined in Section 4.02.

Section 1.07. "Community" is defined in the Recitals to this Agreement.

Section 1.08. "Community Expenses" means all costs and expenses related to the maintenance, operation, repair, renovation, replacement and staffing of the Community that are normally charged as operating expenses, including: (a) costs of inventory and supplies (including Household Replacements) used in the operation of the Community, (b) all debt service and payments due with respect to Owner's outstanding loan with Webster Bank, (c) amounts payable to third parties or expenses otherwise incurred with respect to the marketing, advertising, leasing, use, repair or maintenance of the Community and any expense incurred in order to obtain or maintain any operating permits, licenses, approvals or certifications, including any licensing or registration fees and expenses associated therewith, (d) amounts payable to third parties for billing and collections of amounts due for goods and services provided to patients occupying a skilled nursing suite in the Community and residents occupying an independent living unit (collectively, the "Residents"), including for the collection of delinquent monthly service fees and monthly charges for occupancy and health care services provided in the skilled nursing suite and other costs required in connection with the enforcement of any residency agreement or healthcare admissions agreement, (e) amounts payable to third parties under service contracts, (f) amounts payable to third parties for auditing (including any audits that may be required pursuant to Section 6.02), tax preparation, accounting and risk management services and legal fees, (g) all Personnel Costs incurred by Manager for all personnel employed, and independent contractors who provide services, at the Community or whose services are entirely allocable to the Community (or a *pro rata* share of such Personnel Costs in the case of services provided by a regional business manager or a Shared Employee (defined below)), (h) costs of all utilities serving the Community, (i) costs of insurance premiums for insurance at the Community, (j) the Management Fee payable to Manager; (k) costs incurred by Manager for electronic data processing equipment, systems, software or services used at the Community; (l) all Impositions and all related costs (subject to the requirements of Section 5.05); (m) all expenses, including settlement payments, penalties, fines, repayments, consultant or legal fees and any other costs incurred, related to audits, investigations, inquiries or reviews of the Community or Owner or Manager by a Governmental Authority, accreditation body or a contractor of a Governmental Authority; (n) any other recoupments, repayments, adjustments, reconciliations or other payments made or returned to Residents or third-party payors of the Community and any related consultant and legal fees; (o) costs payable to prevent, cure or correct any violation of Legal Requirements with respect to the Community or Owner; and (p) costs incurred to litigate, negotiate and/or settle any civil claim, action or litigation, including any amounts payable pursuant to a settlement, judgment or damages award and related legal fees.

If any Community Expenses (e.g., advertising, information technology, reporting and other systems for the operation of the Community and personnel training), but not including Personnel Costs, are shared with other senior housing facilities managed or operated by Manager or its Affiliates (the "Shared Expenses"), Manager shall identify such Shared Expenses in the Annual Operations Budget and the basis for allocation (including the allocation formula) for review and

prior approval by Owner, which approval shall not be unreasonably withheld, conditioned or delayed. In addition, Manager may allocate as a Community Expense a *pro rata* share of the Personnel Costs Manager incurs with respect to any employee or independent contractor, including for Home Office Personnel to the extent allowed by Section 4.03, who provides services at the Community and at other senior housing facilities managed or operated by Manager (a "Shared Employee") upon prior identification to Owner of such Shared Employees and the basis for allocation (including the allocation formula) for review and prior approval by the Owner, which approval shall not be unreasonably withheld, conditioned or delayed.

Community Expenses shall not include, unless otherwise approved by Owner in accordance with this Section: costs for Home Office Personnel (except as allowed by Section 4.03), costs for the use of Manager's in-house accounting and reporting systems, software or services to the extent used at Manager's home office or by computer remote access while assigned personnel are working at the Community, other home office and corporate level expenses and travel expenses of personnel assigned to work exclusively at the Community.

Section 1.09. "FF&E" means furniture, fixtures, furnishings, soft goods, case goods, vehicles, systems and equipment.

Section 1.10. "GAAP" means generally accepted accounting principles as adopted by the American Institute of Certified Public Accountants.

Section 1.11. "Governmental Authority" means any United States federal, state or local government or political subdivision thereof, or any court, administrative agency or commission or other quasi-governmental authority or instrumentality or any subdivision thereof.

Section 1.12. "Gross Revenues" means all revenues derived from operating the Community, determined in accordance with GAAP, including: income (from both cash and credit transactions, net of any fee therefor and net of any contractual allowances granted to third-party payors) from residency agreements, community entrance fees (except to the extent hereinafter excluded), monthly service fees and charges for Residents, health care fees, third-party reimbursement or payments and any and all other fees and payments received from or on behalf of Residents; income from food and beverage and catering sales; income from vending machines, and proceeds, if any, from business interruption insurance and all other revenues from the operation of the Community; provided that, Gross Revenues shall not include: (i) gratuities to employees at the Community, (ii) federal, state or municipal excise, sales or use taxes or similar taxes imposed at the point of sale and collected directly from Residents or guests of the Community or included as part of the sales price of any goods or services, (iii) proceeds from the sale of FF&E and any other capital asset, (iv) interest received or accrued with respect to the monies in any accounts referred to in Section 5.04, (v) proceeds of any financing or refinancing of the Community, (vi) proceeds of any insurance policy (except business interruption insurance) or condemnation or other taking, (vii) any cash refunds, rebates or discounts to Residents of the Community, cash discounts and credits of a similar nature, given, paid or returned in the course of obtaining Gross Revenues or components thereof to the extent not reflected in contractual allowances, (viii) proceeds from any sale of the Community or any other capital transaction, (ix) Resident funds on deposit or security deposits until such time and to the extent as the same are applied to current fees due for services rendered, (x) awards of damages, settlement proceeds and other payments received by Owner in respect of any litigation other than litigation to collect fees

due for services rendered at the Community and (xi) payments under any policy of title insurance provided, however, that there shall be excluded from Gross Revenues (i) gifts, grants, bequests, donations and contributions to Owner heretofore or hereafter made, and the income and gains derived therefrom, which are specifically restricted by the donor or grantor to a particular purpose which is inconsistent with their use as payments for Community operations, (ii) any moneys received by Owner from prospective Residents or commercial tenants in order to pay for customized improvements to those units or other areas of the Community to be occupied or leased to such Residents or tenants, and (iii) Residents' entrance fees or security deposits required to be escrowed pursuant to the applicable provisions of the New Jersey Continuing Care Retirement Community Regulation and Financial Disclosure Act or any other law. Any entrance fees or entrance fee deposits that are refunded to a Resident shall be deducted from Gross Revenues during the month in which such refunds are made, if previously included in Gross Revenues.

Section 1.13. "Household Replacements" means supply items including linen, china, glassware, silver, uniforms, and similar items.

Section 1.14. "Impositions" means all levies, assessments and similar charges, including: all water, sewer or similar fees, rents, rates, charges, excises or levies, vault license fees or rentals; license and regulatory approval fees; inspection fees and other authorization fees and other governmental charges of any kind or nature whatsoever (and all interest and penalties thereon), which at any time during or in respect of the Term may be assessed, levied, confirmed or imposed on the Community, Owner or Manager with respect to the Community or the operation thereof, or otherwise in respect of or be a lien upon the Community (including, on any of the inventories or Household Replacements now or hereafter located therein). Impositions shall not include (i) any income or franchise taxes payable by Owner or Manager or (ii) any franchise, corporate, capital levy or transfer tax imposed on Owner or Manager.

Section 1.15. "Legal Requirements" means any permit, license, certificate, law, code, rule, ordinance, regulation or order of any Governmental Authority, Board or anybody similar to any of the foregoing having jurisdiction over the business or operation of the Community or the matters which are the subject of this Agreement, including any Resident care or health care, building, zoning or use laws, ordinances, regulations or orders, environmental protection laws and fire department rules.

Section 1.16. "Net Operating Income" means the excess (if any) of Gross Revenues after payment of all Community Expenses and the Management Fee, calculated on an accrual basis.

Section 1.17. "Personnel Costs" means total cash compensation, costs of training programs, hiring expenses, severance payments, payroll taxes, workers' compensation, travel expenses, incentive programs (e.g., workers' compensation and risk management related incentive programs) and employee fringe benefits payable to such personnel.

Section 1.18. "Proprietary Marks" is defined in Section 15.01, and shall include all trademarks, trade names, symbols, logos, slogans, designs, insignia, emblems, devices and service marks which are used in connection with applicable mark.

Section 1.19. "Unsuitable for Use" means, as a result of damage, destruction or partial Condemnation, the Community cannot be reasonably expected to be restored to its prior condition

within nine (9) months and/or, in the good faith judgment of Manager, after restoration or partial Condemnation the Community cannot be operated on a commercially practicable basis.

Section 1.20. "Working Capital" means funds used in the day-to-day operation of the Community.

ARTICLE II APPOINTMENT AND AUTHORITY OF MANAGER

Section 2.01. Appointment of Manager. Effective as of the date that Life Care Services LLC ("Prior Manager") is no longer providing services to Owner under the Client Services Agreement between Owner and Prior Manager dated January 1, 2022 (the "Prior Manager Agreement") ("Effective Date"), and subject to the terms and conditions of this Agreement, Owner hereby appoints Manager as the sole and exclusive Manager for the operation and management of the Community from the Effective Date until this Agreement is terminated. Manager accepts such appointment and further agrees to:

- i. perform the duties of Manager under this Agreement in compliance with this Agreement, including Section 4.05;
- ii. (a) supervise and direct the management and operation of the Community in a financially sound, cost-effective and efficient manner; (b) review the policies, procedures and programs of the Community and make such modifications or improvements to such policies, procedures and/or programs to promote the most effective utilization of the Community's services and maximize occupancy and Gross Revenues;
- iii. together with the Team Members working at the Community, provide quality services to Residents in a manner complying with all Legal Requirements and the residency agreements and admissions agreements in use at the Community;
- iv. in accordance with the mission of the Owner to build a caring and respectful community that serves the physical, social, emotional, and spiritual needs of the Residents, support and assist the Owner in promoting its mission and services through public relations, marketing, fund raising and community relations. Assist the Owner in developing and proactively implementing a constantly updated marketing strategy to maintain high occupancy and service levels at market competitive levels;
- v. maintain, attract and develop a diverse, well-trained, quality, productive team committed to serving older adults at the Community which shall include maintaining the existing Community team members;
- vi. through good stewardship, ensure a solid financial picture that supports quality programs, services, care and housing for both current and future Residents by administering the development, preparation of, and make such modifications and improvements as Manager deems necessary or advisable to managing the following: (a) monthly, quarterly, and annual financial reports, (b) subject to the Owner's approval, an Annual Budget (as hereinafter defined), (c) required external reports such as those required by the Internal Revenue Service, (d) centralized cash disbursement and payroll services, (e) debt and investment policies and decisions, (f) a sound financial accounting system for the Community, (g) adequate internal fiscal controls through

proper budgeting, accountant procedures and timely financial performance and (h) sound billing and collection procedures and methods;

vii. assist and coordinate the Owner in utilizing proven technology to enhance its ability to effectively and efficiently serve older adults;

viii. direct and support the Owner to meet the guidelines of Federal, State, City and other regulatory bodies;

ix. include the Owner in opportunities to share in reduced costs through combining with other communities managed or operated by Manager in any and all areas where benefits can be derived from economies of scale and joint purchasing power, including but not limited to business insurance, employee benefits, medical supplies, food purchases, rehab services; and

viii position the Owner to competitively meet the evolving needs of current and future residents by maintaining, enhancing, or redeveloping the buildings, programs, services, activities and/or care as needed that is consistent with a quality senior living community.

ARTICLE III MANAGEMENT FEE; WORKING CAPITAL; CAPITAL REPLACEMENTS; INSUFFICIENT FUNDS

Section 3.01. **Management Fee.** As compensation for the services to be rendered by Manager under this Agreement, Manager shall receive for the duration of the Term a management fee (the "Management Fee") equal to the sum of (i) 5% of the prior month total Gross Revenues less 1% deferred if EBIDA is below zero; and (ii) \$280,000 per annum for the Executive Director and benefits related costs (or such allocable portion in the event the Term is less than one (1) year as described herein), adjusted annually, effective January 1, by 3% or higher if the Consumer Price Index (CPI) exceeds stated percentage. Any reference in this Agreement to the CPI shall mean the Consumer Price Index for All Urban Consumers (CPI-U). The Management Fee shall be paid to Manager in equal monthly installments in advance on the first of each month subject to the provisions of Section 5.01 hereof. Additionally, any deferred Management Fee payments will not accrue interest and will only be paid when the EBIDA for the month of payment exceeds zero (0). Owner's obligation to pay items (i) and (ii) of the Management Fee shall commence on the Effective Date and shall be pro-rated in the event the first month of the Term is less than a full month. In the event that the Term of this Agreement is less than one (1) year, Manager shall only be entitled to receive the allocable portion of the Management Fee for the number of months worked. Notwithstanding any provision herein to the contrary, Owner shall have no obligation to pay any portion of the Management Fee for so long as it is required to pay the Prior Manager under the terms of the Prior Manager Agreement. In such case, Owner and Manager acknowledge that Manager will provide services to Owner in accordance with this Agreement at no charge until Owner's obligations to pay the Prior Manager under the Prior Manager Agreement have ceased. No amount paid hereunder is intended to be, nor shall it be construed to be, an inducement or payment for referral of Residents by either party or any of its Affiliates to the other party or any of its Affiliates. The Management Fee being paid constitutes the fair market value of the services being provided in light of the costs being incurred and the time, energy, training, expertise and skills required therefor, and is consistent with amounts that would result from arm's-length negotiations between unrelated parties.

Section 3.02. Working Capital. The Executive Director appointed by Manager will work with the President & CEO of Manager to determine the appropriate Working Capital necessary or advisable to operate and manage the Community. Manager may, from time to time, request the Board of Trustees of Owner to fund additional amounts as Working Capital to pay Community Expenses and if the parties do not agree on such additional amounts, the matter shall be referred to arbitration.

Section 3.03. Capital Replacements. The cost of all Capital Replacements in an Annual Budget shall be funded by Owner. Funding will be made by Owner from time to time, after receipt by Owner of such information from Manager regarding the acquisition, initiation or implementation of any Capital Replacements and the progress and performance thereof as Owner may reasonably require.

Section 3.04. Insufficient Funds. If at any time available Working Capital is insufficient to pay Community Expenses and Owner has not timely funded additional amounts for such purpose or Owner has not timely funded Capital Replacements, Manager shall have no obligation to advance its own funds therefor and is relieved of any obligation to pay Community Expenses or the cost of Capital Replacements to such extent. If Manager does advance its own funds, at such time as Owner advances funds to reimburse Manager, whether by agreement or pursuant to any award or judgment, Owner shall pay Manager interest on such amounts at one percent per month from the date of Manager's advance of funds to the date of reimbursement.

ARTICLE IV MANAGEMENT SERVICES

Section 4.01. Authority of Manager and Management Services.

(i) Subject to the limitations set forth in this Section 4.01 and elsewhere in this Agreement, Manager shall have discretion and control, free from interference, interruption or disturbance from Owner, its Affiliates or those claiming by, through or under Owner, in all matters relating to the day-to-day management and operation of the Community. Such discretion and control shall include the authority to negotiate and execute contracts in its own name, in the name of and on behalf of Owner and/or the Community, in each case, subject to the terms of this Agreement. Manager shall implement all aspects of the operation of the Community in accordance with the terms of this Agreement and shall have responsibility and commensurate authority for all such activities. Without limiting the generality of the foregoing, in addition to any other services set forth in this Agreement, Manager shall, consistent with the Annual Budget:

(a) enter into all contracts, leases and agreements required in the ordinary course of business for the supply, operation, maintenance of and provision of services to the Community (including food procurement, building services (including cleaning, trash removal, snowplowing, landscaping, carpet cleaning and pest control), utilities and licenses and concessions for commercial space in the Community); provided that, unless specifically set forth in the Annual Budget, Manager shall obtain the written consent of Owner before entering into any contract, lease or agreement not terminable on ninety (90) days' notice without payment of premium or penalty, which consent shall not be unreasonably withheld, conditioned or delayed;

(b) purchase such inventories, provisions, food, supplies, Household Replacements and other expendable items as are necessary to operate and maintain the Community in the manner required pursuant to this Agreement;

(c) train Team Members and work with Team Members to provide care to Residents in compliance with the residency agreements and admissions agreements in use at the Community;

(d) consistent with the residency agreements and admissions agreements in use at the Community, increase existing Resident fees and charges including those for accommodation, food services and care services, subject to receipt of approval from the New Jersey Department of Community Affairs regarding changes to entrance fees and monthly service fees for Residents residing in independent living residences under applicable continuing care retirement community (“CCRC”) contracts;

(e) to institute and/or defend, as the case may be, in the name of Owner any and all legal actions or proceedings relating to the management and operation of the Community, provided, however, that Manager shall timely notify Owner's insurance carrier of all pending or threatened litigation against Owner. Owner retains the right to join Manager in prosecuting said actions or proceedings upon providing Manager with notice of its intent to do so and to seek indemnification as provided in this Agreement;

(f) provide a marketing strategy and direct all the marketing efforts; and

(g) oversee, manage and direct all day-to-day operations.

Section 4.02. Staff. Manager shall hire and train an Executive Director for the Community (the “**Executive Director**”). The Executive Director shall work with the existing employees and independent contractors at the Community (each, a “**Team Member**”), who shall remain at the Community under their existing contracts with Owner, to continue to manage, operate, maintain and account for the Community. The Executive Director shall have control over all matters pertaining to the retention, employment, supervision, training, promotion and discharge of Team Members during the Term, and shall report to the President & CEO of Manager on such matters. Manager shall comply with all applicable Legal Requirements having to do with employment, including, but not limited to, worker's compensation, unemployment insurance, hours of labor, wages, working conditions and withholding of taxes from Team Member wages. If Owner becomes dissatisfied with the performance of the Executive Director, Owner shall have the right to confer with representatives of Manager to discuss the replacement of the Executive Director or other action such as retraining, any of which such action shall be within the sole discretion of Manager. In the event that this Agreement is terminated for any reason, Owner shall not solicit or hire the Executive Director.

Except for the Executive Director, who shall be an employee of Manager or an Affiliate of Manager, all persons employed in the operation of the Community shall be employees of Owner and shall not be deemed or construed to be employees of Manager. From Owner's funds received by Manager, Manager shall make disbursements and deposits for all compensation and other amounts payable with respect to Team Members specifically including, but not limited to, unemployment insurance, social security, worker's compensation, health and life insurance, and other charges imposed by a Governmental Authority. All Home Office Personnel payroll costs and benefits shall be deemed corporate administrative costs to be borne by Manager without reimbursement by Owner; provided, however, that all reasonable travel and out-of-pocket expenses

of such employees when traveling in connection with performance of duties under this Agreement shall be deemed Community Expenses to be reimbursed to Manager as provided herein.

Section 4.03. Manager's Home Office Personnel. Manager may, in its discretion, provide services to Owner pursuant to this Agreement through its Home Office Personnel, provided that the Personnel Costs for such Home Office Personnel shall not be a separate Community Expense, and shall be included in the Management Fee, unless agreed to in advance by Owner or as provided by this Agreement. If Owner requests a type, form or level of service from Manager's Home Office Personnel of a nature that does not constitute a Community Expense, Manager shall provide such services by Home Office Personnel for an additional cost to be agreed to in advance by Manager and Owner, which expense shall then be considered a Community Expense payable from Gross Revenues. The term "Home Office Personnel" shall include Manager's home office team with experience and expertise in areas such as accounting, budgeting, finance, legal, human resources, information technology, construction, development, marketing, culinary service and purchasing, elder care, among other areas.

Section 4.04. Resident Agreements. All existing residency agreements and admissions agreements used in conjunction with the Community shall be reviewed and updated from time to time to provide competitive and regulatory compliant agreements within the marketplace. With regard to residency agreements for Residents who enter the Community after the Effective Date of this Agreement, the Manager's Executive Director shall have the authority to act as an authorized representative of Owner in executing residency agreements and admissions agreements.

Section 4.05. Legal Requirements.

(a) Owner shall be responsible for maintaining on behalf of and in the name of the Community all permits, licenses and certificates required by any Governmental Authority for the use, operation or management of the Community as a skilled nursing residence, CCRC or independent living facility in the State of New Jersey.

(b) Owner agrees: (i) to sign promptly all applications for permits, licenses, and certificates necessary for the use, operation and management of the Community required by any Governmental Authority and all cost reports and other submissions for reimbursement or other payments related to the good and services furnished to Residents at the Community and (ii) to provide promptly such information and perform such acts as are required in order for Manager to complete any such application and/or obtain and/or maintain any such permits, licenses, or certificates and/or prepare, complete and/or file any such cost reports or other submissions for payments related to the good and services furnished to Residents at the Community.

(c) Manager shall cause all things to be done in and about the Community as may be reasonably necessary to comply with all applicable Legal Requirements respecting the use, operation and management of the Community. Manager shall keep its corporate organization in good standing in the State and shall maintain all corporate permits and licenses required by the State.

(d) If either party receives any written notice, report or other correspondence from a Governmental Authority which asserts a deficiency relating to the operation of the Community or otherwise relates to the actual or threatened suspension, revocation, or any other

action adverse to any permit, license or certificate required or necessary to use, operate or maintain the Community, such party shall give the other party prompt notice thereof and not later than three (3) Business Days after receipt.

ARTICLE V COLLECTIONS AND PAYMENTS

Section 5.01. Collection and Priorities for Distribution of Gross Revenues. Manager shall collect all Gross Revenues and shall apply the Gross Revenues in the following order of priority:

First, to pay all entrance fee refunds currently due to Residents pursuant to the terms of the residency agreements;

Second, to pay all Community Expenses (excluding the Management Fee) and, thereafter, to the extent there are remaining Gross Revenues then;

Third, to pay Manager the monthly Management Fee; and

Fourth, to establish an appropriate reserve for the payment of future Community Expenses or Capital Replacements, if such reserve is deemed by the Manager to be necessary or advisable, in the Manager's sole discretion (the "**Reserve**").

Last, any Net Operating Income remaining after satisfying all requirements set forth above for payment of current Community Expenses and Management Fees and establishment of a Reserve shall remain in Owner's accounts for the benefit of the Community.

Section 5.02. Timing of Payments. Payment of the entrance fee refunds and Community Expenses, excluding the monthly Management Fee, shall be made in the ordinary course of business to the extent of available Gross Revenues. Subject to the provisions of Section 5.01 hereof, the Management Fee shall be paid on the first Business Day of each calendar month, in advance, to the extent of available Gross Revenues.

Section 5.03. Credits and Collections. Manager shall review the credit and collection policies and procedures currently in place for the Community and determine if it shall maintain the current credit and collection policies for the Community and procedures or institute new ones (if the latter, only upon prior notice to and approval of the Board of Trustees, which approval shall not be unreasonably withheld, conditioned or delayed). If Manager decides to institute new credit and collection policies and procedures, Manager shall take commercially reasonable steps to notify all existing accounts of the new policies and procedures. If not already in place, Manager shall institute monthly billing by the Community and take all steps necessary to collect accounts and monies owed to the Community, which may include the institution of legal proceedings in the name of the Owner, subject to the limitations set forth in Section 4.01(e) of this Agreement.

Section 5.04. Depositories for Funds. Manager shall deposit into one or more accounts established by Owner all Gross Revenues and other funds collected or received by Manager in connection with the Community. Manager shall be authorized to access the accounts without the approval of Owner, subject to any limitation on the maximum amount of any check, if any, established between Manager and Owner as part of the Annual Operating Budget. Owner shall

have the right to be a signatory on all accounts maintained with respect to the Community. Owner shall provide such instructions to the applicable bank(s) as are necessary to permit Manager to implement the Manager's rights and obligations under this Agreement provided, the failure of Owner to provide such instructions shall relieve Manager of its obligations hereunder until such time as such failure is cured.

Section 5.05. Impositions. All Impositions which accrue during the Term (or are properly allocable to such Term under GAAP) shall be paid by Manager before any fine, penalty or interest is added thereto or lien placed upon the Community or this Agreement, unless payment thereof is stayed. Owner shall, within five (5) Business Days after the receipt of any invoice, bill, assessment, notice or other correspondence relating to any Imposition, furnish Manager with a copy thereof. Either Owner or Manager may initiate proceedings to contest any Imposition in the name of the Community (in which case each party agrees to sign the required applications and otherwise cooperate with the other party in expediting the matter). Unless part of an Annual Budget, incurrence of all costs by Manager of any negotiations or proceedings with respect to any such contest shall be subject to Owner's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Nothing in this Agreement is intended to modify the respective responsibility that the parties would otherwise have to pay such Impositions as may be due and payable.

ARTICLE VI ACCOUNTING; FINANCIAL STATEMENTS; AUDIT

Section 6.01. Accounting. Manager shall work with its accountants to review the accounting procedures of the Community and the controls and systems for the development, preparation and safekeeping of records and books of accounting relating to the business and financial affairs of the Community, including payroll, accounts receivable and accounts payable.

Section 6.02. Financial Statements and Reports. Not later than forty-five (45) Business Days after the end of each quarter, Manager shall prepare and deliver to Owner a balance sheet and related statement of income and expense for such calendar quarter and for the then-current calendar year to date, certified by Manager's Chief Financial Officer on a quarterly basis as being true and correct to the best of his/her knowledge, with a comparison to the Annual Budget.

The quarterly financial statements shall be in such format as Owner may reasonably require. Manager shall prepare such other financial statements as Owner may from time to time reasonably request.

In addition, Manager shall also timely prepare and submit (i) all financial and operational reports required by the terms of the Bank Loan Agreement or Bond Agreement, , (ii) all information relating to the Community, Manager and its Affiliates as may be required in order for Owner or its Affiliates to prepare financial statements and to comply with any applicable tax and securities laws and regulations, (iii) all information relating to the Community, Manager and its Affiliates as may be required for Owner or any of its Affiliates to prepare federal, state, provincial or local tax returns, or (iv) information that is of the type that Manager customarily prepares for other owners of facilities it owns and/or manages, and such other or special reports as Manager may from time to time determine are necessary or as Owner may reasonably request.

ARTICLE VII ANNUAL OPERATING BUDGET

Section 7.01. Annual Operating Budget. Manager shall prepare and submit to Owner for Owner's approval, at least sixty (60) days prior to the commencement of each fiscal year, an annual plan and budget for the Community to cover all projected revenues and expenses of the Community for that year, including capital improvements (the "**Annual Budget**"). The Annual Budget shall also include Manager's recommendations and suggestions for:

- (i) entrance fees, monthly fees, ancillary fees and all other costs and charges to the residents and/or patients of the Community;
- (ii) the salaries and benefits of Team Members in the Community; and
- (iii) major purchase contracts for supplies, and FF&E.

If the Board of Trustees of Owner has not disapproved of the Annual Budget in writing within thirty (30) days of the date it is submitted to Owner, Owner shall be deemed to have approved the Annual Budget. Owner agrees to maintain a level of rates and charges sufficient to assure the proper operation of the Community, to provide for the payment of all costs of operation of the Community, specifically including, but not limited to, Management Fees. In the event revenues, operating capital and other project funds are not sufficient to pay for the costs of operating the Community, Owner will timely supply the needed capital. All books, records and reports maintained or prepared by Manager for or in connection with the operation of the Community shall be Owner's property, provided that Manager may make such copies thereof or extracts therefrom for its own proper business use as Manager may reasonably desire. Manager will use its best efforts to operate the Community in compliance with the approved Annual Budget. Until an Annual Budget for the current year is approved or deemed approved as provided herein, Manager shall operate the Community in accordance with the preceding year's budget. The Annual Budget is intended to be a guideline only. Manager has authority, subject to the restrictions set forth at Section 4.01(ii)(c) herein, to exceed budgeted line item amounts by ten percent (10%) or less in cases where it determines that it is reasonable to do so. If Manager desires to exceed any Annual Budget line item by more than ten percent (10%), Manager must receive explicit written approval from Owner before expending funds on such line item. In the event of an emergency, as reasonably determined by Manager, Manager has authority to expend funds which are reasonably necessary to protect the Community from damage or to maintain services to residents as called for in their residency agreements. Manager will provide to Owner a quarterly report of variances from the Annual Budget. In response to a report of a material variance, Owner and Manager will work together to revise the Annual Budget line item to reflect expenditures which are reasonably necessary to operate the Community in accordance with the standard of management and operation of comparable senior living facilities in the immediate area of the Community. In any case in which Owner's approval is required for any proposed action of Manager pursuant to this Agreement, Owner's failure to disapprove of Manager's proposed action by written notice to Manager within fifteen (15) days after Manager's request for Owner's approval shall be deemed to constitute approval by Owner of such proposed action by Manager.

ARTICLE VIII TAX MATTERS

Manager shall use commercially reasonable efforts to operate the Community in a manner to best assure that Owner and the Community receive all benefits of applicable tax exemptions and/or credits available thereto from any Governmental Authority. Manager will prepare or cause to be prepared all tax returns required in the operation of the Community, which include payroll, sales and use tax returns, personal property tax returns and business, professional and occupational license tax returns. Manager shall timely file or cause to be filed such returns as required by the State; provided that, Owner shall promptly provide all relevant information to Manager upon request. Manager shall not be responsible for the preparation and filing of Owner's federal or state income tax returns, provided, however, Manager shall cooperate fully with Owner as may be necessary to enable Owner (or Owner's auditors) to prepare and file such federal or state income tax returns, including by preparing data reasonably requested by Owner (or Owner's auditors) and promptly submitting it to Owner following such request

ARTICLE IX FINANCING; INSPECTION

Section 9.01. Owner's Right To Inspect. Owner or its employees, representatives, lenders or agents shall have access to the Community and the files, books, accounts, and records of Manager related to the Community at any and all reasonable times during usual business hours for the purpose of inspection or showing the Community to prospective Residents or mortgagees.

ARTICLE X REPAIRS AND MAINTENANCE

Section 10.01. Repairs, Maintenance and Capital Replacements. Manager shall maintain the Community in good, orderly, clean and safe repair and condition consistent with a first-class skilled nursing, CCRC and independent living community and in conformity with Legal Requirements, as same may be amended. Manager shall make such routine and preventive maintenance, repairs and minor alterations, the cost of which can be expensed under GAAP, as it, from time to time, deems necessary for such purposes, consistent with the Annual Budget. The cost of such maintenance, repairs and alterations shall be paid from Gross Revenues. Manager shall make such Capital Replacements as are contemplated by the Annual Budget and funded by Owner. The cost of such Capital Replacements shall be funded by Owner.

Section 10.02. Emergency Repairs. If either party has actual knowledge of, or receives a written order or notice from a Governmental Authority, pertaining to a violation or potential violation of any Legal Requirement relating to the physical condition of the Community or the continued safe operation of the Community, such party shall give the other party prompt notice thereof and not later than three (3) Business Days after obtaining such knowledge or in the case of an order or notice from a Governmental Authority, receipt of same. Manager shall recommend appropriate remedial action to Owner and subject to Owner's consent (which shall not be unreasonably withheld, conditioned or delayed), take such remedial action, provided Manager shall be authorized to take appropriate remedial action consisting of repairs or maintenance to the Community without receiving Owner's prior consent: (a) in an emergency threatening the safety of such Community or its Residents, invitees or employees or imminent material physical damage to the Community, or (b) if the continuation of the given condition will subject Manager and/or Owner to regulatory, civil, or criminal liability or result in the suspension or revocation of a material permit, license or certificate. Any disagreement regarding the necessity of taking such

remedial action and/or the funding of the cost thereof that is not resolved by the parties within ten (10) Business Days shall be resolved by arbitration.

Section 10.03. Liens. Manager shall use commercially reasonable efforts to prevent any liens from being filed against the Community which arise from any maintenance, repairs, alterations, improvements, renewals or replacements in or to the Community. Manager shall not file any lien against the Owner or the Community.

Section 10.04. Ownership. All repairs, replacements, alterations and additions shall be the property of Owner until the closing of the Acquisition.

Section 10.05. Casualty or Condemnation. If, during the Term, the Community is (a) totally destroyed by fire or other casualty or there is a Condemnation or (b) partially destroyed by fire or other casualty or there is a partial Condemnation and as a result the Community is Unsuitable for Use, either Manager or Owner may terminate this Agreement by providing sixty (60) days' advance written notice to the other and Owner shall be entitled to retain the insurance proceeds or Condemnation award, as the case may be.

ARTICLE XI INSURANCE

Section 11.01. General Insurance Requirements. Owner and Manager shall each, at all times during the Term, keep (or cause to be kept) the Community and all property located therein or thereon, insured against the risks and in such amounts as is against such risks, and in such amounts, Owner and Manager shall each determine to be necessary and shall each name the other as an additional insured on their respective policies of insurance.

Section 11.02. Waiver of Subrogation. Owner and Manager agree that (insofar as and to the extent that such agreement may be effective without invalidating or making it impossible to secure insurance coverage from responsible insurance companies doing business in the State) with respect to any property loss which is covered by insurance then being carried by Owner or Manager, the party carrying such insurance and suffering said loss releases the others of and from any and all claims with respect to such loss; and they further agree that their respective insurance companies (and, if Owner or Manager shall self-insure in accordance with the terms hereof, Owner or Manager, as the case may be) shall have no right of subrogation against the other on account thereof, even though extra premium may result therefrom. If any extra premium is payable by Manager as a result of this provision, Owner shall not be liable for reimbursement to Manager for such extra premium.

ARTICLE XII TERM AND TERMINATION; TRANSITION ON TERMINATION

Section 12.01. Term. The Term of this Agreement shall begin on the Effective Date shall be for a five-year term with automatic renewal unless either party gives sixty (60) days written notice before the end of the term, subject to the termination contingencies and rights set forth below (in either case, the "Term").

Section 12.02. Termination. Without limiting either party's rights hereunder:

i. Termination for cause: Either party may terminate this Agreement upon an Event of Default as provided in Article XIII hereof.

ii. Termination without cause: In the event either party terminates that certain asset purchase agreement by and between Manager and Owner (the "APA") in accordance with the provisions thereof, Owner may terminate this Agreement without cause upon sixty (60) days' prior notice to Manager.

Section 12.03. Effects of Termination. Upon any termination of this Agreement without cause, Manager shall be compensated for its services only through the termination date.

Section 12.04. Transition on Termination. In the event of any termination (other than a termination resulting from closing the Acquisition), both parties shall fully cooperate with one another to ensure a smooth transition of management and resumption of operational responsibility by Owner. Upon termination, Manager will deliver to Owner the following:

i. a final accounting, reflecting the balance of income and expenses of the Community as of the date of termination, to be delivered as soon as reasonably possible but not later than sixty (60) days after such termination,

ii. after payment of any amounts as may be due to Manager hereunder, any balance of monies of Owner or Resident deposits, or both, held by Manager with respect to the Community, to be delivered as soon as reasonably possible, but not later than five (5) days after such termination, and

iii. all records, contracts, leases, residency agreements, tenant correspondence, files, receipts for deposits, unpaid bills and other papers, documents or computer disks or information which pertain in any way to the Community to be delivered as soon as reasonably possible, but not later than sixty (60) days after such termination.

ARTICLE XIII DEFAULTS

Section 13.01. Default by Manager. An Event of Default with respect to Manager shall occur in the event of any of the following:

(a) the Bankruptcy of the Manager;

(b) the negligence, omission or misconduct of Manager with respect to its duties and obligations under this Agreement;

(c) the permit(s), license(s) or certificate(s) required for use, operation or management of the Community are at any time suspended, terminated or revoked and not reinstated with the applicable appeal period, if any, for any reason due solely to the acts or omissions of Manager;

(d) Manager's failure to keep, observe or perform any covenant, agreement, term or provision of this Agreement to be kept, observed or performed by Manager, which failure shall continue (i) for a period of five (5) Business Days after Manager receives notice from Owner in case of monetary defaults or (ii) for a period of twenty (20) Business Days after Manager receives notice from Owner in the case of non-monetary defaults, in each case, specifying the default; provided,

however, that if such non-monetary default cannot be cured within such twenty (20) Business Day period, then Manager shall be entitled to such additional time as shall be reasonable, provided the default is curable and Manager has promptly proceeded to commence cure of such non-monetary default within said period, and thereafter diligently prosecutes the cure to completion; provided, however, that in no event shall such additional time to cure non-monetary defaults exceed sixty (60) days;

- (e) a Change in Control of Manager to which Owner does not consent; or
- (f) a default by Manager which shall continue (i) for a period of five (5) Business Days after Manager receives notice from Owner in case of monetary defaults or (ii) for a period of twenty (20) Business Days after Manager receives notice from Owner in the case of non-monetary defaults, in each case, specifying the default; provided, however, that if such non-monetary default cannot be cured within such twenty (20) Business Day period, then Manager shall be entitled to such additional time as shall be reasonable, provided the default is curable and Manager has promptly proceeded to commence cure of such non-monetary default within said period, and thereafter diligently prosecutes the cure to completion; provided, however, that in no event shall such additional time to cure non-monetary defaults exceed sixty (60) days.

Section 13.02. Default by Owner. An Event of Default with respect to Owner shall occur in the event of any of the following:

- (a) the Bankruptcy of Owner;
- (b) the negligence, omission or misconduct of Owner with respect to its duties and obligations under this Agreement;
- (c) the permit(s), license(s) or certificate(s) required for use, operation or management of the Community are at any time suspended, terminated or revoked and not reinstated with the applicable appeal period, if any, for any reason due solely to the acts or omissions of Owner; or
- (g) Owner's failure to keep, observe or perform any material covenant, agreement, term or provision of this Agreement to be kept, observed or performed by Owner and such failure shall continue (x) for a period of five (5) Business Days after Owner receives notice from Manager in case of monetary defaults or (y) for a period of twenty (20) Business Days after Owner receives notice from Manager in the case of non-monetary defaults, in each case specifying the default; provided, however, if such non-monetary default cannot be cured within such twenty (20) Business Day period, then Owner shall be entitled to such additional time as shall be reasonable, provided the default is curable and Owner has promptly proceeded to commence cure of such non-monetary default within said period, and thereafter diligently prosecutes the cure to completion; provided, however, that in no event shall such additional time to cure non-monetary defaults exceed ninety (90) days.

Section 13.03. Remedies of Owner. Upon the occurrence of an Event of Default by Manager, Owner may terminate this Agreement immediately upon notice and shall be entitled to exercise any other rights at law or in equity.

Section 13.04. Remedies of Manager. Upon the occurrence of an Event of Default by Owner described in Section 13.02, Manager may terminate this Agreement on thirty (30) days' notice and shall be entitled to exercise any other rights at law or in equity.

Section 13.05. No Waiver of Default. The failure by Owner or Manager to insist upon the strict performance of any one of the terms or conditions of this Agreement or to exercise any right, remedy or election herein contained or permitted by law shall not constitute or be construed as a waiver or relinquishment for the future of such term, condition, right, remedy or election, but the same shall continue and remain in full force and effect. All rights and remedies that Owner or Manager may have at law, in equity or otherwise for any breach of any term or condition of this Agreement shall be distinct, separate and cumulative rights and remedies and no one of them, whether or not exercised by Owner or Manager, shall be deemed to be in exclusion of any right or remedy of Owner or Manager.

ARTICLE XIV GOVERNING LAW, LIABILITY OF MANAGER AND INDEMNITY

Section 14.01. Governing Law, Etc. This Agreement shall be interpreted, construed, applied and enforced in accordance with the laws of the State of New Jersey applicable to contracts between residents of the State of New Jersey which are to be performed entirely within the State of New Jersey, regardless of (i) where this Agreement is executed or delivered; (ii) where any payment or other performance required by this Agreement is made or required to be made; (iii) where any breach of any provision of this Agreement occurs, or any cause of action otherwise accrues; (iv) where any action or other proceeding is instituted or pending; (v) the nationality, citizenship, domicile, principal place of business, or jurisdiction of organization or domestication of any party; (vi) whether the laws of the forum jurisdiction otherwise would apply the laws of a jurisdiction other than the State of New Jersey; or (vii) any combination of the foregoing.

Section 14.02. Consent to Jurisdiction and Forum. This Section 14.02 is subject to, and shall not in any way limit the application of, Section 14.01; in case of any conflict between this Section 14.02 and Section 14.01, Section 14.01 shall govern. Notwithstanding anything to the contrary in Section 14.01, the exclusive jurisdiction and venue in any action brought by any party hereto pursuant to this Agreement shall lie in any federal or state court located in Somerset County, New Jersey. By execution and delivery of this Agreement, each party hereto irrevocably submits to the jurisdiction of such courts for itself and in respect of its property with respect to such action. The parties irrevocably agree that venue would be proper in such court, and hereby waive any objection that such court is an improper or inconvenient forum for the resolution of such action. The parties further agree and consent to the service of any process required by any such court by delivery of a copy thereof in accordance with Section 16.01 and that any such delivery shall constitute valid and lawful service of process against it, without necessity for service by any other means provided by statute or rule of court.

Section 14.03. Standard of Care. Manager shall discharge its duties in good faith, and agrees to exercise, with respect to all services provided by Manager under this Agreement, a standard of care, skill, prudence and diligence under the circumstances then existing no less than

the standard of care, skill, prudence or diligence utilized by Manager and its Affiliates and subsidiaries in the conduct of their respective businesses, and as is necessary to comply with all Legal Requirements.

Section 14.04. Indemnity. In any action, proceeding or claim brought or asserted by a third party, Manager will defend, indemnify and hold Owner (and any of its Affiliates, their respective directors, trustees, officers, shareholders, employees and agents) harmless from and against any claims, losses, expenses, costs, suits, actions, proceedings, demands or liabilities that are asserted against, or sustained or incurred by them because of Manager's breach of any term of this Agreement, or arising from Manager's failure to act or not act in accordance with Owner's reasonable instructions or arising from Manager's negligence, fraud, or willful misconduct, except to the extent caused by Owner's breach of any material term of this Agreement.

Owner will defend, indemnify, and hold Manager (and any of its Affiliates, their respective directors, trustees, officers, shareholders, employees and agents) harmless, from and against any and all claims, expenses, costs, suits, actions, proceedings, demands, or liabilities that are asserted against, or sustained or incurred by them as a result of Owner's breach of any material term of this Agreement, violation of Legal Requirements, or arising from Owner's negligence, fraud or willful misconduct, except to the extent caused by Manager's breach of any material term of this Agreement.

The scope of the foregoing indemnities includes any and all reasonable costs and expenses properly incurred in connection with any proceedings to defend any indemnified claim, or to enforce the indemnity, or both. Recovery upon an indemnity contained in this Agreement shall be reduced dollar-for-dollar by any applicable insurance collected by the indemnified party with respect to the claims covered by such indemnity. The parties' obligations under this Section 14.04 shall survive the termination of this Agreement for any reason.

Section 14.05. Limitation of Liability. To the maximum extent permitted by applicable law, no shareholder, member, officer, director, trustee, employee or agent of any party to this Agreement (and of any Affiliate of such party that is not a party to this Agreement) shall have any personal liability with respect to the liabilities or obligations of such party under this Agreement or any document executed by such party pursuant to this Agreement.

ARTICLE XV PROPRIETARY MARKS; INTELLECTUAL PROPERTY

Section 15.01. Ownership of Proprietary Marks. The term "Harrogate" (the "**Harrogate Mark**") shall remain the exclusive property of Owner until the Acquisition, and except as expressly set forth in this Agreement, nothing contained herein shall confer on Manager the right to use the Harrogate Mark for any purpose other than the management and operations of the Community until the Acquisition. The term "FellowshipLIFE" (the "**FL Mark**", and together with the Harrogate Mark, the "**Proprietary Marks**") shall at all times remain the exclusive property of Manager, and except as expressly set forth in this Agreement, nothing contained herein shall confer on Owner the right to use the FL Mark for any purpose other than as expressly permitted by this Agreement. Except as provided below in this Section 15.01, upon termination of this Agreement, any party's use of or right to use the Proprietary Marks of the other party shall cease forthwith, and the non-owning party shall promptly remove the other party's Proprietary Marks from all signs, contracts, marketing materials or other similar items that contain such Proprietary Marks.

ARTICLE XVI MISCELLANEOUS PROVISIONS

Section 16.01. Notices. All notices, demands, consents, approvals, and requests given by either party to the other hereunder shall be in writing and shall be deemed to have been duly given when delivered in person, upon confirmation of receipt when transmitted by facsimile transmission, or on the next business day if transmitted by nationally recognized overnight courier, to the parties at the following addresses:

MANAGER: FellowshipLIFE
8000 Fellowship Road
Basking Ridge, New Jersey 07920
Attn: Brian G. Lawrence, President & CEO

OWNER: Harrogate
400 Locust Street
Lakewood, NJ 08701
Attn: William Slivka, Chairman of the Board

or to such other address and to the attention of such other person as either party may from time to time designate in writing. Notices properly given as described above shall be effective upon receipt.

Section 16.02. Severability. If any term or provision of this Agreement or the application thereof in any circumstance is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired, unless the provisions held invalid, illegal or unenforceable shall substantially impair the benefits of the remaining provisions hereof

Section 16.03. Confidentiality of Business Information. Manager and Owner agree to keep confidential and not to use or to disclose to others, any of their respective secrets or confidential or proprietary information, customer lists, or trade secrets, or any matter or items relating to this Agreement, the management of the Community or their association with each other except (a) to their respective Affiliates, which may in turn disclose to any current or prospective lender of the Community, (b) to any rating agencies, lenders, stock analysts, accountants, lawyers and other like professionals, (c) as expressly consented to in writing by the other party, (d) as required by law or the rules of any national securities exchange or automated quotation system to which Owner or Manager, or any Affiliate of either, is or becomes subject, or (e) as required by law or the applicable regulators with respect to any (i) amendments to the Owner's existing Certificate of Authority and certified Annual Disclosure Statement disclosing the existence of this Agreement and the Asset Purchase Agreement or (ii) initial, renewal or other required application for licensure, Certificate of Authority, Medicare or Medicaid participation or other approval or certification of the Manager and Owner, as providers of continuing care, and the Community, as a continuing care retirement community.

Section 16.04. Confidentiality of Patient Information. The parties shall only use or disclose patient or resident information, including Protected Health Information (as such term is defined by

the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Subparts A and E of Part 164, as promulgated from time to time by the U.S. Department of Health and Human Services (the "Privacy Standards"), in compliance with the Privacy Standards and other applicable law. The parties shall further reasonably safeguard the confidentiality, integrity and availability of patient information, including Protected Health Information, as required by applicable law, including the Privacy Standards and the Security Standards (45 C.F.R. Part 160 and Subparts A and E of Part 164). In the event that patient information (including Protected Health Information) is disclosed by a party or its agents to the other party, its employees, contractors, subcontractors or agents, such other party agrees to take reasonable steps to maintain, and to require its employees, contractors, subcontractors and agents receiving such information to maintain, the privacy and confidentiality of such information consistent with applicable law. In connection with the execution of this Agreement and the provision by Manager of its services hereunder, the parties shall enter into a Business Associate Agreement to be prepared by Manager and in a form acceptable to both parties and executed simultaneously with execution of this Agreement.

Section 16.05. Assignment. Either party may assign this Agreement to any Affiliate upon advance notice to and receipt of approval by the other party and execution of an amendment to this Agreement signed by the Affiliate and Agreement parties, so long as the Agreement party continues to guaranty performance by its Affiliate of all of such party's obligations pursuant to this Agreement. No other assignment is permitted by either party without the consent of the other party.

Section 16.06. Entire Agreement/Amendment. With respect to the subject matter hereof, this Agreement supersedes all previous contracts and understandings between the parties on the matter of the management of the Community and constitutes the entire Agreement between the parties with respect to the subject matter hereof. This Agreement may not be modified, altered or amended in any manner except by an amendment in writing, duly executed by the parties hereto and any permitted assignees.

Section 16.07. Third-Party Beneficiaries. The terms and conditions of this Agreement shall inure to the benefit of, and be binding upon, the respective Affiliates, successors or permitted assigns of each of the parties hereto, and no Person other than the parties hereto and their successors and permitted assigns is intended to be a beneficiary of this Agreement.

Section 16.08. Survival. The following provisions shall survive termination or expiration of this Agreement: Sections 12.03, 13.03, 13.04 and 13.05, Article XIV and Article XVI.

Section 16.09. Relationship Between the Parties. The relationship between Owner and Manager pursuant to this Agreement shall not be one of general agency, but shall be that an independent contractor relationship, provided with respect to those specific and limited circumstances in which (a) Manager is holding funds for the account of Owner or expending funds of Owner including accessing Owner bank accounts or (b) Manager is required or authorized to act as authorized representative for Owner with respect to agreements with Residents, filings with and applications to Governmental Authorities or pursuant to licenses or Legal Requirements, the relationship between Owner and Manager shall be that of trustee and authorized representative (with limited agency), respectively. Until the closing of the Acquisition, and except as contemplated by any of the acquisition agreements, neither this Agreement nor any agreements, instruments, documents or transactions contemplated hereby shall in any respect be interpreted, deemed or construed as making Owner a partner or joint venturer with Manager or as creating any

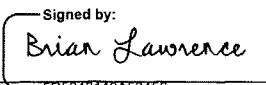
similar relationship or entity, and each party agrees that it will not make any contrary assertion, contention, claim or counterclaim in any action, suit or other legal proceeding involving the other.

[signature page to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal by their duly authorized officers, all as of the day and year first above written.

MANAGER:

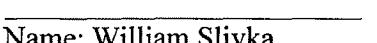
FELLOWSHIPLIFE, INC.
a New Jersey nonprofit corporation

By: 
Signed by:
Name: Brian G. Lawrence
Title: President & CEO

5D534314DA53456...

OWNER:

HARROGATE INCORPORATED
a New Jersey nonprofit corporation

By: 
Name: William Slivka
Title: Chairman of the Board

Certificate Of Completion

Envelope Id: 970E7E61-3ABC-4CA2-B1EB-D233924824B6
 Subject: Signature Packet - Harrogate/FL - APA and Management Agt
 Source Envelope:
 Document Pages: 2 Signatures: 4
 Certificate Pages: 4 Initials: 0
 AutoNav: Enabled
 Enveloped Stamping: Enabled
 Time Zone: (UTC-05:00) Eastern Time (US & Canada)

Status: Completed

Envelope Originator:
 Peter Kelly
 2001 Market Street
 Philadelphia, PA 19103
 PKelly@foxrothschild.com
 IP Address: 216.200.153.71

Record Tracking

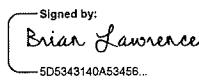
Status: Original
 8/22/2025 4:14:47 PM
 Holder: Peter Kelly
 PKelly@foxrothschild.com

Location: DocuSign

Signer Events

Brian Lawrence
 blawrence@fellowshiplifeinc.org
 President & CEO
 Security Level: Email, Account Authentication
 (None)

Signature

Signed by:

 5D5343140A53456...

Signature Adoption: Pre-selected Style
 Using IP Address: 174.197.65.155
 Signed using mobile

Timestamp

Sent: 8/22/2025 4:15:53 PM
 Viewed: 8/22/2025 4:19:40 PM
 Signed: 8/22/2025 4:20:12 PM

Electronic Record and Signature Disclosure:

Accepted: 8/22/2025 4:19:40 PM
 ID: 67299425-e6a4-48f4-9518-fd115023cdaa
 Company Name: Fox Rothschild LLP

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

Witness Events

Signature

Timestamp

Notary Events

Signature

Timestamp

Envelope Summary Events

Status

Timestamps

Envelope Sent
 Certified Delivered
 Signing Complete
 Completed

Hashed/Encrypted
 Security Checked
 Security Checked
 Security Checked

8/22/2025 4:15:54 PM
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Payment Events

Status

Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Fox Rothschild LLP ("we," "us," or the "Firm") may need to provide to you certain written notices, disclosures, authorizations, acknowledgments, agreements, or other transactional documents (collectively, "Documents"). Described below in this Electronic Record and Signature Disclosure ("Disclosure") are the terms and conditions for providing to you such Documents electronically through the DocuSign, Inc. ("DocuSign") electronic signing system, and for using your electronic signature in connection with those Documents rather than obtaining your handwritten signature. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

Documents will be sent to you electronically:

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all Documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any Documents, we prefer to provide these Documents to you by the same method and to the same address that you have given us. Thus, you can receive the Documents electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below.

To advise the Firm of your new e-mail address:

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By: _____

Name: Brian G. Lawrence
Title: President & CEO

OWNER:

HARROGATE INCORPORATED
a New Jersey nonprofit corporation

By: _____

Name: William Slivka
Title: Chairman of the Board

Signed by:

William J Slivka

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