

THE TEMPLE FOUNDATION, INC.

T/A THE VIRGINIAN  
9229 Arlington Boulevard  
Fairfax, Virginia 22031

DISCLOSURE STATEMENT

April 30, 2018

FILED  
Commonwealth of Virginia  
State Corporation Commission  
Bureau of Insurance  
*October 23, 2018*  
Commissioner of Insurance  
BY: *Nataliya I. Kaplan*

THIS DISCLOSURE STATEMENT, FILED WITH THE STATE CORPORATION COMMISSION, BUREAU OF INSURANCE, DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT OF THE FACILITY BY THE STATE CORPORATION COMMISSION.

## INDEX TO DISCLOSURE STATEMENT

<b>SECTION</b>	<b>Page Number</b>
1. Continuing Care Provider	1
2. Ownership of Property	2 - 3
3. Officers, Directors, Trustees, Managing and General Partners and Certain Persons Who Hold Equity or Beneficial Interests	4 - 5
4. Description of Business Experience of Provider	6 - 13
5. Affiliations with Religious and Charitable or Other Non-Profit Organization, Tax Status of Provider	14
6. Location and Description of Real Property	15
7. Services Provided Under Continuing Care Contracts	16
8. Fees Required of Residents	17 - 18
9. Provisions Made to Provide Reserve Funding to Enable Provider to Fully Perform Its Obligations	19 - 20
10. Certified Financial Statements	21
11. Pro Forma Income Statement for Current Year	22 - 23
12. Sources and Applications of Funds for Unopened Facility (Not Applicable)	24
13. Criteria for Admission of New Residents	25
14. Access to the Facility and Its Services to Non-Residents	26 - 27
15. Other Material Information	28
16. Procedure for Resident to File a Complaint or Disclose Concern	29 - 30
17. Commonwealth of Virginia Agencies for Resident Concerns	31

## INDEX TO DISCLOSURE STATEMENT, CONTINUED

### EXHIBITS

- A-1. **Single Resident Care Agreement for the  
“Declining Refund Life Care Plan” (Currently Suspended)**
- A-2. **Dual Residents Care Agreement for the  
“Declining Refund Life Care Plan” (Currently Suspended)**
- A-3. **Single Resident Monthly Care Plan Agreement  
for Independent Living**
- A-4. **Dual Residents Monthly Care Plan Agreement  
for Independent Living**
- A-5. **Single Resident Monthly Care Plan Agreement  
for Assisted Living**
- A-6. **Dual Residents Monthly Care Plan Agreement  
for Assisted Living”**
- A-7. **Single Resident Monthly Care Agreement for  
Enhanced Assisted Living**
- A-8. **Dual Residents Monthly Care Agreement for  
Enhanced Assisted Living**
- A-9. **Medicare Admissions Agreement**
- A-10a. **The Health Care Center Direct Admissions Agreement**
- A-10b. **Health Care Center Addendum To Current Monthly Resident Agreement**
- A-11. **Nursing and Rehabilitative Center Respite Agreement**
- A-12. **Shenandoah Memory Unit Addendum For Assisted Living**
- B-1. **Independent Living Medical Supply and Additional Services Fees (Effective May 1.  
2018)**
- B-2. **Enhanced Assisted Living Medical Supply and Additional Services Fees (Effective  
May 1. 2018)**
- B-3. **Assisted Living Medical Supply and Additional Services Fees (Effective May 1.  
2018)**

## INDEX TO DISCLOSURE STATEMENT, CONTINUED

### EXHIBITS

- B-4. Partners In Care Service Fees (Effective May 1, 2018)**
- B-5. Health Care Center Service Fees (effective May 1, 2018)**
- B-6. Shenandoah Memory Unit Assisted Living Center Service Fees (Effective May 1, 2018)**
- C-1. Engineering Price List and Fees (Effective May 1, 2018)**
- C-2. Housekeeping Service Fees (Effective May 1, 2018)**
- D. Le Salon Beauty Shop Service Fees (Effective May 1, 2018)**
- E-1. Dining Service and Guest Accommodation Fees and Special Function / Catering Prices (Effective May 1, 2018)**
- E-2. Miscellaneous Service Fees (Effective May 1, 2018)**
- E-3. Personal Exercise Program Service Fees and Billing Agreement (Effective May 1, 2018)**
- F. Transportation Service Fees (Effective May 1, 2018)**
- G. Monthly Care Plan Independent Living Center Fees, Assisted Living and Health Care Center Fees (Effective May 1, 2018)**
- H. Monthly Maintenance and Entrance Fees Under Life Care Contracts (Effective May 1, 2018)**
- I. Policies and Procedures for Admission to the Independent Living and Assisted Living Centers in the Home for Adults**
- J-1. Five Year History of Monthly Maintenance Fee Increases Through May 1, 2018**
- K-1. Summary Financial Information 2017-2016**
- K-2. Current Year's Financial Statements as of and for the Year Ending December 31, 2017**
- K-3. Prior Year's Financial Statements as of and for the Year Ending December 31, 2016**
- L. Pro Forma Income Statement for the Year Ending December 31, 2018**
- M. Demographic Information of the Temple Foundation Inc.**

## DISCLOSURE STATEMENT

### 1. CONTINUING CARE PROVIDER

**The Temple Foundation, Inc.  
Trading as:  
The Virginian  
9229 Arlington Boulevard  
Fairfax, Virginia 22031  
Telephone: (703) 385-0555**

**The Temple Foundation, Inc. (Foundation) is a non-profit, non-stock corporation chartered by the Commonwealth of Virginia on March 3, 1965. The Foundation is the continuing care provider at The Virginian in Fairfax, Virginia. The facility is a complete retirement home with a health care center.**

**2. OWNERSHIP OF PROPERTY**

**The Virginian is owned by:  
Thompson Associates  
A Virginia General Partnership  
Post Office Box 919  
Middleburg, Virginia 20118-0919  
Telephone: (540) 592-3384**

**The Virginian is leased to:**

**The Temple Foundation, Inc.  
9229 Arlington Boulevard  
Fairfax, Virginia 22031  
Telephone: (703) 385-0555**

**Original Lease Dates:**

**Phase I - April 6, 1978, amended through February 8, 2019  
Phase II - June 28, 1985, amended through February 8, 2019  
Phase III - June 15, 1988, amended through February 8, 2019**

**Lease Termination Dates:**

**Phase I - April 5, 2028  
Phase II - May 31, 2019  
Phase III – May 31, 2019**

**There are no provisions for renewal thereafter. There is no option to purchase. The landlord may only terminate the leases in the event of default by the Foundation. The primary causes for default are failure to pay the rental payments as provided for in the leases, failure to maintain the premises in good repair and condition and failure to operate the home in the manner for which it is licensed. See Note 14 to the 2017 Financial Statements, Exhibit K-1.**

**Facility: The facility is situated on thirty-two and seven tenths (32.7) acres with a seven (7) story building operating as a continuing care retirement facility. The facility has approximately one hundred and thirty-six (136) one (1) and two (2) bedroom apartments for independent living, one**

**hundred sixteen (116) studio, one (1) and two (2) bedroom apartment units for assisted living, eighty-five (85) Health Care Center beds and various other accessory areas. The facility is licensed for one hundred (100) Health Care Center beds and can be configured for the use of the maximum number of beds on an as needed basis.**

**3. OFFICERS, DIRECTORS, TRUSTEES, MANAGING AND GENERAL PARTNERS, AND CERTAIN PERSONS WHO HOLD EQUITY OR BENEFICIAL INTEREST**

**THE OFFICERS AND BOARD OF DIRECTORS AS OF April 30, 2013:**

**CHAIRMAN AND DIRECTOR**  
Charles H. (Buzz) Smith  
C/O The Virginian  
9229 Arlington Boulevard  
Fairfax, Virginia 22031

**VICE CHAIRMAN AND DIRECTOR**  
Thomas L. Regnell  
C/O The Virginian  
9229 Arlington Boulevard  
Fairfax, Virginia 22031

**PRESIDENT, CEO AND ASSISTANT TREASURER**  
Mark W. Ridgely  
511 Red Bluff Court  
Millersville, Maryland 21108

**TREASURER, SECRETARY AND DIRECTOR**  
Mary Lewis Hix  
C/O The Virginian  
9229 Arlington Boulevard  
Fairfax, Virginia 22031

**DIRECTOR**  
Kathleen S. Anderson  
C/O The Virginian  
9229 Arlington Boulevard  
Fairfax, Virginia 22031

**ASSISTANT SECRETARY**  
Priscilla Kneisley LNHA  
2307 North Upton Street  
Arlington, Virginia 22207

**DIRECTOR**  
Donald R. Calloway, Jr.  
C/O The Virginian  
9229 Arlington Boulevard  
Fairfax, Virginia 22031

The members of the Board of Directors, other than Mr. Ridgely and Ms. Kneisley, are volunteer officials and serve without any remuneration or benefits. Mr. Ridgely is currently the Chief Executive Officer of the Foundation. He is a full-time employee of the Foundation and is responsible for the day-to-day operating management of the Virginian facility. Ms. Kneisley is currently the Licensed Nursing Home Administrator for the Foundation and is responsible for the day-to-day operations of the Independent, Assisted Living and Nursing levels of care at the Foundation's facility, the Virginian. The members of the Board are also the members of the Foundation, a non-stock corporation, and none hold any equity or beneficial interest in the provider. No member of the Board of Directors holds any equity or beneficial interest in The Temple Foundation, Inc. as the provider.



**4. DESCRIPTION OF BUSINESS EXPERIENCE OF PROVIDER AND MANAGEMENT OF PROVIDER IN OPERATION OF SIMILAR FACILITIES. ENTITIES IN WHICH OFFICERS OR DIRECTORS HOLD TEN PERCENT (10%) OR GREATER INTEREST AND PROVIDE GOODS, LEASES OR SERVICES TO PROVIDER OF A VALUE OF \$500 OR MORE WITHIN ANY YEAR. DESCRIPTION OF LEGAL MATTERS REGARDING PROVIDER AND MANAGEMENT OF PROVIDER.**

**A. Description of Business Experience of the Provider and Management of the Provider:**

The Temple Foundation, Inc., as provider, owned and operated The Washington House, a continuing care facility in Alexandria, Virginia, from June 1972 through January 1991, and has leased and operated The Virginian, a continuing care facility in Fairfax, Virginia, since 1980.

All officers and directors of the Foundation have had a wide range of experience in administration, management and business.

Charles H. (Buzz) Smith, Chairman of the Board of Directors of the Temple Foundation, is president of Blue Ridge Advisors LLC, a private equity advisory firm. He formerly was chief executive officer of Potomac Partners, Inc, a local real estate development firm. In 1998, upon the sale of that company, Mr. Smith became executive vice president of West\*Group, a Northern Virginia development company. He subsequently left West\*Group to form Blue Ridge Advisors.

For more than 25 years, Mr. Smith has been a Trustee of the Goodwin House Incorporated, a charitable corporation developing and operating life-care facilities for the aging. He is a former Director of the Goodwin House

Foundation. Mr. Smith is currently a member of the Goodwin House Advisory Building Committee and led the most recent \$220 million in expansion projects completed by the Goodwin House.

Mr. Smith is a member of the Board of Trustees of the Inova Health System and serves as Chairman of the Inova Health Care Services Board, which focuses on patient safety and quality of care. Prior to its merger into the Inova system, Mr. Smith was a long serving Trustee of Alexandria Hospital and was formerly the Chair of its parent, the Alexandria Health Service Corporation, He also served as Chair of the Mount Vernon Hospital Quality Board.

Mr. Smith has been a member and vice chairman of the Industrial Development Authority for the City of Alexandria and a director on the Board of the Alexandria Economic Development Partnership. He is a former member of the Budget and Fiscal Affairs Advisory Committee for the City of Alexandria. Mr. Smith was a founding director of the Bank of Alexandria, now part of B B & T Bank, and served as a director on the Alexandria Economic Development and Tourism Board and the Alexandria Chamber of Commerce. He is a former member of the Business Advisory Council of the University of Virginia Law School where he earned his law degree.

Thomas L. Regnell, Vice Chairman of the Board of Directors of the Temple Foundation, is President and Chief Executive Officer of the Land Company. He oversees new development and the company's two-million square feet of commercial and residential properties. Mr. Regnell has more than 30 years of experience in real estate management and development. Prior to joining the Land Company he was Senior Vice President and Managing Director of the office division at Washington Real Estate Investment Trust (WRIT), an

investment officer with Federal Realty Investment Trust and a Vice President of Spaulding & Slye Company. Mr. Regnell received his B.A. from George Washington University, his M.B.A. from the University of North Carolina at Chapel Hill and completed the Advanced Management Development Program in Real Estate at Harvard University.

Mr. Regnell is a Trustee of the Goodwin House Incorporated, a Trustee of the Urban Land Institute, a member of the National Association of Real Estate Investment Trusts (NAREIT), the International Council of Shopping Centers (ICSC) and the National Association of Office and Industrial Parks (NAIOP) where he is a corporate director and a Life Director of Northern Virginia NAIOP. He is a member of the Advisory Board of the Kenan-Flagler Business School's Center for Real Estate Development.

Mary Lewis Hix, Treasurer and Secretary of the Temple Foundation and Director, received her B. A. from Mary Baldwin College and her M.B.A. from George Mason University. She has extensive experience in managing budgeting, reporting, audit, cash management, internal controls, investment holdings, endowment accounting, human resources, payables and receivables for several faith-based organizations including the Virginia Theological Seminary, Alexandria, Virginia where she was employed in various financial positions for 19 years including as its Business Manager and Controller. She is currently on the Finance Faculty of the CREDO Institute where she serves as a faculty member teaching parish administration and leadership courses and cross-cultural colloquy and an active financial advisor and consultant to various religiously affiliated parishes and clergy.

Ms. Hix is currently a board member of the Grace Episcopal Day School, Alexandria, Virginia, a Director for Housing for HIV/Aids, a non-profit organization providing testing and treatment for low-income homeowners in South Africa, a Finance Committee member for Campagna Center, an organization that provides Head Start and other programs for children and at-risk adults, a Volunteer meal Coordinator for Carpenter's Shelter in Alexandria, Virginia, a Vestry member, Sunday School Teacher, Lay Eucharistic Minister and Capital Campaign Chairwoman for Grace Episcopal Church, Alexandria, Virginia. She is the active Treasurer and a member of the Board of Trustees for Goodwin House Incorporated, a continuing care Retirement Community in Alexandria, Virginia.

Kathleen S. Anderson, Director of the Temple Foundation, is the current President and CEO of Goodwin House Incorporated, a continuing care Retirement Community in Alexandria, Virginia.

Ms. Anderson is a frequent speaker in the field of nonprofit aging services and governance and has given presentations for various regional and national groups. She has assisted several nonprofit boards of directors with strategic planning and governance excellence initiatives. Prior to joining Goodwin House, she was the President and CEO of Baptist Homes of Western Pennsylvania. Ms. Anderson received a Bachelor of Arts degree in education from Westminster College (PA) and a Masters degree in education from Duquesne University, Pittsburgh, Pennsylvania.

Ms. Anderson served on the national Leading Age/American Seniors Housing Association GAO CCRC Task Force, was a member of the Board of Directors and Executive Committee of the national association, Leading Age (formerly AAHSA), and served on its Ethics Commission, Governance Committee and

Nominations and Awards Committee. She has been a member of the Inova hospital system Health Care Services Board of Trustees and chaired the Quality Committee of Inova Fair Oaks Hospital. Ms. Anderson is a former Chair of the Pennsylvania Association of Nonprofit Homes for the Aging, former Vice Chair of the national American Baptist Homes and Hospitals Association and a member of the Alderson Broaddus College Board of Trustees. Ms. Anderson has served on the Leading Age Virginia Strategic Planning Committee and was a coach with the national Leading Age Academy.

Donald R. (Chip) Calloway, Jr. , Director of the Temple Foundation, is a graduate of the University of North Carolina and was the founder and operator of a successful construction / development firm in the Washington D. C. area for over 30 years. Prior to its sale in 2009, the firm specialized in the construction and development of commercial tenant space in retail facilities, office buildings and high security clearance project facilities in the Mid-Atlantic region. Prior to its sale in 2012 Mr. Calloway was also involved as an early franchisee of Five Guys Burgers and Fries. His development territory was Northeast Florida.

Mr. Calloway founded and currently serves as Chairman of the Board and Managing Director of a real estate holding company formed in 2006 to purchase land, vineyards and wineries in Argentina through an Argentine Corporation. The wineries sell wine in Argentina and export to three countries in South America, the United States and nine other global countries including China.

Mr. Calloway has been a member of the Goodwin House Inc. or Goodwin House Foundation Boards since 2003. He was one of three Trustees tasked with planning, development and construction of new and renovated facilities

of Goodwin House Bailey's Crossroads and is a past Chairman of the Governance Committee. He is currently the Chairman of Goodwin House Inc. and serves on the GHA Positioning Committee and Chairs the Resurrection Task Force Committee.

Mr. Calloway served as Board Chairman for St. Coletta Schools of Greater Washington and was involved with all process negotiations with the District of Columbia including land acquisition, planning, zoning development, financing and construction of a new school in the District of Columbia that serves over 300 special needs children.

Mark W. Ridgely, President and Assistant Treasurer and Chief Executive Officer of the Temple Foundation, is a graduate of the Merrick School of Business at the University of Baltimore. He holds a Bachelor of Science Degree in Accounting. From 1971 to 1999 Mr. Ridgely was employed by Tuerkes-Beckers Inc., a multi-state chain of forty retail stores which is no longer operating. During that time he held the positions of Assistant Controller, Controller and Secretary-Treasurer of the Corporation. In January 2000 he became the Director of Accounting for the Foundation and was responsible for the financial operations of the Foundation and the Virginian.

Priscilla Kneisley, Assistant Secretary of the Temple Foundation, received her Bachelor's of Arts Degree in Biology from Mary Baldwin College and subsequently taught high school biology and eighth grade science. After leaving the teaching profession she was employed by the Arlington Hospital, now the Virginia Hospital Center, for several years as a patient representative. She became a Licensed

**Nursing Home Administrator (LNHA) while employed at the Medical Facilities of America where she worked in various capacities for nine years before joining the Foundation. Ms. Kneisley has been the Licensed Administrator at the Foundation's facility, the Virginian, continuously since 1996. She is an active member in The Virginia Association of Non-Profit Homes for the Aging.**

- B. Entities in which Officers or Directors Hold Ten Percent (10%) or Greater Interest and Provide Goods, Leases, or Services to Provider of a Value of \$500 or More Within Any Year:**

**No current Officer or Director of The Temple Foundation has a ten percent (10%) or greater equity interest in any professional service firm, association, foundation, trust, partnership, corporation or any other business entity which is presently providing or intending to provide goods, leases or services to the provider of a value of \$500 or more within any year.**

- C. Description of Legal Matters Regarding Provider and Management of Provider:**

**Neither the Foundation nor any Officer or Member of the Board of Directors of the Foundation:**

- 1. Has been convicted of a felony or pleaded nolo contendere to a criminal charge, or been held liable or enjoined in a civil action by final judgment, if the crime or civil action involved fraud,**

**embezzlement, fraudulent conversion, misappropriation of property or moral turpitude; or**

- 2. Is subject to an injunctive or restrictive order of a court of record. Had any state or federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, arising out of or relating to business activities or providing health care services within the past five (5) years. Had any state or federal license or permit suspended or revoked as a result of actions affecting a license to operate a foster care facility, nursing home, retirement home, home for the aged or facility registered under this chapter or similar laws in another state; or**
- 3. Is currently the subject of any state or federal prosecution or administrative investigation involving allegations of fraud, embezzlement, fraudulent conversion, misappropriation of property or moral turpitude.**



**5. AFFILIATIONS WITH RELIGIOUS, CHARITABLE OR OTHER NON-PROFIT ORGANIZATION: TAX STATUS OF PROVIDER**

- A. The Foundation is an independent non-profit organization that is not affiliated with another religious or charitable organization. The Foundation's Board of Directors are all Trustees of Goodwin House Incorporated, a charitable corporation developing and operating life-care facilities for the aging in the Northern Virginia area.**
- B. The Foundation is a non-profit, tax-exempt corporation, exempt pursuant to provisions under Internal Revenue Code Section 501(c)(3) and is not required to pay income tax.**

**6. LOCATION AND DESCRIPTION OF REAL PROPERTY**

**Location of Property:**

**The Virginian  
9229 Arlington Boulevard  
Fairfax, Virginia 22031**

**Description of Property:**

The property consists of thirty-two and seven tenth (32.7) landscaped and wooded acres with a seven-floor continuing care facility. The facility contains approximately one hundred and thirty-six (136) one (1) and two (2) bedroom apartments for independent living, one hundred sixteen (116) studio one (1) and two (2) bedroom apartment units for assisted living, and a ninety (85) bed Health Care Center that is licensed for one hundred (100) Health Care Center beds and can be configured for the use of the maximum number of beds on an as needed basis. Also included are a medical clinic, a physical therapy room, a beauty shop, library, arts and crafts room and game rooms. The facility has an assembly room seating two hundred sixty-nine (269) people, a large dining room seating three hundred fifty (350) people and a kitchen equipped to serve upward to four hundred fifty (450) people. Additional space is set aside for a laundry room, chapel, business offices, maintenance offices, work shop and storage areas for resident use. Each residential floor is equipped with a large lounge or party room and two (2) resident laundry rooms. The facility has been in operation since December 15, 1980.

**7. SERVICES PROVIDED UNDER CONTINUING CARE CONTRACTS**

Sections 1 and 2 of the Residence and Care Agreements (See Exhibit A) list services provided under the basic contracts, including the extent to which medical care is furnished or is available. The following attachments (Exhibits B through G) address the many services made available at extra cost to the residents:

- Exhibit B - Additional Health Care & Personal Care Service Fees**
- Exhibit C - Engineering & Housekeeping Service Fees**
- Exhibit D - Beauty Shop Fees**
  
- Exhibit E - Food Services, Guest Accommodation Fees and Program Activities and Trip Services Fees**
- Exhibit F - Transportation Fees**

The fees in Exhibits B through F are basically cost to the provider, plus a small percentage. Hence, they may vary up or down depending on the cost to Foundation.

**8. FEES REQUIRED OF RESIDENTS**

Individuals applying for admission to the Virginian facility operated by the Foundation submit an application and pay a non-refundable fee of \$250 per individual (\$500 per couple).

For a description of all fees required of residents, including entrance fee and monthly maintenance charges, see copy of schedule of Entrance and Monthly Care Fees, Exhibits G, H, J-1, and Exhibits B through F, and Section 2.0, Section 4.0 and Section 18.0 of the Residence and Care Agreements, Exhibit A.

**A. Proposed use of funds prior to resident's occupancy of the facility:**

Upon approval of an Applicant, a \$1,000 apartment holding deposit is required for a specific unit. These funds are placed in a deposit account until the resident moves into the facility. If a prospective resident does not move into the facility, the deposit is refunded in full. Any earnings on such deposits inure to the benefit of the Foundation.

**B. Proposed use of entrance fees and whether provisions exist for the escrowing and/or return of any such funds, and the manner and/or conditions of return:**

The entrance fee must be paid prior to the resident entering the facility. The total entrance fee is recorded as Deferred Income-Entrance Fees and is transferred to United Brokerage Services, Inc. for investment management purposes. If permitted by the terms of the resident's contract, these funds, together with monthly fees, interest earnings and special charges, are used to offset the cost of care and housing. Section 3 of Exhibit A addresses the Entrance Fee refund policy.

In accordance with Section 38.1-959.1 G of the Code of Virginia, since the initial deposit is not in excess of \$1,000 per person, no provision exists for escrowing such deposits.

- C. Manner by which the provider may adjust periodic charges or other recurring fees and any limitations on such adjustments:

The Board of Directors, in its sole and absolute discretion, may change the schedule of Entrance Fees for new entrants at any time. Section 2, Exhibit A, addresses the monthly fee and other charges. Basically, the Board of Directors may, with 30 days notice to the residents, increase the amount of the monthly fees once each year and increase the amount of Special Charges from time to time as it deems necessary. It is the policy of the Board of Directors to establish the above fees consistent with providing the best possible care and housing for its residents consistent with sound fiscal policy. If a resident or residents wish to transfer from one type of apartment unit to another and such transfer is approved, the Monthly Care Fee is adjusted to the published rate then in effect for that residence unit. Any adjustment of Entrance Fees would be considered on an individual case-by-case basis and would be at the sole discretion of the Foundation.

- D. For a table showing frequency and average dollar amount of each increase for the previous five (5) years by the Foundation at the Virginian facility see Exhibit J-1.

**9. PROVISIONS MADE TO PROVIDE RESERVE FUNDING TO ENABLE PROVIDER TO FULLY PERFORM ITS OBLIGATIONS UNDER CONTINUING CARE CONTRACTS**

Entrance fee charges for continuing care contracts for individual accommodations are calculated annually and revised as necessary to fund the net present value of services to be provided under a resident life care contract. The net present value is determined by estimating the cost of annual services to be provided over the life expectancy of an average resident (including health care costs, rent expense, and anticipated capital improvements) less the estimated periodic charges to be received annually during the period of care. The annual net costs are then discounted by an estimated interest earnings factor to yield the net present value of future care services by selected accommodation. The Foundation has suspended and is not currently offering a Continuing Care Life Care Plan Contract that requires the payment of a large up front Entrance Fee. Entrance fees received on continuing care life care contracts from residents upon entering the facilities were credited to deferred income. Amortization of the fees is computed using the life expectancies of and actual fees paid by the individual residents. Life expectancies are derived from actuarially determined tables of life expectancies. Adjustments to the life expectancy data are made for the existence of joint survivor contracts and also for the anticipated longer life expectancies of the residents.

Entrance fee deposits for monthly care plan contracts for individual accommodations are credited to refundable deposits and repaid when the resident leaves the facility.

The cash collected from entrance fees received has been or is currently being deposited with United Brokerage Services, Inc. for their management to fund the working capital required by the Foundation in performing its obligations under the continuing care and monthly care contracts with the individual residents. These funds are invested in investment grade securities such as U.S. Government securities and short-term certificates of deposit. The Board of Directors of the Foundation makes the final decision for these investments, as no single individual has this authority. The Residents' Council is furnished a list of these investments and their yields at least quarterly.

The reserves noted above, together with monthly fees and special charges, provide the basis for covering the cost of care for the residents. For a table showing frequency and average dollar amounts of each increase in periodic rates, see Exhibit J-1.

**10. CERTIFIED FINANCIAL STATEMENTS**

**Certified financial statements for the Foundation for the two (2) most recent fiscal years are attached as Exhibits K-1 and K-2.**



**11. PRO FORMA INCOME STATEMENT FOR THE CURRENT YEAR**

**A. Pro forma income statement for the twelve month fiscal period ending December 31, 2018**

A copy of the pro forma income statement for the twelve month fiscal period ending December 31, 2018 is attached as Exhibit L. The amounts reflected for maintenance fees and health care center fees have been developed using estimates of current and anticipated occupancy multiplied by the rates in effect at December 31, 2017 as revised on May 1, 2018.

The amounts included for salary and payroll expense were calculated using current and estimated future employment and salary rates paid or to be paid by the Foundation.

Entrance fees reflected as earned in the pro forma statement have been estimated and computed using the life expectancies of and actual fees paid by the individual residents. Life expectancies were derived from actuarially determined tables of life expectancies. Adjustments to the life expectancy data were made for the existence of joint survivor contracts and also for the anticipated longer life expectancies of the residents as compared to the population at large. The approximate average life expectancy of all life care residents at December 31, 2017 was 4 years.

The pro forma estimate of entrance fees earned does not include a provision for estimated fees that may be earned during fiscal 2018 due to deaths and withdrawals within the resident population.

The pro forma statement includes depreciation on all additions or improvements to the leased Virginian facility over their expected useful lives as follows:

<b>Building Improvements</b>	<b>Estimated Useful Life of the Improvement</b>
<b>Furniture, Fixtures and Equipment</b>	<b>Ten (10) years</b>
<b>Leasehold Improvements</b>	<b>Lesser of the Useful Lives or Remaining Related Lease Term</b>

The amount of depreciation and amortization included in the pro forma statement amount for facility costs was \$1,576,000.

- B. Material differences (deviations greater than ten percent (10%) from the pro forma estimated amounts) between actual results of operations for the year ended December 31, 2017 and the pro forma estimate used for the year:**

Total revenues for the year ending December 31, 2017 were \$113,640 (0.37%) less than the pro forma estimate. There were no significant decreases in the categories of line item income which accounted for any specific decrease in total income when compared to the pro forma estimate. Certain line item income increases and decreases arose from reclassifications of budgeted line items between various departments, Total expenses increased \$158,339 (0.53%) from the Pro Forma estimate. Certain line item expense increases and decreases merely arose from reclassifications of like kind budgeted line items within various departments.

**12. SOURCE AND APPLICATION OF FUNDS FOR UNOPENED FACILITY**

**The facilities owned or leased by the Foundation are currently in operation; therefore, this section is not applicable.**

**13. CRITERIA FOR ADMISSION OF NEW RESIDENTS**

**The Foundation is committed to the service of individuals 65 years or older who:**

- A. Wish to preserve their independence and personal dignity as long as possible.**
- B. Desire to have health care available to them at a reasonable cost, if needed.**
- C. Wish to live in a safe and secure atmosphere with opportunities for active relationships with their peers on a daily basis. New life care residents to The Virginian must be capable of independent living. This is defined as being physically and mentally capable of performing routine activities of daily living and the ability to respond appropriately to emergency situations. In addition, the applicant must demonstrate that he/she has sufficient financial resources to provide the funds for meeting the costs of entrance fees, monthly maintenance fees, special charges, and personal expenses for his/her life expectancy.**

**Attached are copies of the Foundation's "Admission to the Home for Adults Policy" (see Exhibit I).**

**14. ACCESS TO THE FACILITY AND ITS SERVICES FOR NON-RESIDENTS**

**A. General Access:**

Currently, the Foundation accepts qualified residents on a space available basis into the adult apartment home or assisted living units under various monthly care contract plans at its facility, The Virginian. The monthly care plan does not entitle the individual to life care or health care services. An individual is charged a monthly occupancy fee that varies depending on the type of apartment accommodation chosen. For a table of the rates charged for each type of plan and accommodation, see Exhibits G, H and J-1. Services and accommodations provided under the monthly plan may be terminated by the resident at any time upon giving thirty (30) days written notice to the Foundation. The Foundation may terminate the monthly care agreement at any time with cause or upon giving thirty (30) days written notice to the Resident.

Three (3) guest apartments are provided in the home for the benefit of residents who wish to receive overnight guests on a one- (1) or two- (2) day visiting basis. They are assigned on a first come, first serve basis. Residents may also entertain guests for meals in the main dining room of the home. Adequate space is available to accommodate this privilege. Exhibit E enumerates the various fees charged for services provided to non-residents. Residents may entertain guests in their apartment overnight or for a visit.

**B. Health Care Center:**

The Foundation accepts a limited number of outside patients in the Health Care Center. Outside patients are charged the monthly health care rates set forth in Exhibits H and J-1, "Monthly Care Plan." The

**number admitted is strictly controlled and is based on the availability of rooms with residents receiving priority on space for their care in the Health Care Center. A reserve of vacant rooms is always left open for resident care.**

**15. OTHER MATERIAL INFORMATION**  
**NOT APPLICABLE**

**16. PROCEDURE FOR RESIDENT TO FILE A COMPLAINT OR DISCLOSE CONCERN**

The Foundation's administration and staff are dedicated to making the residents at its facility, The Virginian, comfortable, secure and satisfied in the community. Occasionally, something may occur that may cause a resident some distress. The Foundation encourages residents and their families and other interested parties to make concerns known to the Foundation so those problems can be effectively resolved. The following is a brief grievance procedure to assist a resident in voicing his or her concern.

- A. A complaint regarding housekeeping or maintenance needs may be first communicated to the Director of Housekeeping Services or Director of Maintenance Services.
- B. A complaint regarding the Health Care Center or any medical needs may be communicated to the Director of Nursing Services.
- C. A concern of social or personal nature may be communicated to the Director of Social Services.
- D. A question or concern regarding the monthly fee invoices may be communicated to the Business Office.
- E. A question or concern regarding any of the activities or programs may be directed to the Director of Activities.
- F. A concern regarding any aspect of food services may be directed to the Director of Food Services.

The Foundation encourages open lines of communication with Department Directors, so that complaints may be quickly and satisfactorily resolved.



**For any grievance, including those listed above, you are always invited and welcome to share your concerns with the Administration. Administration will make every effort to investigate the problem and offer a solution.**

**17. COMMONWEALTH OF VIRGINIA AGENCIES FOR RESIDENT CONCERNS**

**The Department of Social Services licenses the Home for Adults and the Department of Health licenses the Health Care Center facilities operated by the Foundation at the Virginian.**

**The following agencies are available for questions or unresolved issues:**

**Area Agency on Aging  
Regional Ombudsman Director  
Suite 720  
12011 Government Center Parkway  
Fairfax, Virginia 22035-1104  
(703) 324-5411**

**Department of Social Services  
Regional Licensing Supervisor  
Suite 23  
320 Hospital Drive  
Warrenton, Virginia 22186  
(703) 347-6345**

**Department of Health  
1013 Madison Building  
109 Governor Street  
Richmond, Virginia 23219  
(804) 786-2081**

**EXHIBIT**

**A-1 Single Resident Care Agreement for the “Declining Refund Life Care Retirement Plan” Effective May 1, 2018**

**THE TEMPLE FOUNDATION, INC.**

**t/a THE VIRGINIAN**

**9229 ARLINGTON BOULEVARD  
FAIRFAX, VIRGINIA 22031-2504**

**DECLINING REFUND  
LIFE CARE RETIREMENT PLAN**

**SINGLE RESIDENCE AND CARE AGREEMENT**

**THE TEMPLE FOUNDATION, INC.**

**t/a THE VIRGINIAN**

**9229 ARLINGTON BOULEVARD**

**FAIRFAX, VIRGINIA 22031-2504**

**DECLINING REFUND**

**LIFE CARE RETIREMENT PLAN**

**SINGLE RESIDENCE AND CARE AGREEMENT**

This Agreement is made and entered into this \_\_\_\_ - 20\_\_ by and between the **THE TEMPLE FOUNDATION, INC.** a Virginia non-stock corporation t/a The Virginian ("The Virginian") and \_\_\_\_\_ ("Resident"). This Agreement shall be deemed effective \_\_\_\_\_, 20\_\_ (date the Resident takes possession of Apartment as defined herein) and shall terminate upon the death of the Resident or earlier as provided for in this Agreement. There shall be a minimum period of ten (10) days between the date of execution, above and the effective date (the "Rescission Period") to allow the Resident the right to rescind the Agreement in accordance with The Virginian policy. This Agreement shall be rescinded if the Resident elects in writing to rescind during the Rescission Period. The Resident, whose date of birth is \_\_\_\_\_, \_\_\_\_\_ has applied for and been accepted as a resident of the facility operated by The Virginian subject to the terms and conditions of this Agreement. **THE RESIDENT ACKNOWLEDGES RECEIPT OF THE DISCLOSURE STATEMENT REQUIRED PURSUANT TO VIRGINIA CODE §38.2-4902 AT LEAST THREE (3) DAYS PRIOR TO THE EARLIER OF (i) THE DATE THAT THE RESIDENT SIGNED THIS AGREEMENT OR (ii) THE DATE THAT THEY TRANSFERRED ANY MONEY OR PROPERTY TO THE VIRGINIAN.**

**1.0 CARE AND SERVICES.** The Virginian shall make the following facilities care and services available to the Resident:

**1.1. Residential Living Facility ("RLF")** The Virginian shall provide the Resident with unfurnished Apartment Number \_\_\_\_\_ with wall-to-wall carpeting in the Residential Living Facility ("RLF") at The Virginian (the "Apartment"). The Resident shall furnish such Apartment, including window coverings, in accordance with The Virginian policy. The Resident shall have access to the common areas of The Virginian, including its outdoor and indoor social and recreational facilities, subject to reasonable rules and regulations established by The Virginian from time to time.

**1.2 Assisted Living Center ("ALC")** The Virginian maintains an Assisted Living Center ("ALC"), which provides assisted living. The Resident may transfer or be

transferred to the Assisted Living Center on a temporary or permanent basis as provided in this Agreement. For residents of the ALC the Monthly Fee shall include:

- (a) Assistance with biweekly showering or bathing, daily dressing or grooming, and other personal hygiene needs,
- (b) a monitored service plan developed by The Virginian's interdisciplinary team, including ongoing monitoring of health and nursing conditions, care conferences with Resident upon request, quarterly nursing review performed by nurses and pharmacy consultants;
- (c) Provision of an emergency response system that can be activated by Resident to summon a nurse on duty at all times,
- (d) Assistance with making medical and dental appointments when requested by the Resident or Resident's family members,
- (e) Access to an on duty nurse available to answer health care questions, contact physicians and arrange resident's transfer to the hospital, the HCC or to another facility.

**1.3 Health Care Center ("HCC")** The Virginian maintains a nursing and rehabilitation center at The Virginian (the "Health Care Center" or "HCC"), which provides intermediate and skilled care (currently including a limited number of Medicare certified nursing beds). The Resident may transfer or be transferred to the Health Care Center on a temporary or permanent basis as provided in this Agreement.

**1.4 Utilities and Housekeeping** The Virginian shall provide, at its expense, all utilities reasonably required by The Resident, including water, electricity, heating, air-conditioning and access to cable television service. The Resident is responsible for telephone service. The Resident shall maintain the Apartment in a clean, sanitary and orderly condition, and shall perform light housekeeping in order to maintain such condition. The Virginian shall make laundry machines available to the Resident within The Virginian. The Virginian shall provide weekly supplemental housekeeping assistance to the Resident. More extensive cleaning and services can be provided for a fee.

**1.5 Meals** The Virginian shall provide the Resident with a nutritionally well-balanced breakfast and dinner each day in the Dining Room. If the Resident has moved to Assisted Living or Health Care Center, they will receive three (3) nutritionally well-balanced meals each day. No adjustment in fees will be made for meals not taken by the Resident unless the Resident is away from the Apartment for more than seven (7) consecutive days. If a physician prescribes a specific diet for the Resident, The Virginian shall provide, or arrange the provision of, such diet.

The Virginian may charge the Resident for the special diet and for any services beyond those normally provided in the main dining room during regular meals.

**1.6 Guests** The Resident may invite guests to the Resident's Apartment for daily and overnight visits subject to The Virginian's rules regarding visits and guest behavior.

**1.7 Medical or Other Health Care** The following provisions are conditions of, and apply to, all medical or other health care provided to the Resident:

(a) Subject to Special Charges, as provided for in Section 2.4, The Virginian shall provide established hours in Resident Wellness Center during which time a professional nurse shall be available to provide limited medical non-emergency and non-critical health care. Further medical care is available from physicians who currently hold office hours at The Virginian. These physicians are not employees of The Virginian and charges for their services are separate. The Resident's Medicare or other primary or secondary health insurance may cover the charges for these visits.

(b) The Resident may, at Resident's own expense, engage the services of any physician or private duty nurse licensed in the Commonwealth of Virginia. The Virginian is not responsible or financially liable for the cost of such services. The Virginian will administer medications to Residents for an extra charge. To ensure consistency and ease of distribution, The Virginian prefers to use the pharmacy and method of medication and distribution selected by it. However the Resident is free to have prescription and nonprescription drugs and medications delivered by a licensed pharmacy of Resident's own selection or brought to The Virginian by Resident's family, friends or other persons, provided that such medications and prescriptions are packaged, labeled, delivered and otherwise handled as required by 12 VAC 5-371-300 L and The Virginian's policies and procedures in accordance therewith. The Virginian will charge a reasonable fee for restocking such "out of system" medications in The Virginian's unit dose system. Resident may keep his or her own medications and dietary supplements in a secure place in their room if the Uniform Assessment Instrument for Resident indicates Resident is capable of self administering medication. All medication and dietary supplements must be stored so that they are not accessible to other residents. If The Virginian is administering Resident's medication, the Residents' medications and dietary supplements shall be stored by The Virginian and not by the Residents,

(c) The Virginian shall arrange for the institutional or emergency medical care for the Resident when it is determined to be medically necessary by the medical staff of The Virginian. The Resident shall pay the charges incurred during, or as a consequence of, such institutionalization or emergency

medical care, including the cost of transportation to and from the institution or the place at which the emergency medical care is provided.

(d) The Virginian shall not pay the cost of physicians, private duty employees, drugs, medications or medical supplies, wound care, catheter care, injections and other treatments separately listed on The Virginian's fee schedule.

(e) The Resident shall be responsible for paying the difference between the amounts charged for medical or other health services and the amount paid by Medicare or other third party payors, including, but not limited to, any co-payments and deductibles.

(f) The Resident hereby authorizes The Virginian to disclose Resident's individual medical records or other confidential information to a medical or other health care provider as reasonably necessary to treat the Resident. The Resident also authorizes The Virginian to disclose Resident's individual medical records or other confidential information to Medicare or to another primary third party payor and/or secondary payor as reasonably necessary to guarantee payment for the treatment of the Resident. To the extent necessary to accomplish the foregoing, the Resident shall execute such additional releases and authorizations as may be required by Virginia Code §32.1-127:03.

(g) The Resident authorizes The Virginian and its employees, including nurses who practice at The Virginian, to treat The Resident for all conditions and under all circumstances as may be necessary. The Resident releases The Virginian from all liability in connection with such treatment other than that caused by The Virginian's gross negligence or intentional misconduct.

**1.8. Excluded Care** The Virginian shall not be responsible for furnishing the following medical or other health care:

(a) The Virginian shall not be required to furnish medical or other health care that The Virginian, its employees or its facilities: (1) are not licensed or otherwise authorized to furnish (2) are not capable of furnishing for any reason or (3) which exceed the existing capabilities of the medical staff or facilities,

(b) The Virginian shall not be required to furnish, among other things, those services rendered by a psychiatrist or psychologist, ophthalmologist, optometrist, optician, dentist, chiropractor, podiatrist, radiologist or rehabilitation and diagnostic services and tests,

(c) The Virginian shall not be required to furnish or pay the cost of non-prescription and prescription drugs, medicines, vitamins, dental work,



glasses, hearing aids, medically related supplies or equipment or for the cost of diagnosing or treating a mental illness,

(d) The Virginian shall not be required to furnish or pay for Companion Services through Partners in Care.

**1.9. Smoking at the Virginian.** Smoking of tobacco products at The Virginian is permitted only in designated public areas. In addition to the designated smoking areas, Resident may smoke in the Resident's apartment, as long as Resident is not living in Assisted Living, provided that Resident rents a filtering device specified by The Virginian, pays an inclusive monthly maintenance fee and otherwise complies with Rules and Regulations regarding smoking. The Virginian reserves the right to change designated smoking areas and to designate areas as smoking or nonsmoking from time to time. Resident will be liable to The Virginian for any damage to the Resident's apartment or to The Virginian in general, including but not limited to the need to repaint and re-carpet to remove smoke odors, resulting from Resident's smoking. Smoking is prohibited in Assisted Living apartments and in the Health Care Center.

**1.10 Observance of Rules and Regulations.** The rules and regulations applicable to residence at The Virginian ("Rules and Regulations") attached to this Residence Agreement lease as Exhibit A are hereby made a part of this Residence Agreement and Resident agrees to comply with and observe the same. Resident's failure to keep and observe said Rules and Regulations shall constitute a breach of the terms of this Residence Agreement in the same manner as if the same were contained herein as covenants. The Virginian reserves the right from time to time to amend or supplement said Rules and Regulations and to adopt and promulgate additional reasonable rules and regulations to the extent the same are not specifically contrary to the express terms of this Residence Agreement. Notice of such additional rules and regulations, and amendments and supplements, if any, shall be given to Resident and Resident agrees thereupon to comply with and observe all such Rules and Regulations and amendments thereto and supplements thereof.

**2.0 FEES AND EXPENSES.** The Resident shall pay to The Virginian the following amounts according to the stated terms and conditions:

**2.1 Entrance Fee** \_\_\_\_\_ Dollars  
(\$ \_\_\_\_\_) shall be due and payable ten (10) days prior to entry into The Virginian. The amount of the Entrance Fee is guaranteed for ninety (90) days after notice in writing by The Virginian that the applicant has been accepted for entry into The Virginian. After that time, the Entrance Fee shall be the amount in effect at the time that the Resident enters The Virginian. The Entrance Fee paid for this Agreement may be used by The Virginian, in its sole and absolute discretion, to fully perform its obligations under its continuing care contracts in providing for the health, safety and welfare of the Residents. After the Entrance Fee has been paid, the Entrance Fee will not be increased or changed during the duration of the

agreed-upon care except for changes required by state or federal assistance programs.

**2.2 Monthly Fee** \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) shall be payable to The Virginian as the initial monthly maintenance fee (“Monthly Fee”). The amount of the Monthly Maintenance Fee shall thereafter be adjusted from time to time to the prevailing Monthly Maintenance Fee for accommodations similar to those initially occupied by the Resident in the Residential Living Facility, adjusted as provided in Paragraph 2.5. The Monthly Maintenance Fee shall be due and payable no later than the tenth (10<sup>th</sup>) day of the month during which the bill is received. A late penalty of five percent (5%) of such bill may be charged if the bill is paid after the tenth (10<sup>th</sup>) of the month during which the bill is received. Thereafter, the arrearage shall be charged interest each month at eighteen percent (18%) per annum, or if less, the maximum annual rate consistent with the applicable laws of the Commonwealth of Virginia.

**2.3 Health Care Center and Assisted Living Center Charges**

(a) The Resident shall be entitled to enter the HCC (in a non-Medicare Bed on a temporary basis at no additional charge for a total of not more than ten (10) days not covered by any third-party payor (“Self-Pay Days”) during each calendar year. If the Resident enters the HCC on a temporary basis beyond ten (10) Self-Pay Days during any calendar year, or in a Medicare Bed, then the additional cost of the HCC beyond ten (10) Self-Pay Days shall be paid by the Resident in addition to the then current Monthly Maintenance Fee for the Apartment occupied by the Resident in the RLF, plus any special charges as provided in Paragraph 2.4.

(b) If The Resident enters the ALC or HCC on a permanent basis and surrenders their prior accommodations at The Virginian, the Monthly Maintenance Fee shall be the Virginian’s current rate for the RLF as it may change from time to time thereafter, plus any special charge pursuant to Paragraph 2.4.

(c) The HCC currently maintains a limited number of Medicare licensed skilled nursing beds (“Medicare Beds”). The Medicare Beds are for the use of residents needing the level and types of skilled care covered by Medicare and are billed to Medicare accordingly. The Resident shall remain responsible and shall pay for all other charges due under this Agreement. The Resident shall be responsible for all Medicare Co-Insurance or Co-pay while eligible for Medicare coverage and occupying a Medicare Bed. The Virginian shall advise the Resident in the event The Virginian believes that the Resident does not need the level of skilled care sufficient to qualify under Medicare for a Medicare Bed. In the event that the Resident disagrees with The Virginian’s position regarding the Resident’s eligibility for

Medicare coverage for a Medicare Bed, and elects to remain in a Medicare Bed, The Virginian will submit a "Demand Bill" to Medicare for an official determination of the Resident's eligibility. The Resident shall pay all Medicare co-insurance while the Demand Bill is being processed. In the event Medicare accepts the Demand Bill, The Virginian shall accept the Medicare payment and the Residents Co-insurance payment as payment for the use of the Medicare Bed. In the event that Medicare denies the Demand Bill, the Resident shall pay the balance of The Virginian's then current rate for the Medicare Bed.

**2.4 Special Charges** The Monthly Maintenance Fee covers the ordinary and necessary cost of maintaining and caring for the Resident in the Apartment, in the Assisted Living Center or in the Health Care Center. Consistent with that principle, the following goods and services are examples of the items that shall not be included within the Monthly Maintenance Fee but shall be billed to the Resident as an extra cost ("Special Charges"). The Virginian reserves the right to add to or delete from the list of Special Charges at any time, subject to the filing of such charges with the Bureau of Insurance, State Corporation Commission.

- (a) A physician-prescribed special diet.
- (b) Medical or other health care services and products furnished to the Resident by The Virginian, its employees and its medical staff such as physician's services, inoculations, x-rays, etc.
- (c) Additional housekeeping and maintenance services in the Apartment, personal laundry, beauty shop charges, etc.
- (d) Those medical or other health care services and/or personal care services provided to the Resident in the Apartment as requested by the Resident and/or based on an administrative decision as to its necessity for the health, safety and well-being of the Resident.
- (e) Treatment of the Resident on an outpatient basis by Resident Wellness Center.
- (f) Any costs incurred by, or the responsibility of, the Resident pursuant to Sections 12, 14, 15, 16 and 18.
- (g) Medication administration in Assisted/Independent Living
- (h) Residents in Assisted Living requiring assistance with either feeding or incontinency care will be subject to special charges.

A written schedule of the amounts of the Special Charges applicable to the Resident shall, insofar as possible, be provided to the Resident at the time of admission. The

Virginian shall bill the Resident for Special Charges along with the Monthly Maintenance Fee on the same payment terms and conditions.

**2.5 Maintenance of Monthly Maintenance Fee and Special Charges** The Virginian may, with thirty (30) days advance notice to the Resident, increase the amount of the Monthly Maintenance Fee from time to time in its sole discretion. The Virginian retains the right with thirty (30) days advance notice to the Residents to change the scope of services and amount of the Monthly Maintenance Fee and Special Charges from time to time in its sole discretion.

**2.6 Unreimbursed Charges** The Resident hereby grants to The Virginian a claim against Resident's estate and the assets of any inter vivos trust established by the Resident which provide for the benefit of the Resident during the Resident's life in an amount sufficient to reimburse The Virginian for all of the unreimbursed costs and charges for care and services provided to Resident, including financial assistance, plus interest on the amount of unreimbursed costs and charges at the maximum applicable rate in the Commonwealth of Virginia charged from the date that the care and services were provided. This lien shall exist whether or not the Resident was a resident of The Virginian at the time of Resident's death. If upon the Resident's death, the Resident shall own, separately or jointly with authorized survivorship, any property not disclosed in Resident's financial statement or if property is acquired subsequent to the submission of the application of the financial statement and not disclosed promptly upon its acquisition, The Virginian shall be entitled to so much of the value of such property as is sufficient to reimburse The Virginian for all of the unreimbursed costs and charges plus interest at the maximum applicable rate in the Commonwealth of Virginia. This Agreement shall operate as an assignment, transfer and conveyance to The Virginian of such property. The Virginian may sell such property, deduct the amount owed by the Resident to The Virginian, and credit the excess, if any, to the Resident's account.

### **3.0 DECLINING REFUND OF ENTRANCE FEE**

**3.1 DECLINING REFUND THE ENTRANCE FEE SHALL BE FULLY REFUNDABLE UNTIL THE RESIDENT HAS OCCUPIED AN APARTMENT FOR MORE THAN NINETY DAYS. THEREAFTER THE ENTRANCE FEE SHALL AMORTIZE AT THE RATE OF THREE PERCENT (3%) PER MONTH.**

**3.2 General Description of Refund Policy** The Resident's Entrance fee will amortize at the rate of three percent (3 %) per month (or portion thereof) beginning the first day of occupancy over a period of thirty-four (34) months commencing on the first day after the Occupancy Date. This means that there will be no refund of the Entrance Fee more than thirty-four months after the Entrance Date.

**3.3 Refund Prior to Ninety-First Day** Should the Resident leave The Virginian prior to the ninety-first day after the Entrance Date, the Resident's Entrance fee

will be refunded in full, less any unpaid charges against which the Entrance Fee shall be applied prior to such refund in the event the Resident vacates the apartment completely prior to the ninety-first day after the Entrance Date.

**3.4 Transfer of Ownership; Closing of The Virginian** The Transfer of ownership of The Virginian or The Virginian's assignment of its rights and obligations under this Agreement shall not be an event entitling the Resident to a refund of the entrance fee. If The Virginian is closed and no other facilities are used by The Virginian, or its successors, to meet The Virginian's obligations under this Agreement, the Resident shall be entitled to that portion of the Entrance Fee to which the Resident would otherwise be entitled under Section 3.0.

#### **4.0 INSURANCE, FINANCIAL RESPONSIBILITY AND OTHER PROVISIONS**

**4.1 Representations** The application and the statements of financial and health history of the Resident filed with The Virginian are incorporated in this Agreement by this reference. All statements therein are true and deemed to be representations by the Resident as of the date made in order to induce The Virginian to enter into this Agreement. The Resident represents that there have been no material changes in the information provided since the date thereof.

#### **4.2 Medicare and Health Insurance**

(a) Prior to occupancy, the Resident shall enroll in the Hospital Insurance Benefit Program under Part A of Public Law 89-97 (Medicare), or its equivalent and the Resident authorizes, as necessary, any provider of such medical and other health services, including The Virginian, to receive reimbursement under Medicare Part A, or its equivalent, as provided under these programs. During the next enrollment period following the filing of the Resident's application for admission to The Virginian and prior to occupancy, the Resident will pay the premiums, secure and maintain enrollment under the Supplemental Medical Insurance Benefit Program under Part B of Public Law 89-97 and maintain the same during the term of this Agreement.

(b) If the Resident is not eligible for either of the foregoing Medicare programs, the Resident shall obtain equivalent insurance coverage acceptable to The Virginian.

(c) The Resident is responsible for Medicare co-insurance and deductible amounts. The Virginian requires that the Resident secure a supplemental hospital and medical insurance policy (such as Blue Cross/Blue Shield, Aetna or AARP) or show evidence of the Resident's own ability to pay such costs without impairing the Resident's ability to meet future obligations to The Virginian.

(d) If at any time the Resident becomes entitled to payments for health services from other governmental agencies, the Resident agrees to make application for such payments. The Virginian will not be responsible for the cost of any health care, the cost of which the Resident is entitled to from a governmental agency or other third party.

(e) The Virginian may assist the Resident in applying for health care benefits under any program for which the Resident might qualify. The Virginian will assist the Resident in filing claims for payment under Medicare and other third-party payors for services rendered by The Virginian upon request. The Resident agrees to execute assignment of benefits to The Virginian. The Virginian shall have no claim on excess funds.

#### **4.3 Financial Responsibility**

(a) If the Resident's sources of income are found to be inadequate to meet Resident's financial obligations to The Virginian and to pay personal expenses, the Resident will make every effort to obtain assistance from family connections or any other available means, which shall include granting The Virginian security interests or deed(s) of trust to insure such payments.

(b) If the Resident is eligible to receive public benefits, including, but not limited to, social security supplemental income, Medicare, aid to the blind and veterans pensions and other government programs, the Resident agrees that he will apply for and diligently seek such benefits, and any such benefits obtained shall be taken into account in adjusting The Virginian's monthly charge to the Resident. Failure to make application for such benefits within a reasonable period of time will be deemed a voluntary termination of this contract by the Resident, and The Virginian shall have no further obligations to the Resident hereunder.

(c) The Virginian may grant Financial Assistance, upon request, contingent upon the availability of Financial Assistance. Financial Assistance may be in the form of a credit against Monthly Maintenance Fee under policies established by Management and the Board of Trustees. As a condition for such assistance, the Resident agrees to the following:

(1) To apply for and diligently seek the benefit of any public assistance program for which Resident might qualify as set forth above. Any such benefits may be taken into account in adjusting the amount of Financial Assistance,

(2) To report promptly to The Virginian receipt of any property or any material increase or decrease in the value of Resident's income

or assets (including real estate), whether as the result of gift, inheritance, change in public assistance benefits or otherwise,

(3) Not to transfer any material assets for less than fair value, whether by gift, sale or otherwise. If the Resident is receiving Financial Assistance, Resident hereby represents that he has not transferred any material assets for less than fair value in contemplation of residence or requesting assistance. Failure of the Resident to comply with any of the provisions of this Section shall constitute a breach by the Resident of this Agreement.

(d) It shall be a condition of receiving financial assistance that the Resident shall represent that he has not made any gift of real or personal property in contemplation of the execution of this Agreement and shall agree that Resident will make no such gift subsequent to that execution which would impair Resident's ability or the ability of Resident's estate or inter vivos trust to satisfy the financial obligations under this Agreement. The Resident agrees that The Virginian shall have the right to require the Resident to make arrangements for the preservation and management of Resident's property by a third party (or parties) including, but not limited to, the execution and funding of a trust Agreement for the Resident's benefit when (i) the Resident receives financial assistance from The Virginian or (ii) The Virginian in its sole discretion, believes that the continued management by the Resident of Resident's property may place the Resident in need of financial assistance from The Virginian. Any violation of this section will be deemed voluntary termination of this contract by the Resident.

**4.4 Current Financial Information** The Resident agrees to provide annual financial statements to The Virginian. This allows The Virginian to monitor potential need for Financial Assistance. If the Resident requires financial assistance from The Virginian, the Resident agrees to provide to The Virginian, upon request, current financial statements and accurate copies of Resident's most recent tax returns.

**4.5 Other insurance** The Resident agrees that he shall obtain personal liability insurance covering the cost of any injury to third parties in The Virginian in the amount of \$300,000. The Virginian recommends that Resident maintain insurance coverage on the Resident's personal property in an amount sufficient to cover the full replacement value of such property. The Virginian does not provide personal property insurance covering the Resident's personal property.

**4.6 Subordination of Rights** The rights of the Resident under this Agreement are the rights and privileges expressly granted and do not include proprietary interest in the property or assets of The Virginian. The Resident irrevocably agrees that the Resident's rights under this Agreement shall be subordinate and inferior at all times to the rights under any mortgage or deed of trust now or hereafter pertaining to The

Virginian. The Resident further irrevocably agrees that he shall further execute, acknowledge and deliver a subordination agreement should such be necessary in order to establish the priority of a lender's mortgage or deed of trust as a lien against the property of The Virginian.

**4.7 Hospital Coverage and Transfer Agreements** The Virginian is not obligated to apply any charges for hospitalization of the Resident or costs related thereto. In the event it becomes necessary for the Resident to be transferred to a hospital, The Virginian will provide the information necessary to meet the provisions of an hospital Agreement and the Resident agrees that The Virginian has the right to provide such information, which may include part or all of the Resident's medical records.

## **5.0 ADMISSIONS AND DISMISSALS**

**5.1 General** The Virginian shall have the exclusive authority to admit residents and to adjust fees, and the Resident shall not have the right to object to another resident's admission, terms of admission or dismissal.

### **5.2 Marriage**

(a) In the event the Resident marries a non-resident, the non-resident may make application for admission, subject to the admissions provisions, procedures and fees in effect at the time of such request. The Virginian is under no obligation to admit the non-resident and the Resident may terminate this Agreement in accordance with the provisions of Section 18.3 (c). Upon such marriage, and acceptance by The Virginian, the Entrance and Monthly Maintenance Fees shall be adjusted to then current dual occupancy rates for the type of Apartment accepted and the Entrance Fee adjusted accordingly, and the parties will execute a Dual Residential Contract. Unless otherwise agreed to in writing by The Virginian, if the Resident marries after the Effective Date of this Agreement and the spouse does not meet the entrance requirements of The Virginian, the spouse will not be permitted to reside at The Virginian. The Entrance Fee adjustment due will be a sum equal to the difference between the then current Entrance Fee for double-occupancy and the then current Entrance Fee for a single occupancy in the particular type of apartment/cottage occupied. The Monthly Maintenance Fee for the new couple will be the then current Monthly Maintenance Fee for couples in the particular type of apartment/cottage occupied.

(b) There will be no refund or adjustment of Entrance Fees in the event an unmarried resident marries another resident; however, in the event the married residents thereafter occupy one Apartment, they shall be charged the dual occupancy rate for that Apartment.



## **6.0 . ADMISSION AND OCCUPANCY**

**6.1. Admission and Occupancy Requirements** Acceptance as a resident and occupancy at The Virginian are based upon the following criteria, except as amended by a written signed addendum hereto: The Virginian will, at its sole discretion, make the final decision regarding an applicant's acceptance under these criteria:

- (a) Physical and mental capability of performing, without assistance, daily living tasks, as certified by The Virginian's Medical Director; including that the Resident shall be fully ambulatory and able to respond appropriately to emergency situations,
- (b) Freedom from communicable disease,
- (c) Financial capacity to meet the Resident's obligations to The Virginian (unless other arrangements have been made), and
- (d) The Resident's presence does not threaten the health, safety or well being of others at The Virginian.

**6.2. Criteria for Occupancy of the ALC** In the event that the Resident no longer qualifies for the RLC the Resident may be moved to the ALC. As a condition of admission to the ALC, the Resident shall be primarily ambulatory, be able to safely transfer without assistance, be able to use a wheelchair or a walker without assistance, and be able to respond appropriately to emergency situations.

**6.3. Continued Occupancy** The Resident must continue to meet the foregoing criteria as a condition of occupancy of the Apartment Unit in the RLF or the ALC as appropriate. If, in the judgment of The Virginian and its staff, either or both of the Residents are unable to comply with these requirements and/or fail to meet State Standards and Regulations for a Residential Living Care, The Virginian will transfer the Resident(s) to an appropriate level of care for the Resident(s) own safety and welfare.

**7.0. CHANGE OF ACCOMMODATIONS.** Subject to the reasonable medical decision of The Virginian, the Resident may be transferred to the Assisted Living Center, the Health Care Center if the Health Care Center is incapable of providing the requisite care or is otherwise not appropriate, to another facility when the Resident is: (1) ill and requires special attention, (2) infected with a contagious disease, or (3) mentally ill to the extent that the mental illness requires care that The Virginian is not able to furnish or to the extent that the presence of the Resident may create a hazard or be detrimental to the health or welfare of the other residents. The cost of any facility, other than The Virginian, shall be borne by the Resident.

**8.0. RELEASE OF APARTMENT.** In the event of a determination by The Virginian that the condition requiring the transfer of the Resident to the ALF, the HCC or to another facility is not a temporary condition, the Apartment shall be released for use by others. For the purposes of this provision, the term "temporary condition" shall be defined as a condition for which a medical prognosis exists that indicates the reasonable possibility that the Resident will return within a reasonable period of time to Resident's Apartment in The Virginian, and will be able to meet the requirements for Residential Living Care. Residential Living shall be defined by, but not limited to, the Standards and Regulations for Licensed Home for Adults, State Department of Health Services, Commonwealth of Virginia. Failure to vacate the Apartment, once it has been determined that the Resident no longer meets the above requirements, shall be justifiable cause to charge the Resident an additional Monthly Maintenance Fee to recover the cost of providing two accommodations.

**9.0. FINANCIAL OBLIGATIONS TO THIRD PARTIES.** The Virginian shall not be liable or responsible for any debt, expense, or other financial obligation of any kind incurred or contracted by the Resident.

**10.0. OBLIGATIONS OF THE RESIDENT TO THIRD PARTIES.** The Virginian shall not be obligated to furnish or to pay for any support, maintenance, board or lodging when the Resident is away from The Virginian, and the Resident shall remain obligated for the fees provided in Section 2.

**11.0. LOSS OR DAMAGE TO PROPERTY OR PERSON.**

a. Except in situations where the Resident has executed an Assistive Device Agreement while in the Health Care Center, The Virginian shall not be responsible for the loss or damage to any property belonging to the Resident whether due to misplacement, theft, routine maintenance, housekeeping activities, the negligence of The Virginian or any other cause and The Resident waives any and all claims against The Virginian arising in any way from loss of or damage to the property of the Resident no matter what the cause.

b. Resident further waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person from any cause other than The Virginian's negligence or intentional wrongful acts, including, but not limited to fire, assault or any other cause. The Resident further specifically waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person where such death or injury was caused in whole or in part by the Resident's negligence or fault.

**12.0. MAINTENANCE OF THE APARTMENT AND REPAIR SERVICES.** The Resident shall be responsible for the repair, maintenance and replacement of Resident's personal property. The Virginian may provide minor repairs to the personal property of the Resident subject to Special Charges. Redecoration of the Resident's Apartment, other than as scheduled by The Virginian, shall be at the Resident's expense and with prior

approval of The Virginian. Any permanently affixed items, the removal of which would deface the Apartment, shall become the property of The Virginian. Any change or replacement by the Resident of the equipment provided by The Virginian to the Resident shall vest title to such equipment in The Virginian unless otherwise provided for in writing. The Virginian may, at its option, require the Resident to restore the Apartment to its original condition at the time the Resident took occupancy.

**13.0. RIGHT OF ENTRY.** The Resident hereby gives authorized employees of The Virginian the right of entry into Resident's Apartment a) at any time for emergency purposes and b) when deemed necessary by the Administrative Staff for management purposes.

**14.0. DISPOSITION OF PROPERTY ON DEPARTURE OR DEATH OF THE RESIDENT.** In the event of the departure or death of the Resident, all of Resident's property, including any property left in a storage bin shall be removed within thirty (30) days. The Monthly Maintenance Fee shall continue in effect until the Apartment is vacated and returned to The Virginian. In the event that the property is not removed within that period, the property shall be placed in storage within or without The Virginian for an additional thirty (30) days at the expense of the Resident or the Resident's estate. If at the expiration of the latter thirty-day period, the property has not been claimed, The Virginian may sell or otherwise dispose of such property, deduct the storage cost from the proceeds, if any, then credit the excess to the Resident's account.

**15.0. INJURY OR DAMAGE BY THE RESIDENT AND GUESTS.** The Resident hereby agrees to reimburse The Virginian for any costs resulting from Resident's negligent acts or intentional acts or omissions or the acts or omissions of the Resident's guest(s).

## **16.0 SUBROGATION**

**16.1 Injury by a Third Party** If the Resident is injured or dies from the act or omission of a third party and the Resident or Resident's estate does not fully reimburse The Virginian for the costs incurred by the Resident, then The Virginian shall be subrogated to the Resident's claim and may bring suit in the name of the Resident. The Resident or the Resident's estate shall cooperate with The Virginian if The Virginian pursues a claim for damages against the third party.

**16.2 Right of Subrogation** In case of accident or injury to the Resident caused by third parties, the Resident hereby grants a power of attorney to The Virginian, which power of attorney shall be deemed a power coupled with an interest, and which shall not be affected by the disability of the Resident empowering The Virginian, as its election, to bring any claim or initiate legal action, if necessary, against the person who has caused injury to the Resident for compensation for the injury or expenses thereby caused. The Resident agrees to execute such further authorization as shall be desirable to prosecute such claims or causes of action. The Virginian, at its election, may sue on and enforce any cause of action of the Resident for injury or damages so resulting in the name of the Resident or in its own name.

After all costs and damages incurred by The Virginian (including reasonable costs of care furnished to the Resident by The Virginian because of such accident of injury) have been paid for and reimbursed to The Virginian by such subrogation, the balance of any collection made will be credited to the Resident's account, or in the event of the death of the Resident, will be paid to the Resident's estate. The Virginian may limit its election as provided above to claim for recovery of the cost incurred by it, and in such event, The Virginian shall not be obligated to assert any claim of The Virginian arising out of such accident of injury beyond the costs incurred by The Virginian.

**17.0. POWER OF ATTORNEY.** The Resident shall place on file with The Virginian a power of attorney in favor of a responsible and responsive individual residing in the United States and reasonably available to The Virginian to handle the Resident's financial affairs and to make necessary decisions regarding Resident if Resident becomes incapacitated. Such power of attorney shall be in a form a) that is enforceable in the Commonwealth of Virginia, b) which survives the Resident's incapacity or disability and c) which names a similar individual acceptable to The Virginian as a substitute attorney-in-fact in the event that the first attorney-in-fact becomes incapacitated or is unable or refuses or otherwise fails to act.

**18.0. TERMINATION OF AGREEMENT.** When this Agreement is terminated, the Resident shall remain obligated for the fees set forth in Section 2 through the date that the Resident leaves The Virginian, in addition to the cost of any repairs to, or replacement of, the property of The Virginian caused by the Resident's negligence. All such unpaid Amounts shall reduce the Refundable Amount. This Agreement is terminated upon the following terms and conditions:

**18.1. Termination by the Death of the Resident** The death of the Resident shall terminate this Agreement.

**18.2. Termination by The Virginian** If The Virginian terminates this Agreement, the Resident shall have a reasonable period of time, not to exceed ninety (90) days, to move from The Virginian. The temporary transfer of the Resident to another facility, for reasons of physical and mental health, shall not operate as termination of the Agreement provided that the Resident complies with Sections 4.1 through 4.6. The Virginian may terminate this Agreement for good cause at any time. Good cause shall be limited to: (1) proof that the Resident is a danger to himself or others (2) refusal by the Resident to pay a monthly or other periodic fee (3) repeated conduct by the Resident that interferes with other the resident's quiet enjoyment of the facility (4) failure on the part of the Resident to abide by the written rules and regulations adopted by The Virginian for the facility (5) a material misrepresentation made intentionally or recklessly by the Resident in Resident's application for residency, or related materials, regarding information which, if accurately provided, would have resulted in either a failure of the Resident to qualify for residency or a material increase in the cost of providing to the Resident

the care and services provided under the contract (6) material breach by the Resident of the terms and conditions of the continuing care contract.

**18.3. Termination by the Resident**

(a) The Resident shall have the right to rescind this Agreement for any reason, without penalty or forfeiture, at any time prior to entry into The Virginian.

(b) If the Resident dies before occupying the facility, or is precluded through illness, injury or incapacity from becoming a resident under the terms of this Agreement, the Agreement is automatically rescinded and The Resident's legal representative shall receive a full refund of all money paid to The Virginian, except those costs specially incurred by The Virginian at the request of the Resident and set forth in writing in a separate addendum signed by both parties to the Agreement.

(c) The Resident may terminate this Agreement by giving The Virginian thirty (30) days written notice of Resident's intention to terminate this Agreement. The notice shall be effective at the end of the thirty (30) days notice unless parties otherwise agree in writing.

**19.0. RIGHT TO APPEAL.** The Resident may appeal any change of accommodations, transfer or termination of this Agreement for reasons related to Resident's physical or mental health to a licensed physician, in good standing within the Commonwealth of Virginia, mutually agreed upon by the Resident and The Virginian. The decision of the physician shall be binding and the cost of the appeal shall be borne equally by the Resident and The Virginian.

**20.0. RULES AND REGULATIONS.** The Resident shall abide by the rules and regulations of The Virginian as may be in effect or subsequently adopted from time to time.

**21.0. REGULATION BY THE COMMONWEALTH OF VIRGINIA.** The Virginian is a non-profit, tax-exempt Corporation organized and existing under the laws of the Commonwealth of Virginia. The Virginia Department of Social Services licenses The Virginian. The Regional Offices, which granted The Virginian its license to operate, are:

Commonwealth of Virginia  
Department of Social Services  
11320 Random Hills Road, Suite 200  
Fairfax, Virginia 22030

The nursing and rehabilitation center at The Virginian is regulated and licensed by the following division of the Virginia Department of Health:

Center for Quality Health Care Services and Consumer Protection  
Division of Long Term Care Services  
Virginia Department of Health  
3600 Centre - Suite 216  
3600 West Broad Street  
Richmond, VA 23230-4920

**22.0. INTER VIVOS TRUSTS.** In the event that the Resident has established, or during the term of this Agreement establishes, an inter vivos trust which provides for the benefit of the Resident and/or the Resident's spouse during their lives, the trustees of such trust and the trust shall become parties to this Agreement to the extent of assuming liability for The Resident's financial obligations under this Agreement.

**23.0 GENERAL PROVISIONS.** The following general provisions shall apply:

**23.1 Governing Law** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Virginia applicable to agreements made and performed entirely within the Commonwealth of Virginia. This Agreement shall be deemed to have been executed in Fairfax County, Virginia and shall be subject to the jurisdiction of the Circuit Court of Fairfax County, Virginia and the United States District Court for the Eastern District of Virginia, Alexandria Division. The parties agree to submit to the exclusive jurisdiction of such courts.

**23.2 Modification or Waiver** A modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement. The failure of any party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or of a different nature.

**23.3 Entire Agreement** This agreement contains the entire understanding of the parties. There are no representations, warranties, covenants, or undertakings by or between the parties other than those expressly set forth in this Agreement and, if applicable, the Guaranty Agreement is expressly made a part of this Agreement.

**23.4 Binding Effect** This Agreement shall be binding on the Resident and the Resident's heirs, executors, administrators, legal representatives, successors and assigns.

**23.5 Assignment** The rights of the Resident hereunder shall be personal to the Resident and shall not be assignable. The Virginian may assign its rights and obligations hereunder without the consent of the Resident.

**23.6 Gender** All pronouns shall be deemed to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.

**23.7. Waiver of Breach Not Waiver of Others** The failure of The Virginian in any one or more instances to insist upon the strict performance and observance of compliance by the Resident with any of the terms or provisions of this Agreement shall not be construed as a waiver or relinquishment by The Virginian of its right to insist upon strict compliance by the Resident with all of the terms and conditions of this Agreement.

**23.8. No Representations** The Virginian's representatives have made no promises or representations with respect to the Resident's apartment or accommodations, any facilities of The Virginian, refunds, or any of The Virginian's promises and undertakings with respect to the care of the Resident except as specifically set forth herein.

**23.9. Weapons Policy** Possession of firearms, ammunition, fireworks, explosives or weapons prohibited by law is not allowed at The Virginian.

**23.10. Remedies for Unpaid Fees** In the event that Resident fails to pay any sums due hereunder The Virginian shall have all rights and remedies available to it under the law, including, but not limited to the right to file suit for all unpaid amounts due from Resident under this Agreement. In the event that The Virginian is required to pursue its remedies under this agreement due to Resident's failure to pay sums due, The Virginian shall be entitled to recover its fees and costs of collection whether or not suit is filed, including, but not limited to reasonable attorney's fees and all costs of collection.

**23.11. Funeral Arrangements.** The handling of funeral arrangements presents many difficult choices in a stressful situation. The Virginian is not in a position to make personal decisions for Residents regarding such arrangements and these decisions are best left to the Resident and the Resident's family. Accordingly, The Virginia requests that, at the time of the execution of this Agreement, the Resident make known his or her last wishes regarding funeral arrangements, including the selection of a funeral home and the designation of a person to be responsible for managing funeral arrangements. This can be done by completing a form that The Virginian will maintain on file and which can be changed from time to time as the Resident may desire. In the event of the Resident's death while at The Virginian, The Virginian will contact the funeral home, if any, designated by the Resident and will undertake to contact the person designated by Resident as being responsible for funeral arrangements. In the event that the Resident elects not to make such a designation, The Virginian will make reasonable efforts to contact the Resident's next of kin and family, as listed with The Virginian, to make appropriate arrangements. In the event that The Virginian is unable to contact the Resident's next of kin or family within four (4) hours, The Virginian will contact a local Funeral Home to remove the remains and hold them at its facility until appropriate arrangements can be made by Resident's family or representative. Resident's estate shall be responsible for all costs incurred with regard to the use of the Funeral Home.

**23.12. Pets.** Resident may keep a dog, cat or other small pet (other than a dog when Resident is in assisted living) with the prior approval of The Virginian's administration and in compliance with all policies and regulations of The Virginian relating to pets, including, without limitation, restrictions on the size, type and total number of pets kept in the apartment or at The Virginian and on other areas in which pets may be kept or exercised. Resident agrees to make other arrangements for the care of any pet if, in the judgment of The Virginian's administration (i) such pet becomes a nuisance or danger to Resident or others or (ii) Residents can no longer care for the pet without assistance. Resident shall reimburse The Virginian and its residents for any damage including damage to furnishings done by Resident's pet(s).

**23.13. Residents' Council.** Interested Residents may establish and maintain a Residents Council. As required by 22 VAC 40-72-810. The Virginian shall be responsible for providing Residents with assistance in forming and maintaining such council, whether or not such a council currently exists at The Virginian. The Virginian currently has a resident's association called The Association of Virginian residents ("AVR") whose sole purpose is to promote the welfare of all permanent residents of The Virginian. The AVR is governed by a Council composed of its four officers; a president, vice president, Secretary and treasurer, and the Chairpersons of eight operating committees: Activities, Communications, External Building and Grounds, Food, Health Care Center, Interior Building, Library and Welcoming.

**20.14. Severability.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

**IN WITNESS WHEREOF,** the parties have signed two and sealed two copies of this Agreement, each of which shall be deemed an original.

(Corporate Seal)  
ATTEST:

**THE TEMPLE FOUNDATION, INC.**

\_\_\_\_\_  
(Acting) Secretary

By: \_\_\_\_\_  
Executive Director

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
Resident (SEAL)



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WITNESS

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Trustee of the Resident's Inter Vivos Trust  
(if any)

**EXHIBIT**

**A-2 Dual Residents Care Agreement for the “Declining Refund Life  
Care Retirement Plan” Effective May 1, 2018**

**THE TEMPLE FOUNDATION, INC.**  
**t/a THE VIRGINIAN**  
**9229 ARLINGTON BOULEVARD**  
**FAIRFAX, VIRGINIA 22031-2504**

**DECLINING REFUND**  
**LIFE CARE RETIREMENT PLAN**

**DUAL RESIDENCE AND CARE AGREEMENT**

**THE TEMPLE FOUNDATION, INC.  
t/a THE VIRGINIAN  
9229 ARLINGTON BOULEVARD  
FAIRFAX, VIRGINIA 22031-2504**

**DECLINING REFUND  
LIFE CARE RETIREMENT PLAN**

**DUAL RESIDENCE AND CARE AGREEMENT**

This Agreement is made and entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_, by and between **THE TEMPLE FOUNDATION, INC.** a Virginia non-stock corporation t/a The Virginian ("The Virginian") and \_\_\_\_\_ and \_\_\_\_\_ (the "Residents"). This Agreement shall be deemed effective \_\_\_\_\_, 20\_\_ (date the Residents take possession of Apartment as defined herein) and shall terminate upon the death of the last to die of both Residents or earlier as provided for in this Agreement. There shall be a minimum period of ten (10) days between the date of execution, above and the effective date (the "Rescission Period") to allow the Residents the right to rescind the Agreement in accordance with The Virginian policy. This Agreement shall be rescinded if either of the Residents elects in writing to rescind during the Rescission Period. The Residents, whose dates of birth are \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, respectively, have applied for and been accepted as the Residents of the facility operated by The Virginian subject to the terms and conditions of this Agreement. **THE RESIDENTS ACKNOWLEDGE RECEIPT OF THE DISCLOSURE STATEMENT REQUIRED PURSUANT TO VIRGINIA CODE §38.2-4902 AT LEAST THREE (3) DAYS PRIOR TO THE EARLIER OF (i) THE DATE THAT THEY SIGNED THIS AGREEMENT OR (ii) THE DATE THAT THEY TRANSFERRED ANY MONEY OR PROPERTY TO THE VIRGINIAN.**

**1.0. CARE AND SERVICES.** The Virginian shall make the following facilities, care and services available to the Residents:

**1.1. Residential Living Facility ("RLF")** The Virginian shall provide the Residents with apartment Number \_\_\_\_\_ with wall-to-wall carpeting in the Residential Living Facility ("RLF") at The Virginian (the "Apartment"), and the Residents shall furnish such Apartment, including window coverings, in accordance with The Virginian policy. The Residents shall have access to the common areas of The Virginian, including its outdoor and indoor social and recreational facilities, subject to reasonable rules and regulations established by The Virginian from time to time.

**1.2. Assisted Living Center ("ALC")** The Virginian maintains an Assisted Living Center ("ALC"), which provides assisted living. Either or both of the Residents may transfer or

be transferred to the Assisted Living Center on a temporary or permanent basis as provided in this Agreement. For residents of the ALC the Monthly Fee shall include:

- (a) Assistance with biweekly showering or bathing, daily dressing or grooming, and other personal hygiene needs,
- (b) a monitored service plan developed by The Virginian's interdisciplinary team, including ongoing monitoring of health and nursing conditions, care conferences with Resident upon request, quarterly nursing review performed by nurses and pharmacy consultants;
- (c) Provision of an emergency response system that can be activated by Resident to summon a nurse on duty at all times,
- (d) Assistance with making medical and dental appointments when requested by the Resident or Resident's family members,
- (e) Access to an on duty nurse available to answer health care questions, contact physicians and arrange resident's transfer to the hospital, the HCC or to another facility.

**1.3 Health Care Center ("HCC")** The Virginian maintains a nursing and rehabilitation center at The Virginian (the "Health Care Center" or "HCC"), which provides intermediate and skilled care (currently including a limited number of Medicare certified nursing beds). Either or both of the Residents may transfer or be transferred to the Health Care Center on a temporary or permanent basis as provided in this Agreement.

**1.4 Utilities and Housekeeping** The Virginian shall provide, at its expense, all utilities reasonably required by the Residents, including water, electricity, heating, air-conditioning, and access to cable television service. The Residents are responsible for telephone service. The Residents shall maintain the Apartment in a clean, sanitary and orderly condition, and shall perform light housekeeping in order to maintain such condition. The Virginian shall make laundry machines available to the Residents within The Virginian. The Virginian shall provide weekly supplemental housekeeping assistance to the Residents. More extensive cleaning and services can be arranged for a fee.

**1.5 Guests** The Residents may invite guests to Residents' Apartment for daily and overnight visits subject to The Virginian's rules regarding visits and guest behavior.

**1.6 Meals** The Virginian shall provide the Residents with a nutritionally well balanced breakfast and dinner each day in the Dining Room. If the Resident has moved to Assisted Living or Health Care Center, they will receive three (3) nutritionally well-balanced meals each day. No adjustment in fees will be made for meals not taken by the Residents unless the Residents are away from the Apartment for more than seven (7) consecutive days. If a physician prescribes a specific diet for the Residents, The Virginian shall provide, or arrange for the provision of, such diet. The Virginian may charge the Residents for the special diet and for any services beyond those normally provided in the main dining room during regular meals.

**1.7 Medical or Other Health Care** The following provisions are conditions of, and apply to, all medical or other health care provided to the Residents:

(a) Subject to Special Charges, as provided for in Section 2.5, The Virginian shall provide established hours in the Resident Wellness Center during which time a professional nurse shall be available to provide limited medical non-emergency and non-critical health care on a fee for service basis. Further medical care is available from physicians who currently hold office hours at The Virginian. These physicians are not employees of The Virginian and charges for their services are separate. The Residents' Medicare or other primary secondary health insurance may cover the charges for these visits,

(b) Either or both of the Residents may, at the Residents' own expense, engage the services of any physician or private duty nurse licensed in the Commonwealth of Virginia. The Virginian is not responsible or financially liable for the cost of such services. The Virginian will administer medications to Residents at an additional charge. To ensure consistency and ease of distribution, The Virginian prefers to use the pharmacy and method of medication and distribution selected by it. However the Resident is free to have prescription and nonprescription drugs and medications delivered by a licensed pharmacy of Resident's own selection or brought to The Virginian by Resident's family, friends or other persons, provided that such medications and prescriptions are packaged, labeled, delivered and otherwise handled as required by 12 VAC 5-371-300 L and The Virginian's policies and procedures in accordance therewith. The Virginian will charge a reasonable fee for restocking such "out of system" medications in The Virginian's unit dose system. Residents may keep their own medications and dietary supplements in a secure place in their room if the Uniform Assessment Instrument for Residents indicates Residents are capable of self administering medication. All medication and dietary supplements must be stored so that they are not accessible to other residents. If The Virginian is administering Residents' medication, the Residents' medications and dietary supplements shall be stored by The Virginian and not by the Residents,

(c) The Virginian shall arrange for the institutional or emergency medical care for the Resident when it is determined to be medically necessary by the medical staff of The Virginian. The Residents shall pay the charges incurred during, or as a consequence of, such institutionalization or emergency medical care, including the cost of transportation to and from the institution or the place at which the emergency medical care is provided,

(d) The Virginian shall not pay the cost of physicians, private duty employees, drugs, medications or medical supplies, wound care, catheter care, injections and other treatments separately listed on The Virginian's fee schedule,

(e) The Residents shall be responsible for paying the difference between the amounts charged for medical or other health services and the amount paid by

Medicare or other third party payers, including, but not limited to, any co-payments and deductibles,

(f) The Residents hereby authorize The Virginian to disclose their individual medical records or other confidential information to a medical or other health care provider as reasonably necessary to treat the Residents. The Residents also authorize The Virginian to disclose their individual medical records or other confidential information to Medicare or to another primary third party payer and/or secondary payer as reasonably necessary to guarantee payment for the treatment of the Residents. To the extent necessary to accomplish the foregoing, the Residents shall execute such additional releases and authorizations as may be required by the laws of the Commonwealth of Virginia,

(g) The Residents authorize The Virginian and its employees, including nurses who practice at The Virginian, to treat them for all conditions and under all circumstances as may be necessary. The Residents release The Virginian from all liability in connection with such treatment other than that caused by The Virginian's gross negligence or intentional misconduct.

**1.8 Excluded Care** The Virginian shall not be responsible for furnishing the following medical or other health care:

(a) The Virginian shall not be required to furnish medical or other health care that The Virginian, its employees or its facilities: (1) is not licensed or otherwise authorized to furnish (2) is not capable of furnishing for any reason or (3) exceeds the existing capabilities of the medical staff or facilities,

(b) The Virginian shall not be required to furnish, among other things, those services rendered by a psychiatrist or psychologist, ophthalmologist, optometrist, optician, dentist, chiropractor, podiatrist, radiologist or rehabilitation and diagnostic services and tests,

(c) The Virginian shall not be required to furnish or pay the cost of non-prescription and prescription drugs, medicines, vitamins, dental work, glasses, hearing aids, medically related supplies or equipment or for the cost of diagnosing or treating a mental illness,

(d) The Virginian shall not be required to furnish or pay for Companion Services provided by Partners in Care.

**1.9. Smoking at The Virginian** Smoking of tobacco products at The Virginian is permitted only in designated public areas. In addition to the designated smoking areas, Residents may smoke in the Residents' apartment, as long as Residents are not living in Assisted Living provided that Residents rent a filtering device specified by The Virginian, pays an inclusive monthly maintenance fee and otherwise complies with Rules and Regulations regarding smoking. The Virginian reserves the right to change designated smoking areas and to designate areas as smoking or nonsmoking from time to time. Residents will be liable to The Virginian for any damage to the Residents' apartment or to

The Virginian in general, including but not limited to the need to repaint and re-carpet to remove smoke odors, resulting from Resident's smoking. Smoking is prohibited in Assisted Living Apartments and in the Health Care Center.

**1.10 Observance of Rules and Regulations.** The rules and regulations applicable to residence at The Virginian ("Rules and Regulations") attached to this Residence Agreement lease as Exhibit A are hereby made a part of this Residence Agreement and Resident agrees to comply with and observe the same. Resident's failure to keep and observe said Rules and Regulations shall constitute a breach of the terms of this Residence Agreement in the same manner as if the same were contained herein as covenants. The Virginian reserves the right from time to time to amend or supplement said Rules and Regulations and to adopt and promulgate additional reasonable rules and regulations to the extent the same are not specifically contrary to the express terms of this Residence Agreement. Notice of such additional rules and regulations, and amendments and supplements, if any, shall be given to Resident and Resident agrees thereupon to comply with and observe all such Rules and Regulations and amendments thereto and supplements thereof.

**2.0. FEES AND EXPENSES.** The Residents shall pay to The Virginian the following amounts according to the stated terms and conditions:

**2.1 Entrance Fee** \_\_\_\_\_ dollars (\$ \_\_\_\_\_) shall be due and payable ten (10) days prior to entry into The Virginian. The Amount of the Entrance Fee is guaranteed for ninety (90) days after notice in writing by The Virginian that the applicants have been accepted for entry into The Virginian. After that time, the Entrance Fee shall be the amount in effect at the time that the Residents enter The Virginian. The Entrance Fee paid for this Agreement may be used by The Virginian, in its sole and absolute discretion, to fully perform its obligations under its continuing care contracts in providing for the health, safety and welfare of the Residents. After the Entrance Fee has been paid, the Entrance Fee will not be increased or changed during the duration of the agreed-upon care except for changes required by state or federal assistance programs.

**2.2 Monthly Fee** \_\_\_\_\_ dollars (\$ \_\_\_\_\_) shall be payable to The Virginian as the initial monthly maintenance fee ("Monthly Fee"). The amount of the Monthly Fee shall thereafter be adjusted from time to time to the prevailing monthly fee for accommodations similar to those initially occupied by the Residents in the Residential Living Facility, adjusted as provided in Paragraph 2.6. The Monthly Fee shall be due and payable no later than the tenth (10th) day of the month during which the bill is received. A late penalty of five percent (5%) of such bill may be charged if the bill is paid after the tenth (10th) of the month during which the bill is received. Thereafter, the arrearage shall be charged interest each month at eighteen percent (18%) per annum, or if less, at the maximum annual rate consistent with the applicable laws of the Commonwealth of Virginia.

**2.3. Health Care Center and Assisted Living Center Charges**

- (a) Each of the Residents shall be entitled to enter the Health Care Center ("HCC") (in a non- Medicare Bed) on a temporary basis at no additional charge for a total of



not more than ten (10) days not covered by any third-party payer ("Self-Pay Days") during each calendar year. If either or both of the Residents enter the HCC on a temporary basis beyond ten (10) Self-Pay Days during any calendar year, or in a Medicare Bed, then the additional cost of the HCC beyond the ten (10) Self-Pay Days shall be paid by the Residents in addition to the then current Monthly Fee for the Apartment occupied by them in the Residential Living Facility ("RLF"), plus any special charges as provided in Paragraph 2.5,

(b) If one of the Residents enters the ALC or HCC on a permanent basis, the Monthly Fee shall remain the same, plus any special charges pursuant to Paragraph 2.5. The rate for the Apartment shall not change if the Resident, not in the HCC or the ALC moves to a different accommodation by agreement with The Virginian

(c) The HCC currently maintains a limited number of Medicare licensed skilled nursing beds ("Medicare Beds). The Medicare Beds are for the use of residents needing the level and types of skilled care covered by Medicare and are billed to Medicare accordingly. The Residents shall remain responsible and shall pay for all other charges due under this Agreement. The Residents shall be responsible for all Medicare Co-Insurance or Co-pay while eligible for Medicare coverage and occupying a Medicare Bed. The Virginian shall advise the Residents in the event The Virginian believes that the Resident does not need the level of skilled care sufficient to qualify under Medicare for a Medicare Bed. In the event that the Resident disagrees with The Virginian's position regarding the Resident's eligibility for Medicare coverage for a Medicare Bed, and elects to remain in a Medicare Bed, The Virginian will submit a "Demand Bill" to Medicare for an official determination of the Resident's eligibility, the Resident shall pay all Medicare co-insurance while the Demand Bill is being processed. In the event Medicare accepts the Demand Bill, The Virginian shall accept the Medicare payment and the Resident's Co-insurance payment as payment for the use of the Medicare Bed. In the event that Medicare denies the Demand Bill, the Resident shall pay the balance of The Virginian's then current rate for the Medicare Bed.

**2.4 Surviving Resident** If one of the Residents dies, the surviving Resident shall continue to pay the published prevailing fee at the two person rate for the accommodation type in the Residential Living Facility for which the Residents originally contracted.

**2.5. Special Charges** The Monthly Fee covers the ordinary and necessary costs of maintaining and caring for the Residents in their Apartment, in the Assisted Living Center or in the Health Care Center. Consistent with that principle, the following goods and services are examples of the items that shall not be included within the Monthly Fee but shall be billed to the Residents as an extra cost ("Special Charges"). The Virginian reserves the right to add to or delete from the list of Special Charges at any time, subject to the filing of such changes with the Bureau of Insurance, State Corporation Commission.

- (a) A physician-prescribed special diet.
- (b) Medical or other health care services and products furnished to the Residents by The Virginian, its employees and its medical staff such as physician's services, inoculations, x-rays, etc.
- (c) Additional housekeeping and maintenance services in the Apartment, personal laundry, beauty shop charges, etc.
- (d) Those medical or other health care services and/or personal care services provided to the Residents in their apartment as requested by the Residents and/or based on an administrative decision as to its necessity for the health, safety and well-being of the Residents.
- (e) Treatment of the Residents on an outpatient basis by the Resident Wellness Center.
- (f) Any costs incurred by, or the responsibility of, the Residents pursuant to Sections 12, 14, 15, 16 and 18.
- (g) Medication Administration in Assisted or Residential Living.
- (h) Residents in Assisted Living requiring assistance with feeding or incontinency care will be subject to special charges.

A written schedule of the amounts of the Special Charges applicable to the Residents shall, insofar as possible, be provided to the Residents at the time of their admission. The Virginian shall bill the Residents for Special Charges along with the Monthly Maintenance Fee on the same payment terms and conditions.

**2.6 Maintenance of Monthly Fee and Special Charges** The Virginian may, with thirty (30) days advance notice to the Residents, increase the amount of the Monthly Maintenance Fee from time to time in its sole discretion. The Virginian retains the right to change with thirty (30) days advance notice to the Residents the scope of services and amount of the Monthly Maintenance Fee and Special Charges from time to time in its sole discretion.

**2.7. Unreimbursed Charges** The Residents hereby grant to The Virginian a claim against their respective estates and the assets of any inter vivos trust established by them or either of them which provide for their benefit or the benefit of either of them during their lives in an amount sufficient to reimburse The Virginian for all of the unreimbursed costs and charges for care and services provided to the Residents, including financial assistance, plus interest on the amount of unreimbursed costs and charges at the maximum applicable rate in the Commonwealth of Virginia charged from the date that the care and services were provided. This lien shall exist whether or not the Residents were residents of The Virginian at the time of their deaths. If upon the death of either of them, the Residents shall own separately or jointly with authorized survivorship any property not disclosed in his/her financial statement or if property is acquired subsequent to the submission of the

application or the financial statement and not disclosed promptly upon its acquisition, The Virginian shall be entitled to so much of the value of such property as is sufficient to reimburse The Virginian for all of the unreimbursed costs and charges plus interest at the maximum applicable rate in the Commonwealth of Virginia. This Agreement shall operate as an assignment, transfer and conveyance to The Virginian of such property. The Virginian may sell such property, deduct the amount owed by the Residents to The Virginian, and credit the excess, if any, to their account.

### **3.0 DECLINING REFUND OF ENTRANCE FEE**

**3.1 DECLINING REFUND THE ENTRANCE FEE SHALL BE FULLY REFUNDABLE UNTIL THE RESIDENTS HAVE OCCUPIED THE APARTMENT FOR MORE THAN NINETY DAYS. THEREAFTER THE ENTRANCE FEE SHALL AMORTIZE AT THE RATE OF THREE PERCENT (3%) PER MONTH.**

**3.2 General Description of Refund Policy** Residents' Entrance fee will amortize at the rate of three percent (3%) per month (or portion thereof) beginning the first day of occupancy over a period of thirty four (34) months commencing on the first day after the Occupancy Date. This means that there will be no refund of the Entrance Fee more than thirty-four months after the Entrance Date.

**3.3 Refund Prior to Ninety First Day** Should the Residents leave The Virginian prior to the ninety-first day after the Entrance Date, the Residents' Entrance fee will be refunded in full, less any unpaid charges against which the Entrance Fee shall be applied prior to such refund in the event the Residents vacate the apartment completely prior to the ninety-first day after the Entrance Date.

**3.4 Transfer of Ownership; Closing of The Virginian** The Transfer of ownership of The Virginian or The Virginian's assignment of its rights and obligations under this Agreement shall not be an event entitling the Residents to a refund of the entrance fee. If The Virginian is closed and no other facilities are used by The Virginian, or its successors, to meet The Virginian's obligations under this Agreement, the Residents shall be entitled to that portion of the Entrance Fee to which they would otherwise be entitled under Section 3.1.

### **4.0 INSURANCE, FINANCIAL RESPONSIBILITY AND OTHER PROVISIONS**

**4.1 Representations** The application and the statements of financial and health history of the Residents filed with The Virginian are incorporated in this Agreement by this reference, and all statements therein are true and deemed to be representations by the Residents as of the date made in order to induce The Virginian to enter into this Agreement. The Residents represent that there have been no material changes in the information provided since the date thereof.

#### **4.2 Medicare and Health Insurance**

(a) Prior to occupancy, the Residents shall enroll in the Hospital Insurance Benefit Program under Part A of Public Law 89-97 (Medicare), or its equivalent and the Residents authorize, as necessary, any provider of such medical and other health

services, including The Virginian, to receive reimbursement under Medicare Part A, or its equivalent, as provided under these programs. During the next enrollment period following the filing of the Residents' application for admission to The Virginian and prior to occupancy, the Residents will pay the premiums, secure and maintain enrollment under the Supplemental Medical Insurance Benefit Program under Part B of Public Law 89-97 and maintain the same during the term of this Agreement.

(b) If the Residents, or either of them, are not eligible for either of the foregoing Medicare programs, the Resident(s) shall obtain equivalent insurance coverage acceptable to The Virginian.

(c) The Residents are responsible for Medicare co-insurance and deductible amounts. The Virginian requires that the Residents secure supplemental hospital and medical insurance policies (such as Blue Cross/Blue Shield, or Aetna or AARP) or show evidence of the Residents' own ability to pay such costs without impairing the Residents' ability to meet future obligations to The Virginian.

(d) If at any time the Resident becomes entitled to payments for health services from other governmental agencies, the Residents agree to make application for such payments. The Virginian will not be responsible for the cost of any health care, the cost of which the Resident is entitled to from a governmental agency or other third party.

(e) The Residents agree to execute assignment of benefits to The Virginian. The Virginian shall have no claim on excess funds.

#### **4.3 Financial Responsibility**

(a) If the Residents' source of income is found to be inadequate to meet his/her financial obligations to The Virginian and to pay personal expenses, the Residents will make every effort to obtain assistance from family connections or any other available means, which shall include granting The Virginian security interests or deed(s) of trust to insure such payments.

(b) If the Residents are eligible to receive public benefits, including, but not limited to, social security supplemental income, Medicare, aid to the blind, veterans pensions, and other Government programs, the Residents agree that they will apply for and diligently seek such benefits, and any such benefits obtained shall be taken into account in adjusting The Virginian's monthly charge to the Residents. Failure to make application for such benefits within a reasonable period of time will be deemed a voluntary termination of this contract by the Residents, and The Virginian shall have no further obligations to the Residents hereunder.

(c) The Virginian may grant upon request Financial Assistance, contingent upon the availability of Financial Assistance. Financial Assistance may be in the form of a credit against the Monthly Fee under policies established by Management and

the Board of Trustees. As a condition for such assistance, the Resident agrees to the following:

(1) To apply for and diligently seek the benefit of any public assistance program for which they might qualify as set forth above. Any such benefits may be taken into account in adjusting the amount of Financial Assistance.

(2) To report promptly to The Virginian receipt of any property or any material increase or decrease in the value of the Residents' income or assets (including real estate), whether as the result of gift, inheritance, change in public assistance benefits or otherwise.

(3) To refrain from transferring any material assets for less than fair value, whether by gift, sale or otherwise. If the Resident are receiving Financial Assistance, the Residents hereby represents that they have not transferred any material assets for less than fair value in contemplation of residence or requesting assistance. Failure of the Residents to comply with any of the provisions of this Section shall constitute material breach by the Residents of his agreement.

(d) It shall be a condition of receiving financial assistance that the Residents shall represent that they have not made any gift of real or personal property in contemplation of the execution of this Agreement and shall agree that they will make no such gift subsequent to that execution which would impair their ability or the ability of their estate or inter vivos trust to satisfy their financial obligations under this Agreement. The Residents agree that The Virginian shall have the right to require the Residents to make arrangements for the preservation and management of their property by a third party (or parties) including, but not limited to, the execution and funding of a trust agreement for the Residents' benefit when: (i) the Residents receive financial assistance from The Virginian; or (ii) The Virginian, in its sole discretion, believes that the continued management by the Residents of their property may place the Residents in need of financial assistance from The Virginian. Any violation of this section will be deemed voluntary termination of this contract by the Residents.

**4.4 Current Financial Information** The Residents agree to provide periodic financial statements to The Virginian. This allows The Virginian to monitor potential need for Financial Assistance. If the Residents require financial assistance from The Virginian, the Residents agree to provide to The Virginian upon request current financial statements and accurate copies of their most recent tax returns.

**4.5 Other Insurance** The Residents agree that the Residents shall obtain personal liability insurance covering the cost of any injury to third parties in The Virginian in the amount of \$300,000. The Virginian recommends that Residents maintain insurance coverage on Residents' personal property in an amount sufficient to cover the full replacement value of such property. The Virginian does not provide personal property insurance covering Residents' personal property.

**4.6 Subordination of Rights** The rights of the Residents under this Agreement are the rights and privileges expressly granted and do not include a proprietary interest in the property or assets of The Virginian. The Residents irrevocably agree that their rights under this Agreement shall be subordinate and inferior at all times to the rights under any mortgage or deed of trust now or hereafter pertaining to The Virginian. The Residents further irrevocably agree that they shall further execute, acknowledge and deliver a subordination agreement should such be necessary in order to establish the priority of a lenders mortgage or deed of trust as a lien against the property.

**4.7 Hospital Coverage and Transfer Agreements** The Virginian is not obligated to pay any charges for hospitalization or costs related thereto. In the event it becomes necessary for a Resident to be transferred to a hospital, The Virginian will provide the information necessary to meet the provisions of any hospital agreement and the Residents agree that The Virginian has the right to provide such information, which may include part or all of the Residents' medical records.

## **5.0 ADMISSIONS AND DISMISSALS**

**5.1 General** The Virginian shall have the exclusive authority to admit residents and to adjust fees, and the Residents shall not have the right to object to another resident's admission, terms of admission or dismissal.

### **5.2 Marriage**

(a) In the event a Resident marries a non-resident, the non-resident may make application for admission, subject to the admissions provisions, procedures and fees in effect at the time of such request. The Virginian is under no obligation to admit the non-resident, and the Resident may terminate this Agreement in accordance with the provisions of Section 18.3 (c). Upon such marriage, Entrance and Monthly Fees shall be adjusted to then current dual occupancy rates and the parties will execute a Dual Resident Contract. Unless otherwise agreed to in writing by The Virginian, if one of the Residents remarries after the Effective Date of this Agreement and the spouse does not meet the entrance requirements of The Virginian, the spouse will not be permitted to reside in The Virginian. The Entrance Fee adjustment due will be a sum equal to the difference between the then current Entrance Fee for double-occupancy and the then current Entrance Fee for a single occupancy in the particular type of apartment occupied. The Monthly Fee for the new couple will be the then current Monthly Fee for couples in the particular type of apartment occupied.

(b) There will be no refund or adjustment of Entrance Fees in the event an unmarried resident marries another resident; however, in the event the married residents thereafter occupy one Apartment, they shall be charged the dual occupancy rate for that Apartment.

## **6.0 ADMISSION AND OCCUPANCY**

**6.1 Admission and Occupancy Requirements.** Acceptance as a resident and occupancy at The Virginian are based upon the following criteria, except as may be amended by a written, signed addendum hereto: The Virginian will, at its sole discretion, make the final decision regarding an applicant's acceptance under these criteria:

- (a) Physical and mental capability of performing, without assistance, daily living tasks, as certified by The Virginian's Medical Director; including that the Residents shall be fully ambulatory and able to respond appropriately to emergency situations,
- (b) Freedom from communicable disease,
- (c) Financial capacity to meet the Residents' obligations to The Virginian (unless other arrangements have been made), and
- (d) The Residents' presence does not threaten the health, safety, or well being of others at The Virginian.

**6.2 Criteria for Occupancy of the ALC.** In the event that the Residents or either of them no longer qualify for the RLC the non-qualifying Resident may be moved to the ALC. As a condition of admission to the ALC, Residents shall be primarily ambulatory, be able to safely transfer without assistance, be able to use a wheelchair or a walker without assistance, and be able to respond appropriately to emergency situations.

**6.3 Continued Occupancy** The Residents must continue to meet the foregoing criteria as a condition of occupancy of the Apartment Unit in the RLF or the ALC as appropriate. If, in the judgment of The Virginian and its staff, either or both of the Residents are unable to comply with these requirements and/or fail to meet State Standards and Regulations for a Licensed Homes for Adults, The Virginian will transfer the Resident(s) to an appropriate level of care for the Resident(s) own safety and welfare.

**7.0 CHANGE OF ACCOMMODATIONS.** Subject to the reasonable medical decision of The Virginian, either or both of the Residents may be transferred to the Assisted Living Center, the Health Care Center or if the Health Care Center is incapable of providing the requisite care or is otherwise not appropriate, to another facility when either or both are a) ill and requires special attention, b) infected with a contagious disease, or c) mentally ill to the extent that the mental illness requires care that The Virginian is not able to furnish or to the extent that the presence of either may create a hazard or be detrimental to the health or welfare of the other residents. The cost of any facility, other than The Virginian, to which the Residents, or either of them, is transferred, shall be borne by the Residents.

**8.0 RELEASE OF APARTMENT.** In the event of a determination by The Virginian that the condition requiring the transfer of one of the Residents to the Assisted Living Center, the Health Care Center or to another facility is not a temporary condition, the remaining Resident may continue to occupy the Apartment. If both Residents are permanently transferred to the Assisted

Living Center and/or the Health Care Center or another facility, the Apartment shall be released for use by others. For the purposes of this provision, the term "temporary condition" shall be defined as a condition for which a medical prognosis exists that indicates the reasonable possibility that the Residents will return within a reasonable period of time to the Residents' apartment in The Virginian, and will be able to meet the requirements for Residential Living in a Home for Adults. Residential Living shall be defined by, but not limited to, the Standards and Regulations for Licensed Homes for Adults, State Department of Health Services, Commonwealth of Virginia. Failure to vacate the apartment once it has been determined that the Residents no longer meet the above requirements shall be justifiable cause to charge the Residents an additional Monthly Fee to recover the cost of providing two accommodations.

**9.0 FINANCIAL OBLIGATIONS OF THE RESIDENTS TO THIRD PARTIES.** The Virginian shall not be liable or responsible for any debt, expense, or other financial obligation of any kind, incurred or contracted by the Residents.

**10.0 OBLIGATIONS TO RESIDENTS AWAY FROM THE VIRGINIAN.** The Virginian shall not be obligated to furnish or to pay for any support, maintenance, board or lodging when the Residents are away from The Virginian, and the Residents shall remain obligated for the fees provided for in Section 2.

**11.0 LOSS OR DAMAGE TO PROPERTY OR PERSON.**

- a. Except in situations where the Residents have
- b. executed an Assistive Device Agreement while in the Health Care Center, The Virginian shall not be responsible for the loss or damage to any property belonging to the Residents whether due to misplacement, theft, routine maintenance, housekeeping activities, the negligence of The Virginian or any other cause and the Residents waive any and all claims against The Virginian arising in any way from loss of or damage to the property of the Residents no matter what the cause.
  
- b. Residents further waives any claim against The Virginian and release The Virginian from liability for death or injury to the Residents' person from any cause other than The Virginian's negligence or intentional wrongful acts, including, but not limited to fire, assault or any other cause. The Residents further specifically waive any claim against The Virginian and release The Virginian from liability for death or injury to the Residents' persons where such death or injury was caused in whole or in part by either Residents' negligence or fault.

**12.0 MAINTENANCE OF THE APARTMENT AND REPAIR SERVICES.** The Residents shall be responsible for the repair, maintenance and replacement of their personal property. The Virginian may provide minor repairs to the personal property of the Residents subject to Special Charges. Redecoration of the Residents' Apartment, other than as scheduled by The Virginian, shall be at the Residents' expense and with prior approval of The Virginian. Any permanently affixed items, the removal of which would deface the apartment, shall become the property of The Virginian. Any change or replacement by the Residents of the equipment provided by The Virginian to them shall vest title to such equipment in The Virginian unless otherwise provided for in writing. The Virginian may, at its option, require the Residents to restore the Apartment to its original condition at the time the Residents took occupancy.



**13.0 RIGHT OF ENTRY.** The Residents give authorized employees of The Virginian the right of entry into the Residents' apartment a) at any time for emergency purposes and b) when deemed necessary by the Administrative Staff for management purposes.

**14.0 DISPOSITION OF PROPERTY ON DEPARTURE OR DEATH OF RESIDENT.** In the event of the departure or death of both Residents, all of their property, including any property left in a storage bin shall be removed within thirty (30) days. The Monthly Fee shall continue in effect until the apartment is vacated and returned to The Virginian. In the event that the property is not removed within that period, the property shall be placed in storage within or without The Virginian for additional thirty (30) days at the expense of the Residents or their estate. If at the expiration of the latter thirty-day period, the property has not been claimed, The Virginian may sell or otherwise dispose of such property, deduct the storage cost from the proceeds, if any, and then credit the excess to the Residents' account.

**15.0 INJURY OR DAMAGE BY RESIDENTS AND THEIR GUESTS.** The Residents hereby agree to reimburse The Virginian for any costs resulting from their willful or negligent acts or omissions or the acts or omissions of their guest(s).

**16.0 SUBROGATION.**

**16.1 Injury by a Third Party** If either or both of the Residents are injured or dies from the act or omission of a third party and the Residents or their estates do not fully reimburse The Virginian for the costs incurred by such third party's act or omission, then The Virginian is subrogated to the Residents' claim and may bring suit in the name of the Residents. The Residents, or their estates, shall cooperate with The Virginian if The Virginian pursues a claim for damages against the third party.

**16.2 Right of Subrogation** In case of accident or injury to the Residents caused by third parties, the Residents hereby grant a power of attorney to The Virginian, which power shall not be affected by the disability of the Residents empowering The Virginian, at its election, to bring any claim or initiate legal action, if necessary, against the person who has caused injury to the Residents for compensation for the injury or expenses thereby caused. Residents agree to execute such further authorization as shall be desirable to prosecute such claims or causes of action. The Virginian, at its election, may sue on and enforce any cause of action of the Residents, or either of them, for injury or damages so resulting in the name of the Resident(s) or in its own name. After all costs and damages incurred by The Virginian (including reasonable costs of care furnished to the Resident(s) by The Virginian because of such accident or injury) shall have been paid for and reimbursed to The Virginian by such subrogation, the balance of any collection made will be credited to the Residents' account, or, in the event of the death of the Residents, will be paid to the surviving Resident's estate. The Virginian may limit its election as provided above to claims for recovery of the cost incurred by it, and in such event, The Virginian shall not be obligated to assert any claim of The Virginian arising out of such accident or injury beyond the costs incurred by The Virginian.

**17.0 POWER OF ATTORNEY.** The Residents shall place on file with The Virginian a power of attorney in favor of a responsive responsible individual residing in the United States reasonably available to The Virginian to handle the Residents' financial affairs and to make necessary decisions regarding the Residents if either of them becomes incapacitated. Such powers of attorney shall be in a form enforceable in the Commonwealth of Virginia that survives the Residents' incapacity or disability and shall also name, similar individual acceptable to The Virginian as a substitute attorney-in-fact in the event that the first attorney-in-fact becomes incapacitated or is unable or refuses or otherwise fails to act.

**18.0 TERMINATION OF AGREEMENT.** When this Agreement is terminated, the Residents shall remain obligated for the fees set forth in Section 2 through the date that the Resident leaves The Virginian, in addition to the cost of any repairs to, or replacement of, the property of The Virginian caused by the Residents' negligence. All such unpaid Amounts shall reduce the Refundable Amount. This Agreement is terminated upon the following terms and conditions:

**18.1 Termination by the Death of the Residents** The death of both of the Residents shall terminate this Agreement.

**18.2 Termination by The Virginian** If The Virginian terminates this Agreement, the Residents shall have a reasonable period of time, not to exceed ninety (90) days, to move from The Virginian. The temporary transfer of the Residents to another facility, for reasons of physical and mental health, shall not operate as termination of the Agreement provided that the Residents comply with Sections 4.1 through 4.6. The Virginian may otherwise terminate this Agreement good cause with one or both of the Residents at any time. Good cause shall be limited to: (1) proof that the one or both of the Residents is a danger to himself or others (2) refusal by the Residents to pay a monthly or periodic fee (3) repeated conduct by the Resident(s) that interferes with other residents' quiet enjoyment of the facility (4) failure on the part of the Residents to abide by the written rules and regulations adopted by The Virginian for the facility (5) a material misrepresentation made intentionally or recklessly by the Residents in his/her application for residency, or related materials, regarding information which, if accurately provided, would have resulted in either a failure of the Resident(s) to qualify for residency or a material increase in the cost of providing to the Resident(s) the care and services provided under the contract (6) material breach by the Resident(s) of the terms and conditions of the continuing care contract.

**18.3 Termination by the Residents**

(a) The Residents shall have the right to rescind this Agreement for any reason, without penalty or forfeiture, at any time prior to entry into The Virginian.

(b) If either or both of the Residents die before occupying the facility, or are precluded through illness, injury or incapacity from becoming a resident under the terms of this Agreement, the Agreement is automatically rescinded and the Residents or their legal representative shall receive a full refund of all money paid to The Virginian, except those costs specially incurred by The Virginian at the

request of the Residents and set forth in writing in a separate addendum signed by both parties to the Agreement.

(c) The Residents may terminate this Agreement by giving The Virginian thirty (30) days written notice of their intention to terminate this Agreement. The notice shall be effective at the end of the thirty (30) days notice unless parties otherwise agree in writing.

**19.0 RIGHT TO APPEAL.** The Residents may appeal any change of accommodations, transfer or termination of this Agreement for reasons related to their physical or mental health to a licensed physician in good standing within the Commonwealth of Virginia mutually agreed upon by the Residents and The Virginian. The decision of the physician shall be binding, and the costs of the appeal shall be borne equally by the Residents and The Virginian.

**20.0 RULES AND REGULATIONS.** The Residents shall abide by the rules and regulations of The Virginian as may be in effect or subsequently adopted from time to time.

**21.0 REGULATION BY THE COMMONWEALTH OF VIRGINIA.** The Virginian is a non-profit, tax-exempt corporation organized and existing under the laws of the Commonwealth of Virginia. The Virginia Department of Social Services licenses The Virginian. The Regional Offices, which granted The Virginian its license to operate, are:

Commonwealth of Virginia  
Department of Social Services  
11320 Random Hills Road, Suite 200  
Fairfax, Virginia 22030

The nursing and rehabilitation center at The Virginian is regulated and licensed by the following division of the Virginia Department of Health:

Center for Quality Health Care Services and Consumer Protection  
Division of Long Term Care Services  
Virginia Department of Health  
3600 Centre- Suite 216  
3600 West Broad Street  
Richmond, VA 23230-4920

**22.0 INTER VIVOS TRUSTS.** In the event that one or both of the Residents has established, or during the term of this Agreement establishes, an inter vivos trust which provides for the benefit of Resident and/or Resident's spouse during their lives, the trustees of such trust and the trust shall become parties to this agreement to the extent of assuming liability for Resident's financial obligations under this agreement.

**23.0 GENERAL PROVISIONS.** The following general provisions shall apply:

**23.1 Governing Law** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Virginia applicable to agreements made and performed entirely within the Commonwealth of Virginia. This Agreement shall be

deemed to have been executed in Fairfax County, Virginia and shall be subject to the jurisdiction of the Circuit Court of Fairfax County, Virginia and the United States District Court for the Eastern District of Virginia, Alexandria Division. The parties agree to submit to the exclusive jurisdiction of such courts.

**23.2 Modification or Waiver** A modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement. The failure of any party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or of a different nature.

**23.3 Entire Agreement** This agreement contains the entire understanding of the parties. There are no representations, warranties, covenants, or undertakings by or between the parties other than those expressly set forth in this Agreement and, if applicable, the Guaranty Agreement is expressly made a part of this Agreement.

**23.4 Binding Effect** This Agreement shall be binding on the Resident and the Resident's heirs, executors, administrators, legal representatives, successors and assigns.

**23.5 Assignment** The rights of the Resident hereunder shall be personal to the Resident and shall not be assignable. The Virginian may assign its rights and obligations hereunder without the consent of the Resident.

**23.6 Gender** All pronouns shall be deemed to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.

**23.7 Waiver of Breach Not Waiver of Others** The failure of The Virginian in any one or more instances to insist upon the strict performance and observance of compliance by the Resident with any of the terms or provisions of this Agreement shall not be construed as a waiver or relinquishment by The Virginian of its right to insist upon strict compliance by the Resident with all of the terms and conditions of this Agreement.

**23.8 No Representations** The Virginian's representatives have made no promises or representations with respect to the Resident's apartment or accommodations, any facilities of The Virginian, refunds, or any of The Virginian's promises and undertakings with respect to the care of the Resident except as specifically set forth herein.

**23.9 Weapons Policy** Possession of firearms, ammunition, fireworks, explosives or weapons prohibited by law is not allowed at The Virginian.

**23.10 Remedies for Unpaid Fees** In the event that Resident fails to pay any sums due hereunder The Virginian shall have all rights and remedies available to it under the law, including, but not limited to the right to file suit for all unpaid amounts due from Resident under this Agreement. In the event that The Virginian is required to pursue its remedies under this agreement due to Resident's failure to pay sums due, The Virginian shall be entitled to recover its fees and costs of collection whether or not suit is filed, including, but not limited to reasonable attorney's fees and all costs of collection.

**23.11. Funeral Arrangements.** The handling of funeral arrangements presents many difficult choices in a stressful situation. The Virginian is not in a position to make personal decisions for Residents regarding such arrangements and these decisions are best left to the Resident and the Resident's family. Accordingly, The Virginia requests that, at the time of the execution of this Agreement, the Resident make known his or her last wishes regarding funeral arrangements, including the selection of a funeral home and the designation of a person to be responsible for managing funeral arrangements. This can be done by completing a form that The Virginian will maintain on file and which can be changed from time to time as the Resident may desire. In the event of the Resident's death while at The Virginian, The Virginian will contact the funeral home, if any, designated by the Resident and will undertake to contact the person designated by Resident as being responsible for funeral arrangements. In the event that the Resident elects not to make such a designation, The Virginian will make reasonable efforts to contact the Resident's next of kin and family, as listed with The Virginian, to make appropriate arrangements. In the event that The Virginian is unable to contact the Resident's next of kin or family within four (4) hours, The Virginian will contact a local Funeral Home to remove the remains and hold them at its facility until appropriate arrangements can be made by Residents' family or representative. Resident's estate shall be responsible for all costs incurred with regard to the use of the Funeral Home.

**23.12. Pets.** Residents may keep a dog, cat or other small pet (other than a dog when Residents are in Assisted Living) with the prior approval of The Virginian's administration and in compliance with all policies and regulations of The Virginian relating to pets, including, without limitation, restrictions on the size, type and total number of pets kept in the apartment or at The Virginian and on other areas in which pets may be kept or exercised. Residents agree to make other arrangements for the care of any pet if, in the judgment of The Virginian's administration (i) such pet becomes a nuisance or danger to Residents or others or (ii) Residents can no longer care for the pet without assistance. Residents shall reimburse The Virginian and its residents for any damage including damage to furnishings done by Residents' pet(s).

**23.13. Residents' Council.** Interested Residents may establish and maintain a Residents Council. As required by 22 VAC 40-72-810. The Virginian shall be responsible for providing Residents with assistance in forming and maintaining such council, whether or not such a council currently exists at The Virginian. The Virginian currently has a resident's association called The Association of Virginian residents ("AVR") whose sole purpose is to promote the welfare of all permanent residents of The Virginian. The AVR is governed by a Council composed of its four officers; a president, vice president, Secretary and treasurer, and the Chairpersons of eight operating committees: Activities, Communications, External Building and Grounds, Food, Health Care Center, Interior Building, Library and Welcoming.

**20.14. Severability.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

**IN WITNESS WHEREOF**, the parties have signed two and sealed two copies of this Agreement, each of which shall be deemed an original.

(Corporate Seal)

ATTEST:

**THE TEMPLE FOUNDATION, INC.**

\_\_\_\_\_  
(Acting) Secretary

By: \_\_\_\_\_  
Executive Director

(SEAL)

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
Resident (SEAL)

(SEAL)

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
Resident (SEAL)

(SEAL)

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
Trustee of Resident's Inter Vivos Trust (if any)

THE CONTRACTS PRESENTED AT A-3  
THROUGH A-12 DO NOT MEET THE  
DEFINITION OF CONTINUING CARE UNDER  
TITLE 38.2 OF THE CODE OF VIRGINIA AND  
ARE NOT REVIEWED BY THE BUREAU OF  
INSURANCE

**EXHIBIT**

**A-3. Single Resident Monthly Care Agreement for Independent Living Effective May 1, 2018**



**TEMPLE FOUNDATION, INC T/A THE  
VIRGINIAN  
9229 ARLINGTON BLVD, FAIRFAX, VA, 22031-2504**

**SINGLE RESIDENT AGREEMENT  
FOR INDEPENDENT LIVING**

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# THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN

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## SINGLE RESIDENT AND CARE AGREEMENT MONTHLY CARE PLAN

This Agreement is made and entered into this \_\_\_\_\_, 20\_\_\_\_, by and between **THE TEMPLE FOUNDATION, INC.** a Virginia non-profit corporation t/a The Virginian (“The Virginian”), and \_\_\_\_\_ (the “Resident”) and \_\_\_\_\_ (the “Resident Representative”) if a Resident Representative is required pursuant to Section 20. This Agreement shall be deemed effective \_\_\_\_\_, 20\_\_\_\_, (the “Effective Date”) and shall be terminated by The Virginian or Resident as hereinafter provided. This Agreement shall continue on a month-to-month basis and may be terminated by either party as provided herein.

**1.0 CARE AND SERVICES.** The Virginian shall make the following facility's care and services available to the Resident:

**1.1 Independent Living Facility ("ILF").** The Virginian shall provide the Resident with unfurnished Apartment Number \_\_\_\_\_ (the "Apartment"), in the Assisted Living Center at The Virginian. The Resident shall furnish such Apartment in accordance with The Virginian policy. The Resident shall have access to common areas of The Virginian, including its outdoor and indoor social and recreational facilities, subject to reasonable rules and regulations established by The Virginian from time to time.

The Monthly Fee shall include:

- A one/two bedroom apartment, with kitchen, as agreed upon above.
- Breakfast and dinner (lunch a la carte).
- Utilities, including water, HVAC and house cable television.
- Emergency call system in the apartment/pendant.
- Weekly housekeeping service.

Other services are included in this fee. See Exhibit B.

**1.2 Assisted Living Center ("ALC").** The Virginian maintains an Assisted Living Center ("ALC"), which provides assisted living. The Resident may transfer, or be transferred, to the ALC on a temporary or permanent basis as provided in this Agreement. Admission and continued residency is based upon financial approval, apartment availability and laws governing admission to an Assisted Living facility per 22 VAC 40-72-340.

**1.3 Health Care Center ("HCC").** The Virginian maintains a nursing and rehabilitation center at The Virginian (the "Health Care Center" or "HCC"), which provides intermediate and skilled care (currently including a limited number of Medicare certified nursing beds). The Resident may transfer or be transferred to the HCC on a temporary or permanent basis as provided in this Agreement. Admission and continued residency is based upon financial approval, bed availability and laws governing admission to the Health Care Center, per 12 VAC 5-371.

**1.4 Utilities and Housekeeping.** The Virginian shall provide, at its expense, all utilities reasonably required by the Resident, including water, electricity, heating, air conditioning and access to cable television service. The Resident is responsible for telephone services and internet. The Resident shall maintain the Apartment in a clean, sanitary and orderly condition and shall perform all light housekeeping in order to maintain such condition. The Virginian shall make complimentary laundry machines available to the Resident within The Virginian. The Virginian will provide weekly housekeeping to the Resident. More extensive cleaning and services can be arranged for a fee.

- 1.5 Meals.** The Virginian shall provide the Resident with a nutritionally well-balanced breakfast and dinner each day in the Dining Room. No adjustment in fees will be made for meals not taken by the Resident, unless the Resident is away from the Apartment for more than seven (7) consecutive days. If a physician prescribes a specific diet for the Resident, The Virginian shall provide, or arrange for the provision of, such diet. The Virginian may charge the Resident for the special diet and for any services beyond those normally provided in the main dining room during regular meal service.
- 1.6 Guests.** The Resident may invite guests to the Resident's Apartment for daily and brief, occasional overnight visits subject to The Virginian's policies. As an alternative, or for longer visits, guest apartments are available for family members at a charge. With Resident permission, family are welcome to stay with the Resident if helping a Resident prepare for a procedure, a move, or the Resident's condition is critical. Residents and guests must comply with The Virginian's policy and procedure XXI-D.
- 1.7 Medical or Other Health Care.** The following provisions are conditions of, and apply to, all medical or other health care provided to the Resident:
- a) Subject to Special Charge for supplies and treatments, as provided for in sub Section 1.8, The Virginian shall make available the services of a licensed nurse or other health care provider for non-emergency and non-critical health care on a fee-for-service basis. Further medical care is available by the physicians who currently hold office hours at The Virginian. These physicians are not employees of The Virginian and charges for their services are separate. The Resident's Medicare or other primary or secondary health insurance may cover the charges for these visits.
  - b) The Resident may, at the Resident's own expense, engage the services of any physician licensed in the Commonwealth of Virginia. The Virginian is not responsible or financially liable for the cost of such services. The Virginian will administer medications to Residents for an additional charge. To ensure consistency and ease of distribution, The Virginian prefers to use the pharmacy and method of medication and distribution selected by it. However, the Resident is free to have prescription and nonprescription drugs and medications delivered by a licensed pharmacy of Resident's own selection or brought to The Virginian by Resident's family, friends or other persons, provided that such medications and prescriptions are packaged, labeled, delivered and otherwise handled as required by 12 VAC 5-371-300 L and The Virginian's policies and procedures in accordance therewith. The Virginian will charge a reasonable fee for restocking such "out of system" medications in The

Virginian's unit dose system. Resident may keep his or her own medications and dietary supplements in a secure place in his room if the Uniform Assessment Instrument for Resident indicates Resident is capable of self-administering medication. All medication and dietary supplements must be stored so that they are not accessible to other Residents. If The Virginian is administering Resident's medication, the Resident's medications and dietary supplements shall be stored by The Virginian and not by the Resident.

- c) The Virginian shall arrange for emergency medical care for the Resident when it is determined to be medically necessary by the staff at The Virginian. The Resident shall pay the charges incurred during, or as a consequence of, such emergency medical care, including, but not limited to, the cost of transportation to and from the place at which the emergency medical care is provided.
- d) The Virginian shall not pay the cost of physicians, private duty employees, drugs, medications or medical for supplies wound care, catheter care, injections and other treatments separately listed on The Virginian's fee schedule.
- e) The Resident shall be responsible for paying the difference between the amounts charged for medical or other health services and the amount paid by Medicare or other third party payers, including, but not limited to, any co-payments and deductibles.
- f) The Resident hereby authorizes The Virginian to disclose the Resident's medical records or other confidential information to a medical or other health care provider as reasonably necessary to treat the Resident. The Resident also authorizes The Virginian to disclose the Resident's medical records or other confidential information to Medicare or to another primary third party payer and/or secondary payer as reasonably necessary to guarantee payment for the treatment of the Resident. To the extent necessary to accomplish the foregoing, the Resident shall execute such additional releases and authorizations as may be required by the laws of the Commonwealth of Virginia.

- g) The Resident authorizes The Virginian, its employees, and medical staff, including physicians and nurses who practice at The Virginian, to treat the Resident for all conditions and under all circumstances as may be necessary, and otherwise, as requested by the Resident. The Resident releases The Virginian from all liability in connection with such treatment other than that caused by The Virginian's gross negligence or intentional misconduct.

**1.8 Excluded Care.** The Virginian shall not be required to furnish or pay the cost of the following:

- a) The Virginian shall not be required to furnish medical or other health care that The Virginian, its employees or its facilities: i) are not licensed or otherwise authorized to furnish; ii) are not capable of furnishing for any reason; or iii) exceeds the existing capabilities of the nursing staff or facilities.
- b) The Virginian shall not be required to furnish, among other things, those services rendered by a psychiatrist or psychologist, ophthalmologist, optometrist, optician, dentist, chiropractor, podiatrist, radiologist or rehabilitation and diagnostic services and tests.
- c) The Virginian shall not be required to furnish or pay LSCW, the cost of non-prescription and prescription drugs, medicines, vitamins, dental work, glasses, hearing aids, medical or medically related supplies or equipment or for the cost of diagnosing or treating a mental illness.
- d) Companion services, if desired, must be contracted through Partners in Care, a division of Assisted Living at The Virginian. Virginia Department of Social Services mandates that daily care can be rendered to Residents only by those individuals licensed and authorized in accordance with Virginian policy to do so. Family members, spouses, family friends "housekeepers," and drivers are prohibited from providing care.
- e) Additional housekeeping, maintenance services, beauty parlor charges, phone/internet services.
- f) Use of Health Care Center in Assisted Living Center on a temporary basis, as provided in this agreement.

**1.9 Smoking at The Virginian.** The Virginian is a smoke free facility. Smoking is prohibited in Independent Living apartments, in all interior public areas and adjacent outside patios.

**1.10 Observance of Rules and Regulations.** The rules and regulations applicable to residence at The Virginian ("Rules and Regulations") attached to this Residence Agreement lease as Exhibit A are hereby made a part of this Residence Agreement and Resident agrees to comply with and observe the same. Resident's failure to keep and observe said Rules and Regulations shall constitute a breach of the terms of this Residence Agreement in the same manner as if the same were contained herein as covenants. The Virginian reserves the right from time to time to amend or supplement said Rules and Regulations and to adopt and promulgate additional reasonable rules and regulations to the extent the same are not specifically contrary to the express terms of this Residence Agreement. Notice of such additional rules and regulations, and amendments and supplements, if any, shall be given to Resident and Resident agrees thereupon to comply with and observe all such Rules and Regulations and amendments thereto and supplements thereof.

**2.0 FEES AND EXPENSES.** Resident shall pay to The Virginian the following amounts according to the stated terms and conditions:

**2.1 Security Deposit.** The Dollars (\$\_\_\_\_\_) shall be due and payable prior to entry into The Virginian (the "Deposit"), to be applied as provided in Paragraph 3.1. The Deposit is refundable as provided herein, subject to the terms of Section 3.1.

**2.2 Community Fee.** In addition to the Deposit, a Community Fee of (\$\_\_\_\_\_) shall be due and payable prior to entry into The Virginian. The Community Fee is non-refundable.

**2.3 Monthly Fee.** \_\_\_\_\_ Dollars (\$\_\_\_\_\_) shall be payable to The Virginian as the initial monthly maintenance fee ("Monthly Fee"). The amount of the Monthly Fee shall thereafter be adjusted from time to time to the prevailing monthly fee for accommodations similar to those occupied by the Resident. The Monthly Fee shall be due and payable upon receipt. A late penalty of five percent (5%) of such bill may be charged if the bill is not paid by the end of the month during which the bill is received. Thereafter, the arrearage shall be charged with interest each month at eighteen percent (18%) per annum, or, if less, the maximum annual rate consistent with the applicable laws of the Commonwealth of Virginia.

## **2.4 Per Diem Health Care Center and Assisted Living Center Charges**

- a) The Resident shall be entitled to enter the ALC or HCC on a temporary basis at The Virginian's then currently prevailing charges in addition to the then current Monthly Fee for the Apartment occupied by the Resident in the Independent Apartment Living, plus any special charges as provided in Paragraph 1.8.
- b) If the Resident enters the ALC or the HCC on a permanent basis, and the Apartment is closed, the Monthly Fee shall be the then current rate for the ALC or for HCC.

**2.5 Additional Charges** The Monthly Fee covers the ordinary and necessary costs of maintaining and caring for the Resident in the Apartment, as enumerated in Sections 1.1, 1.4, and 1.5 of this Agreement. Consistent with that principle, the following goods and services are examples of the items that shall not be included within the Monthly Fee but shall be billed to the Resident as an extra cost ("Additional Charges"). The Virginian reserves the right to add to or delete from the list of Special Charges or change the rates thereof at any time upon thirty (30) days prior written notice.

- a) A physician-prescribed special diet;
- b) Medical or other health care services and products furnished to the Resident by The Virginian, its employees, and its medical staff; such as physician's services, inoculations, x-rays, etc.;
- c) Additional housekeeping and maintenance services in the Apartment, personal laundry, beauty shop charges, etc.;
- d) Those medical or other health care services and/or personal care services provided to the Resident in the Apartment, as requested by the Resident and/or based on an administrative decision as to its necessity for the health, safety and wellbeing of the Resident;
- e) Use of the ALC or HCC by the Resident on temporary in-patient basis;
- f) Use of the ALC or HCC by the Resident on a permanent in-patient basis;
- g) Any costs incurred by, or the responsibility of, the Resident pursuant to Sections 12, 14, 15, 16 and 18.



A written schedule of the amounts of the Additional Charges applicable to the Resident shall, insofar as possible, be provided to the Resident at the time of admission. The Virginian shall bill the Resident for Additional Charges along with the Monthly Fee on the same payment terms and conditions.

**2.6 Maintenance of Monthly Fee and Additional Charges** The Virginian may, with thirty (30) days advance notice to the Resident, increase the amount of the Monthly Fees and Special Charges from time to time in its sole discretion.

**2.7 Unreimbursed Charges** The Resident hereby grants to The Virginian a claim against the Resident's estate and the assets of any inter vivos trust established by the Resident which provides for the benefit of the Resident in an amount sufficient to reimburse The Virginian for all of the unreimbursed costs and charges for care and services provided to the Resident, including financial assistance, plus interest on the amount of unreimbursed costs and charges at the maximum applicable rate in the Commonwealth of Virginia charged from the date that the care and services were provided. This lien shall exist whether or not the Resident is a resident of The Virginian at the time of his or her death. If upon the death of the Resident, the Resident shall own separately or jointly with authorized survivorship any property not disclosed in the Resident's financial statement or if property is acquired subsequent to the submission of the application or the financial statement and not disclosed promptly upon its acquisition, The Virginian shall be entitled to so much of the value of such property as is sufficient to reimburse The Virginian for all of the unreimbursed costs and charges, plus interest at the maximum applicable rate in the Commonwealth of Virginia. This Agreement shall operate as an assignment, transfer and conveyance to The Virginian of such property. The Virginian may sell such property, deduct the amount owed by the Resident to The Virginian, and credit the excess, if any, to their account.

### **3.0 DEPOSIT**

**3.1 Application of Deposit.** The Deposit shall be held by The Virginian to (i) secure the Resident's financial obligations to The Virginian and (ii) to repair any damage (other than normal wear and tear) to the Apartment during the Resident's occupancy. The Deposit, to the extent not so used, shall be refunded to the Resident within sixty (60) days of the later of the termination of this Agreement or the date Resident vacates the Apartment. The Virginian shall provide the Resident with a reasonably detailed written explanation of how the Deposit was expended.

**3.2 Interest.** The Deposit shall not bear interest.

**3.3 Transfer of Ownership/Closing of The Virginian.** The transfer of the ownership of The Virginian or the Closing of The Virginia resulting assignment

by The Virginian of its rights and obligations under this Agreement shall not be an event terminating this Agreement.

#### **4.0 INSURANCE, FINANCIAL RESPONSIBILITY AND OTHER PROVISIONS**

**4.1 Application of Deposit.** The application and the statements of financial and health history of the Resident filed with The Virginian are incorporated in this Agreement by this reference, and all statements therein are true and deemed to be representations by the Resident as of the date made in order to induce The Virginian to enter into this Agreement. The Resident represents that there have been no material changes in the information provided since the date thereof.

#### **4.2 Medicare and Health Insurance.**

- a) Prior to occupancy, the Resident shall provide evidence of either Medicare A and B or its equivalent, and the Resident authorizes, as necessary, any provider of such medical and other health services, including The Virginian, to receive reimbursement under Medicare Part A, or its equivalent, as provided under these programs. During the next enrollment period following the filing of the Resident's application for admission to The Virginian and prior to occupancy, the Resident will pay the premiums, secure and maintain enrollment under the Supplemental Medical Insurance Benefit Program under Part B of Public Law 89-97 and maintain the same during the term of this Agreement.
- b) If the Resident is not eligible for either of the foregoing Medicare programs, the Resident shall obtain equivalent insurance coverage acceptable to The Virginian.
- c) The Resident is responsible for Medicare co-insurance and deductible amounts. The Virginian requires that the Resident secure a supplemental hospital and medical insurance policy, or show evidence of the Resident's own ability to pay such costs without impairing the Resident's ability to meet future obligations to The Virginian.
- d) If at any time the Resident becomes entitled to payments for health services from other governmental agencies, the Resident agrees to make application for such payments. The Virginian will not be responsible for the cost of any health care, the cost of which the Resident is entitled to from a governmental agency or other third party.

- e) The Resident agrees to execute assignment of benefits to The Virginian. The Virginian shall have no claim on excess funds.

**4.3 Hospital and Health Coverage.** The Resident will, if possible, maintain in full force and effect whatever private health insurance they had at the time of application for admission.

**4.4 Other Insurance.** The Resident agrees that he shall obtain personal liability insurance (Renter's insurance) covering the cost of any injury to third parties in The Virginian in the amount of \$500,000. The Virginian recommends that Resident maintain insurance coverage on the Resident's personal property in an amount sufficient to cover the full replacement value of such property. The Virginian does not provide personal property insurance covering the Resident's personal property.

**4.5 Subordination of Rights.** The rights of the Resident under this Agreement are the rights and privileges expressly granted and do not include a proprietary interest in the property or assets of The Virginian. The Resident irrevocably agrees that the Resident's rights under this Agreement shall be subordinate and inferior at all times to the rights under any mortgage or deed of trust now or hereafter pertaining to The Virginian. The Resident further irrevocably agrees that they shall further execute, acknowledge and deliver a subordination agreement should such be necessary in order to establish the priority of a lenders mortgage or deed of trust as a lien against the property of The Virginian.

## **5.0 ADMISSIONS AND DISMISSALS**

**5.1 General.** The Virginian shall have the exclusive authority to admit Residents and to adjust fees, and the Resident shall not have the right to object to another Resident's admission, terms of admission or dismissal.

### **5.2 Marriage.**

- a) In the event the Resident marries a non-resident, should the nonresident desire to reside at The Virginian, the non-resident shall make application for admission, subject to the admissions provisions, procedures and fees in effect at the time of such request. The Virginian is under no obligation to admit the non-resident and the Resident may terminate this Agreement in accordance with the provisions of Section 18.3 (c). Upon such marriage, and acceptance by The Virginian, the Monthly Fees shall be adjusted to then current dual occupancy rates for the type of Apartment occupied, and the parties will execute a Dual Residential Contract. Unless otherwise agreed to in writing by The Virginian, if the Resident marries after the

Effective Date of this Agreement and the spouse does not meet the entrance requirements of The Virginian, the spouse will not be permitted to reside at The Virginian.

- b) There will be no refund or adjustment of Community Fee payments in the event an unmarried resident marries another resident; however, in the event the married residents thereafter occupy one Apartment, they shall be charged the dual occupancy rate for that Apartment.

## **6.0 ADMISSIONS AND OCCUPANCY**

**6.1 Admission and Occupancy Requirements.** The Acceptance as a Resident and occupancy at The Virginian are based upon the following criteria, except as may be amended by a written signed addendum hereto:

- a) Physical and mental capability of performing daily living tasks, as certified by a licensed physician, including that the Resident shall be fully ambulatory and able to respond appropriately to emergency situations;
- b) Freedom from communicable disease;
- c) Financial capacity to meet the Resident's obligations to The Virginian (unless other arrangements have been made); and
- d) The Resident's presence and behavior does not threaten the health, safety or wellbeing of others at The Virginian.

The Virginian will, at its sole discretion, make the final decision regarding an applicant's acceptance under these criteria.

**6.2 Continued Occupancy of Independent Living Facility.** The Resident must continue to meet the foregoing criteria as a condition for continued occupancy of the Independent Living Facility. If, in the judgment of The Virginian and its staff, the Resident is unable to comply with these criteria and/or fails to meet State Standards and Regulations for the Independent Living Facility, The Virginian will, pending financial approval, transfer the Resident to an appropriate level of care for the Resident's own safety and welfare or offer assistance in relocating the Resident to an alternative facility.

## **7.0 CHANGE OF ACCOMMODATIONS AND LEVEL OF CARE.**

**7.1 Change in Accommodations.** Subject to the reasonable medical decision of The Virginian, the Resident may be transferred to the ALC or to the HCC, or if the HCC is incapable of providing the requisite care or is otherwise not appropriate, to another facility when the Resident no longer meets the criteria for remaining in the Independent Living Facility, ALC or HCC or is: a) ill and requires special attention, b) infected with a contagious disease, or c) mentally ill to the extent that the mental illness requires care that The Virginian is not able to furnish or to the extent that the presence of either may create a hazard or be detrimental to the health or welfare of the other Residents.

**7.2 Changes in Level of Care.** This Residence Agreement only covers the Resident(s) occupancy in the indicated level of care. A Resident's required levels of care may change from time to time. In the event that Resident's required level of care changes, the Resident must reapply for admission to a new level of care. If accepted, a new Residence Agreement, appropriate for the new level of care will be executed between The Virginian and the Resident as a condition to the Resident's continued residence at The Virginian in the new level of care. A Resident's admission to a new level of care is contingent on space being available at The Virginian in the required new level of care. In the event that this is a dual residence agreement, and only one Resident requires a new level of care, the integration of the cost of the differing levels of care for the Residents shall be as described herein. The new Residence Agreement for the appropriate new level of care shall supersede this Agreement in its entirety and the Resident's residence at The Virginian shall thereafter be governed exclusively by the new Residence Agreement.

**8.0 RELEASE OF APARTMENT.** In the event of determination by Administration that the condition requiring the transfer of the Resident to the Health Care Center or to another facility is not a temporary condition or if the Resident is permanently transferred to another facility, the Apartment shall be released and this contract terminated. If, within thirty (30) days after Resident is transferred to the Health Care Center or to another facility, Resident has not returned, Resident's transfer shall be considered permanent and the Apartment released unless (i) Resident advises The Virginian in writing that the transfer is not permanent (ii) or the Administration determines that Resident's transfer is not permanent based on information provided to it by the Resident.

**9.0 FINANCIAL OBLIGATIONS OF THE RESIDENT TO THIRD.**

- a) The Virginian shall not be liable or responsible for any debt, expense, or other financial obligation of any kind, incurred or contracted by the Resident.
- b) Resident has made representations to The Virginian regarding Resident's financial capacity for meeting their agreement obligations under this

agreement which are incorporated by this reference and made a material part of this Agreement. Residents agree not to unnecessarily transfer or dispose of any of the Residents' (or either Resident's) assets listed on Residents' financial statements provided to The Virginian as part of Residents' application and from time to time thereafter, in a manner (including, but not limited to, excessive gifting or an intentional spend down) which would (i) render Resident incapable of meeting his obligations to The Virginian or (ii) place the Resident in need of financial assistance from The Virginian. Residents each agree to provide The Virginian with updated financial statements when requested by The Virginian.

**10.0 RELEASE OF APARTMENT.** The Virginian shall not be obligated to furnish or to pay for any support, maintenance, board or lodging when the Resident is away from The Virginian, and the Resident shall remain obligated for the fees provided for in Section 2.

**11.0 LOSS OR DAMAGE TO PROPERTY OR PERSON.**

- a) Except in situations where the Resident has executed an Assistive Device Agreement while in the Health Care Center, The Virginian shall not be responsible for the loss or damage to any property belonging to the Resident whether due to misplacement, theft, routine maintenance, housekeeping activities, the negligence of The Virginian or any other cause and The Resident waives any and all claims against The Virginian arising in any way from loss of or damage to the property of the Resident no matter what the cause.
- b) Resident further waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person from any cause other than The Virginian's negligence or intentional wrongful acts, including, but not limited to fire, assault or any other cause. The Resident further specifically waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person where such death or injury was caused in whole or in part by the Resident's negligence or fault.

**12.0 MAINTENANCE OF THE APARTMENT AND REPAIR SERVICES.** The Resident shall be responsible for the repair, maintenance and replacement of Resident's personal property. The Virginian may provide minor repairs to the personal property of the Resident subject to Additional Charges, redecoration of the Resident's Apartment, including installation of any permanently affixed item, other than as scheduled by The Virginian, shall be at the Resident's expense and with prior approval of The Virginian. Any permanently affixed items, the removal of which would deface the apartment, shall

become the property of The Virginian. Any change or replacement by the Resident of the equipment provided by The Virginian to them shall vest title to such equipment in The Virginian unless otherwise provided for in writing. Any costs incurred by The Virginian to restore the Apartment to its original condition at the time the Resident took occupancy, reasonable wear and tear (but not damage caused by assistive devices such as, but not limited to, electric scooters and wheelchairs) excepted, shall be paid by the Resident.

- 13.0 RIGHT OF ENTRY.** The Resident gives authorized employees of The Virginian the right of entry into the Residents apartment a) at any time for emergency purposes and b) as deemed necessary for management purposes.
- 14.0 DISPOSITION OF PROPERTY ON DEPARTURE OR DEATH OF THE RESIDENT.** In the event of the departure or death of the Resident, all of the Resident's property, including any property left in a storage bin shall be removed within thirty (30) days. The Monthly Fee shall continue in effect until the Apartment is vacated, and the keycard returned to The Virginian. In the event that the Resident's property is not removed within that period, the property shall be placed in storage within or without The Virginian for an additional thirty (30) days at the expense of the Resident or the Resident's estate. If at the expiration of the latter thirty-day period, the property has not been claimed, The Virginian may sell or otherwise dispose of such property, deduct the storage cost from the proceeds, if any, and then credit the excess to the Resident's account.
- 15.0 INJURY OR DAMAGE BY THE RESIDENT AND THE RESIDENT'S GUESTS.** The Resident hereby agrees to reimburse The Virginian for any costs resulting from the Resident's willful or negligent acts or omissions or the acts or omissions of their guest(s).
- 16.0 INJURY BY A THIRD PARTY.** If the Resident is injured or dies from the act or omission of a third party, and the Resident has not fully reimbursed The Virginian for the costs incurred by such third party's act or omission, then The Virginian is subrogated to the Residents claim and may bring suit in the name of the Resident. The Resident shall cooperate with The Virginian if The Virginian pursues a claim for damages against the third party.
- 17.0 POWER OF ATTORNEY.** The Resident shall place on file with The Virginian a power of attorney in favor of a responsible, and responsive individual residing in the United States and reasonably available to The Virginian to handle the Resident's financial affairs and to make necessary decisions regarding the Resident if the Resident becomes incapacitated. Such powers of attorney shall be in a form enforceable in the Commonwealth of Virginia that survives the Resident's incapacity or disability and shall also name a similar individual acceptable to The Virginian, as a substitute attorney-in-

fact in the event that the first named attorney-in-fact becomes incapacitated or is unable or refuses or otherwise fails to act.

**18.0 TERMINATION OF AGREEMENT.** When this Agreement is terminated, the Resident shall remain obligated for the fees set forth in Section 2 through the date that the agreement is terminated and the apartment is vacated, in addition to the cost of any repairs to, or replacement of, the property of The Virginian caused by the Resident's negligence. This Agreement is terminated upon the following terms and conditions:

**18.1 Termination by the Death of the Resident.** The death of the Resident shall terminate this Agreement.

**18.2 Termination by The Virginian.** If The Virginian terminates this Agreement other than for cause, the Resident shall have a reasonable period of time, not to exceed thirty (30) days, to move from The Virginian. The temporary transfer of the Resident to another facility, for reasons of physical and mental health, shall not operate as termination of the Agreement provided that the Resident complies with Sections 4.1 through 4.6. The Virginian may otherwise terminate this Agreement according to the following terms and conditions:

- a) The Virginian may terminate this Agreement at any time without cause upon not less than thirty (30) days prior written notice;
- b) The Virginian may terminate this Agreement for good cause at any time. Good cause shall be limited to: (i) proof that the Resident is a danger to himself or others; (ii) refusal by the Resident to pay a monthly or periodic fee; (iii) repeated conduct by the Resident that interferes with other residents' quiet enjoyment of the facility; (iv) Resident becomes physically and/or mentally incapable of performing daily living tasks, as determined by the Uniform Assessment Instrument (UAI) and refuses to apply for an appropriate level of care; (v) failure on the part of the Resident to abide by the written rules and regulations adopted by The Virginian for the facility; (vi) a material misrepresentation made intentionally or recklessly by the Resident in his/her application for residency, or related materials, regarding information which, if accurately provided, would have resulted in either a failure of the Resident to qualify for residency or a material increase in the cost of providing to the Resident the care and services provided under the contract; or (vii) a material breach by the Resident of the terms and conditions of this Agreement. If The Virginian seeks to cancel this Agreement and terminate the Resident's occupancy, The Virginian shall give the Resident written notice of, and a reasonable opportunity to cure within a reasonable period not to exceed ten (10) days, whatever conduct is alleged to warrant the cancellation of the Agreement.



### **18.3 Termination by the Resident**

- a) The Resident shall have the right to rescind this Agreement for any reason, without penalty or forfeiture, at any time prior to entry into The Virginian;
- b) If the Resident dies before occupying the facility, or is precluded through illness, injury or incapacity from becoming a resident under the terms of this Agreement, the Agreement is automatically rescinded and the Resident, or their legal representative, shall receive a full refund of all money paid to The Virginian, except those costs specially incurred by The Virginian at the request of the Resident and set forth in writing in a separate addendum signed by both parties to the Agreement;
- c) The Resident may terminate this Agreement by giving The Virginian thirty (30) days written notice of the Resident's intention to terminate this Agreement. The notice shall be effective at the end of the thirty (30) days' notice unless parties otherwise agree in writing;

**19.0 RIGHT TO APPEAL.** The Resident may appeal any change of accommodations, transfer or termination of this Agreement for reasons related to their physical or mental health to a licensed physician in good standing within the Commonwealth of Virginia mutually agreed upon by the Resident and The Virginian. The decision of the physician shall be binding, and the costs of the appeal shall be borne equally by the Resident and The Virginian.

**20.0 REGULATIONS BY THE COMMONWEALTH OF VIRGINIA.** The Virginian is a Nonprofit, tax-exempt corporation organized and existing under the laws of the Commonwealth of Virginia. The Virginian is licensed by The Virginian Department of Social Services. The Regional Office, which granted The Virginian its licenses to operate, is:

Commonwealth of Virginia Department of Social Services  
3701 Pender Dr. Suite 125  
Fairfax, Virginia 22030

The nursing and rehabilitation center at The Virginian is regulated and licensed by the following division of the Virginia Department of Health:

Office of Licensure and Certification Virginia Department of Health  
9960 Mayland Drive, Ste. 401  
Richmond, Virginia 23233  
Phone: 804-367-210

- 21.0 INTER VIVOS TRUSTS.** In the event that the Resident has established, or during the term of this Agreement establishes, an inter vivos trust which provides for the benefit of the Resident and/or the Resident's spouse during their lives, the trustees of such trust and the trust shall become parties to this agreement to the extent of assuming liability for the Resident's financial obligations under this agreement.
- 22.0 GENERAL PROVISIONS.** The following general provisions shall apply:
- 22.1 Governing Law and Jurisdiction.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Virginia applicable to agreements made and performed entirely within the Commonwealth of Virginia. This Agreement shall be deemed to have been executed in Fairfax County, Virginia and shall be subject to the jurisdiction of the Circuit Court of Fairfax County, Virginia and the United States District Court for the Eastern District of Virginia, Alexandria Division. The parties agree to submit to the exclusive jurisdiction of such courts.
- 22.2 Modification or Waiver.** A modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement. The failure of any party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or of a different nature.
- 22.3 Entire Agreement.** This agreement contains the entire understanding of the parties. There are no representations, warranties, covenants, or undertakings by or between the parties other than those expressly set forth in this Agreement and, if applicable, the Guaranty Agreement is expressly made a part of this Agreement.
- 22.4 Binding Effect.** This Agreement shall be binding on the Resident and the Resident's heirs, executors, administrators, legal representatives, successors and assigns.
- 22.5 Gender.** All pronouns shall be deemed to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.
- 22.6 Assignment.** The rights of the Resident hereunder shall be personal to the Resident and shall not be assignable. The Virginian may assign its rights and obligations hereunder without the consent of the Resident.
- 22.7 Waiver of Breach Not Waiver of Others.** The failure of The Virginian in any one or more instances to insist upon the strict performance and observance of compliance by the Resident with any of the terms or provisions of this Agreement shall not be construed as a waiver or relinquishment by The Virginian of its right to insist upon strict compliance by the Resident with all of the terms and conditions of this Agreement.

- 22.8 No Representation.** The Virginian's representatives have made no promises or representations with respect to the Resident's apartment or accommodations, any facilities of the Virginian, refunds, or any of The Virginian's promises and undertakings with respect to the care of the Resident except as specifically set forth herein.
- 22.9 Weapons Policy.** The Possession of firearms, ammunition, fireworks, explosives or weapons prohibited by law is not allowed at The Virginian.
- 22.10 Remedies for Unpaid Fees.** In the event that Resident fails to pay any sums due hereunder, The Virginian shall have all rights and remedies available to it under the law, including, but not limited to the right to file suit for all unpaid amounts due from Resident under this Agreement. In the event that The Virginian is required to pursue its remedies under this agreement due to Resident's failure to pay sums due, The Virginian shall be entitled to recover its fees and costs of collection whether or not suit is filed, including, but not limited to reasonable attorney's fees and all costs of collection.
- 22.11 Funeral Arrangements.** The Virginian requests that, at the time of the execution of this Agreement, the Resident make known his or her last wishes regarding funeral arrangements, including the selection of a funeral home and the designation of a person to be responsible for managing funeral arrangements. In the event of the Resident's death while at The Virginian, The Virginian will contact the funeral home, if any, designated by the Resident and will undertake to contact the person designated by Resident as being responsible for funeral arrangements. In the event that the Resident elects not to make such a designation, The Virginian will make reasonable efforts to contact the Resident's next of kin and family, as listed with The Virginian, to make appropriate arrangements. In the event that The Virginian is unable to contact the Resident's next of kin or family within four (4) hours, The Virginian will contact a local Funeral Home to remove the remains and hold them at its facility until appropriate arrangements can be made by Resident's family or representative. Resident's estate shall be responsible for all costs incurred with regard to the use of the Funeral Home.
- 22.12 Pets.** Resident may keep a pet with the prior approval of The Virginian's administration and in compliance with all policies and regulations of The Virginian relating to pets, including, without limitation, restrictions on the size, type and total number of pets kept in the apartment or at The Virginian and on other areas in which pets may be kept or exercised. Resident agrees to make other arrangements for the care of any pet if, in the judgment of The Virginian's administration (i) such pet becomes a nuisance or danger to Resident or others or (ii) Resident can no longer care for the pet without assistance. Resident shall reimburse The Virginian and its residents for any damage including damage to furnishings done by Resident's pet(s).

**22.13 Residents' Council.** Interested Residents may establish and maintain a Residents Council as required by 22 VAC 40-72-810. The Virginian shall be responsible for providing Residents with assistance in forming and maintaining such council.

**22.14 Severability.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

**IN WITNESS, WHEREOF,** the parties have signed and sealed two copies of this Agreement, each of which shall be deemed an original effective as of \_\_\_\_\_, 20\_\_\_\_.

(Corporate Seal)

ATTEST:

**THE TEMPLE FOUNDATION, INC.**

\_\_\_\_\_  
(Acting) Secretary

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Resident or Resident Representative (SEAL)

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Trustee of Resident's Inter Vivos Trust (if any)

**EXHIBIT**

**A-4. Dual Residents Monthly Care Agreement for Independent Living Effective May 1, 2018**

**TEMPLE FOUNDATION, INC  
T/A THE VIRGINIAN**

**9229 ARLINGTON BLVD, FAIRFAX, VA, 22031-2504**

**DUAL RESIDENTS INDEPENDENT AGREEMENT**

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# THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN

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F A I R F A X , V I R G I N I A 2 2 0 3 1 - 2 5 0 4

## DUAL RESIDENTS AND INDEPENDENT AGREEMENT MONTHLY CARE PLAN

This Agreement is made and entered into this \_\_\_\_\_, 20\_\_\_\_, by and between **THE TEMPLE FOUNDATION, INC.** a Virginia non-profit corporation t/a The Virginian (“The Virginian”) and \_\_\_\_\_ and \_\_\_\_\_ (the "Residents"). This Agreement shall be deemed effective \_\_\_\_\_

\_\_\_\_\_ (date the Residents take possession of Apartment as defined herein (the “Effective Date”) and shall terminate as provided for in this Agreement (the “Termination Date”). The Residents, whose dates of birth are \_\_\_\_\_ and \_\_\_\_\_ respectively have applied for and been accepted as a resident of the facility operated by The Virginian subject to the terms and conditions of this Agreement.

**1.0 CARE AND SERVICES.** The Virginian shall make the following facility’s care and services available to the Residents:

**1.1 Independent Living Facility (“IL”).** The Virginian shall provide the Residents with unfurnished Apartment Number \_\_\_\_\_ (the “Apartment”), at The Virginian. The Residents shall furnish such Apartment in accordance with The Virginian policy. The Residents shall have access to common areas of The Virginian, including its outdoor and indoor social and recreational facilities, subject to reasonable rules and regulations established by The Virginian from time to time. For Residents of the IL the Monthly Fee shall include:

The Monthly Fee shall include:

- A one/two bedroom apartment, with kitchen, as agreed upon above.
- Breakfast and dinner (lunch a la carte).
- Utilities, including water, HVAC and house cable television.
- Emergency call system in the apartment/pendant.
- Weekly housekeeping service.

Other services are included in this fee. See Exhibit B.

**1.2 Assisted Living Center (“ALC”).** The Virginian maintains an Assisted Living Center (“ALC”), which provides assisted living. The Residents may transfer, or be transferred, to the ALC on a temporary or permanent basis as provided in this Agreement. Admission and continued residency is based upon financial approval, apartment availability and laws governing admission to an Assisted Living facility per 22 VAC 40-72-340.

- 1.3 Health Care Center (“HCC”).** The Virginian maintains a nursing and rehabilitation center at The Virginian (the “Health Care Center” or “HCC”), which provides intermediate and skilled care (currently including a limited number of Medicare certified nursing beds). The Residents may transfer or be transferred to the HCC on a temporary or permanent basis as provided in this Agreement. Admission and continued residency is based upon financial approval, bed availability and laws governing admission to the Health Care Center, per 12 VAC 5-371.
- 1.4 Utilities and Housekeeping.** The Virginian shall provide, at its expense, all utilities reasonably required by the Residents, including water, electricity, heating, air conditioning and access to cable television service. The Residents are responsible for telephone services and internet. The Residents shall maintain the Apartment in a clean, sanitary and orderly condition and shall perform all light housekeeping in order to maintain such condition. The Virginian shall make complimentary laundry machines available to the Residents within The Virginian. The Virginian will provide weekly housekeeping to the Residents. More extensive cleaning and services can be arranged for a fee.
- 1.5 Meals.** The Virginian shall provide the Residents with a nutritionally well-balanced breakfast and dinner each day in the Dining Room. No adjustment in fees will be made for meals not taken by the Residents, unless the Residents are away from the Apartment for more than seven (7) consecutive days. If a physician prescribes a specific diet for the Residents, The Virginian shall provide, or arrange for the provision of, such diet. The Virginian may charge the Residents for the special diet and for any services beyond those normally provided in the main dining room during regular meal service.
- 1.6 Guests.** The Residents may invite guests to the Residents Apartment for daily and overnight visits subject to their not disturbing the other Residents’ quiet enjoyment of the facilities. Residents and guests must comply with The Virginian’s policy and procedure XXI-D.
- 1.7 Medical or Other Health Care.** The following provisions are conditions of, and apply to, all medical or other health care provided to the Residents:
- a) Subject to Additional Services Charges for supplies and treatments, as provided for in sub Section 1.8, The Virginian shall make available the services of a licensed nurse or other health care provider for non-emergency and non-critical health care on a fee-for-service basis. Further medical care is available by the physicians who currently hold office hours at The Virginian. These physicians are not employees of The Virginian and charges for their services are separate. The Residents Medicare or other primary or secondary health insurance may cover the charges for these visits.



- b) The Residents may, at the Residents' own expense, engage the services of any physician licensed in the Commonwealth of Virginia. The Virginian is not responsible or financially liable for the cost of such services. The Virginian will administer medications to Residents for an additional charge. To ensure consistency and ease of distribution, The Virginian prefers to use the pharmacy and method of medication and distribution selected by it. However, the Residents are free to have prescription and nonprescription drugs and medications delivered by a licensed pharmacy of Residents own selection or brought to The Virginian by Residents family, friends or other persons, provided that such medications and prescriptions are packaged, labeled, delivered and otherwise handled as required by 12 VAC 5-371-300 L and The Virginian's policies and procedures in accordance therewith. The Virginian will charge a reasonable fee for restocking such "out of system" medications in The Virginian's unit dose system. Residents may keep his or her own medications and dietary supplements in a secure place in his room if the Uniform Assessment Instrument for Residents indicates Residents are capable of self-administering medication. All medication and dietary supplements must be stored so that they are not accessible to other Residents. If The Virginian is administering Residents medication, the Residents medications and dietary supplements shall be stored by The Virginian and not by the Residents.
- c) The Virginian shall arrange for emergency medical care for the Residents when it is determined to be medically necessary by the staff at The Virginian. The Residents shall pay the charges incurred during, or as a consequence of, such emergency medical care, including, but not limited to, the cost of transportation to and from the place at which the emergency medical care is provided.
- d) The Virginian shall not pay the cost of physicians, private duty employees, drugs, medications or medical for supplies wound care, catheter care, injections and other treatments separately listed on The Virginian's fee schedule.
- e) The Residents shall be responsible for paying the difference between the amounts charged for medical or other health services and the amount paid by Medicare or other third party payers, including, but not limited to, any co-payments and deductibles.
- f) The Residents hereby authorizes The Virginian to disclose the Residents' medical records or other confidential information to a medical or other health care provider as reasonably necessary to treat the Residents. The Residents also authorizes The Virginian to disclose the Residents medical records or other confidential information to Medicare or to another

primary third party payer and/or secondary payer as reasonably necessary to guarantee payment for the treatment of the Residents. To the extent necessary to accomplish the foregoing, the Residents shall execute such additional releases and authorizations as may be required by the laws of the Commonwealth of Virginia.

- g) The Residents authorizes The Virginian, its employees, and medical staff, including physicians and nurses who practice at The Virginian, to treat the Residents for all conditions and under all circumstances as may be necessary, and otherwise, as requested by the Residents. The Residents releases The Virginian from all liability in connection with such treatment other than that caused by The Virginian's gross negligence or intentional misconduct.

**1.8 Excluded Care.** The Virginian shall not be required to furnish or pay the cost of the following:

- a) The Virginian shall not be required to furnish medical or other health care that The Virginian, its employees or its facilities: i) are not licensed or otherwise authorized to furnish; ii) are not capable of furnishing for any reason; or iii) exceeds the existing capabilities of the nursing staff or facilities.
- b) The Virginian shall not be required to furnish, among other things, those services rendered by a psychiatrist or psychologist, ophthalmologist, optometrist, optician, dentist, chiropractor, podiatrist, radiologist or rehabilitation and diagnostic services and tests.
- c) The Virginian shall not be required to furnish or pay LSCW, the cost of non-prescription and prescription drugs, medicines, vitamins, dental work, glasses, hearing aids, medical or medically related supplies or equipment or for the cost of diagnosing or treating a mental illness.
- d) Companion services, if desired, must be contracted through Partners in Care, a division of Assisted Living at The Virginian. Virginia Department of Social Services mandates that daily care can be rendered to Residents only by those individuals licensed and authorized in accordance with Virginian policy to do so. Family members, spouses, family friends "housekeepers," and drivers are prohibited from providing care.
- e) Additional housekeeping, maintenance services, beauty parlor charges, phone/internet services.

- f) Use of Health Care Center in Assisted Living Center on a temporary basis, as provided in this agreement.

**1.9 Smoking at The Virginian.** The Virginian is a smoke free facility. Smoking is prohibited in Assisted Living apartments, in all interior public areas and adjacent outside patios.

**1.10 Observance of Rules and Regulations.** The rules and regulations applicable to residence at The Virginian ("Rules and Regulations") attached to this Residence Agreement lease as Exhibit A are hereby made a part of this Residence Agreement and Residents agrees to comply with and observe the same. Residents failure to keep and observe said Rules and Regulations shall constitute a breach of the terms of this Residence Agreement in the same manner as if the same were contained herein as covenants. The Virginian reserves the right from time to time to amend or supplement said Rules and Regulations and to adopt and promulgate additional reasonable rules and regulations to the extent the same are not specifically contrary to the express terms of this Residence Agreement. Notice of such additional rules and regulations, and amendments and supplements, if any, shall be given to Residents and Residents agrees thereupon to comply with and observe all such Rules and Regulations and amendments thereto and supplements thereof.

**2.0 FEES AND EXPENSES.** Residents shall pay to The Virginian the following amounts according to the stated terms and conditions:

**2.1 Security Deposit.** The Dollars (\$\_\_\_\_\_) shall be due and payable prior to entry into The Virginian (the "Deposit"), to be applied as provided in Paragraph 3.1. The Deposit is refundable as provided herein, subject to the terms of Section 3.1.

**2.2 Community Fee.** In addition to the Deposit, a Community Fee of (\$\_\_\_\_\_) shall be due and payable prior to entry into The Virginian. The Community Fee is non-refundable.

**2.3 Monthly Fee.** Monthly Fee \_\_\_\_\_ Dollars (\$\_\_\_\_\_) shall be payable to The Virginian as a monthly maintenance fee ("Monthly Fee"). The Monthly Fee shall be the amount in effect at the time that the Residents enter The Virginian Independent Living Center subject to conditions outlined in 2.5. The Monthly Fee shall thereafter be adjusted from time to time to the prevailing monthly fee for accommodations similar to those occupied by the Residents. The Monthly Fee shall be due and payable upon receipt. A late penalty of five percent (5%) of such bill may be charged if the bill is not paid by the end of the month during which the bill is received. Thereafter, the arrearage shall be charged with interest each month at eighteen percent (18%) per annum, or, if less, the maximum annual rate consistent with the applicable

laws of the Commonwealth of Virginia.

#### **2.4 Per Diem Health Care Center and Assisted Living Center Charges**

- a) The Residents shall be entitled to enter the ALC or HCC on a temporary basis at The Virginian's then currently prevailing charges in addition to the then current Monthly Fee for the Apartment occupied by the Residents in the Independent Apartment Living, plus any special charges as provided in Paragraph 1.8.
- b) If the Residents enters the ALC or the HCC on a permanent basis, and the Apartment is closed, the Monthly Fee shall be the then current rate for the ALC or for HCC.

**2.5 Additional Services** The Monthly Fee covers the ordinary and necessary costs of maintaining and caring for the Residents in the Apartment, as enumerated in Sections 1.1, 1.4, and 1.5 of this Agreement. Consistent with that principle, the following goods and services are examples of the items that shall not be included within the Monthly Fee but shall be billed to the Residents as an extra cost ("Additional Charges"). The Virginian reserves the right to add to or delete from the list of Additional Services or change the rates thereof at any time upon thirty (30) days prior written notice.

- a) A physician-prescribed special diet;
- b) Medical or other health care services and products furnished to the Residents by The Virginian, its employees, and its medical staff; such as physician's services, inoculations, x-rays, etc.;
- c) Additional housekeeping and maintenance services in the Apartment, personal laundry, beauty shop charges, etc.;
- d) Those medical or other health care services and/or personal care services provided to the Residents in the Apartment, as requested by the Residents and/or based on an administrative decision as to its necessity for the health, safety and wellbeing of the Residents;
- e) Use of the ALC or HCC by the Residents on temporary in-patient basis;
- f) Use of the ALC or HCC by the Residents on a permanent in-patient basis;
- g) Any costs incurred by, or the responsibility of, the Residents pursuant to Sections 12, 14, 15, 16 and 18.

A written schedule of the amounts of the Additional Charges applicable to the Residents shall, insofar as possible, be provided to the Residents at the time of admission. The Virginian shall bill the Residents for Additional Charges along with the Monthly Fee on the same payment terms and conditions.

**2.6 Maintenance of Monthly Fee and Additional Charges** The Virginian may, with thirty (30) days advance notice to the Residents, increase the amount of the Monthly Fees and Special Charges from time to time in its sole discretion.

**2.7 Unreimbursed Charges** The Residents hereby grant to The Virginian a claim against their respective estates and the assets of any inter vivos trust established by them or either of them, which provide for their benefit or the benefit of either of them during their lives, in an amount sufficient to reimburse The Virginian for all of the unreimbursed costs and charges for care and services provided to the Residents, including financial assistance, plus interest on the amount of unreimbursed costs and charges at the maximum applicable rate in the Commonwealth of Virginia charged from the date that the care and services were provided. This lien shall exist whether or not the Residents were residents of The Virginian at the time of their deaths. If, upon the death of either of them, the Residents shall own separately or jointly with authorized survivorship any property not disclosed in their financial statement(s) or if property is acquired subsequent to the submission of the application or the financial statement and not disclosed promptly upon its acquisition, The Virginian shall be entitled to so much of the value of such property as is sufficient to reimburse The Virginian for all of the unreimbursed costs and charges, plus interest at the maximum applicable rate in the Commonwealth of Virginia. This Agreement shall operate as an assignment, transfer and conveyance to The Virginian of such property. The Virginian may sell such property, deduct the amount owed by the Residents to The Virginian, and credit the excess, if any, to their account.

### **3.0 DEPOSIT**

**3.1 Application of Deposit.** The Deposit shall be held by The Virginian to (i) secure the Residents financial obligations to The Virginian and (ii) to repair any damage (other than normal wear and tear) to the Apartment during the Residents occupancy. The Deposit, to the extent not so used, shall be refunded to the Residents within sixty (60) days of the later of the termination of this Agreement or the date Residents vacates the Apartment. The Virginian shall provide the Residents with a reasonably detailed written explanation of how the Deposit was expended.

**3.2 Interest.** The Deposit shall not bear interest.

**3.3 Transfer of Ownership/Closing of The Virginian.** The transfer of the ownership of The Virginian or the Closing of The Virginia resulting assignment

by The Virginian of its rights and obligations under this Agreement shall not be an event terminating this Agreement.

#### **4.0 INSURANCE, FINANCIAL RESPONSIBILITY AND OTHER PROVISIONS**

**4.1 Application of Deposit.** The application and the statements of financial and health history of the Residents filed with The Virginian are incorporated in this Agreement by this reference, and all statements therein are true and deemed to be representations by the Residents as of the date made in order to induce The Virginian to enter into this Agreement. The Residents represents that there have been no material changes in the information provided since the date thereof.

#### **4.2 Medicare and Health Insurance.**

- a) Prior to occupancy, the Residents shall provide evidence of either Medicare A and B or its equivalent, and the Residents authorizes, as necessary, any provider of such medical and other health services, including The Virginian, to receive reimbursement under Medicare Part A, or its equivalent, as provided under these programs. During the next enrollment period following the filing of the Residents application for admission to The Virginian and prior to occupancy, the Residents will pay the premiums, secure and maintain enrollment under the Supplemental Medical Insurance Benefit Program under Part B of Public Law 89-97 and maintain the same during the term of this Agreement.
- b) If the Residents are not eligible for either of the foregoing Medicare programs, the Residents shall obtain equivalent insurance coverage acceptable to The Virginian.
- c) The Residents are responsible for Medicare co-insurance and deductible amounts. The Virginian requires that the Residents secure a supplemental hospital and medical insurance policy, or show evidence of the Residents own ability to pay such costs without impairing the Residents ability to meet future obligations to The Virginian.
- d) If at any time the Residents becomes entitled to payments for health services from other governmental agencies, the Residents agrees to make application for such payments. The Virginian will not be responsible for the cost of any health care, the cost of which the Residents are entitled to from a governmental agency or other third party.
- e) The Residents agrees to execute assignment of benefits to The Virginian. The Virginian shall have no claim on excess funds.

- 4.3 Hospital and Health Coverage.** The Residents will, if possible, maintain in full force and effect whatever private health insurance they had at the time of application for admission.
- 4.4 Other Insurance.** The Residents agrees that he shall obtain personal liability insurance (Renter's insurance) covering the cost of any injury to third parties in The Virginian in the amount of \$500,000. The Virginian recommends that Residents maintain insurance coverage on the Residents personal property in an amount sufficient to cover the full replacement value of such property. The Virginian does not provide personal property insurance covering the Residents personal property.
- 4.5 Subordination of Rights.** The rights of the Residents under this Agreement are the rights and privileges expressly granted and do not include a proprietary interest in the property or assets of The Virginian. The Residents irrevocably agrees that the Residents rights under this Agreement shall be subordinate and inferior at all times to the rights under any mortgage or deed of trust now or hereafter pertaining to The Virginian. The Residents further irrevocably agrees that they shall further execute, acknowledge and deliver a subordination agreement should such be necessary in order to establish the priority of a lenders mortgage or deed of trust as a lien against the property of The Virginian.

## **5.0 ADMISSIONS AND DISMISSALS**

- 5.1 General.** The Virginian shall have the exclusive authority to admit Residents and to adjust fees, and the Residents shall not have the right to object to another Residents admission, terms of admission or dismissal.
- 5.2 Marriage.**
- a) In the event the Residents marries a non-Residents, should the non-Residents desire to reside at The Virginian, the non-Residents shall make application for admission, subject to the admissions provisions, procedures and fees in effect at the time of such request. The Virginian is under no obligation to admit the non-Residents and the Residents may terminate this Agreement in accordance with the provisions of Section 18.3 (c). Upon such marriage, and acceptance by The Virginian, the Monthly Fees shall be adjusted to then current dual occupancy rates for the type of Apartment occupied, and the parties will execute a Dual Residential Contract. Unless otherwise agreed to in writing by The Virginian, if the Residents marries after the Effective Date of this Agreement and the spouse does not meet the entrance

requirements of The Virginian, the spouse will not be permitted to reside at The Virginian.

- b) There will be no refund or adjustment of Community Fee payments in the event an unmarried Resident marries another Resident; however, in the event the married Resident thereafter occupy one Apartment, they shall be charged the dual occupancy rate for that Apartment.

## **6.0   ADMISSIONS AND OCCUPANCY**

**6.1   Admission and Occupancy Requirements.** The Acceptance as Resident and occupancy at The Virginian are based upon the following criteria, except as may be amended by a written signed addendum hereto:

- a) Physical and mental capability of performing daily living tasks, as certified by a licensed physician, including that the Resident shall be fully ambulatory and able to respond appropriately to emergency situations;
- b) Freedom from communicable disease;
- c) Financial capacity to meet the Resident's obligations to The Virginian (unless other arrangements have been made); and
- d) The Resident's presence and behavior does not threaten the health, safety or wellbeing of others at The Virginian.

The Virginian will, at its sole discretion, make the final decision regarding an applicant's acceptance under these criteria.

**6.2   Continued Occupancy of Independent Living Facility.** The Resident must continue to meet the foregoing criteria as a condition for continued occupancy of the Independent Living Facility. If, in the judgment of The Virginian and its staff, the Resident is unable to comply with these criteria and/or fails to meet State Standards and Regulations for the Independent Living Facility, The Virginian will, pending financial approval, transfer the Resident to an appropriate level of care for the Resident's own safety and welfare or offer assistance in relocating the Resident to an alternative facility.



## **7.0 CHANGE OF ACCOMMODATIONS AND LEVEL OF CARE.**

**7.1 Change in Accommodations.** Subject to the reasonable medical decision of The Virginian, the Residents may be transferred to the ALC or to the HCC, or if the HCC is incapable of providing the requisite care or is otherwise not appropriate, to another facility when the Residents no longer meets the criteria for remaining in the Independent Living Facility, ALC or HCC or is: a) ill and requires special attention, b) infected with a contagious disease, or c) mentally ill to the extent that the mental illness requires care that The Virginian is not able to furnish or to the extent that the presence of either may create a hazard or be detrimental to the health or welfare of the other Residents .

**7.2 Changes in Level of Care.** This Residence Agreement only covers the Residents(s) occupancy in the indicated level of care. A Residents required levels of care may change from time to time. In the event that Residents required level of care changes, the Residents must reapply for admission to a new level of care. If accepted, a new Residence Agreement, appropriate for the new level of care will be executed between The Virginian and the Residents as a condition to the Residents continued residence at The Virginian in the new level of care. A Residents admission to a new level of care is contingent on space being available at The Virginian in the required new level of care. In the event that this is a dual residence agreement, and only one Residents requires a new level of care, the integration of the cost of the differing levels of care for the Residents shall be as described herein. The new Residence Agreement for the appropriate new level of care shall supersede this Agreement in its entirety and the Residents residence at The Virginian shall thereafter be governed exclusively by the new Residence Agreement.

**8.0 RELEASE OF APARTMENT.** In the event of determination by Administration that the condition requiring the transfer of the Residents to the Health Care Center or to another facility is not a temporary condition or if the Residents are permanently transferred to another facility, the Apartment shall be released and this contract terminated. If, within thirty (30) days after Residents are transferred to the Health Care Center or to another facility, Residents has not returned, Residents transfer shall be considered permanent and the Apartment released unless (i) Residents advises The Virginian in writing that the transfer is not permanent (ii) or the Administration determines that Residents transfer is not permanent based on information provided to it by the Residents.

## **9.0 FINANCIAL OBLIGATIONS OF THE RESIDENTS TO THIRD.**

- a) The Virginian shall not be liable or responsible for any debt, expense, or other financial obligation of any kind, incurred or contracted by the Residents.

- b) Residents has made representations to The Virginian regarding Residents financial capacity for meeting their agreement obligations under this agreement which are incorporated by this reference and made a material part of this Agreement. Residents agree not to unnecessarily transfer or dispose of any of the Residents ' (or either Residents ) assets listed on Residents ' financial statements provided to The Virginian as part of Residents ' application and from time to time thereafter, in a manner (including, but not limited to, excessive gifting or an intentional spend down) which would (i) render Residents incapable of meeting his obligations to The Virginian or (ii) place the Residents in need of financial assistance from The Virginian. Residents each agree to provide The Virginian with updated financial statements when requested by The Virginian.

**10.0 RELEASE OF APARTMENT.** The Virginian shall not be obligated to furnish or to pay for any support, maintenance, board or lodging when the Residents are away from The Virginian, and the Residents shall remain obligated for the fees provided for in Section 2.

**11.0 LOSS OR DAMAGE TO PROPERTY OR PERSON.**

- a) Except in situations where the Residents has executed an Assistive Device Agreement while in the Health Care Center, The Virginian shall not be responsible for the loss or damage to any property belonging to the Residents whether due to misplacement, theft, routine maintenance, housekeeping activities, the negligence of The Virginian or any other cause and The Residents waives any and all claims against The Virginian arising in any way from loss of or damage to the property of the Residents no matter what the cause.
- b) Residents further waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Residents person from any cause other than The Virginian's negligence or intentional wrongful acts, including, but not limited to fire, assault or any other cause. The Residents further specifically waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Residents person where such death or injury was caused in whole or in part by the Residents negligence or fault.

**12.0 MAINTENANCE OF THE APARTMENT AND REPAIR SERVICES.** The Residents shall be responsible for the repair, maintenance and replacement of Residents personal property. The Virginian may provide minor repairs to the personal property of

the Residents subject to Additional Charges, redecoration of the Residents Apartment, including installation of any permanently affixed item, other than as scheduled by The Virginian, shall be at the Residents expense and with prior approval of The Virginian. Any permanently affixed items, the removal of which would deface the apartment, shall become the property of The Virginian. Any change or replacement by the Residents of the equipment provided by The Virginian to them shall vest title to such equipment in The Virginian unless otherwise provided for in writing. Any costs incurred by The Virginian to restore the Apartment to its original condition at the time the Residents took occupancy, reasonable wear and tear (but not damage caused by assistive devices such as, but not limited to, electric scooters and wheelchairs) excepted, shall be paid by the Residents.

**13.0 RIGHT OF ENTRY.** The Residents gives authorized employees of The Virginian the right of entry into the Residents apartment a) at any time for emergency purposes and b) as deemed necessary for management purposes.

**14.0 DISPOSITION OF PROPERTY ON DEPARTURE OR DEATH OF THE RESIDENTS.** In the event of the departure or death of the Residents, all of the Residents property, including any property left in a storage bin shall be removed within thirty (30) days. The Monthly Fee shall continue in effect until the Apartment is vacated, and the keycard returned to The Virginian. In the event that the Residents property is not removed within that period, the property shall be placed in storage within or without The Virginian for an additional thirty (30) days at the expense of the Residents or the Residents estate. If at the expiration of the latter thirty-day period, the property has not been claimed, The Virginian may sell or otherwise dispose of such property, deduct the storage cost from the proceeds, if any, and then credit the excess to the Residents account.

**15.0 INJURY OR DAMAGE BY THE RESIDENTS AND THE RESIDENTS GUESTS.** The Residents hereby agrees to reimburse The Virginian for any costs resulting from the Residents willful or negligent acts or omissions or the acts or omissions of their guest(s).

**16.0 INJURY BY A THIRD PARTY.** If the Residents are injured or dies from the act or omission of a third party, and the Residents has not fully reimbursed The Virginian for the costs incurred by such third party's act or omission, then The Virginian is subrogated to the Residents claim and may bring suit in the name of the Residents. The Residents shall cooperate with The Virginian if The Virginian pursues a claim for damages against the third party.

**17.0 POWER OF ATTORNEY.** The Residents shall place on file with The Virginian a power of attorney in favor of a responsible, and responsive individual residing in the United States and reasonably available to The Virginian to handle the Residents financial

affairs and to make necessary decisions regarding the Residents if the Residents becomes incapacitated. Such powers of attorney shall be in a form enforceable in the Commonwealth of Virginia that survives the Residents incapacity or disability and shall also name a similar individual acceptable to The Virginian, as a substitute attorney-in-fact in the event that the first named attorney-in-fact becomes incapacitated or is unable or refuses or otherwise fails to act.

**18.0 TERMINATION OF AGREEMENT.** When this Agreement is terminated, the Residents shall remain obligated for the fees set forth in Section 2 through the date that the agreement is terminated and the apartment is vacated, in addition to the cost of any repairs to, or replacement of, the property of The Virginian caused by the Residents negligence. This Agreement is terminated upon the following terms and conditions:

**18.1 Termination by the Death of the Residents.** The death of either of the Residents shall terminate this Agreement.

**18.2 Termination by The Virginian.** If The Virginian terminates this Agreement other than for cause, the Residents shall have a reasonable period of time, not to exceed thirty (30) days, to move from The Virginian. The temporary transfer of the Residents to another facility, for reasons of physical and mental health, shall not operate as termination of the Agreement provided that the Residents complies with Sections 4.1 through 4.6. The Virginian may otherwise terminate this Agreement according to the following terms and conditions:

- a) The Virginian may terminate this Agreement at any time without cause upon not less than thirty (30) days prior written notice;
- b) The Virginian may terminate this Agreement for good cause at any time. Good cause shall be limited to: (i) proof that the Resident(s) are a danger to himself or others; (ii) refusal by the Resident(s) to pay a monthly or periodic fee; (iii) repeated conduct by the Resident(s) that interferes with other Residents ' quiet enjoyment of the facility; (iv) Resident(s) becomes physically and/or mentally incapable of performing daily living tasks, as determined by the Uniform Assessment Instrument (UAI) and refuses to apply for an appropriate level of care; (v) failure on the part of the Resident(s) to abide by the written rules and regulations adopted by The Virginian for the facility; (vi) a material misrepresentation made intentionally or recklessly by the Resident(s) in his/her application for residency, or related materials, regarding information which, if accurately provided, would have resulted in either a failure of the Resident(s) to qualify for residency or a material increase in the cost of providing to the Residents the care and services provided under the contract; or (vii) a material breach by the Resident(s) of the terms and conditions of this

Agreement. If The Virginian seeks to cancel this Agreement and terminate the Resident(s) occupancy, The Virginian shall give the Resident(s) written notice of, and a reasonable opportunity to cure within a reasonable period not to exceed ten (10) days, whatever conduct is alleged to warrant the cancellation of the Agreement.

**18.3 Termination by the Residents**

- a) The Residents shall have the right to rescind this Agreement for any reason, without penalty or forfeiture, at any time prior to entry into The Virginian;
- b) If the Resident(s) dies before occupying the facility, or is precluded through illness, injury or incapacity from becoming a Residents under the terms of this Agreement, the Agreement is automatically rescinded and the Residents, or their legal representative, shall receive a full refund of all money paid to The Virginian, except those costs specially incurred by The Virginian at the request of the Resident(s) and set forth in writing in a separate addendum signed by both parties to the Agreement;
- c) The Residents may terminate this Agreement by giving The Virginian thirty (30) days written notice of the Residents' intention to terminate this Agreement. The notice shall be effective at the end of the thirty (30) days' notice unless parties otherwise agree in writing;

**19.0 RIGHT TO APPEAL.** The Residents may appeal any change of accommodations, transfer or termination of this Agreement for reasons related to their physical or mental health to a licensed physician in good standing within the Commonwealth of Virginia mutually agreed upon by the Residents and The Virginian. The decision of the physician shall be binding, and the costs of the appeal shall be borne equally by the Residents and The Virginian.

**20.0 REGULATIONS BY THE COMMONWEALTH OF VIRGINIA.** The Virginian is a Nonprofit, tax-exempt corporation organized and existing under the laws of the Commonwealth of Virginia. The Virginian is licensed by The Virginian Department of Social Services. The Regional Office, which granted The Virginian its licenses to operate, is:

Commonwealth of Virginia Department of Social Services  
3701 Pender Dr. Suite 125  
Fairfax, Virginia 22030

The nursing and rehabilitation center at The Virginian is regulated and licensed by the following division of the Virginia Department of Health:

Office of Licensure and Certification Virginia Department of Health  
9960 Mayland Drive, Ste. 401  
Richmond, Virginia 23233  
Phone: 804-367-210

- 21.0 INTER VIVOS TRUSTS.** In the event that the Residents has established, or during the term of this Agreement establishes, an inter vivos trust which provides for the benefit of the Residents and/or the Residents spouse during their lives, the trustees of such trust and the trust shall become parties to this agreement to the extent of assuming liability for the Residents financial obligations under this agreement.
- 22.0 GENERAL PROVISIONS.** The following general provisions shall apply:
- 22.1 Governing Law and Jurisdiction.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Virginia applicable to agreements made and performed entirely within the Commonwealth of Virginia. This Agreement shall be deemed to have been executed in Fairfax County, Virginia and shall be subject to the jurisdiction of the Circuit Court of Fairfax County, Virginia and the United States District Court for the Eastern District of Virginia, Alexandria Division. The parties agree to submit to the exclusive jurisdiction of such courts.
- 22.2 Modification or Waiver.** A modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement. The failure of any party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or of a different nature.
- 22.3 Entire Agreement.** This agreement contains the entire understanding of the parties. There are no representations, warranties, covenants, or undertakings by or between the parties other than those expressly set forth in this Agreement and, if applicable, the Guaranty Agreement is expressly made a part of this Agreement.
- 22.4 Binding Effect.** This Agreement shall be binding on the Residents and the Residents heirs, executors, administrators, legal representatives, successors and assigns.
- 22.5 Gender.** The rights of the Residents hereunder shall be personal to the Residents and shall not be assignable. The Virginian may assign its rights and obligations hereunder without the consent of the Residents.
- 22.6 Assignment.** All pronouns shall be deemed to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.
- 22.7 Waiver of Breach Not Waiver of Others.** The failure of The Virginian in any one or more instances to insist upon the strict performance and observance of

compliance by the Residents with any of the terms or provisions of this Agreement shall not be construed as a waiver or relinquishment by The Virginian of its right to insist upon strict compliance by the Residents with all of the terms and conditions of this Agreement.

- 22.8 No Representation.** The Virginian's representatives have made no promises or representations with respect to the Residents apartment or accommodations, any facilities of the Virginian, refunds, or any of The Virginian's promises and undertakings with respect to the care of the Residents except as specifically set forth herein.
- 22.9 Weapons Policy.** The Possession of firearms, ammunition, fireworks, explosives or weapons prohibited by law is not allowed at The Virginian.
- 22.10 Remedies for Unpaid Fees.** In the event that Residents fails to pay any sums due hereunder, The Virginian shall have all rights and remedies available to it under the law, including, but not limited to the right to file suit for all unpaid amounts due from Residents under this Agreement. In the event that The Virginian is required to pursue its remedies under this agreement due to Residents failure to pay sums due, The Virginian shall be entitled to recover its fees and costs of collection whether or not suit is filed, including, but not limited to reasonable attorney's fees and all costs of collection.
- 22.11 Funeral Arrangements.** The Virginian requests that, at the time of the execution of this Agreement, the Residents make known his or her last wishes regarding funeral arrangements, including the selection of a funeral home and the designation of a person to be responsible for managing funeral arrangements. In the event of the Residents death while at The Virginian, The Virginian will contact the funeral home, if any, designated by the Residents and will undertake to contact the person designated by Residents as being responsible for funeral arrangements. In the event that the Residents elects not to make such a designation, The Virginian will make reasonable efforts to contact the Residents next of kin and family, as listed with The Virginian, to make appropriate arrangements. In the event that The Virginian is unable to contact the Residents next of kin or family within four (4) hours, The Virginian will contact a local Funeral Home to remove the remains and hold them at its facility until appropriate arrangements can be made by Residents family or representative. Residents estate shall be responsible for all costs incurred with regard to the use of the Funeral Home.
- 22.12 Pets.** Residents may keep a pet with the prior approval of The Virginian's administration and in compliance with all policies and regulations of The Virginian relating to pets, including, without limitation, restrictions on the size, type and total number of pets kept in the apartment or at The Virginian and on other areas in which pets may be kept or exercised. Residents agrees to make

other arrangements for the care of any pet if, in the judgment of The Virginian’s administration (i) such pet becomes a nuisance or danger to Residents or others or (ii) Residents can no longer care for the pet without assistance. Residents shall reimburse The Virginian and its Residents for any damage including damage to furnishings done by Residents pet(s).

**22.13 Residents ’ Council.** Interested Residents may establish and maintain a Residents Council as required by 22 VAC 40-72-810. The Virginian shall be responsible for providing Residents with assistance in forming and maintaining such council.

**22.14 Severability.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

**IN WITNESS, WHEREOF,** the parties have signed and sealed two copies of this Agreement, each of which shall be deemed an original effective as of \_\_\_\_\_, 20\_\_\_\_.

(Corporate Seal)

ATTEST:

**THE TEMPLE FOUNDATION, INC.**

\_\_\_\_\_  
(Acting) Secretary

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Residents or Resident Representative (SEAL)

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Residents or Resident Representative (SEAL)

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Trustee of Residents’ Inter Vivos Trust (if any)





**EXHIBIT**

**A-5. Single Resident Monthly Care Agreement for Assisted Living  
Effective May 1, 2018**

**TEMPLE FOUNDATION, INC T/A THE  
VIRGINIAN  
9229 ARLINGTON BLVD, FAIRFAX, VA, 22031-2504**

**SINGLE RESIDENT AGREEMENT FOR ASSISTED LIVING**

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**SINGLE RESIDENCE AND CARE AGREEMENT FOR  
ASSISTED LIVING**

This Agreement is made and entered into this \_\_\_\_\_, 20\_\_\_\_, by and between **THE TEMPLE FOUNDATION, INC.** a Virginia non-profit corporation t/a The Virginian (“The Virginian”), and \_\_\_\_\_ (the “Resident”) and \_\_\_\_\_ (the “Resident Representative”) if a Resident Representative is required pursuant to Section 20. This Agreement shall be deemed effective \_\_\_\_\_, 20\_\_\_\_, (the “Effective Date”) and shall be terminated by The Virginian or Resident as hereinafter provided. This Agreement shall continue on a month-to-month basis and may be terminated by either party as provided herein.

**1.0 CARE AND SERVICES.** The Admission and continued residency in Assisted Living is based upon the laws governing admission to an Assisted Living facility in Virginia per 22 VAC 40-72-340. The Virginian shall make the following care and services available to the Resident

**1.1 Assisted Living Center (“ALC”).** The Virginian shall provide the Resident with unfurnished Apartment Number \_\_\_\_ (the “Apartment”), in the Assisted Living Center at The Virginian. The Resident shall furnish such Apartment in accordance with The Virginian policy. The Resident shall have access to common areas of The Virginian, including its outdoor and indoor social and recreational facilities, subject to reasonable rules and regulations established by The Virginian from time to time. For Residents of the ALC the Monthly Fee shall include:

- a) A studio, one or two bedroom apartment with kitchen, as agreed upon above;
- b) A monitored service plan developed by The Virginian’s interdisciplinary team, including ongoing monitoring of health and nursing conditions, care conferences with Resident upon request, quarterly nursing review performed by nurses and pharmacy consultants;
- c) Three nutritious meals daily, plus healthy snacks;
- d) Assistance with biweekly showering or bathing, daily dressing/grooming;
- e) Utilities including cable television and excluding phone and internet;
- f) Emergency call system in the apartment/pendant;
- g) Daily housekeeping service to include bed making, emptying trash, kitchen and bathroom general clean-up;
- h) Application of ointments and eye drops and similar minor nursing services but excluding: (1) wound care, catheter care, injections and other treatments separately listed on The Virginians fee schedule (2) nursing services not usually provided in an Assisted Living setting, such as respiratory therapy, and (3) those nursing services the provision of which

in an Assisted Living setting is prohibited by the Virginia Department of Social Services;

- i) Provision of an emergency response system that can be activated by Resident to summon a nurse on duty at all times;
- j) Assistance with making medical and dental appointments when requested by the Resident or Resident's family members;
- k) Access to an on duty nurse to assess a Resident's condition, to contact physician and to arrange Resident's transfer to the hospital, the HCC or to another facility;
- l) Other services/amenities are included in this fee.

**1.2 Health Care Center ("HCC").** The Virginian maintains a Nursing and Rehabilitation Center at The Virginian (the "Health Care Center" or "HCC"), which provides intermediate and skilled care (currently including a limited number of Medicare skilled nursing beds). The Resident may transfer or be transferred to the HCC on a temporary or permanent basis as provided in this agreement admission and based upon financial approval, bed availability and laws governing admission to the Health Care Center, per VAC 5- 371.

**1.3 Utilities and Housekeeping.** The Virginian, at its expense, shall provide all utilities reasonably required by the Resident, including water, electricity, heating, air conditioning and access to television cable service. The Resident is responsible for telephone and internet services. The Virginian will provide daily housekeeping. The Resident or Resident's family is responsible for the laundering of personal clothing. Should the Resident or Resident's family prefer The Virginian to care for personal laundry; this request may be made known at the time of admission. There are additional fees for this service.

**1.4 Meals.** The Virginian shall provide the Resident with three nutritionally well-balanced meals each day in the Assisted Living Dining Room. No adjustment in fees will be made for meals not taken by the Resident. If a physician prescribes a specific diet for the Resident, The Virginian shall provide, or arrange for the provision of, such diet. The Virginian shall charge the Resident for the special diet and for any services required by the Resident because of physical limitations beyond those normally provided in the Assisted Living dining room during regular meals.

**1.5 Medical or Other Health Care.** The following provisions are conditions of, and apply to, all medical or other health care provided to the Resident:

- a) Subject to Special Charges, as provided for in sub-Section 2.5, The Virginian shall make available the services of a professional nurse or other health care provider for non-emergency and non-critical health care on a fee for service basis. Further medical care is available by the physicians who currently hold office hours at The Virginian. These physicians are not

employees of The Virginian and charges for their services are separate.  
The  
Resident's Medicare or other primary or secondary health insurance may  
cover the charges for these visits,

- b) The Resident may, at the Resident's own expense, engage the services of any physician, licensed in the Commonwealth of Virginia, or private duty nurse, licensed in the Commonwealth of Virginia. The Virginian is not responsible or financially liable for the cost of such services. The Virginian will administer medications to Residents for an additional charge. To ensure consistency and ease of distribution, The Virginian prefers to use the pharmacy and method of medication and distribution selected by it. However the Resident is free to have prescription and nonprescription drugs and medications delivered by a licensed pharmacy of Resident's own selection or brought to The Virginian by Resident's family, friends or other persons, provided that such medications and prescriptions are packaged, labeled, delivered and otherwise handled as required by 12 VAC 5-371-300 L and The Virginian's policies and procedures in accordance therewith. The Virginian will charge a reasonable fee for restocking such "out of system" medications in The Virginian's unit dose system. Resident may keep his own medications and dietary supplements in a secure place in his room if the Uniform Assessment Instrument for Resident indicates Resident is capable of self-administering medication. All medication and dietary supplements must be stored so that they are not accessible to other residents. If The Virginian is administering Resident's medication, the Resident's medications and dietary supplements shall be stored by The Virginian and not by the Resident;
- c) The Virginian shall arrange for emergency medical care for the Resident when it is determined to be medically necessary by the medical staff at The Virginian. The Resident shall pay the charges incurred during, or as a consequence of, such emergency medical care, including, but not limited to, the cost of transportation to and from the place at which the emergency medical care is provided;
- d) The Virginian shall not pay the cost of physicians, private duty employees, drugs, medications, medical supplies, wound care, catheter care, injections and other treatments separately listed on The Virginians fee schedule;
- e) The Resident shall be responsible for paying the difference between the amount charged for medical or other health services and the amount paid by Medicare or other third party payors, including, but not limited to, any co-payments and deductibles;
- f) The Resident hereby authorizes The Virginian to disclose the Resident's medical records or other confidential information to a medical or other health care provider as reasonably necessary to treat the Resident. The Resident also authorizes The Virginian to disclose the Resident's medical records or other confidential information to Medicare or to another

primary third party payor and/or secondary payor as reasonably necessary to guarantee payment for the treatment of the Resident. To the extent necessary to accomplish the foregoing, the Resident shall execute such additional releases and authorizations as may be required by the laws of the Commonwealth of Virginia; and

- g) The Resident authorizes The Virginian, its employees, and medical staff, including physicians and nurses who practice at The Virginian, to treat the Resident for all conditions and under all circumstances as may be necessary, and otherwise as requested by the Resident. The Resident releases The Virginian from all liability in connection with such treatment other than that caused by The Virginian's gross negligence or intentional misconduct.

**1.6 Excluded Care.** The Virginian shall not be responsible for furnishing the following medical or other health care:

- a) The Virginian shall not be required to furnish medical or other health care that The Virginian, its employees or its facilities: (1) are not licensed or otherwise authorized to furnish (2) are not capable of furnishing for any reason, or (3) which exceed the existing capacity of the medical staff or facilities;
- b) The Virginian shall not be required to furnish, among other things, those services rendered by a psychiatrist or psychologist, ophthalmologist, optometrist, optician, dentist, chiropractor, podiatrist, radiologist, or rehabilitation and diagnostic service and tests;
- c) The Virginian shall not be required to furnish or pay the cost of nonprescription and prescription drugs, medicines, vitamins, dental work, glasses, hearing aides, medical or medically related supplies or equipment, or for the cost of diagnosing or treating a mental illness; and
- d) The Virginian shall not be required to furnish or pay for companion services. These services, if desired, must be contracted and paid through Partners in Care, a division of Assisted Living at The Virginian.

**1.7 Smoking at the Virginian.** The Virginian is a smoke free facility. Smoking is prohibited in Assisted Living apartments, in all interior public areas and adjacent outside patios.

**1.8 Guests.** The Resident may invite guests to the Resident's Apartment for daily and brief, occasional overnight visits subject to The Virginian's policies. As an alternative, or for longer visits, guest apartments are available for family members at a charge. With Resident permission, family are welcome to stay with the Resident if helping a Resident prepare for a procedure, a move, or the Resident's



condition is critical. Residents and guests must comply with The Virginian's policy and procedure XXI-D.

**1.9 Observance of Rules and Regulations.** The rules and regulations applicable to residence at The Virginian ("Rules and Regulations") attached to this Residence Agreement lease as Exhibit A are hereby made a part of this Residence Agreement and Resident agrees to comply with and observe the same. Resident's failure to keep and observe said Rules and Regulations shall constitute a breach of the terms of this Residence Agreement in the same manner as if the same were contained herein as covenants. The Virginian reserves the right from time to time to amend or supplement said Rules and Regulations and to adopt and promulgate additional reasonable rules and regulations to the extent the same are not specifically contrary to the express terms of this Residence Agreement. Notice of such additional rules and regulations, and amendments and supplements, if any, shall be given to Resident and Resident agrees thereupon to comply with and observe all such Rules and Regulations and amendments thereto and supplements thereof.

**2.0 FEES AND EXPENSES.** The Resident shall pay to The Virginian the following amounts according to the stated terms and conditions:

**2.1 Security Deposit.** Dollars (\$\_\_\_\_\_) shall be due and payable prior to entry into The Virginian (the "Deposit"), to be applied as provided in Paragraph 3.1. The Deposit is refundable as provided herein, subject to the terms of Section 3.1.

**2.2 Community Fee.** In addition to the Deposit, a Community Fee of (\$\_\_\_\_\_) shall be due and payable prior to entry into The Virginian. The Community Fee is non-refundable.

**2.3 Monthly Fee.** Monthly Fee \_\_\_\_\_ Dollars (\$\_\_\_\_\_) shall be payable to The Virginian as the initial monthly maintenance fee ("Monthly fee"). The amount of the Monthly Fee shall thereafter be adjusted from time to time to the prevailing monthly fee for accommodations similar to those occupied by the Resident. The Monthly Fee shall be due and payable upon receipt. A late penalty of five percent (5%) of such bill may be charged if the bill is not paid by the end of the month during which the bill is received. Thereafter, the arrearage shall be charged with interest each month at eighteen percent (18%) per annum, or, if less, the maximum annual rate consistent with the applicable laws of the Commonwealth of Virginia.

**2.4 Per Diem Health Care Center Charges.** Pending physician's orders, The Virginian may make available the Health Care Center for the non-emergency and non-critical care of the Resident. The per diem cost of such shall be subject to additional charges then in effect for community admissions. For as long as the Resident is a temporary Resident of the Health Care Center, the amount charged shall be in addition to any other charges provided for in this agreement admission

and continued residency is based upon financial approval, bed availability and laws governing admission to the Health Care Center, per 12 VAC 5- 371.

**2.5 Additional Charges.** The Monthly Fee covers the ordinary and necessary costs of maintaining and caring for the Resident in the Apartment as enumerated in Sections 1.1, 1.2, and 1.4 of this Agreement. Consistent with that principle, the following goods and services are examples of the items that shall not be included within the Monthly Fee but shall be billed to the Resident as an extra cost (“Additional Charges”). The Virginian reserves the right to add to or delete from the list of Special Charges at any time upon thirty (30) days written notice.

- a) Medical or other health care services and products furnished to the Resident by The Virginian, its employees, and its medical staff; such as physician’s services, inoculations, x-rays, etc.;
- b) Additional housekeeping and maintenance services in the Apartment, personal laundry, beauty shop charges, etc.;
- c) Those medical or other health care services and/or personal care services provided to the Resident in the Accommodations requested by the Resident and/or based on an administrative decision as to its necessity for the health, safety and well-being of the Resident;
- d) Use of the Health Care Center by the Resident on temporary or permanent in-patient basis.
- e) Any costs incurred by, or the responsibility of, the Resident pursuant to Sections 12, 14, 15, 16 and 18; and
- f) Any services listed on the Additional Services fee schedule for Assisted Living.

A written schedule of the amounts of the Additional Charges applicable to the Resident shall, insofar as possible, be provided to the Resident at the time of admission. The Virginian shall bill the Resident for Additional Charges each month on the same payment terms and conditions as the Monthly Fee.

**2.6 Maintenance of Monthly Fees and Special Charges.** The Virginian may, with thirty (30) days advance notice to the Resident, increase the amount of the Monthly Fee and Special Charges from time to time in its sole discretion.

**2.7 Unreimbursed Charges.** The Resident hereby grants to The Virginian a claim against his estate and the assets of any inter vivos trust established by Resident, which provide for Resident during his life, in an amount sufficient to reimburse The Virginian for all of the unreimbursed costs and charges for care and services

provided to the Resident, including financial assistance, plus interest on the amount of unreimbursed costs and charges at the maximum applicable rate in the Commonwealth of Virginia charged from the date that the care and services were provided. This lien shall exist whether or not the Resident was a resident of The Virginian at the time of his death. If, upon the death of Resident, the Resident owns separately or jointly with survivorship any property not disclosed in his financial statement or if property is acquired subsequent to the submission of the application or the financial statement and not disclosed promptly upon its acquisition, The Virginian shall be entitled to so much of the value of such property as is sufficient to reimburse The Virginian for all of the unreimbursed costs and charges, plus interest at the maximum applicable rate in the Commonwealth of Virginia. This Agreement shall operate as an assignment, transfer and conveyance to The Virginian of such property. The Virginian may sell such property, deduct the amount owed by the Resident to The Virginian, and credit the excess, if any, to his account.

### **3.0 DEPOSITS**

**3.1 Application of Security Deposit.** The Deposit shall be held by The Virginian to (i) secure Resident's financial obligations to The Virginian and (ii) to repair any damage (other than normal wear and tear) to the Apartment during Resident's occupancy. The Deposit, to the extent not so used, shall be refunded to the Resident within sixty (60) days of the later of the termination of this Agreement or the date the Resident vacates the Apartment. The Virginian shall provide Resident with a reasonably detailed written explanation of how the Deposit was expended.

**3.2 Interest.** The Deposit shall not bear interest.

**3.3 Transfer of Ownership/Closing of The Virginian.** The transfer of the ownership of The Virginian or the Closing of The Virginia resulting assignment by The Virginian of its rights and obligations under this Agreement shall not be an event terminating this Agreement.

### **4.0 INSURANCE, FINANCIAL RESPONSIBILITY AND OTHER PROVISIONS**

**4.1 Representations.** The application and the statements of finances and health history of the Resident filed with The Virginian are incorporated in this contract by this reference and all statements therein are true and are deemed to be representations by the Resident as of the date made in order to induce The Virginian to enter into this contract. The Resident represents that there have been no material changes in the information provided since the date thereof.

**4.2 Medicare and Health Insurance**

- a) Prior to occupancy, the Resident shall enroll in the Hospital Insurance Benefit Program under Part A of Public Law 89-97 (Medicare), or its equivalent and the Resident authorizes, as necessary, any provider of such medical and other health services, including The Virginian, to receive reimbursement under Medicare Part A, or its equivalent, as provided under these programs. During the next enrollment period following the filing of the Resident's application for admission to The Virginian and prior to occupancy, the Resident will pay the premiums, secure and maintain enrollment under the Supplemental Medical Insurance Benefit Program under Part B of Public Law 89-97 and maintain the same during the term of this Agreement. Prior to occupancy, the Resident shall enroll in the Hospital Insurance Benefit Program under Part A of Public Law 89-97 (Medicare), or its equivalent and the Resident authorizes, as necessary, any provider of such medical and other health services, including The Virginian, to receive reimbursement under Medicare Part A, or its equivalent, as provided under these programs. During the next enrollment period following the filing of the Resident's application for admission to The Virginian and prior to occupancy, the Resident will pay the premiums, secure and maintain enrollment under the Supplemental Medical Insurance Benefit Program under Part B of Public Law 89-97 and maintain the same during the term of this Agreement.
- b) If the Resident is not eligible for either of the foregoing Medicare programs, the Resident shall obtain equivalent insurance coverage or program benefits acceptable to The Virginian.
- c) The Resident is responsible for Medicare co-insurance and deductible amounts. The Virginian requires that the Resident secure a supplemental hospital and medical insurance policy (such as Blue Cross/Blue Shield, or Aetna or AARP) or show evidence of the Resident's own ability to pay such costs without impairing the Resident's ability to meet future obligations to The Virginian.
- d) If at any time the Resident becomes entitled to payments for health services from other governmental agencies, the Resident agrees to make application for such payments. The Virginian will not be responsible for the cost of any health care, the cost of which the Resident is entitled to from a governmental agency or other third party.
- e) The Resident agrees to execute assignment of benefits to The Virginian. The Virginian shall have no claims on excess funds.

**4.3 Hospital and Health Coverage.** The Resident will, if possible, maintain in full force and effect whatever private health insurance they had at the time of application for admission.

**4.4 Other Insurance.** The Resident agrees that he shall obtain personal liability insurance covering the cost of any injury to third parties in The Virginian in the amount of \$500,000 to cover damage to person and property, including, but not limited to the property of The Virginian. The Virginian recommends that Resident maintain insurance coverage on Resident's personal property in an amount sufficient to cover the full replacement value of such property. The Virginian does not provide personal property insurance covering Resident's personal property.

**4.5 Subordination of Rights.** The rights of the Resident under this Agreement are the rights and privileges expressly granted and do not include a proprietary interest in the property or assets of The Virginian. The Resident irrevocably agrees that the Resident's rights under this Agreement shall be subordinate and inferior at all times to the rights under any mortgage or deed of trust now or hereafter pertaining to The Virginian. The Resident further irrevocably agrees that they shall further execute, acknowledge and deliver a subordination agreement should such be necessary in order to establish the priority of a lenders mortgage or deed of trust as a lien against the property of The Virginian.

## **5.0 ADMISSIONS AND DISMISSALS**

**5.1 General.** The Virginian shall have the exclusive authority to admit Residents and to adjust fees. The Resident shall not have the right to object to another resident's admission, terms of admission or dismissal.

### **5.2 Marriage to Non-Resident.**

a) In the event the Resident marries a non-resident, should the nonresident desire to reside at The Virginian, the non-resident shall make application for admission, subject to the admissions provisions, procedures and fees in effect at the time of such request. The Virginian is under no obligation to admit the non-resident and the Resident may terminate this Agreement in accordance with the provisions of Section 18.3 (c). Upon such marriage, and acceptance by The Virginian, the Monthly Fees shall be adjusted to then current dual occupancy rates for the type of Apartment occupied, and the parties will execute a Dual Residential Contract. Unless otherwise agreed to in writing by The Virginian, if the Resident marries after the Effective Date of this Agreement and the spouse does not meet the entrance requirements of The Virginian, the spouse will not be permitted to reside at The Virginian.

b) There will be no refund or adjustment of Community Fee payments in the event an unmarried resident marries another resident; however, in the event the married residents thereafter occupy one Apartment, they shall be charged the dual occupancy rate for that Apartment.

**6.0 PHYSICAL AND MENTAL HEALTH REQUIREMENTS.** As a condition of admission to the Assisted Living Center, Resident shall be primarily ambulatory, be able to safely transfer without assistance, be able to use a wheelchair or a walker without assistance, and be able to respond appropriately to emergency situations. If, in the judgment of the Administration, the Resident is unable to comply with these requirements, is seriously ill and requires special attention, or is infected with a contagious disease, or is mentally ill to the extent that the mental illness requires care that the Assisted Living Center is not required or able to furnish, or whose presence may create a hazard or be detrimental to the health or welfare of self or other residents, The Virginian retains the right to terminate this Agreement or to offer to transfer the Resident to the Health Care Center, Enhanced Assisted Living, or our Memory Unit subject to financial approval, and under designated regulations per Office of Licensure and Certification or Virginia Department of Social Services, under a monthly contract arrangement.. In the event The Virginian elects not to offer a substitute accommodation or Resident elects not to be transferred to the recommended accommodation, The Virginian retains the right to terminate this Agreement and requires the transfer of the Resident from the Assisted Living Center. By signature to this Agreement, Resident expressly agrees with and understands the requirements of this paragraph.

**7.0. RELEASE OF ACCOMMODATIONS AND CHANGE IN LEVEL OF CARE**

**7.1 Release Of Apartment.** In the event of determination by Administration that the condition requiring the transfer of the Resident to Assisted Living, Enhanced Assisted Living or the Health Care Center or to another facility is not a temporary condition or if the Resident is permanently transferred to another facility, the Apartment shall be released and this contract terminated. If, within Thirty (30) days after Resident is transferred to the Health Care Center or to another facility, Resident has not returned, Resident's transfer shall be considered permanent and the Apartment released unless (i) Resident advises The Virginian in writing that the transfer is not permanent (ii) or the Administration determines that Resident's transfer is not permanent based on information provided to it by the Resident. If the Resident transfers from one level of care to another within The Virginian, thus considered an internal move a grace period of 7 days will apply. Should the move be a lateral one, in which the Resident prefers a different apartment within the same level of care, a \$1000 fee will apply, without grace period.

**7.2 Changes in Level of Care.** This Residence Agreement only covers the Resident(s) occupancy in the indicated level of care. Resident's required levels of care may change from time to time. In the event that Resident's required level of care changes, a new Residence Agreement, appropriate for the new level of care will be executed between The Virginian and the Resident as a condition to the Resident's continued residence at The Virginian in the new level of care. Resident's admission to a new level of care is contingent on space being available

at The Virginian in the required new level of care. In the event that this is a dual residence agreement, and only one Resident requires a new level of care, the integration of the cost of the differing levels of care for the Residents shall be as described herein. The new Residence Agreement for the appropriate new level of care shall supersede this Agreement in its entirety and the Resident's residence at The Virginian shall thereafter be governed exclusively by the new Residence Agreement.

## **8.0 FINANCIAL OBLIGATIONS OF THE RESIDENT TO THIRD PARTIES.**

- a) The Virginian shall not be liable or responsible for any debt, expense, or other financial obligation of any kind, incurred or contracted by the Resident.
- b) Resident has made representations to The Virginian regarding Resident's financial capacity for meeting their agreement obligations under this agreement which are incorporated by this reference and made a material part of this Agreement. Residents agree not to unnecessarily transfer or dispose of any of the Residents' (or either Resident's) assets listed on Residents' financial statements provided to The Virginian as part of Residents' application and from time to time thereafter, in a manner (including, but not limited to, excessive gifting or an intentional spend down) which would (i) render Resident incapable of meeting his obligations to The Virginian or (ii) place the Resident in need of financial assistance from The Virginian. Residents each agree to provide The Virginian with updated financial statements when requested by The Virginian.

**9.0 OBLIGATIONS TO RESIDENT AWAY FROM THE VIRGINIAN.** The Virginian shall not be obligated to furnish or to pay for any support, maintenance, board or lodging when the Resident is away from The Virginian, and the Resident shall remain obligated for the fees provided for in Section 2.1.

**10.0 LOSS OR DAMAGE TO PROPERTY OR PERSON.** Except in situations where the Resident has executed an Assistive Device Agreement while in Assisted Living or the Health Care Center, The Virginian shall not be responsible for the loss or damage to any property belonging to the Resident whether due to misplacement, theft, routine maintenance, housekeeping activities, the negligence of The Virginian or any other cause and The Resident waives any and all claims against The Virginian arising in any way from loss of or damage to the property of the Resident no matter what the cause.

- a) The Resident further waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person from any cause other than The Virginian's negligence or intentional wrongful acts, including, but not limited to fire, assault or any other cause. The Resident further specifically waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person where such death or injury was caused in whole or in part by the Resident's negligence or fault.

- 11.0 MAINTENANCE OF THE APARTMENT AND REPAIR SERVICES.** The Resident shall be responsible for the repair, maintenance and replacement of Resident's personal property. The Virginian may provide minor repairs to the personal property of the Resident subject to Additional Charges, redecoration of the Resident's Apartment, including installation of any permanently affixed item, other than as scheduled by The Virginian, shall be at the Resident's expense and with prior approval of The Virginian. Any permanently affixed items, the removal of which would deface the apartment, shall become the property of The Virginian. Any change or replacement by the Resident of the equipment provided by The Virginian to them shall vest title to such equipment in The Virginian unless otherwise provided for in writing. Any costs incurred by The Virginian to restore the Apartment to its original condition at the time the Resident took occupancy, reasonable wear and tear (but not damage caused by assistive devices such as, but not limited to, electric scooters and wheelchairs) excepted, shall be paid by the Resident.
- 12.0 RIGHT OF ENTRY.** The Resident gives the right of entry into his Apartment to authorized employees of The Virginian (a) at any time for emergency purposes and (b) as deemed necessary for management purposes.
- 13.0 DISPOSITION OF PROPERTY ON DEPARTURE OR DEATH OF RESIDENT.** In the event of the departure or death of the Resident, all of the Resident's property, including any property left in a storage bin, shall be removed within thirty (30) days. The Monthly Fee shall continue in effect until the Apartment is vacated and returned to The Virginian. In the event that the property is not removed within that period, the property shall be placed in storage within or without The Virginian for an additional thirty (30) days, at the expense of the Resident or the Resident's estate. If at the expiration of the latter thirty (30) day period the property has not been claimed, The Virginian may sell or otherwise dispose of such property, deduct the storage cost from the proceeds, if any, and then credit the excess to the Resident's account. If the Resident/Resident's family has not cleared out the Resident's apartment upon discharge, a "clean up" fee will apply.
- 14.0 INJURY OR DAMAGE BY THE RESIDENT OR GUEST.** The Resident hereby agrees to reimburse The Virginian for any costs resulting from the Resident's willful or negligent acts or omissions or the acts or omissions of the Resident's guest(s).
- 15.0 INJURY BY A THIRD PARTY.** If the Resident is injured or dies from the act or omission of a third party, and the Resident has not fully reimbursed The Virginian for the costs incurred by such third party's act or omission, then The Virginian is subrogated to the Residents claim and may bring suit in the name of the Resident. The Resident shall cooperate with The Virginian if The Virginian pursues a claim for damages against the third party.
- 16.0 POWER OF ATTORNEY.** The Resident shall place on file with The Virginian a power of attorney in favor of a responsible and responsive individual residing in the United States to handle the Resident's financial affairs and to make necessary decisions regarding the Resident if the Resident becomes incapacitated. Such power of attorney shall also name a similar individual acceptable to The Virginian as a substitute attorney-



in-fact in the event that the first named attorney- in-fact becomes incapacitated or is unable or refuses or otherwise fails to act.

**17.0 TERMINATION OF AGREEMENT.** When this Agreement is terminated, the Resident shall remain obligated for the fees set forth in Section 2 through the date that the Resident leaves The Virginian, in addition to the cost of any repairs to, or replacement of, the property of The Virginian caused by the Resident's negligence. This Agreement is terminable upon the following terms and conditions:

**17.1 Termination by the Death of the Resident.** The death of the Resident shall operate as a termination of this Agreement;

**17.2 Termination by The Virginian.** The Virginian may terminate this Agreement at any time without cause upon not less than thirty (30) days prior written notice;

- a) The Virginian may terminate this Agreement for good cause at any time. Good cause shall be limited to: (i) proof that the Resident is a danger to himself or others; (ii) refusal by the Resident to pay a monthly or periodic fee; (iii) repeated conduct by the Resident that interferes with other residents' quiet enjoyment of the facility; (iv) Resident becomes physically and/or mentally incapable of performing daily living tasks, as determined by the Uniform Assessment Instrument (UAI) and refuses to apply for an appropriate level of care; (v) failure on the part of the Resident to abide by the written rules and regulations adopted by The Virginian for the facility; (vi) a material misrepresentation made intentionally or recklessly by the Resident in his/her application for residency, or related materials, regarding information which, if accurately provided, would have resulted in either a failure of the Resident to qualify for residency or a material increase in the cost of providing to the Resident the care and services provided under the contract; or (vii) a material breach by the Resident of the terms and conditions of this Agreement. If The Virginian seeks to cancel this Agreement and terminate the Resident's occupancy, The Virginian shall give the Resident written notice of, and a reasonable opportunity to cure within a reasonable period not to exceed thirty (30) days, whatever conduct is alleged to warrant the cancellation of the Agreement.

**17.3 Termination by the Resident**

- a) The Resident shall have the right to rescind this Agreement for any reason, without penalty or forfeiture, at any time prior to entry into The Virginian.
- b) If a Resident dies before occupying the facility, or is precluded through illness, injury or incapacity from becoming a resident under the terms of this Agreement, the Agreement is automatically rescinded and the

Resident or his legal representative shall receive a full refund of all money paid to The Virginian, except those costs specifically incurred by The Virginian at the request of the Resident and set forth in writing in a separate addendum signed by both parties to this Agreement.

- c) The Resident may terminate this Agreement by giving The Virginian thirty (30) days written notice of the Resident's intention to terminate the Agreement. The notice shall be effective at the end of the thirty (30) days' notice unless the parties otherwise agree in writing.

**18.0 REGULATIONS BY THE COMMONWEALTH OF VIRGINIA.** The Virginian is a Nonprofit, tax-exempt corporation organized and existing under the laws of the Commonwealth of Virginia. The Virginian is licensed by The Virginian Department of Social Services. The Regional Office, which granted The Virginian its licenses to operate, is:

Commonwealth of Virginia Department of Social Services  
3701 Pender Dr. Suite 125  
Fairfax, Virginia 22030

The nursing and rehabilitation center at The Virginian is regulated and licensed by the following division of the Virginia Department of Health:

Office of Licensure and Certification Virginia Department of Health  
9960 Mayland Drive, Ste. 401  
Richmond, Virginia 23233  
Phone: 804-367-210

**19.0. INTER VIVOS TRUSTS.** In the event that Resident has established, or during the term of this Agreement establishes, an inter vivos trust which provides for the benefit of Resident and/or Resident's spouse during their lives, the trustees of such trust and the trust shall become parties to this agreement to the extent of assuming liability for Resident's financial obligations under this agreement.

**20.0. GENERAL PROVISIONS.** The following general provisions shall apply:

**20.1 Governing Law.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Virginia applicable to agreements made and performed entirely within the Commonwealth of Virginia.

**20.2 Modification or Waiver.** A modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement. The failure of any party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or of a different nature.

- 20.3 Entire Agreement.** This agreement contains the entire understanding of the parties. There are no representations, warranties, covenants, or undertakings by or between the parties other than those expressly set forth in this Agreement and, if applicable, the Guaranty Agreement is expressly made a part of this Agreement.
- 20.4 Binding Effect.** This Agreement shall be binding on the Resident and the Resident's heirs, executors, administrators, legal representatives, successors and assigns.
- 20.5 Assignment.** The rights of the Resident hereunder shall be personal to the Resident and shall not be assignable. The Virginian may assign its rights and obligations hereunder without the consent of the Resident.
- 20.6 Gender.** All pronouns shall be deemed to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.
- 20.7 Waiver of Breach Not Waiver of Others.** The failure of The Virginian in any one or more instances to insist upon the strict performance and observance of compliance by the Resident with any of the terms or provisions of this Agreement shall not be construed as a waiver or relinquishment by The Virginian of its right to insist upon strict compliance by the Resident with all of the terms and conditions of this Agreement.
- 20.8. No Representation.** The Virginian's representatives have made no promises or representations with respect to the Resident's apartment or accommodations, any facilities of The Virginian, refunds, or any of The Virginian's promises and undertakings with respect to the care of the Resident except as specifically set forth herein.
- 20.9 Weapons Policy.** Possession of firearms, ammunition, fireworks, explosives or weapons prohibited by law is not allowed at The Virginian.
- 20.10 Remedies for Unpaid Fees.** In the event that Resident fails to pay any sums due hereunder The Virginian shall have all rights and remedies available to it under the law, including, but not limited to the right to file suit for all unpaid amounts due from Resident under this Agreement. In the event that The Virginian is required to pursue its remedies under this agreement due to Resident's failure to pay sums due, The Virginian shall be entitled to recover its fees and costs of collection whether or not suit is filed, including, but not limited to reasonable attorney's fees and all costs of collection.
- 20.11 Funeral Arrangements.** Virginian requests that, at the time of the execution of this Agreement, the Resident make known his or her last wishes regarding funeral arrangements, including the selection of a funeral home and the designation of a person to be responsible for managing funeral arrangements. In the event of the

Resident's death while at The Virginian, The Virginian will contact the funeral home, if any, designated by the Resident and will undertake to contact the person designated by Resident as being responsible for funeral arrangements. In the event that the Resident elects not to make such a designation, The Virginian will make reasonable efforts to contact the Resident's next of kin and family, as listed with The Virginian, to make appropriate arrangements. In the event that The Virginian is unable to contact the Resident's next of kin or family within four (4) hours, The Virginian will contact a local Funeral Home to remove the remains and hold them at its facility until appropriate arrangements can be made by Resident's family or representative. Resident's estate shall be responsible for all costs incurred with regard to the use of the Funeral Home.

**20.12 Pets.** Resident may keep a cat or other small pet (other than a dog) with the prior approval of The Virginian's administration and in compliance with all policies and regulations of The Virginian relating to pets, including, without limitation, restrictions on the size, type and total number of pets kept in the apartment or at The Virginian and on other areas in which pets may be kept or exercised. Resident agrees to make other arrangements for the care of any pet if, in the judgment of The Virginian's administration (i) such pet becomes a nuisance or danger to Resident or others or (ii) Resident can no longer care for the pet without assistance. Resident shall reimburse The Virginian and its Residents for any damage including damage to furnishings done by Resident's pet(s).

**20.13 Residents' Council.** Interested Residents may establish and maintain a Residents Council as required by 22 VAC 40-72-810. The Virginian shall be responsible for providing Residents with assistance in forming and maintaining such council.

**IN WITNESS, WHEREOF,** the parties have signed and sealed two copies of this Agreement, each of which shall be deemed an original effective as of \_\_\_\_\_, 20\_\_\_\_.

(Corporate Seal)  
ATTEST:

**THE TEMPLE FOUNDATION, INC.**

\_\_\_\_\_  
(Acting) Secretary

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Resident or Resident Representative (SEAL)

\_\_\_\_\_

WITNESS:

Trustee of Resident's Inter Vivos Trust (if any)

**EXHIBIT**

**A-6. Dual Residents Monthly Care Agreement for Assisted Living  
Effective May 1, 2018**

**TEMPLE FOUNDATION, INC  
T/A THE VIRGINIAN**

**9229 ARLINGTON BLVD, FAIRFAX, VA, 22031-2504**

**DUAL RESIDENTS AGREEMENT FOR ASSISTED LIVING**

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# THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN

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F A I R F A X , V I R G I N I A 2 2 0 3 1 - 2 5 0 4

## DUAL RESIDENCE AND CARE AGREEMENT FOR ASSISTED LIVING

This Agreement is made and entered into this \_\_\_\_\_, 20\_\_\_\_, by and between **THE TEMPLE FOUNDATION, INC.** a Virginia non-profit corporation t/a The Virginian (“The Virginian”) and \_\_\_\_\_ and \_\_\_\_\_ (the "Residents"). This Agreement shall be deemed effective \_\_\_\_\_

(date the Residents take possession of Apartment as defined herein (the “Effective Date”) and shall terminate as provided for in this Agreement (the “Termination Date”). The Residents, whose dates of birth are \_\_\_\_\_ and \_\_\_\_\_ respectively have applied for and been accepted as a resident of the facility operated by The Virginian subject to the terms and conditions of this Agreement.

**1.0 CARE AND SERVICES.** The Admission and continued residency in Assisted Living is based upon the laws governing admission to an Assisted Living facility in Virginia per 22 VAC 40-72-340. The Virginian shall make the following care and services available to the Residents

**1.1 Assisted Living Center (“ALC”).** The Virginian shall provide the Residents with unfurnished Apartment Number \_\_\_\_\_(the “Apartment”), in the Assisted Living Center at The Virginian. The Residents shall furnish such Apartment in accordance with The Virginian policy. The Residents shall have access to common areas of The Virginian, including its outdoor and indoor social and recreational facilities, subject to reasonable rules and regulations established by The Virginian from time to time. For Residents of the ALC the Monthly Fee shall include:

- a) A studio, one or two bedroom apartment with kitchen, as agreed upon above;
- b) A monitored service plan developed by The Virginian’s interdisciplinary team, including ongoing monitoring of health and nursing conditions, care conferences with Residents upon request, quarterly nursing review performed by nurses and pharmacy consultants;
- c) Three nutritious meals daily, plus healthy snacks;
- d) Assistance with biweekly showering or bathing, daily dressing/grooming;
- e) Utilities including cable television and excluding phone and internet;
- f) Emergency call system in the apartment/pendant;
- g) Daily housekeeping service to include bed making, emptying trash, kitchen and bathroom general clean-up;
- h) Application of ointments and eye drops and similar minor nursing services but excluding: (1) wound care, catheter care, injections and other treatments separately listed on The Virginians fee schedule (2) nursing



services not usually provided in an Assisted Living setting, such as respiratory therapy, and (3) those nursing services the provision of which in an Assisted Living setting is prohibited by the Virginia Department of Social Services;

- i) Provision of an emergency response system that can be activated by Residents to summon a nurse on duty at all times;
- j) Assistance with making medical and dental appointments when requested by the Residents or Residents family members;
- k) Access to an on duty nurse to assess a Residents condition, to contact physician and to arrange Residents transfer to the hospital, the HCC or to another facility;
- l) Other services/amenities are included in this fee.

**1.2 Health Care Center (“HCC”).** The Virginian maintains a Nursing and Rehabilitation Center at The Virginian (the “Health Care Center” or “HCC”), which provides intermediate and skilled care (currently including a limited number of Medicare skilled nursing beds). The Residents may transfer or be transferred to the HCC on a temporary or permanent basis as provided in this agreement admission and based upon financial approval, bed availability and laws governing admission to the Health Care Center, per VAC 5- 371.

**1.3 Utilities and Housekeeping.** The Virginian shall provide, at its expense, all utilities reasonably required by the Residents, including water, electricity, heating, air conditioning and access to cable television service. The Residents are responsible for telephone services. The Virginian will provide daily housekeeping to include bed-making and emptying trash. More extensive cleaning and services can be arranged for a fee.

**1.4 Meals.** The Virginian shall provide the Residents with three nutritionally well-balanced meals each day in the Assisted Living Dining Room. No adjustment in fees will be made for meals not taken by the Residents. If a physician prescribes a specific diet for the Residents, The Virginian shall provide, or arrange for the provision of, such diet. The Virginian shall charge the Residents for the special diet and for any services required by the Residents because of physical limitations beyond those normally provided in the Assisted Living dining room during regular meals.

**1.5 Medical or Other Health Care.** The following provisions are conditions of, and apply to, all medical or other health care provided to the Residents:

- a) Subject to Special Charges, as provided for in sub-Section 2.5, The Virginian shall make available the services of a professional nurse or other health care provider for non-emergency and non-critical health care on a fee for service basis. Further medical care is available by the physicians who currently hold office hours at The Virginian. These physicians are not employees of The Virginian and charges for their services are separate.

The Residents' Medicare or other primary or secondary health insurance may cover the charges for these visits,

- b) The Residents may, at the Residents' own expense, engage the services of any physician, licensed in the Commonwealth of Virginia, or private duty nurse, licensed in the Commonwealth of Virginia. The Virginian is not responsible or financially liable for the cost of such services. The Virginian will administer medications to Residents for an additional charge. To ensure consistency and ease of distribution, The Virginian prefers to use the pharmacy and method of medication and distribution selected by it. However the Residents is free to have prescription and nonprescription drugs and medications delivered by a licensed pharmacy of Residents' own selection or brought to The Virginian by Residents' family, friends or other persons, provided that such medications and prescriptions are packaged, labeled, delivered and otherwise handled as required by 12 VAC 5-371-300 L and The Virginian's policies and procedures in accordance therewith. The Virginian will charge a reasonable fee for restocking such "out of system" medications in The Virginian's unit dose system. Residents may keep his own medications and dietary supplements in a secure place in his room if the Uniform Assessment Instrument for Residents indicates Residents are capable of self-administering medication. All medication and dietary supplements must be stored so that they are not accessible to other Residents. If The Virginian is administering Residents' medication, the Residents' medications and dietary supplements shall be stored by The Virginian and not by the Residents;
- c) The Virginian shall arrange for emergency medical care for the Residents when it is determined to be medically necessary by the medical staff at The Virginian. The Residents shall pay the charges incurred during, or as a consequence of, such emergency medical care, including, but not limited to, the cost of transportation to and from the place at which the emergency medical care is provided;
- d) The Virginian shall not pay the cost of physicians, private duty employees, drugs, medications, medical supplies, wound care, catheter care, injections and other treatments separately listed on The Virginians fee schedule;
- e) The Residents shall be responsible for paying the difference between the amount charged for medical or other health services and the amount paid by Medicare or other third party payors, including, but not limited to, any co-payments and deductibles;
- f) The Residents hereby authorize The Virginian to disclose the Residents' medical records or other confidential information to a medical or other health care provider as reasonably necessary to treat the Residents. The

Residents also authorize The Virginian to disclose the Residents' medical records or other confidential information to Medicare or to another primary third party payor and/or secondary payor as reasonably necessary to guarantee payment for the treatment of the Residents. To the extent necessary to accomplish the foregoing, the Residents shall execute such additional releases and authorizations as may be required by the laws of the Commonwealth of Virginia; and

- g) The Residents authorize The Virginian, its employees, and medical staff, including physicians and nurses who practice at The Virginian, to treat the Residents for all conditions and under all circumstances as may be necessary, and otherwise as requested by the Residents. The Residents releases The Virginian from all liability in connection with such treatment other than that caused by The Virginian's gross negligence or intentional misconduct.

**1.6 Excluded Care.** The Virginian shall not be responsible for furnishing the following medical or other health care:

- a) The Virginian shall not be required to furnish medical or other health care that The Virginian, its employees or its facilities: (1) are not licensed or otherwise authorized to furnish (2) are not capable of furnishing for any reason, or (3) which exceed the existing capacity of the medical staff or facilities;
- b) The Virginian shall not be required to furnish, among other things, those services rendered by a psychiatrist or psychologist, ophthalmologist, optometrist, optician, dentist, chiropractor, podiatrist, radiologist, or rehabilitation and diagnostic service and tests;
- c) The Virginian shall not be required to furnish or pay the cost of nonprescription and prescription drugs, medicines, vitamins, dental work, glasses, hearing aides, medical or medically related supplies or equipment, or for the cost of diagnosing or treating a mental illness; and
- d) The Virginian shall not be required to furnish or pay for companion services. These services, if desired, must be contracted and paid through Partners in Care, a division of Assisted Living at The Virginian.

**1.7 Smoking at the Virginian.** The Virginian is a smoke free facility. Smoking is prohibited in Assisted Living apartments and in all interior public areas.

**1.8 Guests.** The Residents may invite guests to the Residents Apartment for daily and brief, occasional overnight visits subject to The Virginian's policies. As an alternative, or for longer visits, guest apartments are available for family members at a charge. With Residents permission, family are welcome to stay with the

Residents if helping a Residents prepare for a procedure, a move, or the Residents condition is critical. Residents and guests must comply with The Virginian's policy and procedure XXI-D.

**1.9 Observance of Rules and Regulations.** The rules and regulations applicable to residence at The Virginian ("Rules and Regulations") attached to this Residence Agreement lease as Exhibit A are hereby made a part of this Residence Agreement and Residents agrees to comply with and observe the same. Residents failure to keep and observe said Rules and Regulations shall constitute a breach of the terms of this Residence Agreement in the same manner as if the same were contained herein as covenants. The Virginian reserves the right from time to time to amend or supplement said Rules and Regulations and to adopt and promulgate additional reasonable rules and regulations to the extent the same are not specifically contrary to the express terms of this Residence Agreement. Notice of such additional rules and regulations, and amendments and supplements, if any, shall be given to Residents and Residents agrees thereupon to comply with and observe all such Rules and Regulations and amendments thereto and supplements thereof.

**2.0 FEES AND EXPENSES.** The Residents shall pay to The Virginian the following amounts according to the stated terms and conditions:

**2.1 Security Deposit.** Dollars (\$\_\_\_\_\_) shall be due and payable prior to entry into The Virginian (the "Deposit"), to be applied as provided in Paragraph 3.1. The Deposit is refundable as provided herein, subject to the terms of Section 3.1.

**2.2 Community Fee.** In addition to the Deposit, a Community Fee of (\$\_\_\_\_\_) shall be due and payable prior to entry into The Virginian. The Community Fee is non-refundable.

**2.3 Monthly Fee.** Monthly Fee \_\_\_\_\_ Dollars (\$\_\_\_\_\_) shall be payable to The Virginian as a monthly maintenance fee ("Monthly Fee"). The Monthly Fee shall be the amount in effect at the time that the Residents enter The Virginian Assisted Living Center subject to conditions outlined in 2.5. The Monthly Fee shall thereafter be adjusted from time to time to the prevailing monthly fee for accommodations similar to those occupied by the Residents. The Monthly Fee shall be due and payable upon receipt. A late penalty of five percent (5%) of such bill may be charged if the bill is not paid by the end of the month during which the bill is received. Thereafter, the arrearage shall be charged with interest each month at eighteen percent (18%) per annum, or, if less, the maximum annual rate consistent with the applicable laws of the Commonwealth of Virginia.

**2.4 Per Diem Health Care Center Charges.** Pending physician's orders, The Virginian may make available the Health Care Center for the non-emergency and non-critical care of the Residents. The per diem cost of such shall be subject to

additional charges then in effect for community admissions. For as long as the Residents are a temporary Residents of the Health Care Center, the amount charged shall be in addition to any other charges provided for in this agreement admission and continued residency is based upon financial approval, bed availability and laws governing admission to the Health Care Center, per 12 VAC 5- 371.

**2.5 Additional Charges.** The Monthly Fee covers the ordinary and necessary costs of maintaining and caring for the Residents in the Apartment as enumerated in Sections 1.1, 1.2, and 1.4 of this Agreement. Consistent with that principle, the following goods and services are examples of the items that shall not be included within the Monthly Fee but shall be billed to the Residents as an extra cost (“Additional Charges”). The Virginian reserves the right to add to or delete from the list of Special Charges at any time upon thirty (30) days written notice.

- a) Medical or other health care services and products furnished to the Residents by The Virginian, its employees, and its medical staff; such as physician’s services, inoculations, x-rays, etc.;
- b) Additional housekeeping and maintenance services in the Apartment, personal laundry, beauty shop charges, etc.;
- c) Those medical or other health care services and/or personal care services provided to the Residents in the Accommodations requested by the Residents and/or based on an administrative decision as to its necessity for the health, safety and well-being of the Residents;
- d) Use of the Health Care Center by the Residents on temporary or permanent in-patient basis.
- e) Any costs incurred by, or the responsibility of, the Residents pursuant to Sections 12, 14, 15, 16 and 18; and
- f) Any services listed on the Additional Services fee schedule for Assisted Living.

A written schedule of the amounts of the Additional Charges applicable to the Residents shall, insofar as possible, be provided to the Residents at the time of admission. The Virginian shall bill the Residents for Additional Charges each month on the same payment terms and conditions as the Monthly Fee.

- 2.6 Maintenance of Monthly Fees and Special Charges.** The Virginian may, with thirty (30) days advance notice to the Residents, increase the amount of the Monthly Fee and Special Charges from time to time in its sole discretion.
- 2.7 Unreimbursed Charges.** The Residents hereby grant to The Virginian a claim against their respective estates and the assets of any inter vivos trust established by them or either of them, which provide for their benefit or the benefit of either of them during their lives, in an amount sufficient to reimburse The Virginian for all of the unreimbursed costs and charges for care and services provided to the Residents, including financial assistance, plus interest on the amount of unreimbursed costs and charges at the maximum applicable rate in the Commonwealth of Virginia charged from the date that the care and services were provided. This lien shall exist whether or not the Residents were residents of The Virginian at the time of their deaths. If, upon the death of either of them, the Residents shall own separately or jointly with authorized survivorship any property not disclosed in their financial statement(s) or if property is acquired subsequent to the submission of the application or the financial statement and not disclosed promptly upon its acquisition, The Virginian shall be entitled to so much of the value of such property as is sufficient to reimburse The Virginian for all of the unreimbursed costs and charges, plus interest at the maximum applicable rate in the Commonwealth of Virginia. This Agreement shall operate as an assignment, transfer and conveyance to The Virginian of such property. The Virginian may sell such property, deduct the amount owed by the Residents to The Virginian, and credit the excess, if any, to their account.

### **3.0 DEPOSITS**

- 3.1 Application of Security Deposit.** The Deposit shall be held by The Virginian to (i) secure Residents financial obligations to The Virginian and (ii) to repair any damage (other than normal wear and tear) to the Apartment during Residents occupancy. The Deposit, to the extent not so used, shall be refunded to the Residents within sixty (60) days of the later of the termination of this Agreement or the date the Residents vacates the Apartment. The Virginian shall provide Residents with a reasonably detailed written explanation of how the Deposit was expended.
- 3.2 Interest.** The Deposit shall not bear interest.
- 3.3 Transfer of Ownership/Closing of The Virginian.** The transfer of the ownership of The Virginian or the Closing of The Virginia resulting assignment by The Virginian of its rights and obligations under this Agreement shall not be an event terminating this Agreement.

### **4.0 INSURANCE, FINANCIAL RESPONSIBILITY AND OTHER PROVISIONS**

**4.1 Representations.** The application and the statements of finances and health history of the Residents filed with The Virginian are incorporated in this contract by this reference and all statements therein are true and are deemed to be representations by the Residents as of the date made in order to induce The Virginian to enter into this contract. The Residents represents that there have been no material changes in the information provided since the date thereof.

**4.2 Medicare and Health Insurance**

- a) Prior to occupancy, the Residents shall enroll in the Hospital Insurance Benefit Program under Part A of Public Law 89-97 (Medicare), or its equivalent and the Residents authorizes, as necessary, any provider of such medical and other health services, including The Virginian, to receive reimbursement under Medicare Part A, or its equivalent, as provided under these programs. During the next enrollment period following the filing of the Residents application for admission to The Virginian and prior to occupancy, the Residents will pay the premiums, secure and maintain enrollment under the Supplemental Medical Insurance Benefit Program under Part B of Public Law 89-97 and maintain the same during the term of this Agreement prior to occupancy, the Residents shall enroll in the Hospital Insurance Benefit Program under Part A of Public Law 89-97 (Medicare), or its equivalent and the Residents authorizes, as necessary, any provider of such medical and other health services, including The Virginian, to receive reimbursement under Medicare Part A, or its equivalent, as provided under these programs. During the next enrollment period following the filing of the Residents application for admission to The Virginian and prior to occupancy, the Residents will pay the premiums, secure and maintain enrollment under the Supplemental Medical Insurance Benefit Program under Part B of Public Law 89-97 and maintain the same during the term of this Agreement.
- b) If the Residents are not eligible for either of the foregoing Medicare programs, the Residents shall obtain equivalent insurance coverage or program benefits acceptable to The Virginian.
- c) The Residents are responsible for Medicare co-insurance and deductible amounts. The Virginian requires that the Residents secure a supplemental hospital and medical insurance policy (such as Blue Cross/Blue Shield, or Aetna or AARP) or show evidence of the Residents own ability to pay such costs without impairing the Residents ability to meet future obligations to The Virginian.
- d) If at any time the Residents becomes entitled to payments for health services from other governmental agencies, the Residents agrees to make application for such payments. The Virginian will not be responsible for

the cost of any health care, the cost of which the Residents are entitled to from a governmental agency or other third party.

- e) The Residents agrees to execute assignment of benefits to The Virginian. The Virginian shall have no claims on excess funds.

**4.3 Hospital and Health Coverage.** The Residents will, if possible, maintain in full force and effect whatever private health insurance they had at the time of application for admission.

**4.4 Other Insurance.** The Residents agree that he shall obtain personal liability insurance covering the cost of any injury to third parties in The Virginian in the amount of \$500,000 to cover damage to person and property, including, but not limited to the property of The Virginian. The Virginian recommends that Residents maintain insurance coverage on Residents personal property in an amount sufficient to cover the full replacement value of such property. The Virginian does not provide personal property insurance covering Residents personal property.

**4.5 Subordination of Rights.** The rights of the Residents under this Agreement are the rights and privileges expressly granted and do not include a proprietary interest in the property or assets of The Virginian. The Residents irrevocably agrees that the Residents rights under this Agreement shall be subordinate and inferior at all times to the rights under any mortgage or deed of trust now or hereafter pertaining to The Virginian. The Residents further irrevocably agrees that they shall further execute, acknowledge and deliver a subordination agreement should such be necessary in order to establish the priority of a lenders mortgage or deed of trust as a lien against the property of The Virginian.

## **5.0 ADMISSIONS AND DISMISSALS**

**5.1 General.** The Virginian shall have the exclusive authority to admit Residents and to adjust fees. The Residents shall not have the right to object to another Resident's admission, terms of admission or dismissal.

**5.2 Marriage to Non-Residents.**

- a) In the event the Resident marries a non-Resident, should the non-Resident desire to reside at The Virginian, the non-Resident shall make application for admission, subject to the admissions provisions, procedures and fees in effect at the time of such request. The Virginian is under no obligation to admit the non-Resident and the Resident may terminate this Agreement in accordance with the provisions of Section 18.3 (c). Upon such marriage, and acceptance by The Virginian, the Monthly Fees shall be adjusted to then current dual occupancy rates for the type of Apartment occupied, and the parties will execute a Dual Residential Contract. Unless otherwise



agreed to in writing by The Virginian, if the Resident marries after the Effective Date of this Agreement and the spouse does not meet the entrance requirements of The Virginian, the spouse will not be permitted to reside at The Virginian.

- b) There will be no refund or adjustment of Community Fee payments in the event an unmarried Resident marries another Resident; however, in the event the married Resident thereafter occupy one Apartment, they shall be charged the dual occupancy rate for that Apartment.

**6.0 PHYSICAL AND MENTAL HEALTH REQUIREMENTS.** As a condition of admission to the Assisted Living Center, Residents shall be primarily ambulatory, be able to safely transfer without assistance, be able to use a wheelchair or a walker without assistance, and be able to respond appropriately to emergency situations. If, in the judgment of the Administration, the Resident is unable to comply with these requirements, is seriously ill and requires special attention, or is infected with a contagious disease, or is mentally ill to the extent that the mental illness requires care that the Assisted Living Center is not required or able to furnish, or whose presence may create a hazard or be detrimental to the health or welfare of self or other Residents, The Virginian retains the right to terminate this Agreement or to offer to transfer the Resident to the Health Care Center, Enhanced Assisted Living, or our Memory Unit subject to financial approval, and under designated regulations per Office of Licensure and Certification or Virginia Department of Social Services, under a monthly contract arrangement. In the event The Virginian elects not to offer a substitute accommodation or Resident elects not to be transferred to the recommended accommodation, The Virginian retains the right to terminate this Agreement and requires the transfer of the Resident from the Assisted Living Center. By signature to this Agreement, Resident expressly agrees with and understands the requirements of this paragraph.

## **7.0. RELEASE OF ACCOMMODATIONS AND CHANGE IN LEVEL OF CARE**

**7.1 Release of Apartment.** In the event of determination by Administration that the condition requiring the transfer of the Resident to Assisted Living, Enhanced Assisted Living or the Health Care Center or to another facility is not a temporary condition or if the Resident is permanently transferred to another facility, the Apartment shall be released and this contract terminated. If, within Thirty (30) days after Resident is transferred to the Health Care Center or to another facility, Resident has not returned, Resident transfer shall be considered permanent and the Apartment released unless (i) Resident advise The Virginian in writing that the transfer is not permanent (ii) or the Administration determines that Resident transfer is not permanent based on information provided to it by the Resident. If the Resident transfers from one level of care to another within The Virginian, thus considered an internal move a grace period

of 7 days will apply. Should the move be a lateral one, in which the Residents prefers a different apartment within the same level of care, a \$1000 fee will apply, without grace period.

**7.2 Changes in Level of Care.** This Residence Agreement only covers the Resident(s) occupancy in the indicated level of care. Residents required levels of care may change from time to time. In the event that Residents required level of care changes, a new Residence Agreement, appropriate for the new level of care will be executed between The Virginian and the Residents as a condition to the Residents continued residence at The Virginian in the new level of care. Resident's admission to a new level of care is contingent on space being available at The Virginian in the required new level of care. In the event that this is a dual residence agreement, and only one Resident requires a new level of care, the integration of the cost of the differing levels of care for the Residents shall be as described herein. The new Residence Agreement for the appropriate new level of care shall supersede this Agreement in its entirety and the Residents' residence at The Virginian shall thereafter is governed exclusively the new Residence Agreement.

## **8.0 FINANCIAL OBLIGATIONS OF THE RESIDENTS TO THIRD PARTIES.**

- a) The Virginian shall not be liable or responsible for any debt, expense, or other financial obligation of any kind, incurred or contracted by the Residents.
- b) Residents has made representations to The Virginian regarding Residents financial capacity for meeting their agreement obligations under this agreement which are incorporated by this reference and made a material part of this Agreement. Residents agree not to unnecessarily transfer or dispose of any of the Residents (or either Residents) assets listed on Residents financial statements provided to The Virginian as part of Residents application and from time to time thereafter, in a manner (including, but not limited to, excessive gifting or an intentional spend down) which would (i) render Residents incapable of meeting his obligations to The Virginian or (ii) place the Residents in need of financial assistance from The Virginian. Residents each agree to provide The Virginian with updated financial statements when requested by The Virginian.

**9.0 OBLIGATIONS TO RESIDENTS AWAY FROM THE VIRGINIAN.** The Virginian shall not be obligated to furnish or to pay for any support, maintenance, board or lodging when the Residents are away from The Virginian, and the Residents shall remain obligated for the fees provided for in Section 2.1.

**10.0 LOSS OR DAMAGE TO PROPERTY OR PERSON.** Except in situations where the Residents has executed an Assistive Device Agreement while in Assisted Living or the Health Care Center, The Virginian shall not be responsible for the loss or damage to any property belonging to the Residents whether due to misplacement, theft, routine maintenance, housekeeping activities, the negligence of The Virginian or any other cause

and The Residents waives any and all claims against The Virginian arising in any way from loss of or damage to the property of the Residents no matter what the cause.

- a) The Residents further waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Residents person from any cause other than The Virginian's negligence or intentional wrongful acts, including, but not limited to fire, assault or any other cause. The Residents further specifically waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Residents person where such death or injury was caused in whole or in part by the Residents negligence or fault.

**11.0 MAINTENANCE OF THE APARTMENT AND REPAIR SERVICES.** The Residents shall be responsible for the repair, maintenance and replacement of Residents personal property. The Virginian may provide minor repairs to the personal property of the Residents subject to Additional Charges, redecoration of the Residents Apartment, including installation of any permanently affixed item, other than as scheduled by The Virginian, shall be at the Residents expense and with prior approval of The Virginian. Any permanently affixed items, the removal of which would deface the apartment, shall become the property of The Virginian. Any change or replacement by the Residents of the equipment provided by The Virginian to them shall vest title to such equipment in The Virginian unless otherwise provided for in writing. Any costs incurred by The Virginian to restore the Apartment to its original condition at the time the Residents took occupancy, reasonable wear and tear (but not damage caused by assistive devices such as, but not limited to, electric scooters and wheelchairs) excepted, shall be paid by the Residents.

**12.0 RIGHT OF ENTRY.** The Residents gives the right of entry into his Apartment to authorized employees of The Virginian (a) at any time for emergency purposes and (b) as deemed necessary for management purposes.

**13.0 DISPOSITION OF PROPERTY ON DEPARTURE OR DEATH OF RESIDENTS.** In the event of the departure or death of the Residents, all of the Residents property, including any property left in a storage bin, shall be removed within thirty (30) days. The Monthly Fee shall continue in effect until the Apartment is vacated and returned to The Virginian. In the event that the property is not removed within that period, the property shall be placed in storage within or without The Virginian for an additional thirty (30) days, at the expense of the Residents or the Residents estate. If at the expiration of the latter thirty (30) day period the property has not been claimed, The Virginian may sell or otherwise dispose of such property, deduct the storage cost from the proceeds, if any, and then credit the excess to the Residents account. If the Residents/Residents family has not cleared out the Residents apartment upon discharge, a "clean up" fee will apply.

**14.0 INJURY OR DAMAGE BY THE RESIDENTS OR GUEST.** The Residents hereby agrees to reimburse The Virginian for any costs resulting from the Residents willful or negligent acts or omissions or the acts or omissions of the Residents guest(s).

**15.0 INJURY BY A THIRD PARTY.** If the Residents are injured or dies from the act or omission of a third party, and the Residents has not fully reimbursed The Virginian for the costs incurred by such third party's act or omission, then The Virginian is subrogated to the Residents claim and may bring suit in the name of the Residents. The Residents shall cooperate with The Virginian if The Virginian pursues a claim for damages against the third party.

**16.0 POWER OF ATTORNEY.** The Residents shall place on file with The Virginian a power of attorney in favor of a responsible and responsive individual residing in the United States to handle the Residents financial affairs and to make necessary decisions regarding the Residents if the Residents becomes incapacitated. Such power of attorney shall also name a similar individual acceptable to The Virginian as a substitute attorney-in-fact in the event that the first named attorney- in-fact becomes incapacitated or is unable or refuses or otherwise fails to act.

**17.0 TERMINATION OF AGREEMENT.** When this Agreement is terminated, the Residents shall remain obligated for the fees set forth in Section 2 through the date that the Residents leaves The Virginian, in addition to the cost of any repairs to, or replacement of, the property of The Virginian caused by the Residents negligence. This Agreement is terminable upon the following terms and conditions:

**17.1 Termination by the Death of the Residents.** The death of either of the Residents shall terminate this Agreement.

**17.2 Termination by The Virginian.** The Virginian may terminate this Agreement at any time without cause upon not less than thirty (30) days prior written notice;

- a) The Virginian may terminate this Agreement for good cause at any time. Good cause shall be limited to: (i) proof that the Residents are a danger to himself or others; (ii) refusal by the Residents to pay a monthly or periodic fee; (iii) repeated conduct by the Residents that interferes with other Residents quiet enjoyment of the facility; (iv) Residents becomes physically and/or mentally incapable of performing daily living tasks, as determined by the Uniform Assessment Instrument (UAI) and refuses to apply for an appropriate level of care; (v) failure on the part of the Residents to abide by the written rules and regulations adopted by The Virginian for the facility; (vi) a material misrepresentation made intentionally or recklessly by the Residents in his/her application for residency, or related materials, regarding information which, if accurately provided, would have resulted in either a failure of the Residents to qualify for residency or a material increase in the cost of providing to the Residents the care and services provided under the contract; or (vii) a material breach by the Residents of the terms and conditions of this Agreement. If The Virginian seeks to cancel this Agreement and terminate the Residents occupancy, The Virginian shall give the Residents written notice of, and a reasonable opportunity to cure within a reasonable period

not to exceed thirty (30) days, whatever conduct is alleged to warrant the cancellation of the Agreement.

### **17.3 Termination by the Residents**

- a) The Residents shall have the right to rescind this Agreement for any reason, without penalty or forfeiture, at any time prior to entry into The Virginian.
- b) If a Resident(s) die(s) before occupying the facility, or is precluded through illness, injury or incapacity from becoming Residents under the terms of this Agreement, the Agreement is automatically rescinded and the Residents or their legal representative shall receive a full refund of all money paid to The Virginian, except those costs specifically incurred by The Virginian at the request of the Residents and set forth in writing in a separate addendum signed by both parties to this Agreement.
- c) The Residents may terminate this Agreement by giving The Virginian thirty (30) days written notice of the Residents intention to terminate the Agreement. The notice shall be effective at the end of the thirty (30) days' notice unless the parties otherwise agree in writing.

**18.0 REGULATIONS BY THE COMMONWEALTH OF VIRGINIA.** The Virginian is a Nonprofit, tax-exempt corporation organized and existing under the laws of the Commonwealth of Virginia. The Virginian is licensed by The Virginian Department of Social Services. The Regional Office, which granted The Virginian its licenses to operate, is:

Commonwealth of Virginia Department of Social Services  
3701 Pender Dr. Suite 125  
Fairfax, Virginia 22030

The Nursing and Rehabilitation Center at The Virginian is regulated and licensed by the following division of the Virginia Department of Health:

Office of Licensure and Certification Virginia Department of Health  
9960 Mayland Drive, Ste. 401  
Richmond, Virginia 23233  
Phone: 804-367-210

**19.0. INTER VIVOS TRUSTS.** In the event that Residents have established, or during the term of this Agreement establishes, an inter vivos trust which provides for the benefit of either or both of the Residents and/or Residents spouse during their lives, the trustees of such trust and the trust shall become parties to this agreement to the extent of assuming liability for Residents' financial obligations under this agreement.

**20.0. GENERAL PROVISIONS.** The following general provisions shall apply:

- 20.1 Governing Law.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Virginia applicable to agreements made and performed entirely within the Commonwealth of Virginia.
- 20.2 Modification or Waiver.** A modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement. The failure of any party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or of a different nature.
- 20.3 Entire Agreement.** This agreement contains the entire understanding of the parties. There are no representations, warranties, covenants, or undertakings by or between the parties other than those expressly set forth in this Agreement and, if applicable, the Guaranty Agreement is expressly made a part of this Agreement.
- 20.4 Binding Effect.** This Agreement shall be binding on the Residents and the Residents heirs, executors, administrators, legal representatives, successors and assigns.
- 20.5 Assignment.** The rights of the Residents hereunder shall be personal to the Residents and shall not be assignable. The Virginian may assign its rights and obligations hereunder without the consent of the Residents.
- 20.6 Gender.** All pronouns shall be deemed to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.
- 20.7 Waiver of Breach Not Waiver of Others.** The failure of The Virginian in any one or more instances to insist upon the strict performance and observance of compliance by the Residents with any of the terms or provisions of this Agreement shall not be construed as a waiver or relinquishment by The Virginian of its right to insist upon strict compliance by the Residents with all of the terms and conditions of this Agreement.
- 20.8. No Representation.** The Virginian's representatives have made no promises or representations with respect to the Residents apartment or accommodations, any facilities of The Virginian, refunds, or any of The Virginian's promises and undertakings with respect to the care of the Residents except as specifically set forth herein.
- 20.9 Weapons Policy.** Possession of firearms, ammunition, fireworks, explosives or weapons prohibited by law is not allowed at The Virginian.

- 20.10 Remedies for Unpaid Fees.** In the event that Residents fails to pay any sums due hereunder The Virginian shall have all rights and remedies available to it under the law, including, but not limited to the right to file suit for all unpaid amounts due from Residents under this Agreement. In the event that The Virginian is required to pursue its remedies under this agreement due to Residents failure to pay sums due, The Virginian shall be entitled to recover its fees and costs of collection whether or not suit is filed, including, but not limited to reasonable attorney's fees and all costs of collection.
- 20.11 Funeral Arrangements.** The handling of funeral arrangements presents many difficult choices in a stressful situation. The Virginian is not in a position to make personal decisions for Residents regarding such arrangements and these decisions are best left to the Residents and the Residents family. Accordingly, The Virginian requests that, at the time of the execution of this Agreement, the Residents make known his or her last wishes regarding funeral arrangements, including the selection of a funeral home and the designation of a person to be responsible for managing funeral arrangements. This can be done by completing a form that The Virginian will maintain on file and which can be changed from time to time as the Residents may desire. In the event of the Residents death while at The Virginian, The Virginian will contact the funeral home, if any, designated by the Residents and will undertake to contact the person designated by Residents as being responsible for funeral arrangements. In the event that the Residents elects not to make such a designation, The Virginian will make reasonable efforts to contact the Residents next of kin and family, as listed with The Virginian, to make appropriate arrangements. In the event that The Virginian is unable to contact the Residents next of kin or family within four (4) hours, The Virginian will contact a local Funeral Home to remove the remains and hold them at its facility until appropriate arrangements can be made by Residents family or representative. Residents estate shall be responsible for all costs incurred with regard to the use of the Funeral Home.
- 20.12 Pets.** Residents may keep a cat or other small pet (other than a dog) with the prior approval of The Virginian's administration and in compliance with all policies and regulations of The Virginian relating to pets, including, without limitation, restrictions on the size, type and total number of pets kept in the apartment or at The Virginian and on other areas in which pets may be kept or exercised. Residents agrees to make other arrangements for the care of any pet if, in the judgment of The Virginian's administration (i) such pet becomes a nuisance or danger to Residents or others or (ii) Residents can no longer care for the pet without assistance. Residents shall reimburse The Virginian and its Residents for any damage including damage to furnishings done by Residents pet(s).
- 20.13 Residents Council.** Interested Residents may establish and maintain a Residents Council as required by 22 VAC 40-72-810. The Virginian shall be responsible for providing Residents with assistance in forming and maintaining such council, whether or not such a council currently exists at The Virginian.

**IN WITNESS, WHEREOF**, the parties have signed and sealed two copies of this Agreement, each of which shall be deemed an original effective as of \_\_\_\_\_, 20\_\_\_\_.

(Corporate Seal)  
ATTEST:

**THE TEMPLE FOUNDATION, INC.**

\_\_\_\_\_  
(Acting) Secretary

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Residents or Resident Representative (SEAL)

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Residents or Resident Representative (SEAL)

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Trustee of Residents' Inter Vivos Trust (if any)



**EXHIBIT**

**A-7. Single Resident Monthly Care Agreement for “Enhanced Assisted Living” Effective May 1, 2018**

**TEMPLE FOUNDATION, INC  
T/A THE VIRGINIAN  
9229 ARLINGTON BLVD, FAIRFAX, VA, 22031-2504**

**SINGLE RESIDENT AND CARE AGREEMENT  
FOR ENHANCED ASSISTED LIVING**

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# THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN

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F A I R F A X , V I R G I N I A 2 2 0 3 1 - 2 5 0 4

## **SINGLE RESIDENT AND CARE AGREEMENT FOR ENHANCED ASSISTED LIVING**

This Agreement is made and entered into this \_\_\_\_\_, 20\_\_\_\_, by and between **THE TEMPLE FOUNDATION, INC.** a Virginia non-profit corporation t/a The Virginian (“The Virginian”), and \_\_\_\_\_ (the “Resident”) and \_\_\_\_\_ (the “Resident Representative”) if a Resident Representative is required pursuant to Section 20. This Agreement shall be deemed effective \_\_\_\_\_, 20\_\_\_\_, (the “Effective Date”) and shall be terminated by The Virginian or Resident as hereinafter provided. This Agreement shall continue on a month-to-month basis and may be terminated by either party as provided herein.

**1.0 CARE AND SERVICES.** The Admission and continued residency in Assisted Living is based upon the laws governing admission to an Assisted Living facility in Virginia per 22 VAC 40-72-340. The Virginian shall make the following care and services available to the Resident

**1.1 Enhanced Assisted Living Center (“EAL”).** The Virginian shall provide the Resident with unfurnished Apartment Number \_\_\_\_\_ (the “Apartment”), in the Assisted Living Center at The Virginian. The Resident shall furnish such Apartment in accordance with The Virginian policy. The Resident shall have access to common areas of The Virginian, including its outdoor and indoor social and recreational facilities, subject to reasonable rules and regulations established by The Virginian from time to time. For Residents of the ALC the Monthly Fee shall include:

- a) Spacious private one or two bedroom apartment with kitchen, as agreed upon above;
- b) A monitored service plan developed by The Virginian’s interdisciplinary team, including ongoing monitoring of health and nursing conditions, care conferences with Resident upon request, quarterly nursing review performed by nurses and pharmacy consultants;
- c) Three nutritious meals daily, plus healthy snacks;
- d) Full assistance with dressing, biweekly showering or bathing, daily dressing/grooming, feeding, transferring, incontinency care.
- e) Medication administration
- f) Incontinency care

- g) Utilities including cable television and excluding phone and internet;
- h) Emergency call system in the apartment/pendant;
- i) Daily housekeeping service to include bed making, emptying trash, kitchen and bathroom general clean-up;
- j) Application of ointments and eye drops and similar minor nursing services but excluding: (1) wound care, catheter care, injections and other treatments separately listed on The Virginians fee schedule (2) nursing services not usually provided in an Assisted Living setting, such as respiratory therapy, and (3) those nursing services the provision of which in an Assisted Living setting is prohibited by the Virginia Department of Social Services;
- k) Provision of an emergency response system that can be activated by Resident to summon a nurse on duty at all times;
- l) Assistance with making medical and dental appointments when requested by the Resident or Resident's family members;
- m) Access to an on duty nurse to assess a Resident's condition, to contact physician and to arrange Resident's transfer to the hospital, the HCC or to another facility
- n) Treatments for minor skin issues, vital signs ,weights;
- o) Social services support for residents and families;
- p) Daily Activities.

**1.3. Health Care Center ("HCC").** The Virginian maintains a Nursing and Rehabilitation Center at The Virginian (the "Health Care Center" or "HCC"), which provides intermediate and skilled care (currently including a limited number of Medicare skilled nursing beds). The Resident may transfer or be transferred to the HCC on a temporary or permanent basis as provided in this agreement admission and based upon financial approval, bed availability and laws governing admission to the Health Care Center, per VAC 5- 371.

**1.4. Utilities and Housekeeping.** The Virginian, at its expense, shall provide all utilities reasonably required by the Resident, including water, electricity, heating, air conditioning and access to television cable service. The Resident is responsible for telephone and/or internet services. The Virginian will provide daily housekeeping. The Resident or Resident's family is responsible for the laundering of personal clothing. Should the Resident or Resident's family prefer

The Virginian to care for personal laundry; this request may be made known at the time of admission. There are additional fees for this service.

**1.5. Meals.** The Virginian shall provide the Resident with three nutritionally well-balanced meals each day in the Assisted Living Dining Room. No adjustment in fees will be made for meals not taken by the Resident. If a physician prescribes a specific diet for the Resident, The Virginian shall provide, or arrange for the provision of, such diet. The Virginian shall charge the Resident for the special diet and for any services required by the Resident because of physical limitations beyond those normally provided in the Assisted Living dining room during regular meals.

**1.6. Medical or Other Health Care.** The following provisions are conditions of, and apply to, all medical or other health care provided to the Resident:

- a) Subject to Additional Charges, as provided for in sub-Section 2.5, The Virginian shall make available the services of a professional nurse or other health care provider for non-emergency and non-critical health care on a fee for service basis. Further medical care is available by the physicians who currently hold office hours at The Virginian. These physicians are not employees of The Virginian and charges for their services are separate. The Resident's Medicare or other primary or secondary health insurance may cover the charges for these visits,
- b) The Resident may, at the Resident's own expense, engage the services of any physician, licensed in the Commonwealth of Virginia, or private duty nurse, licensed in the Commonwealth of Virginia. The Virginian is not responsible or financially liable for the cost of such services. The Virginian will administer medications to Residents at no additional charge. To ensure consistency and ease of distribution, The Virginian prefers to use the pharmacy and method of medication and distribution selected by it. However the Resident is free to have prescription and nonprescription drugs and medications delivered by a licensed pharmacy of Resident's own selection or brought to The Virginian by Resident's family, friends or other persons, provided that such medications and prescriptions are packaged, labeled, delivered and otherwise handled as required by 12 VAC 5-371-300 L and The Virginian's policies and procedures in accordance therewith. The Virginian will charge a reasonable fee for restocking such "out of system" medications in The Virginian's unit dose system. Resident may keep his own medications and dietary supplements in a secure place in his room if the Uniform Assessment Instrument for Resident indicates Resident is capable of self-administering medication. All medication and dietary supplements must be stored so that they are not accessible to other residents. If The Virginian is administering

Resident's medication, the Resident's medications and dietary supplements shall be stored by The Virginian and not by the Resident;

- c) The Virginian shall arrange for emergency medical care for the Resident when it is determined to be medically necessary by the medical staff at The Virginian. The Resident shall pay the charges incurred during, or as a consequence of, such emergency medical care, including, but not limited to, the cost of transportation to and from the place at which the emergency medical care is provided;
- d) The Virginian shall not pay the cost of physicians, private duty employees, drugs, medications, medical supplies, wound care, catheter care, injections and other treatments separately listed on The Virginians fee schedule;
- e) The Resident shall be responsible for paying the difference between the amount charged for medical or other health services and the amount paid by Medicare or other third party payors, including, but not limited to, any co-payments and deductibles;
- f) The Resident hereby authorizes The Virginian to disclose the Resident's medical records or other confidential information to a medical or other health care provider as reasonably necessary to treat the Resident. The Resident also authorizes The Virginian to disclose the Resident's medical records or other confidential information to Medicare or to another primary third party payor and/or secondary payor as reasonably necessary to guarantee payment for the treatment of the Resident. To the extent necessary to accomplish the foregoing, the Resident shall execute such additional releases and authorizations as may be required by the laws of the Commonwealth of Virginia; and
- g) The Resident authorizes The Virginian, its employees, and medical staff, including physicians and nurses who practice at The Virginian, to treat the Resident for all conditions and under all circumstances as may be necessary, and otherwise as requested by the Resident. The Resident releases The Virginian from all liability in connection with such treatment other than that caused by The Virginian's gross negligence or intentional misconduct.

**1.7. Excluded Care.** The Virginian shall not be responsible for furnishing the following medical or other health care:

- a) The Virginian shall not be required to furnish medical or other health care that The Virginian, its employees or its facilities: (1) are not

licensed or otherwise authorized to furnish (2) are not capable of furnishing for any reason, or (3) which exceed the existing capacity of the medical staff or facilities;

- b) The Virginian shall not be required to furnish, among other things, those services rendered by a psychiatrist or psychologist, ophthalmologist, optometrist, optician, dentist, chiropractor, podiatrist, radiologist, or rehabilitation and diagnostic service and tests;
- c) The Virginian shall not be required to furnish or pay the cost of nonprescription and prescription drugs, medicines, vitamins, dental work, glasses, hearing aides, medical or medically related supplies or equipment, or for the cost of diagnosing or treating a mental illness; and
- d) The Virginian shall not be required to furnish or pay for companion services. These services, if desired, must be contracted and paid through Partners in Care, a division of Assisted Living at The Virginian.

**1.8. Smoking at the Virginian.** The Virginian is a smoke free facility. Smoking is prohibited in Assisted Living apartments and in all interior public areas.

**1.9. Guests.** The Resident may invite guests to the Resident's Apartment for daily and overnight visits subject to The Virginian's policies. Typically, Guest apartments are available for overnight family members, unless the family is helping a Resident prepare for a procedure, a move, or the Resident's condition is critical.

**1.9. Observance of Rules and Regulations.** The rules and regulations applicable to residence at The Virginian ("Rules and Regulations") attached to this Residence Agreement lease as Exhibit A are hereby made a part of this Residence Agreement and Resident agrees to comply with and observe the same. Resident's failure to keep and observe said Rules and Regulations shall constitute a breach of the terms of this Residence Agreement in the same manner as if the same were contained herein as covenants. The Virginian reserves the right from time to time to amend or supplement said Rules and Regulations and to adopt and promulgate additional reasonable rules and regulations to the extent the same are not specifically contrary to the express terms of this Residence Agreement. Notice of such additional rules and regulations, and amendments and supplements, if any, shall be given to Resident and Resident agrees thereupon to comply with and observe all such Rules and Regulations and amendments thereto and supplements thereof.

**2.0 FEES AND EXPENSES.** The Resident shall pay to The Virginian the following amounts according to the stated terms and conditions:

- 2.1. Security Deposit.** Dollars (\$\_\_\_\_\_ ) shall be due and payable prior to entry into The Virginian (the “Deposit”), to be applied as provided in Paragraph 3.1. The Deposit is refundable as provided herein, subject to the terms of Section 3.1.
- 2.2. Community Fee.** In addition to the Deposit, a Community Fee of Dollars (\$) shall be due and payable prior to entry into The Virginian. The Community Fee is non-refundable.
- 2.3. Monthly Fee.** Dollars (\$\_\_\_\_\_ ) shall be payable to The Virginian as a monthly maintenance fee (the “Monthly Fee”). The Monthly Fee shall be the amount in effect at the time that the Resident enters The Virginian Assisted Living Center subject to conditions outlined in 2:5. The amount of the Monthly Fee shall thereafter be adjusted from time to time to the prevailing monthly fee for accommodations similar to those occupied by the Resident. The Monthly Fee shall be due and payable upon receipt. A late penalty of five percent (5%) of such bill may be charged if the bill is not paid by the end of the month during which the bill is received. Thereafter, the arrearage shall be charged with interest each month at eighteen percent (18%) per annum, or, if less, the maximum annual rate consistent with the applicable laws of the Commonwealth of Virginia.
- 2.4. Per Diem Health Care Center Charges.** Pending physician’s orders, The Virginian may make available the Health Care Center for the non-emergency and non-critical care of the Resident. The per diem cost of such shall be subject to additional charges then in effect for community admissions. For as long as the Resident is a temporary Resident of the Health Care Center, the amount charged shall be in addition to any other charges provided for in this agreement admission and continued residency is based upon financial approval, bed availability and laws governing admission to the Health Care Center, per 12 VAC 5- 371.
- 2.5. Additional Charges.** The Monthly Fee covers the ordinary and necessary costs of maintaining and caring for the Resident in the Apartment as enumerated in Sections 1.1, 1.2, and 1.4 of this Agreement. Consistent with that principle, the following goods and services are examples of the items that shall not be included within the Monthly Fee but shall be billed to the Resident as an extra cost (“Additional Charges”). The Virginian reserves the right to add to or delete from the list of Special Charges at any time upon thirty (30) days written notice.
- a) Medical or other health care services and products furnished to the Resident by The Virginian, its employees, and its medical staff; such as physician’s services, inoculations, x-rays, etc;
  - b) Additional housekeeping and maintenance services in the Apartment, personal laundry, beauty shop charges, etc.;



- c) Those medical or other health care services and/or personal care services provided to the Resident in the Accommodations requested by the Resident and/or based on an administrative decision as to its necessity for the health, safety and well being of the Resident;
- d) Use of the Health Care Center by the Resident on temporary or permanent in-patient basis.
- e) Any costs incurred by, or the responsibility of, the Resident pursuant to Sections 12, 14, 15, 16 and 18; and
- f) Any services listed on the Additional Services fee schedule for Enhanced Assisted Living.

A written schedule of the amounts of the Additional Charges applicable to the Resident shall, insofar as possible, be provided to the Resident at the time of admission. The Virginian shall bill the Resident for Additional Charges each month on the same payment terms and conditions as the Monthly Fee.

**2.6. Maintenance of Monthly Fees and Special Charges.** The Virginian may, with thirty(30) days advance notice to the Resident, increase the amount of the Monthly Fee and Additional Charges from time to time in its sole discretion.

**2.6. Unreimbursed Charges.** The Resident hereby grants to The Virginian a claim against his estate and the assets of any inter vivos trust established by Resident, which provide for Resident during his life, in an amount sufficient to reimburse The Virginian for all of the unreimbursed costs and charges for care and services provided to the Resident, including financial assistance, plus interest on the amount of unreimbursed costs and charges at the maximum applicable rate in the Commonwealth of Virginia charged from the date that the care and services were provided. This lien shall exist whether or not the Resident was a resident of The Virginian at the time of his death. If, upon the death of Resident, the Resident owns separately or jointly with survivorship any property not disclosed in his financial statement or if property is acquired subsequent to the submission of the application or the financial statement and not disclosed promptly upon its acquisition, The Virginian shall be entitled to so much of the value of such property as is sufficient to reimburse The Virginian for all of the unreimbursed costs and charges, plus interest at the maximum applicable rate in the Commonwealth of Virginia. This Agreement shall operate as an assignment, transfer and conveyance to The Virginian of such property. The Virginian may sell such property, deduct the amount owed by the Resident to The Virginian, and credit the excess, if any, to his account.

### 3.0. DEPOSITS

- 3.1. **Application of Security Deposit.** The Deposit shall be held by The Virginian to (i) secure Resident's financial obligations to The Virginian and (ii) to repair any damage (other than normal wear and tear) to the Apartment during Resident's occupancy. The Deposit, to the extent not so used, shall be refunded to the Resident within sixty (60) days of the later of the termination of this Agreement or the date the Resident vacates the Apartment. The Virginian shall provide Resident with a reasonably detailed written explanation of how the Deposit was expended.
- 3.2. **Interest.** The Deposit shall not bear interest.
- 3.3. **Transfer of Ownership/Closing of The Virginian.** The transfer of the ownership of The Virginian or the assignment of The Virginian, rights and obligations under this Agreement shall not be an event terminating this Agreement, nor shall it entitle the Resident to a refund of the deposit paid under Section 2.1 or the Community Fee paid under Section 2.2. If The Virginian is closed and no other comparable facilities are used by The Virginian, or its successor, to meet its obligations under this Agreement, the Resident shall be entitled to a full refund of the Community Fee and a refund of such portion of the Deposit as is not applied against the Resident's obligations to The Virginian at such time..

### 4.0 INSURANCE, FINANCIAL RESPONSIBILITY AND OTHER PROVISIONS

- 4.1. **Representations.** The application and the statements of finances and health history of the Resident filed with The Virginian are incorporated in this contract by this reference and all statements therein are true and are deemed to be representations by the Resident as of the date made in order to induce The Virginian to enter into this contract. The Resident represents that there have been no material changes in the information provided since the date thereof.
- 4.2. **Medicare and Health Insurance**
- a) Prior to occupancy, the Resident shall enroll in the Hospital Insurance Benefit Program under Part A of Public Law 89-97 (Medicare), or its equivalent and the Resident authorizes, as necessary, any provider of such medical and other health services, including The Virginian, to receive reimbursement under Medicare Part A, or its equivalent, as provided under these programs. During the next enrollment period following the filing of the Resident's application for admission to The Virginian and prior to occupancy, the Resident will pay the premiums, secure and maintain enrollment under the Supplemental Medical Insurance Benefit Program under Part B of Public Law 89-97 and maintain the same

during the term of this Agreement.

- b) If the Resident is not eligible for either of the foregoing Medicare programs, the Resident shall obtain equivalent insurance coverage or program benefits acceptable to The Virginian.
- c) The Resident is responsible for Medicare co-insurance and deductible amounts. The Virginian requires that the Resident secure a supplemental hospital and medical insurance policy (such as Blue Cross/Blue Shield, or Aetna or AARP) or show evidence of the Resident's own ability to pay such costs without impairing the Resident's ability to meet future obligations to The Virginian.
- d) If at any time the Resident becomes entitled to payments for health services from other governmental agencies, the Resident agrees to make application for such payments. The Virginian will not be responsible for the cost of any health care, the cost of which the Resident is entitled to from a governmental agency or other third party.
- e) The Resident agrees to execute assignment of benefits to The Virginian. The Virginian shall have no claims on excess funds.

**4.3. Hospital and Health Coverage.** The Resident will, if possible, maintain in full force and effect whatever private health insurance they had at the time of application for admission.

**4.4. Other Insurance.** The Resident agrees that he shall obtain personal liability insurance covering the cost of any injury to third parties in The Virginian in the amount of \$500,000 to cover damage to person and property, including, but not limited to the property of The Virginian. The Virginian recommends that Resident maintain insurance coverage on Resident's personal property in an amount sufficient to cover the full replacement value of such property. The Virginian does not provide personal property insurance covering Resident's personal property.

**4.5. Subordination of Rights.** The rights of the Resident under this Agreement are the rights and privileges expressly granted and do not include a proprietary interest in the property or assets of The Virginian. The Resident irrevocably agrees that the Resident's rights under this Agreement shall be subordinate and inferior at all times to the rights under any mortgage or deed of trust now or hereafter pertaining to The Virginian. The Resident further irrevocably agrees that they shall further execute, acknowledge and deliver a subordination agreement should such be necessary in order to establish the priority of a lenders mortgage or deed of trust as a lien against the property of The Virginian.

## **5.0. ADMISSIONS AND DISMISSALS**

**5.1. General.** The Virginian shall have the exclusive authority to admit Residents and to adjust fees. The Resident shall not have the right to object to another resident's admission, terms of admission or dismissal.

### **5.2. Marriage to Non-Resident.**

- a) In the event the Resident marries a non-resident, should the nonresident desire to reside at The Virginian, the non-resident shall make application for admission, subject to the admissions provisions, procedures and fees in effect at the time of such request. The Virginian is under no obligation to admit the non-resident and the Resident may terminate this Agreement in accordance with the provisions of Section 18.3 (c). Upon such marriage, and acceptance by The Virginian, the Monthly Fees shall be adjusted to then current dual occupancy rates for the type of Apartment occupied, and the parties will execute a Dual Residential Contract. Unless otherwise agreed to in writing by The Virginian, if the Resident marries after the Effective Date of this Agreement and the spouse does not meet the entrance requirements of The Virginian, the spouse will not be permitted to reside at The Virginian.
- b) There will be no refund or adjustment of Community Fee payments in the event an unmarried resident marries another resident; however, in the event the married residents thereafter occupy one Apartment, they shall be charged the dual occupancy rate for that Apartment.

**6.0. PHYSICAL AND MENTAL HEALTH REQUIREMENTS.** As a condition of admission to the Enhanced Assisted Living level of care, Resident shall require assistance with transferring and or unable to respond appropriately to emergency situations, and/or demonstrate behavioral patterns of disruptive/ anxious behavior requiring additional staff assistance (but not 1:1 assistance). If, in the judgment of the Administration, the Resident becomes seriously ill and requires a higher level of clinical oversight, or is infected with a contagious disease, or is mentally ill to the extent that the mental illness requires care that the Enhanced Assisted Living level of care is not required or able to furnish, or whose presence may create a hazard or be detrimental to the health or welfare of self or other Residents, The Virginian retains the right to terminate this Agreement or to offer to transfer the Resident to the Health Care Center, subject to financial approval and bed availability. In the event The Virginian elects not to offer a substitute accommodation or Resident elects not to be transferred to the recommended accommodation, The Virginian retains the right to terminate this Agreement and requires the transfer of the Resident from the Enhanced Assisted Living level of care. By signature to this Agreement, Resident expressly agrees with and understands the requirements of this paragraph.

## **7.0. RELEASE OF ACCOMMODATIONS AND CHANGE IN LEVEL OF CARE**

**7.1. Release Of Apartment.** In the event of determination by Administration that the condition requiring the transfer of the Resident to the Health Care Center or to another facility is not a temporary condition or if the Resident is permanently transferred to another facility, the Apartment shall be released and this contract terminated. If, within Thirty (30) days after Resident is transferred to the Health Care Center or to another facility, Resident has not returned, Resident's transfer shall be considered permanent and the Apartment released unless (i) Resident advises The Virginian in writing that the transfer is not permanent (ii) or the Administration determines that Resident's transfer is not permanent based on information provided to it by the Resident. If the Resident transfers from one level of care to another within The Virginian, thus considered an internal move a grace period of 7 days will apply. Should the move be a lateral one, in which the Resident prefers a different apartment within the same level of care, a \$1000 fee will apply, without grace period.

**7.2. Changes in Level of Care.** This Residence Agreement only covers the Resident(s) occupancy in the indicated level of care. Resident's required levels of care may change from time to time. In the event that Resident's required level of care changes, a new Residence Agreement, appropriate for the new level of care will be executed between The Virginian and the Resident as a condition to the Resident's continued residence at The Virginian in the new level of care. Resident's admission to a new level of care is contingent on space being available at The Virginian in the required new level of care. In the event that this is a dual residence agreement, and only one Resident requires a new level of care, the integration of the cost of the differing levels of care for the Residents shall be as described herein. The new Residence Agreement for the appropriate new level of care shall supersede this Agreement in its entirety and the Resident's residence at The Virginian shall thereafter is governed exclusively the new Residence Agreement.

## **8.0. FINANCIAL OBLIGATIONS OF THE RESIDENT TO THIRD PARTIES.**

- a) The Virginian shall not be liable or responsible for any debt, expense, or other financial obligation of any kind, incurred or contracted by the Resident.
- b) Resident has made representations to The Virginian regarding Resident's financial capacity for meeting their agreement obligations under this agreement which are incorporated by this reference and made a material part of this Agreement. Residents agree not to unnecessarily transfer or dispose of any of the Residents' (or either Resident's) assets listed on Residents' financial statements provided to The Virginian as part of Residents' application and from time to time thereafter, in a manner (including, but not limited to, excessive gifting or an intentional spend down) which would (i) render Resident incapable of meeting his obligations to The Virginian or (ii) place the Resident in need of financial assistance from The Virginian. Residents

each agree to provide The Virginian with updated financial statements when requested by The Virginian.

**9.0. OBLIGATIONS TO RESIDENT AWAY FROM THE VIRGINIAN.** The Virginian shall not be obligated to furnish or to pay for any support, maintenance, board or lodging when the Resident is away from The Virginian, and the Resident shall remain obligated for the fees provided for in Section 2.1.

**10.0. LOSS OR DAMAGE TO PROPERTY OR PERSON.** Except in situations where the Resident has executed an Assistive Device Agreement while in Assisted Living or the Health Care Center, The Virginian shall not be responsible for the loss or damage to any property belonging to the Resident whether due to misplacement, theft, routine maintenance, housekeeping activities, the negligence of The Virginian or any other cause and The Resident waives any and all claims against The Virginian arising in any way from loss of or damage to the property of the Resident no matter what the cause.

- a) The Resident further waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person from any cause other than The Virginian's negligence or intentional wrongful acts, including, but not limited to fire, assault or any other cause. The Resident further specifically waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person where such death or injury was caused in whole or in part by the Resident's negligence or fault.

**11.0. MAINTENANCE OF THE APARTMENT AND REPAIR SERVICES.** The Resident shall be responsible for the repair, maintenance and replacement of Resident's personal property. The Virginian may provide minor repairs to the personal property of the Resident subject to Additional Charges, redecoration of the Resident's Apartment, including installation of any permanently affixed item, other than as scheduled by The Virginian, shall be at the Resident's expense and with prior approval of The Virginian. Any permanently affixed items, the removal of which would deface the apartment, shall become the property of The Virginian. Any change or replacement by the Resident of the equipment provided by The Virginian to them shall vest title to such equipment in The Virginian unless otherwise provided for in writing. Any costs incurred by The Virginian to restore the Apartment to its original condition at the time the Resident took occupancy, reasonable wear and tear (but not damage caused by assistive devices such as, but not limited to, electric scooters and wheelchairs) excepted, shall be paid by the Resident.

**12.0. RIGHT OF ENTRY.** The Resident gives the right of entry into his Apartment to authorized employees of The Virginian (a) at any time for emergency purposes and (b) as deemed necessary for management purposes.

**13.0. DISPOSITION OF PROPERTY ON DEPARTURE OR DEATH OF RESIDENT.** In the event of the departure or death of the Resident, all of the Resident's property,

including any property left in a storage bin, shall be removed within thirty (30) days. The Monthly Fee shall continue in effect until the Apartment is vacated and returned to The Virginian. In the event that the property is not removed within that period, the property shall be placed in storage within or without The Virginian for an additional thirty (30) days, at the expense of the Resident or the Resident's estate. If at the expiration of the latter thirty (30) day period the property has not been claimed, The Virginian may sell or otherwise dispose of such property, deduct the storage cost from the proceeds, if any, and then credit the excess to the Resident's account. If the Resident/Resident's family has not cleared out the Resident's apartment upon discharge, a "clean up" fee will apply.

**14.0. INJURY OR DAMAGE BY THE RESIDENT OR GUEST.** The Resident hereby agrees to reimburse The Virginian for any costs resulting from the Resident's willful or negligent acts or omissions or the acts or omissions of the Resident's guest(s).

**15.0. INJURY BY A THIRD PARTY.** If the Resident is injured or dies from the act or omission of a third party, and the Resident has not fully reimbursed The Virginian for the costs incurred by such third party's act or omission, then The Virginian is subrogated to the Residents claim and may bring suit in the name of the Resident. The Resident shall cooperate with The Virginian if The Virginian pursues a claim for damages against the third party.

**16.0. POWER OF ATTORNEY.** The Resident shall place on file with The Virginian a power of attorney in favor of a responsible and responsive individual residing in the United States to handle the Resident's financial affairs and to make necessary decisions regarding the Resident if the Resident becomes incapacitated. Such power of attorney shall also name a similar individual acceptable to The Virginian as a substitute attorney-in-fact in the event that the first named attorney- in-fact becomes incapacitated or is unable or refuses or otherwise fails to act.

**17.0. TERMINATION OF AGREEMENT.** When this Agreement is terminated, the Resident shall remain obligated for the fees set forth in Section 2 through the date that the Resident leaves The Virginian, in addition to the cost of any repairs to, or replacement of, the property of The Virginian caused by the Resident's negligence. This Agreement is terminable upon the following terms and conditions:

**17.1. Termination by the Death of the Resident.** The death of the Resident shall operate as a termination of this Agreement;

**17.2. Termination by The Virginian.** The Virginian may terminate this Agreement at any time without cause upon not less than thirty (30) days prior written notice;

- a) The Virginian may terminate this Agreement for good cause at any time. Good cause shall be limited to: (i) proof that the Resident is a danger to himself or others; (ii) refusal by the Resident to pay a monthly or periodic fee; (iii) repeated conduct by the Resident that interferes with other residents' quiet enjoyment of the facility; (iv) Resident becomes

physically and/or mentally incapable of performing daily living tasks, as determined by the Uniform Assessment Instrument (UAI) and refuses to apply for an appropriate level of care; (v) failure on the part of the Resident to abide by the written rules and regulations adopted by The Virginian for the facility; (vi) a material misrepresentation made intentionally or recklessly by the Resident in his/her application for residency, or related materials, regarding information which, if accurately provided, would have resulted in either a failure of the Resident to qualify for residency or a material increase in the cost of providing to the Resident the care and services provided under the contract; or (vii) a material breach by the Resident of the terms and conditions of this Agreement. If The Virginian seeks to cancel this Agreement and terminate the Resident's occupancy, The Virginian shall give the Resident written notice of, and a reasonable opportunity to cure within a reasonable period not to exceed thirty (30) days, whatever conduct is alleged to warrant the cancellation of the Agreement.

### **17.3. Termination by the Resident**

- a) The Resident shall have the right to rescind this Agreement for any reason, without penalty or forfeiture, at any time prior to entry into The Virginian.
- b) If a Resident dies before occupying the facility, or is precluded through illness, injury or incapacity from becoming a resident under the terms of this Agreement, the Agreement is automatically rescinded and the Resident or his legal representative shall receive a full refund of all money paid to The Virginian, except those costs specifically incurred by The Virginian at the request of the Resident and set forth in writing in a separate addendum signed by both parties to this Agreement.
- c) The Resident may terminate this Agreement by giving The Virginian thirty (30) days written notice of the Resident's intention to terminate the Agreement. The notice shall be effective at the end of the thirty (30) days' notice unless the parties otherwise agree in writing.

**18.0 . REGULATIONS BY THE COMMONWEALTH OF VIRGINIA.** The Virginian is a nonprofit, tax-exempt corporation organized and existing under the laws of the Commonwealth of Virginia. The Virginian is licensed by The Virginian Department of Social Services. The Regional Office, which granted The Virginian its licenses to operate, is:

Commonwealth of Virginia Department of Social Services  
3701 Pender Dr. Suite 125  
Fairfax, Virginia 22030

The Nursing and Rehabilitation Center at The Virginian is regulated



and licensed by the following division of the Virginia Department of Health:

Office of Licensure and Certification Virginia Department of Health  
9960 Mayland Drive, Ste. 401  
Richmond, Virginia 23233  
Phone: 804-367-210

- 19.0. INTER VIVOS TRUSTS.** In the event that Resident has established, or during the term of this Agreement establishes, an inter vivos trust which provides for the benefit of Resident and/or Resident's spouse during their lives, the trustees of such trust and the trust shall become parties to this agreement to the extent of assuming liability for Resident's financial obligations under this agreement.
- 20.0. GENERAL PROVISIONS.** The following general provisions shall apply:
- 20.1. Governing Law.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Virginia applicable to agreements made and performed entirely within the Commonwealth of Virginia.
- 20.2. Modification or Waiver.** A modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement. The failure of any party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or of a different nature.
- 20.3. Entire Agreement.** This agreement contains the entire understanding of the parties. There are no representations, warranties, covenants, or undertakings by or between the parties other than those expressly set forth in this Agreement and, if applicable, the Guaranty Agreement is expressly made a part of this Agreement.
- 20.4. Binding Effect.** This Agreement shall be binding on the Resident and the Resident's heirs, executors, administrators, legal representatives, successors and assigns.
- 20.5. Assignment.** The rights of the Resident hereunder shall be personal to the Resident and shall not be assignable. The Virginian may assign its rights and obligations hereunder without the consent of the Resident.
- 20.6. Gender.** All pronouns shall be deemed to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.
- 20.7. Waiver of Breach Not Waiver of Others.** The failure of The Virginian in any one or more instances to insist upon the strict performance and observance of compliance by the Resident with any of the terms or provisions of this Agreement shall not be construed as a waiver or relinquishment by The Virginian of its right

to insist upon strict compliance by the Resident with all of the terms and conditions of this Agreement.

- 20.8. No Representation.** The Virginian's representatives have made no promises or representations with respect to the Resident's apartment or accommodations, any facilities of The Virginian, refunds, or any of The Virginian's promises and undertakings with respect to the care of the Resident except as specifically set forth herein.
- 20.9. Weapons Policy.** Possession of firearms, ammunition, fireworks, explosives or weapons prohibited by law is not allowed at The Virginian.
- 20.10. Remedies for Unpaid Fees.** In the event that Resident fails to pay any sums due hereunder The Virginian shall have all rights and remedies available to it under the law, including, but not limited to the right to file suit for all unpaid amounts due from Resident under this Agreement. In the event that The Virginian is required to pursue its remedies under this agreement due to Resident's failure to pay sums due, The Virginian shall be entitled to recover its fees and costs of collection whether or not suit is filed, including, but not limited to reasonable attorney's fees and all costs of collection.
- 20.11. Funeral Arrangements.** The Virginian requests that, at the time of the execution of this Agreement, the Resident make known his or her last wishes regarding funeral arrangements, including the selection of a funeral home and the designation of a person to be responsible for managing funeral arrangements. In the event of the Resident's death while at The Virginian, The Virginian will contact the funeral home, if any, designated by the Resident and will undertake to contact the person designated by Resident as being responsible for funeral arrangements. In the event that the Resident elects not to make such a designation, The Virginian will make reasonable efforts to contact the Resident's next of kin and family, as listed with The Virginian, to make appropriate arrangements. In the event that The Virginian is unable to contact the Resident's next of kin or family within four (4) hours, The Virginian will contact a local Funeral Home to remove the remains and hold them at its facility until appropriate arrangements can be made by Resident's family or representative. Resident's estate shall be responsible for all costs incurred with regard to the use of the Funeral Home.
- 20.12. Pets.** Resident may keep a cat or other small pet (other than a dog) with the prior approval of The Virginian's administration and in compliance with all policies and regulations of The Virginian relating to pets, including, without limitation, restrictions on the size, type and total number of pets kept in the apartment or at The Virginian and on other areas in which pets may be kept or exercised. Resident agrees to make other arrangements for the care of any pet if, in the judgment of The Virginian's administration (i) such pet becomes a nuisance or danger to Resident or others or (ii) Resident can no longer care for the pet without

assistance. Resident shall reimburse The Virginian and its Residents for any damage including damage to furnishings done by Resident's pet(s).

**20.13. Residents' Council.** Interested Residents may establish and maintain a Residents' Council as required by 22 VAC 40-72-810. The Virginian shall be responsible for providing Residents with assistance in forming and maintaining such council.

**IN WITNESS, WHEREOF**, the parties have signed and sealed two copies of this Agreement, each of which shall be deemed an original effective as of \_\_\_\_\_, 20\_\_\_\_.

(Corporate Seal)

ATTEST:

**THE TEMPLE FOUNDATION, INC.**

\_\_\_\_\_  
(Acting) Secretary

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Resident or Resident Representative (SEAL)

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Trustee of Resident's Inter Vivos Trust (if any)

**EXHIBIT**

**A-8. Dual Resident Monthly Care Agreement for “Enhanced Assisted Living” Effective May 1, 2018**

**TEMPLE FOUNDATION, INC  
T/A THE VIRGINIAN  
9229 ARLINGTON BLVD, FAIRFAX, VA, 22031-2504**

**DUAL RESIDENTS AND CARE AGREEMENT  
FOR ENHANCED ASSISTED LIVING**

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# THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN

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F A I R F A X , V I R G I N I A 2 2 0 3 1 - 2 5 0 4

## **DUAL RESIDENTS AND CARE AGREEMENT FOR ENHANCED ASSISTED LIVING**

This Agreement is made and entered into this \_\_\_\_\_, 20\_\_\_\_, by and between **THE TEMPLE FOUNDATION, INC.** a Virginia non-profit corporation t/a The Virginian (“The Virginian”) and \_\_\_\_\_ and \_\_\_\_\_ (the "Residents"). This Agreement shall be deemed effective \_\_\_\_\_

\_\_\_\_\_ (date the Residents take possession of Apartment as defined herein (the “Effective Date”) and shall terminate as provided for in this Agreement (the “Termination Date”). The Residents, whose dates of birth are \_\_\_\_\_ and \_\_\_\_\_ respectively have applied for and been accepted as a resident of the facility operated by The Virginian subject to the terms and conditions of this Agreement.

**1.0 CARE AND SERVICES.** The Admission and continued residency in Assisted Living is based upon the laws governing admission to an Assisted Living facility in Virginia per 22 VAC 40-72-340. The Virginian shall make the following care and services available to the Residents

**1.1 Enhanced Assisted Living Center (“EAL”).** The Virginian shall provide the Residents with unfurnished Apartment Number \_\_\_\_\_ (the “Apartment”), in the Assisted Living Center at The Virginian. The Residents shall furnish such Apartment in accordance with The Virginian policy. The Residents shall have access to common areas of The Virginian, including its outdoor and indoor social and recreational facilities, subject to reasonable rules and regulations established by The Virginian from time to time. For Residents of the ALC the Monthly Fee shall include:

- a) Spacious private one or two bedroom apartment with kitchen, as agreed upon above;
- b) A monitored service plan developed by The Virginian’s interdisciplinary team, including ongoing monitoring of health and nursing conditions, care conferences with Residents upon request, quarterly nursing review performed by nurses and pharmacy consultants;
- c) Three nutritious meals daily, plus healthy snacks;
- d) Full assistance with dressing, biweekly showering or bathing, daily dressing/grooming, feeding, transferring, incontinency care.
- e) Medication administration

- f) Incontinency care
- g) Utilities including cable television and excluding phone and internet;
- h) Emergency call system in the apartment/pendant;
- i) Daily housekeeping service to include bed making, emptying trash, kitchen and bathroom general clean-up;
- j) Application of ointments and eye drops and similar minor nursing services but excluding: (1) wound care, catheter care, injections and other treatments separately listed on The Virginians fee schedule (2) nursing services not usually provided in an Assisted Living setting, such as respiratory therapy, and (3) those nursing services the provision of which in an Assisted Living setting is prohibited by the Virginia Department of Social Services;
- k) Provision of an emergency response system that can be activated by Residents to summon a nurse on duty at all times;
- l) Assistance with making medical and dental appointments when requested by the Residents or Residents family members;
- m) Access to an on duty nurse to assess a Residents condition, to contact physician and to arrange Residents transfer to the hospital, the HCC or to another facility
- n) Treatments for minor skin issues, vital signs ,weights;
- o) Social services support for Residents and families
- p) Daily Activities

**1.3. Health Care Center (“HCC”).** The Virginian maintains a Nursing and Rehabilitation Center at The Virginian (the “Health Care Center” or “HCC”), which provides intermediate and skilled care (currently including a limited number of Medicare skilled nursing beds). The Residents may transfer or be transferred to the HCC on a temporary or permanent basis as provided in this agreement admission and based upon financial approval, bed availability and laws governing admission to the Health Care Center, per VAC 5- 371.

**1.4. Utilities and Housekeeping.** The Virginian shall provide, at its expense, all utilities reasonably required by the Residents, including water, electricity, heating, air conditioning and access to cable television service. The Residents are responsible for telephone services. The Virginian will provide daily housekeeping

to include bed-making and emptying trash. More extensive cleaning and services can be arranged for a fee.

**1.5. Meals.** The Virginian shall provide the Residents with three nutritionally well-balanced meals each day in the Assisted Living Dining Room. No adjustment in fees will be made for meals not taken by the Residents. If a physician prescribes a specific diet for the Residents, The Virginian shall provide, or arrange for the provision of, such diet. The Virginian shall charge the Residents for the special diet and for any services required by the Residents because of physical limitations beyond those normally provided in the Assisted Living dining room during regular meals.

**1.6. Medical or Other Health Care.** The following provisions are conditions of, and apply to, all medical or other health care provided to the Residents:

- a) Subject to Additional Charges, as provided for in sub-Section 2.5, The Virginian shall make available the services of a professional nurse or other health care provider for non-emergency and non-critical health care on a fee for service basis. Further medical care is available by the physicians who currently hold office hours at The Virginian. These physicians are not employees of The Virginian and charges for their services are separate. The Residents Medicare or other primary or secondary health insurance may cover the charges for these visits,
- b) The Residents may, at the Residents' own expense, engage the services of any physician, licensed in the Commonwealth of Virginia, or private duty nurse, licensed in the Commonwealth of Virginia. The Virginian is not responsible or financially liable for the cost of such services. The Virginian will administer medications to Residents for an additional charge. To ensure consistency and ease of distribution, The Virginian prefers to use the pharmacy and method of medication and distribution selected by it. However the Residents are free to have prescription and nonprescription drugs and medications delivered by a licensed pharmacy of Residents own selection or brought to The Virginian by Residents family, friends or other persons, provided that such medications and prescriptions are packaged, labeled, delivered and otherwise handled as required by 12 VAC 5-371-300 L and The Virginian's policies and procedures in accordance therewith. The Virginian will charge a reasonable fee for restocking such "out of system" medications in The Virginian's unit dose system. Residents may keep his own medications and dietary supplements in a secure place in his room if the Uniform Assessment Instrument for Residents indicates Residents are capable of self-administering medication. All medication and dietary supplements must be stored so that they are not accessible to other Residents. If The Virginian is administering Residents' medication, the Residents' medications and dietary



supplements shall be stored by The Virginian and not by the Residents;

- c) The Virginian shall arrange for emergency medical care for the Residents when it is determined to be medically necessary by the medical staff at The Virginian. The Residents shall pay the charges incurred during, or as a consequence of, such emergency medical care, including, but not limited to, the cost of transportation to and from the place at which the emergency medical care is provided;
- d) The Virginian shall not pay the cost of physicians, private duty employees, drugs, medications, medical supplies, wound care, catheter care, injections and other treatments separately listed on The Virginians fee schedule;
- e) The Residents shall be responsible for paying the difference between the amount charged for medical or other health services and the amount paid by Medicare or other third party payors, including, but not limited to, any co-payments and deductibles;
- f) The Residents hereby authorize The Virginian to disclose the Residents medical records or other confidential information to a medical or other health care provider as reasonably necessary to treat the Residents. The Residents also authorizes The Virginian to disclose the Residents medical records or other confidential information to Medicare or to another primary third party payor and/or secondary payor as reasonably necessary to guarantee payment for the treatment of the Residents. To the extent necessary to accomplish the foregoing, the Residents shall execute such additional releases and authorizations as may be required by the laws of the Commonwealth of Virginia; and
- g) The Residents authorize The Virginian, its employees, and medical staff, including physicians and nurses who practice at The Virginian, to treat the Residents for all conditions and under all circumstances as may be necessary, and otherwise as requested by the Residents. The Residents release The Virginian from all liability in connection with such treatment other than that caused by The Virginian's gross negligence or intentional misconduct.

**1.7. Excluded Care.** The Virginian shall not be responsible for furnishing the following medical or other health care:

- a) The Virginian shall not be required to furnish medical or other health care that The Virginian, its employees or its facilities: (1) are not

licensed or otherwise authorized to furnish (2) are not capable of furnishing for any reason, or (3) which exceed the existing capacity of the medical staff or facilities;

- b) The Virginian shall not be required to furnish, among other things, those services rendered by a psychiatrist or psychologist, ophthalmologist, optometrist, optician, dentist, chiropractor, podiatrist, radiologist, or rehabilitation and diagnostic service and tests;
- c) The Virginian shall not be required to furnish or pay the cost of nonprescription and prescription drugs, medicines, vitamins, dental work, glasses, hearing aides, medical or medically related supplies or equipment, or for the cost of diagnosing or treating a mental illness; and
- d) The Virginian shall not be required to furnish or pay for companion services. These services, if desired, must be contracted and paid through Partners in Care, a division of Assisted Living at The Virginian.

**1.8. Smoking at the Virginian.** The Virginian is a smoke free facility. Smoking is prohibited in Assisted Living apartments, and in all interior public areas.

**1.9. Guests.** The Residents may invite guests to the Residents Apartment for daily and overnight visits subject to The Virginian's policies. Typically, Guest apartments are available for overnight family members, unless the family is helping a Residents prepare for a procedure, a move, or the Residents' condition are critical.

**1.9. Observance of Rules and Regulations.** The rules and regulations applicable to residence at The Virginian ("Rules and Regulations") attached to this Residence Agreement lease as Exhibit A are hereby made a part of this Residence Agreement and Residents agrees to comply with and observe the same. Residents failure to keep and observe said Rules and Regulations shall constitute a breach of the terms of this Residence Agreement in the same manner as if the same were contained herein as covenants. The Virginian reserves the right from time to time to amend or supplement said Rules and Regulations and to adopt and promulgate additional reasonable rules and regulations to the extent the same are not specifically contrary to the express terms of this Residence Agreement. Notice of such additional rules and regulations, and amendments and supplements, if any, shall be given to Residents and Residents agrees thereupon to comply with and observe all such Rules and Regulations and amendments thereto and supplements thereof.

**2.0 FEES AND EXPENSES.** The Residents shall pay to The Virginian the following amounts according to the stated terms and conditions:

**2.1. Security Deposit.** Dollars (\$\_\_\_\_\_) shall be due and payable prior to entry into The Virginian (the “Deposit”), to be applied as provided in Paragraph 3.1. The Deposit is refundable as provided herein, subject to the terms of Section 3.1.

**2.2. Community Fee.** In addition to the Deposit, a Community Fee of Dollars (\$) shall be due and payable prior to entry into The Virginian. The Community Fee is non-refundable.

**2.3. Monthly Fee.** Monthly Fee \_\_\_\_\_ Dollars (\$\_\_\_\_\_) shall be payable to The Virginian as a monthly maintenance fee (“Monthly Fee”). The Monthly Fee shall be the amount in effect at the time that the Residents enter The Virginian Enhanced Assisted Living Center subject to conditions outlined in 2.5. The Monthly Fee shall thereafter be adjusted from time to time to the prevailing monthly fee for accommodations similar to those occupied by the Residents. The Monthly Fee shall be due and payable upon receipt. A late penalty of five percent (5%) of such bill may be charged if the bill is not paid by the end of the month during which the bill is received. Thereafter, the arrearage shall be charged with interest each month at eighteen percent (18%) per annum, or, if less, the maximum annual rate consistent with the applicable laws of the Commonwealth of Virginia.

**2.4. Per Diem Health Care Center Charges.** Pending physician’s orders, The Virginian may make available the Health Care Center for the non-emergency and non-critical care of the Residents. The per diem cost of such shall be subject to additional charges then in effect for community admissions. For as long as the Residents are a temporary Residents of the Health Care Center, the amount charged shall be in addition to any other charges provided for in this agreement admission and continued residency is based upon financial approval, bed availability and laws governing admission to the Health Care Center, per 12 VAC 5- 371.

**2.5. Additional Services.** The Monthly Fee covers the ordinary and necessary costs of maintaining and caring for the Residents in the Apartment as enumerated in Sections 1.1, 1.2, and 1.4 of this Agreement. Consistent with that principle, the following goods and services are examples of the items that shall not be included within the Monthly Fee but shall be billed to the Residents as an extra cost (“Additional Charges”). The Virginian reserves the right to add to or delete from the list of Special Charges at any time upon thirty (30) days written notice.

- a) Medical or other health care services and products furnished to the Residents by The Virginian, its employees, and its medical staff; such as physician’s services, inoculations, x-rays, etc;

- b) Additional housekeeping and maintenance services in the Apartment, personal laundry, beauty shop charges, etc.;
- c) Those medical or other health care services and/or personal care services provided to the Residents in the Accommodations requested by the Residents and/or based on an administrative decision as to its necessity for the health, safety and well-being of the Residents;
- d) Use of the Health Care Center by the Residents on temporary or permanent in-patient basis.
- e) Any costs incurred by, or the responsibility of, the Residents pursuant to Sections 12, 14, 15, 16 and 18; and
- f) Any services listed on the Additional Services fee schedule for Assisted Living.

A written schedule of the amounts of the Additional Services applicable to the Residents shall, insofar as possible, be provided to the Residents at the time of admission. The Virginian shall bill the Residents for Additional Charges each month on the same payment terms and conditions as the Monthly Fee.

**2.6. Maintenance of Monthly Fees and Additional Services.** The Virginian may, with thirty (30) days advance notice to the Residents, increase the amount of the Monthly Fee and Special Charges from time to time in its sole discretion.

**2.6. Unreimbursed Charges.** The Residents hereby grant to The Virginian a claim against their respective estates and the assets of any inter vivos trust established by them or either of them, which provide for their benefit or the benefit of either of them during their lives, in an amount sufficient to reimburse The Virginian for all of the unreimbursed costs and charges for care and services provided to the Residents, including financial assistance, plus interest on the amount of unreimbursed costs and charges at the maximum applicable rate in the Commonwealth of Virginia charged from the date that the care and services were provided. This lien shall exist whether or not the Residents were residents of The Virginian at the time of their deaths. If, upon the death of either of them, the Residents shall own separately or jointly with authorized survivorship any property not disclosed in their financial statement(s) or if property is acquired subsequent to the submission of the application or the financial statement and not disclosed promptly upon its acquisition, The Virginian shall be entitled to so much of the value of such property as is sufficient to reimburse The Virginian for all of the unreimbursed costs and charges, plus interest at the maximum applicable rate in the Commonwealth of Virginia. This Agreement shall operate as an assignment, transfer and conveyance to The Virginian of such property. The

Virginian may sell such property, deduct the amount owed by the Residents to The Virginian, and credit the excess, if any, to their account.

### 3.0. DEPOSITS

- 3.1. **Application of Security Deposit.** The Deposit shall be held by The Virginian to (i) secure Residents' financial obligations to The Virginian and (ii) to repair any damage (other than normal wear and tear) to the Apartment during Residents' occupancy. The Deposit, to the extent not so used, shall be refunded to the Residents within sixty (60) days of the later of the termination of this Agreement or the date the Residents vacates the Apartment. The Virginian shall provide Residents with a reasonably detailed written explanation of how the Deposit was expended.
- 3.2. **Interest.** The Deposit shall not bear interest.
- 3.3. **Transfer of Ownership/Closing of The Virginian.** The transfer of the ownership of The Virginian or the assignment of The Virginian, rights and obligations under this Agreement shall not be an event terminating this Agreement, nor shall it entitle the Residents to a refund of the deposit paid under Section 2.1 or the Community Fee paid under Section 2.2. If The Virginian is closed and no other comparable facilities are used by The Virginian, or its successor, to meet its obligations under this Agreement, the Residents shall be entitled to a full refund of the Community Fee and a refund of such portion of the Deposit as is not applied against the Residents obligations to The Virginian at such time..

### 4.0 INSURANCE, FINANCIAL RESPONSIBILITY AND OTHER PROVISIONS

- 4.1. **Representations.** The application and the statements of finances and health history of the Residents filed with The Virginian are incorporated in this contract by this reference and all statements therein are true and are deemed to be representations by the Residents as of the date made in order to induce The Virginian to enter into this contract. The Residents represents that there have been no material changes in the information provided since the date thereof.
- 4.2. **Medicare and Health Insurance**
- a) Prior to occupancy, the Residents shall enroll in the Hospital Insurance Benefit Program under Part A of Public Law 89-97 (Medicare), or its equivalent and the Residents authorizes, as necessary, any provider of such medical and other health services, including The Virginian, to receive reimbursement under Medicare Part A, or its equivalent, as provided under these programs. During the next enrollment period following the filing of the Residents application for admission to The Virginian and prior to occupancy,

the Residents will pay the premiums, secure and maintain enrollment under the Supplemental Medical Insurance Benefit Program under Part B of Public Law 89-97 and maintain the same during the term of this Agreement.

- b) If the Residents are not eligible for either of the foregoing Medicare programs, the Residents shall obtain equivalent insurance coverage or program benefits acceptable to The Virginian.
- c) The Residents are responsible for Medicare co-insurance and deductible amounts. The Virginian requires that the Residents secure a supplemental hospital and medical insurance policy (such as Blue Cross/Blue Shield, or Aetna or AARP) or show evidence of the Residents' own ability to pay such costs without impairing the Residents' ability to meet future obligations to The Virginian.
- d) If at any time the Residents become entitled to payments for health services from other governmental agencies, the Residents agrees to make application for such payments. The Virginian will not be responsible for the cost of any health care, the cost of which the Residents are entitled to from a governmental agency or other third party.
- e) The Residents agree to execute assignment of benefits to The Virginian. The Virginian shall have no claims on excess funds.

**4.3. Hospital and Health Coverage.** The Residents will, if possible, maintain in full force and effect whatever private health insurance they had at the time of application for admission.

**4.4. Other Insurance.** The Residents agree that he shall obtain personal liability insurance covering the cost of any injury to third parties in The Virginian in the amount of \$500,000 to cover damage to person and property, including, but not limited to the property of The Virginian. The Virginian recommends that Residents maintain insurance coverage on Residents' personal property in an amount sufficient to cover the full replacement value of such property. The Virginian does not provide personal property insurance covering Residents' personal property.

**4.5. Subordination of Rights.** The rights of the Residents under this Agreement are the rights and privileges expressly granted and do not include a proprietary interest in the property or assets of The Virginian. The Residents irrevocably agrees that the Residents rights under this Agreement shall be subordinate and inferior at all times to the rights under any mortgage or deed of trust now or

hereafter pertaining to The Virginian. The Residents further irrevocably agrees that they shall further execute, acknowledge and deliver a subordination agreement should such be necessary in order to establish the priority of a lenders mortgage or deed of trust as a lien against the property of The Virginian.

## **5.0. ADMISSIONS AND DISMISSALS**

**5.1. General.** The Virginian shall have the exclusive authority to admit Residents and to adjust fees. The Residents shall not have the right to object to another Residents admission, terms of admission or dismissal.

### **5.2. Marriage to Non-Residents.**

- a) In the event the Residents' marries a non-Resident, should the non-Resident desire to reside at The Virginian, the non-Resident shall make application for admission, subject to the admissions provisions, procedures and fees in effect at the time of such request. The Virginian is under no obligation to admit the non-Resident and the Residents may terminate this Agreement in accordance with the provisions of Section 18.3 (c). Upon such marriage, and acceptance by The Virginian, the Monthly Fees shall be adjusted to then current dual occupancy rates for the type of Apartment occupied, and the parties will execute a Dual Residential Contract. Unless otherwise agreed to in writing by The Virginian, if the Residents marries after the Effective Date of this Agreement and the spouse does not meet the entrance requirements of The Virginian, the spouse will not be permitted to reside at The Virginian.
- b) There will be no refund or adjustment of Community Fee payments in the event an unmarried Residents marries another Resident; however, in the event the married Residents thereafter occupy one Apartment, they shall be charged the dual occupancy rate for that Apartment.

**6.0. PHYSICAL AND MENTAL HEALTH REQUIREMENTS.** As a condition of admission to the Enhanced Assisted Living level of care, Residents shall require assistance with transferring and or unable to respond appropriately to emergency situations, and/or demonstrate behavioral patterns of disruptive/ anxious behavior requiring additional staff assistance (but not 1:1 assistance). If, in the judgment of the Administration, the Residents becomes seriously ill and requires a higher level of clinical oversight, or is infected with a contagious disease, or is mentally ill to the extent that the mental illness requires care that the Enhanced Assisted Living level of care is not required or able to furnish, or whose presence may create a hazard or be detrimental to the health or welfare of self or other Residents, The Virginian retains the right to terminate this Agreement or to offer to transfer the Residents to the Health Care Center, subject to financial approval and bed availability. In the event The Virginian elects not to offer a substitute accommodation or Residents elects not to be transferred to the recommended accommodation, The Virginian retains the right to terminate this

Agreement and requires the transfer of the Residents from the Enhanced Assisted Living level of care. By signature to this Agreement, Residents expressly agrees with and understands the requirements of this paragraph.

## **7.0. RELEASE OF ACCOMMODATIONS AND CHANGE IN LEVEL OF CARE**

**7.1. Release Of Apartment.** In the event of determination by Administration that the condition requiring the transfer of the Residents to the Health Care Center or to another facility is not a temporary condition or if the Residents are permanently transferred to another facility, the Apartment shall be released and this contract terminated. If, within Thirty (30) days after Residents are transferred to the Health Care Center or to another facility, Residents have not returned, Residents transfers shall be considered permanent and the Apartment released unless (i) Residents advise The Virginian in writing that the transfer is not permanent (ii) or the Administration determines that Residents' transfer is not permanent based on information provided to it by the Residents. If the Residents transfer from one level of care to another within The Virginian, thus considered an internal move a grace period of 7 days will apply. Should the move be a lateral one, in which the Residents prefers a different apartment within the same level of care, a \$1000 fee will apply, without grace period.

**7.2. Changes in Level of Care.** This Residence Agreement only covers the Residents' occupancy in the indicated level of care. Residents required levels of care may change from time to time. In the event that Residents required level of care changes, a new Residence Agreement, appropriate for the new level of care will be executed between The Virginian and the Residents as a condition to the Residents continued residence at The Virginian in the new level of care. Residents admission to a new level of care is contingent on space being available at The Virginian in the required new level of care. In the event that this is a dual residence agreement, and only one Residents requires a new level of care, the integration of the cost of the differing levels of care for the Residents shall be as described herein. The new Residence Agreement for the appropriate new level of care shall supersede this Agreement in its entirety and the Residents' residence at The Virginian shall thereafter is governed exclusively the new Residence Agreement.

## **8.0. FINANCIAL OBLIGATIONS OF THE RESIDENTS TO THIRD PARTIES.**

- a) The Virginian shall not be liable or responsible for any debt, expense, or other financial obligation of any kind, incurred or contracted by the Residents.
- b) Residents have made representations to The Virginian regarding Residents' financial capacity for meeting their agreement obligations under this agreement which are incorporated by this reference and made a material part of this Agreement. Residents



agree not to unnecessarily transfer or dispose of any of the Residents' (or either Residents) assets listed on Residents' financial statements provided to The Virginian as part of Residents' application and from time to time thereafter, in a manner (including, but not limited to, excessive gifting or an intentional spend down) which would (i) render Residents incapable of meeting his obligations to The Virginian or (ii) place the Residents in need of financial assistance from The Virginian. Residents each agree to provide The Virginian with updated financial statements when requested by The Virginian.

**9.0. OBLIGATIONS TO RESIDENTS AWAY FROM THE VIRGINIAN.** The Virginian shall not be obligated to furnish or to pay for any support, maintenance, board or lodging when the Residents are away from The Virginian, and the Residents shall remain obligated for the fees provided for in Section 2.1.

**10.0. LOSS OR DAMAGE TO PROPERTY OR PERSON.** Except in situations where the Residents has executed an Assistive Device Agreement while in Assisted Living or the Health Care Center, The Virginian shall not be responsible for the loss or damage to any property belonging to the Residents whether due to misplacement, theft, routine maintenance, housekeeping activities, the negligence of The Virginian or any other cause and The Residents waives any and all claims against The Virginian arising in any way from loss of or damage to the property of the Residents no matter what the cause.

- a) The Residents further waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Residents person from any cause other than The Virginian's negligence or intentional wrongful acts, including, but not limited to fire, assault or any other cause. The Residents further specifically waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Residents person where such death or injury was caused in whole or in part by the Residents negligence or fault.

**11.0. MAINTENANCE OF THE APARTMENT AND REPAIR SERVICES.** The Residents shall be responsible for the repair, maintenance and replacement of Residents personal property. The Virginian may provide minor repairs to the personal property of the Residents subject to Additional Charges, redecoration of the Residents Apartment, including installation of any permanently affixed item, other than as scheduled by The Virginian, shall be at the Residents expense and with prior approval of The Virginian. Any permanently affixed items, the removal of which would deface the apartment, shall become the property of The Virginian. Any change or replacement by the Residents of the equipment provided by The Virginian to them shall vest title to such equipment in The Virginian unless otherwise provided for in writing. Any costs incurred by The Virginian to restore the Apartment to its original condition at the time the Residents took occupancy, reasonable wear and tear (but not damage caused by assistive devices such as, but not limited to, electric scooters and wheelchairs) excepted, shall be paid by the Residents.

- 12.0. RIGHT OF ENTRY.** The Residents gives the right of entry into his Apartment to authorized employees of The Virginian (a) at any time for emergency purposes and (b) as deemed necessary for management purposes.
- 13.0. DISPOSITION OF PROPERTY ON DEPARTURE OR DEATH OF RESIDENTS.** In the event of the departure or death of the Residents, all of the Residents' property, including any property left in a storage bin, shall be removed within thirty (30) days. The Monthly Fee shall continue in effect until the Apartment is vacated and returned to The Virginian. In the event that the property is not removed within that period, the property shall be placed in storage within or without The Virginian for an additional thirty (30) days, at the expense of the Residents or the Residents estate. If at the expiration of the latter thirty (30) day period the property has not been claimed, The Virginian may sell or otherwise dispose of such property, deduct the storage cost from the proceeds, if any, and then credit the excess to the Residents account. If the Residents/Residents family has not cleared out the Residents apartment upon discharge, a "clean up" fee will apply.
- 14.0. INJURY OR DAMAGE BY THE RESIDENTS OR GUEST.** The Residents hereby agrees to reimburse The Virginian for any costs resulting from the Residents willful or negligent acts or omissions or the acts or omissions of the Residents guest(s).
- 15.0. INJURY BY A THIRD PARTY.** If the Residents are injured or dies from the act or omission of a third party, and the Residents has not fully reimbursed The Virginian for the costs incurred by such third party's act or omission, then The Virginian is subrogated to the Residents claim and may bring suit in the name of the Residents. The Residents shall cooperate with The Virginian if The Virginian pursues a claim for damages against the third party.
- 16.0. POWER OF ATTORNEY.** The Residents shall place on file with The Virginian a power of attorney in favor of a responsible and responsive individual residing in the United States to handle the Residents financial affairs and to make necessary decisions regarding the Residents if the Residents becomes incapacitated. Such power of attorney shall also name a similar individual acceptable to The Virginian as a substitute attorney-in-fact in the event that the first named attorney- in-fact becomes incapacitated or is unable or refuses or otherwise fails to act.
- 17.0. TERMINATION OF AGREEMENT.** When this Agreement is terminated, the Residents shall remain obligated for the fees set forth in Section 2 through the date that the Residents leaves The Virginian, in addition to the cost of any repairs to, or replacement of, the property of The Virginian caused by the Residents negligence. This Agreement is terminable upon the following terms and conditions:
- 17.1. Termination by the Death of the Residents.** The death of either of the Residents shall terminate this Agreement.
- 17.2. Termination by The Virginian.** The Virginian may terminate this Agreement at any time without cause upon not less than thirty (30) days prior written notice;

- a) The Virginian may terminate this Agreement for good cause at any time. Good cause shall be limited to: (i) proof that either Resident is a danger to himself or others; (ii) refusal by the Residents to pay a monthly or periodic fee; (iii) repeated conduct by the Resident(s) that interferes with other Residents' quiet enjoyment of the facility; (iv) Resident(s) becomes physically and/or mentally incapable of performing daily living tasks, as determined by the Uniform Assessment Instrument (UAI) and refuses to apply for an appropriate level of care; (v) failure on the part of the Residents to abide by the written rules and regulations adopted by The Virginian for the facility; (vi) a material misrepresentation made intentionally or recklessly by the Residents in their application for residency, or related materials, regarding information which, if accurately provided, would have resulted in either a failure of the Residents to qualify for residency or a material increase in the cost of providing to the Residents the care and services provided under the contract; or (vii) a material breach by the Residents of the terms and conditions of this Agreement. If The Virginian seeks to cancel this Agreement and terminate the Residents occupancy, The Virginian shall give the Residents written notice of, and a reasonable opportunity to cure within a reasonable period not to exceed thirty (30) days, whatever conduct is alleged to warrant the cancellation of the Agreement.

### **17.3. Termination by the Residents**

- a) The Residents shall have the right to rescind this Agreement for any reason, without penalty or forfeiture, at any time prior to entry into The Virginian.
- b) If a Resident(s) dies before occupying the facility, or is precluded through illness, injury or incapacity from becoming Residents under the terms of this Agreement, the Agreement is automatically rescinded and the Residents or his legal representative shall receive a full refund of all money paid to The Virginian, except those costs specifically incurred by The Virginian at the request of the Residents and set forth in writing in a separate addendum signed by both parties to this Agreement.
- c) The Residents may terminate this Agreement by giving The Virginian thirty (30) days written notice of the Residents intention to terminate the Agreement. The notice shall be effective at the end of the thirty (30) days' notice unless the parties otherwise agree in writing.

**18.0. REGULATIONS BY THE COMMONWEALTH OF VIRGINIA.** The Virginian is a nonprofit, tax-exempt corporation organized and existing under the laws of the Commonwealth of Virginia. The Virginian is licensed by The Virginian Department of Social Services. The Regional Office, which granted The Virginian its licenses to operate, is:

Commonwealth of Virginia Department of Social Services  
3701 Pender Dr. Suite 125  
Fairfax, Virginia 22030

The Nursing and Rehabilitation Center at The Virginian is regulated and licensed by the following division of the Virginia Department of Health:

Office of Licensure and Certification Virginia Department of Health  
9960 Mayland Drive, Ste. 401  
Richmond, Virginia 23233  
Phone: 804-367-210

**19.0. INTER VIVOS TRUSTS.** In the event that Residents have established, or during the term of this Agreement establishes, an inter vivos trust which provides for the benefit of Residents and/or Residents spouse during their lives, the trustees of such trust and the trust shall become parties to this agreement to the extent of assuming liability for Residents financial obligations under this agreement.

**20.0. GENERAL PROVISIONS.** The following general provisions shall apply:

**20.1. Governing Law.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Virginia applicable to agreements made and performed entirely within the Commonwealth of Virginia.

**20.2. Modification or Waiver.** A modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement. The failure of any party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or of a different nature.

**20.3. Entire Agreement.** This agreement contains the entire understanding of the parties. There are no representations, warranties, covenants, or undertakings by or between the parties other than those expressly set forth in this Agreement and, if applicable, the Guaranty Agreement is expressly made a part of this Agreement.

**20.4. Binding Effect.** This Agreement shall be binding on the Residents and the Residents heirs, executors, administrators, legal representatives, successors and assigns.

**20.5. Assignment.** The rights of the Residents hereunder shall be personal to the Residents and shall not be assignable. The Virginian may assign its rights and obligations hereunder without the consent of the Residents.

**20.6. Gender.** All pronouns shall be deemed to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.

- 20.7. Waiver of Breach Not Waiver of Others.** The failure of The Virginian in any one or more instances to insist upon the strict performance and observance of compliance by the Residents with any of the terms or provisions of this Agreement shall not be construed as a waiver or relinquishment by The Virginian of its right to insist upon strict compliance by the Residents with all of the terms and conditions of this Agreement.
- 20.8. No Representation.** The Virginian's representatives have made no promises or representations with respect to the Residents apartment or accommodations, any facilities of The Virginian, refunds, or any of The Virginian's promises and undertakings with respect to the care of the Residents except as specifically set forth herein.
- 20.9. Weapons Policy.** Possession of firearms, ammunition, fireworks, explosives or weapons prohibited by law is not allowed at The Virginian.
- 20.10. Remedies for Unpaid Fees.** In the event that Residents fail to pay any sums due hereunder The Virginian shall have all rights and remedies available to it under the law, including, but not limited to the right to file suit for all unpaid amounts due from Residents under this Agreement. In the event that The Virginian is required to pursue its remedies under this agreement due to Residents failure to pay sums due, The Virginian shall be entitled to recover its fees and costs of collection whether or not suit is filed, including, but not limited to reasonable attorney's fees and all costs of collection.
- 20.11. Funeral Arrangements.** The Virginian requests that, at the time of the execution of this Agreement, the Residents make known his or her last wishes regarding funeral arrangements, including the selection of a funeral home and the designation of a person to be responsible for managing funeral arrangements. In the event of the Residents death while at The Virginian, The Virginian will contact the funeral home, if any, designated by the Resident(s) and will undertake to contact the person designated by Residents as being responsible for funeral arrangements. In the event that the Residents elects not to make such a designation, The Virginian will make reasonable efforts to contact the Resident(s) next of kin and family, as listed with The Virginian, to make appropriate arrangements. In the event that The Virginian is unable to contact the Resident(s) next of kin or family within four (4) hours, The Virginian will contact a local Funeral Home to remove the remains and hold them at its facility until appropriate arrangements can be made by Residents family or representative. Resident(s) estate shall be responsible for all costs incurred with regard to the use of the Funeral Home.
- 20.12. Pets.** Residents may keep a cat or other small pet (other than a dog) with the prior approval of The Virginian's administration and in compliance with all policies and regulations of The Virginian relating to pets, including, without limitation,

restrictions on the size, type and total number of pets kept in the apartment or at The Virginian and on other areas in which pets may be kept or exercised. Residents agrees to make other arrangements for the care of any pet if, in the judgment of The Virginian's administration (i) such pet becomes a nuisance or danger to Residents or others or (ii) Residents can no longer care for the pet without assistance. Residents shall reimburse The Virginian and its Residents for any damage including damage to furnishings done by Residents pet(s).

**20.13. Residents' Council.** Interested Residents may establish and maintain a Residents Council as required by 22 VAC 40-72-810. The Virginian shall be responsible for providing Residents with assistance in forming and maintaining such council.

**IN WITNESS, WHEREOF,** the parties have signed and sealed two copies of this Agreement, each of which shall be deemed an original effective as of \_\_\_\_\_, 20\_\_\_\_.

(Corporate Seal)

ATTEST:

**THE TEMPLE FOUNDATION, INC.**

\_\_\_\_\_  
(Acting) Secretary

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Residents or Resident Representative (SEAL)

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Residents or Resident Representative (SEAL)

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Trustee of Residents' Inter Vivos Trust (if any)

**EXHIBIT**

**A-9. Medicare Admissions Agreement Effective May 1, 2018**

**TEMPLE FOUNDATION, INC  
T/A THE VIRGINIAN  
9229 ARLINGTON BLVD, FAIRFAX, VA, 22031-2504**

**MEDICARE/SKILLED  
ADMISSIONS AGREEMENT**

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**THE VIRGINIAN MEDICARE ADMISSIONS AGREEMENT**

This Agreement is made and entered into this \_\_\_\_\_, 20\_\_\_\_, by and between **THE TEMPLE FOUNDATION, INC.** a Virginia non-profit corporation t/a The Virginian (“The Virginian”), and \_\_\_\_\_ (the “Resident”) and \_\_\_\_\_ (the “Resident Representative”) if a Resident Representative is required pursuant to Section 20. This Agreement shall be deemed effective \_\_\_\_\_, 20\_\_\_\_, (the “Effective Date”) and shall be terminated by The Virginian or Resident as hereinafter provided. This Agreement shall continue on a month-to-month basis and may be terminated by either party as provided herein.

**1.0 Care and Services:** The Virginian shall make the following care and services available to the Resident:

**1.1 Health Care Center (“HCC”):** The Virginian shall provide the Resident with a furnished room, in the nursing and rehabilitation center at The Virginian (the “Health Care Center” or “HCC”) at The Virginian (the “Accommodations”). The Resident shall have such access to common areas of The Virginian, including its outdoor and indoor social and recreational facilities as the Resident’s health and condition permit, subject to reasonable rules and regulations. HCC services shall include:

- a) Services provided to treat the Resident for conditions relating to the Resident’s admitting diagnosis.
- b) Three meals per day and snacks per physician’s orders.
- c) Medication administration and administration of all treatments and treatment supplies;
- d) All linens and personal laundry;
- e) Social and Recreational activities;
- f) Social Services oversight/Management;
- g) Maintenance of nursing records
- h) Assistance with toileting and incontinency care/supplies
- i) Assistance with bathing (two showers weekly)
- j) A monitored service plan developed by The Virginian’s interdisciplinary team, including ongoing monitoring of health and nursing conditions and care conferences;
- k) Pre-approved by The Virginian procedures, labs, diagnostic testing related to admitting diagnosis.

- 1.2 Personal Possessions:** The Virginian strives to provide a safe, clean, comfortable and home like environment in the Health Care Center. To the extent possible, the Resident may retain and use his personal possessions in The Virginian. The Resident may not retain personal possessions, however, if space does not permit or if to do so would infringe on the rights, health and safety of other Residents. Upon admission to the HCC, The Resident Representative will submit a written inventory of the Resident's valuables.
- 1.3 Absences from the HCC:** Periodically, the Resident may require temporary hospitalization or may leave The Virginian for several days. To hold, or reserve the Resident's bed, the charge is 80% of the current per diem rate. If the Resident is transferred to the hospital, or leaves The Virginian for any other approved reason, The Virginian will provide written information to the Resident and/or Resident Representative specifying the duration of the bed hold. If the Resident is receiving skilled services paid for by Medicare, and elects to take an overnight leave of absence, the Resident will not be eligible for Medicare part A Skilled Care benefits during the leave of absence. Upon the Resident's return, he may be eligible to resume the Medicare Part A Skilled Care benefits to the extent permitted by Medicare and other applicable federal and state regulations.
- 1.4 Utilities and Housekeeping:** The Virginian, at its expense, shall provide all utilities reasonably required by the Resident, including water, electricity, heating, air conditioning and access to television cable service. The Virginian will provide daily housekeeping.
- 1.5 Meals:** The Virginian shall provide the Resident with three nutritionally well balanced meals each day in the Health Care Center and snacks as permitted by Resident's physician's orders. If a physician prescribes a specific diet for the Resident, The Virginian shall provide, or arrange for the provision of, such diet at no extra cost. With permission by the Unit Manager, Resident may choose to eat in the Main Dining room with family/Representatives for a fee.
- 1.6 Medical or Other Health Care:** The following provisions are conditions of, and apply to, all medical or other health care provided to the Resident:
- a) The Resident will engage the services of any physician licensed in the Commonwealth of Virginia and one who has privileges at The Virginian. If Resident has not designated a physician or if Resident's selected physician is not available, The Virginian shall obtain the services of another licensed physician or Medical Director of The Virginian or his designee. The Resident and/or the Resident Representative will accept the services of such substitute physicians under such circumstances. The Resident may change to another personal physician at any time, but must inform the attending physician of the desired change and make arrangements to obtain another personal physician. The Virginian shall assist the Resident in this process. Physician visitations will be in accordance with the laws and regulations relevant to nursing home visitations. The Virginian is not responsible or financially liable for the cost

- of any such physician services, which shall be the responsibility of the Resident.
- b) The Virginian will administer medications at no additional charge. To ensure consistency and ease of distribution, The Virginian prefers to utilize the pharmacy and method of medication selected by it. However, the Resident is free to have prescription and nonprescription drugs and medications delivered by a licensed pharmacy of Resident's own selection or brought to The Virginian by Resident's family, friends or other persons, provided that such medications and prescriptions are packaged, labeled, delivered and otherwise handled as required by 12 VAC 5-371-300 L and The Virginian's policies and procedures in accordance therewith. The Virginian will charge a reasonable fee for restocking such "out of system" medications in The Virginian's unit dose system.
  - c) Non-emergency transportation from The Virginian to physician's offices or outpatient clinics will be the responsibility of the Resident.
  - d) The Resident hereby authorizes The Virginian to disclose the Resident's medical records or other confidential information to a medical or other health care provider as reasonably necessary to treat the Resident. The Resident also authorizes The Virginian to disclose the Resident's medical records or other confidential information to Medicare or to another primary third party payer and/or secondary payer as reasonably necessary to guarantee payment for the treatment of the Resident. To the extent necessary to accomplish the foregoing, the Resident shall execute such additional releases and authorizations as may be required by law or applicable rule or regulation; and
  - e) The Resident authorizes The Virginian, its employees, and medical staff, to treat the Resident for all conditions relating to the Resident's admitting diagnosis and under all emergency circumstances as may be necessary.

**1.7 Excluded Care:** In addition to other items for which this Agreement provides that The Virginian shall not be responsible, The Virginian shall not be responsible for furnishing the following medical or other health care:

- a) The Virginian shall not be required to furnish medical or other health care that The Virginian, its employees or its facilities (1) are not licensed or otherwise authorized to furnish (2) are not capable of furnishing for any reason or (3) which exceed the existing capacity of the medical staff or facilities;
- b) The Virginian shall not be required to furnish any medical services not related to a Resident's admitting diagnosis or urgent medical need. These exclusions include, without limitation, services rendered by a physician, psychiatrist, psychologist, physiatrist, ophthalmologist, optometrist, optician, dentist, chiropractor, podiatrist or radiologist. Those physicians ordered services that relate to a Resident's diagnosis must be pre-approved by The Virginian administration.
- c) The Virginian shall not be required to furnish or pay for companion services. These services, if desired must be contracted through and paid for with

Partners in Care, operating under the auspices of Assisted Living at The Virginian. The Virginian will not be responsible for beauty shop charges.

- d) Any costs incurred are the responsibility of the Resident pursuant to Sections 10, 11, 13, 14 and 15.

**1.8 Smoking at the Virginian:** The Virginian is a smoke-free facility. Smoking is prohibited in the Health Care Center or any adjacent outside areas.

**1.9 Observance of Rules and Regulations:** The rules and regulations applicable to residence at The Virginian ("Rules and Regulations") attached to this Residence Agreement lease as Exhibit A are hereby made a part of this Residence Agreement and Resident agrees to comply with and observe the same. Resident's failure to keep and observe said Rules and Regulations shall constitute a breach of the terms of this Residence Agreement in the same manner as if the same were contained herein as covenants. The Virginian reserves the right from time to time to amend or supplement said Rules and Regulations and to adopt and promulgate additional reasonable rules and regulations to the extent the same are not specifically contrary to the express terms of this Residence Agreement. Notice of such additional rules and regulations, and amendments and supplements, if any, shall be given to Resident and Resident agrees thereupon to comply with and observe all such Rules and Regulations and amendments thereto and supplements thereof.

## **2.0 Fees and Expenses:**

**2.1 Medicare Eligible:** While in the HCC and eligible for benefits under Medicare Part A, Medicare Part B, private insurance with skilled nursing benefits and/or Medicaid programs,

- a) The Resident shall be covered for those services as set forth in the applicable State and Federal Coverage Manuals. The Resident is aware that the Medicare Part A and Medicaid programs are federal and state programs, which include a Health Care benefit. While covered under these programs, the Resident shall remain responsible for co-payments and deductible amounts to the extent permitted by those programs. The Medicare Part B program is a medical insurance program, which can act as a supplement to the Health Care Center benefits. The Resident shall be responsible for co-payments and deductible amounts related to Medicare Part B, as set forth above.
- b) If the Resident is covered by private insurance with skilled nursing benefits, then the Resident will be responsible for co-payments and deductibles.
- c) The Resident shall be responsible for paying any co-payments and deductibles applicable to those programs. The Resident acknowledges the co-payment and deductible amounts change from time to time as prescribed by the applicable Federal Medicare and Virginia State Medicaid program regulations or insurance contract.

- d) In the event the Resident is no longer eligible for skilled Medicare services, and elects to remain at The Virginian, the Resident shall pay The Virginian for services provided according to The Virginian's then standard rates and conditions. At the time of ineligibility, the Resident will agree to sign a new Private Pay or Respite Residence and Care Agreement.

**2.2 Billing to Resident Representative:** It is the routine practice of The Virginian to provide the Resident or Resident Representative with an itemized monthly financial statement describing each item and the amount charged for it. Notwithstanding, the Resident has the right to demand an itemized financial statement thirty days after the service was provided. In the event of failure or refusal to pay the amounts charged under the terms of this agreement, and the subsequent placement of the account in the hands of an attorney or collection agency, the Resident and/or Resident Representative agrees to pay all charges, expenses, court costs and attorney's fees attributable to collection. The Virginian may not require the Resident Representative to guarantee payment as a condition of the Resident's admission, expedited admission, or continued stay in The Virginian, but The Virginian may require a person who has legal access to the Resident's income or resources to pay for the Resident's care from the Resident's income.

**2.3 Medicare Rights:** The Virginian may not require the Resident to waive any rights to Medicare as a condition of admission, nor may The Virginian require any assurance that the Resident is not eligible or will not apply for Medicare.

**2.4 Additional Charges:** The Monthly Fee covers the ordinary and necessary costs of maintaining and caring for the Resident in the Accommodations as enumerated in Sections 1.1, 1.2, 1.4 and 1.5 of this Agreement. Consistent with that principle, the following goods and services are examples of the items that shall not be included within the Monthly Fee but shall be billed to the Resident as an extra cost ("Additional Charges"). The Virginian reserves the right to add to or delete from the list of Additional Charges at any time upon thirty (30) days prior written notice:

- a) Any Medical or other health care services/supplies unrelated to the admitting diagnosis that physician furnishes to the Resident by The Virginian, its employees, and its medical staff; such as physician's services, procedures, labs, x-rays, etc.
- b) Beauty shop charges.
- c) A written schedule of the amounts of the Additional Charges applicable to the Resident shall, insofar as possible, be provided to the Resident at the time of admission. The Virginian shall bill the Resident for Additional Charges each month on the same payment terms and conditions as the Monthly Fee.

- 2.5 Maintenance of Monthly Fee and Additional Charges:** The Virginian may, with thirty-(30) days advance notice to the Resident, increase the amount of the Monthly Fee and Additional Charges from time to time in its sole discretion.
- 3.0 Deposits:** While a Resident is in the Health Care Center and covered by Medicare and/or Medicaid, the Resident shall not be required to provide a security deposit, but shall remain responsible for the payment of co-payments and/or deductibles as set forth above. In the event the Resident is no longer eligible for Medicare Part A or Medicaid benefits, the Resident is required to apply for long term care.
- 3.1 Transfer of Ownership/Closing of The Virginian:** The transfer of the ownership of The Virginian or the assignment of The Virginian, rights and obligations under this Agreement shall not be an event terminating this Agreement.
- 4.0 Insurance, Financial Responsibility and Other Provisions:**
- 4.1 Representations:** The application and the statements of finances and health history of the Resident filed with The Virginian are incorporated in this contract by this reference and all statements therein are true and are deemed to be representations by the Resident as of the date made in order to induce The Virginian to enter into this contract. The Resident represents that there have been no material changes in the information provided since the date thereof.
- 4.2 Medicare and Health Insurance:**
- a) If the Resident ceases to be eligible for Medicare A, the Resident shall obtain equivalent insurance coverage acceptable to the Corporation and may be liable for private charges not covered by Medicare.
  - b) The Resident agrees to execute assignment of benefits to The Virginian. The Virginian shall have no claim on excess funds.

- 4.3 Hospital and Health Coverage:** The Resident will, if possible, maintain in full force and effect whatever private health insurance they had at the time of application for admission.
- 4.4 Subordination of Rights:** The rights of the Resident under this Agreement are the rights and privileges expressly granted and do not include a proprietary interest in the property or assets of The Virginian. The Resident irrevocably agrees that the Resident's rights under this Agreement shall be subordinate and inferior at all times to the rights under any mortgage or deed of trust now or hereafter pertaining to The Virginian. The Resident further irrevocably agrees that they shall further execute, acknowledge and deliver a subordination agreement should such be necessary in order to establish the priority of a lenders mortgage or deed of trust as a lien against the property of The Virginian.
- 5.0 Admission and Dismissals:** The Virginian shall have the exclusive authority to admit Residents and to adjust fees, and the Resident shall not have the right to object to another resident's admission, terms of admission or dismissal.
- 6.0 Physical and Mental Health Requirements:** As a condition of occupancy of the HCC, Resident shall be free from contagious (reportable) diseases, not mentally ill to the extent that the HCC cannot reasonably provide treatment and shall not be a hazard to the health or welfare of self or other residents. If, in the judgment of the Administration, the Resident requires special attention which the HCC cannot reasonably provide, or is infected with a contagious disease, or is mentally ill to the extent that the mental illness requires care that the HCC is not required or able to furnish, or whose presence or high risk behaviors may create a hazard or be detrimental to the health or welfare of the Resident, or other residents, The Virginian retains the right to terminate this Agreement. The Resident and the Resident Representative expressly agree with and understand the requirements of this paragraph.
- 7.0 Release of Accommodations and Change in level of Care:**
- 7.1 Release of Accommodations:** In the event of determination by Administration that the condition requiring the transfer of the Resident to another facility is not a temporary condition or if the Resident is permanently transferred to another facility, the Accommodations shall be released and this contract terminated.
- 7.2 Changes in Level of Care:** This Residence Agreement only covers the Resident's occupancy in the indicated level of care. A Resident's required levels of care may change from time to time. In the event that Resident's required level of care changes, a new Residence Agreement, appropriate for the new level of care will be executed between The Virginian and the Resident as a condition to the Resident's continued residence at The Virginian in the new level of care. A Resident's admission to a new level of care is contingent on space being available at The Virginian in the required new level of care and upon Resident's submission and The Virginian's approval of updated financial statements. The new

Residence Agreement for the appropriate new level of care shall supersede this Agreement in its entirety and the Resident's residence at The Virginian shall thereafter be governed exclusively by the new Residence Agreement.

- 8.0 Financial Obligations of the Resident to Third Parties:** The Virginian shall not be liable or responsible for any debt, expense, or other financial obligation of any kind incurred or contracted by the Resident. This excludes those services and items set forth as a covered Medicare Part A benefit in the State Operation's Manual.
- 9.0 Obligations to Resident Away from The Virginian:** The Virginian shall not be obligated to furnish or to pay for any support, maintenance, board or lodging when the Resident is away from The Virginian, and the Resident shall remain obligated for the fees provided for in Section 2.1.
- 10.0 Loss or Damage to Property or Person:**
- a) Except in situations where the Resident has executed an Assistive Device Agreement while in the Health Care Center, The Virginian shall not be responsible for the loss or damage to any property belonging to the Resident whether due to misplacement, theft, routine maintenance, housekeeping activities, or the negligence of The Virginian, unless it is determined that the facility was at fault. The Resident waives any and all claims against The Virginian arising in any way from loss of or damage to the property of the Resident, unless the facility was found to be at fault.
  - b) Resident further waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person from any cause other than The Virginian's negligence or intentional wrongful acts, including, but not limited to fire, assault or any other cause. The Resident further specifically waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person where such death or injury was caused in whole or in part by the Resident's negligence or fault.
- 11.0 Repair Services:** The Virginian may provide minor repairs to the personal property of the Resident subject to Additional Charges.
- 12.0 Right of Entry:** The Resident gives the right of entry into his Accommodations to authorized employees of The Virginian at any time as deemed necessary.
- 13.0 Disposition of Property on Departure or Death of Resident:** In the event of the departure or death of the Resident, all of the Resident's property, shall be removed from the Resident's Health Care Center room within 24 hours. (If the Resident has an IL/AL apartment at the time, the Monthly Fee shall continue in effect until the Accommodations are vacated and the IL/AL key returned to The Virginian). In the event that the Health Care Center property is not removed within the 24-hour period, the property shall be placed in storage for 7 days. If at the expiration of the 7- day period the property has not been claimed, The Virginian may dispose of such property.



- 14.0 Injury or Damage by the Resident or Guest:** The Resident hereby agrees to reimburse The Virginian for any costs resulting from the Resident's willful or negligent acts or omissions or the acts or omissions of the Resident's guest(s).
- 15.0 Injury by a Third Party:** If the Resident is injured or dies from the act or omission of a third party, and the Resident has not fully reimbursed The Virginian for the costs incurred by such third party's act or omission, then The Virginian is subrogated to the Resident's claim and may bring suit in the name of the Resident. The Resident shall cooperate with The Virginian if The Virginian pursues a claim for damages against the third party.
- 16.0 Power of Attorney:** The Resident shall place on file with The Virginian, a power of attorney in favor of a responsible and responsive individual residing in the United States to handle the Resident's financial affairs and to make necessary decisions regarding the Resident if the Resident becomes incapacitated. Such power of attorney shall also name a similar individual acceptable to The Virginian as a substitute attorney-in-fact in the event that the first named attorney-in-fact becomes incapacitated or is unable or refuses or otherwise fails to act.
- 17.0 Termination of Agreement:** When this Agreement is terminated, the Resident shall remain obligated for the fees set forth in Article 2.0 through the date that the Resident leaves The Virginian, in addition to the cost of any repairs to, or replacement of, the property of The Virginian caused by the Resident's negligence. This Agreement is terminable upon the following terms and conditions:
- 17.1 Termination by the Death of the Resident:** The death of the Resident shall operate as a termination of this Agreement;
- 17.2 Termination by The Virginian:** This Agreement may be terminated by the Virginian for the reasons set forth below upon the notice prescribed by Section 17.7 of this Agreement. The Corporation may terminate or involuntarily transfer the Resident for the following reasons: (1) the transfer or discharge is necessary to meet the Resident's welfare because the Resident's needs cannot be met in the HCC (2) the transfer or discharge is appropriate because the Resident's health has improved sufficiently so that the Resident no longer needs the services of the HCC (3) the Resident's presence in the HCC endangers the safety or health of other individuals in the HCC (4) the Resident has failed, after reasonable and appropriate notice, to pay for (or have paid under Medicare or Medicaid) the Resident's stay in the HCC or (5) The Virginian ceases to operate the HCC. . In this case, the Administrator will provide written notification to the State Survey agency, the Long Term Care Ombudsman, Residents of the facility, Resident Representatives, as well as a relocation plan for Residents.
- 17.4 Improvement in Resident's Health Circumstances:** The Virginian maintains identical policies and practices regarding transfer, discharge and the provision of services for all residents in the HCC regardless of their source of payment. The Virginian may charge any amount for services to non-Medicare recipients so long

as The Virginian provides proper notice of the charges. The Virginian may terminate this Agreement without the consent of the Resident and the Resident may be transferred or discharged outside of The Virginian if the transfer or discharge is appropriate because the Resident's health has improved sufficiently so the Resident no longer needs the services provided by The Virginian.

**17.5 Discharge Orders:** No Resident will be discharged to his home unless a written order is obtained from the Resident's physician, his alternative or The Virginian's Medical Director. If a Resident insists on being discharged without a signed discharge order by the attending physician, the Resident must sign a release absolving The Virginian and attending physician of all responsibility.

**17.6 Absence from Premises:** Residents shall not leave the premises even temporarily, without the consent of at least two members of the Interdisciplinary Team. (Therapy, Nursing or Social Services) Absence of the Resident, either temporarily or permanently, shall immediately release The Virginian, its employees and officers from all liability during such absence or arising as a result of such absence.

**17.7 Pre-Termination Notification:** In the event of an involuntary termination of this Agreement and transfer or discharge of the Resident results, The Virginian will notify the Resident and Resident Representative of the transfer or discharge and the reasons for the move in writing and in language and manner they understand; and record the reasons in the Resident's clinical record. Notice of transfer or discharge will be sent by The Virginian at least thirty (30) days prior to the proposed transfer or discharge, except in the following situations when the Virginian may give the Resident and the Resident Representative a reasonable notice of less than thirty (30) days where:

- a) The Resident's health has improved sufficiently to allow a more immediate transfer or discharge;
- b) The safety or health of other individuals in the HCC could be endangered;
- c) An immediate transfer or discharge is required by the Resident's urgent medical needs; and
- d) The Resident has not resided in The Virginian for thirty days.

In these exceptional situations, notice will be given by The Virginian as soon as practicable before transfer or discharge, and will include the following information: Reason for transfer or discharge, the effective date of transfer or discharge, the location to which the Resident is transferred or discharged, and a statement that the Resident has the right to appeal the action to the State.

**17.8 Pre-discharge Orientation** In the event of a transfer or discharge, The Virginian will provide the Resident with preparation and orientation to ensure the Resident's safe and orderly transfer or discharge.

**17.9 Transfer Agreement** The Virginian maintains a transfer agreement with Fairfax Hospital. In the event the Resident requires medical services not available at The Virginian, subject to the orders of the Resident's attending physician and, in emergency situations, the consent of the Resident or Resident Representative, the Resident may be transferred to Fairfax Hospital. In emergency situations, where there is a substantial risk of harm to the Resident and where the Resident Representative is not immediately available, the Resident may be transferred to the hospital capable of providing the necessary care and treatment per the order of the attending physician.

**17.10 Notification** Except in a medical emergency or when the Resident is incompetent, The Virginian will use its reasonable best efforts to inform the Resident, consult with the Resident's Representative within twenty-four hours where there is:

- a) An accident involving the Resident which results in injury and has the potential for requiring a physician intervention;
- b) A significant change in the Resident's physical, mental or psychosocial status; and
- c) A need to alter treatment significantly or a decision to transfer or discharge the Resident.

**17.11 Discharge Against Physician's Advice** In the event the Resident desires to be discharged against the advice of the attending physician, the responsibility of The Virginian terminates upon discharge.

**18.0 Regulation By The Commonwealth of Virginia.** The Nursing and Rehabilitation center at The Virginian is regulated and licensed by the following division of the Virginia Department of Health:

Office of Licensure and Certification  
Virginia Department of Health  
9960 Mayland Drive, Suite 401  
Richmond, VA 23233

**19.0 Inter Vivos Trusts.** In the event that Resident has established, or during the term of this Agreement establishes, an inter vivos trust which provides for the benefit of Resident and/or Resident's spouse during their lives, the trustees of such trust and the trust shall become parties to this agreement to the extent of assuming liability for Resident's financial obligations under this agreement.

**20.0 Resident Representative.** The Resident Representative is the person who manages, uses, or controls the funds or assets pursuant to a court order. Co-ownership, power of attorney or similar legally binding arrangement may be used to pay the Resident's share of the cost. The Virginian will require the Resident Representative's signature only if the Resident has been adjudicated incompetent or the Resident's physician has determined the Resident cannot understand or exercise Resident's rights. In all other circumstances,

the Resident Representative may sign, but may not be required to do so. The Virginian may not require the Resident Representative to guarantee payment as a condition of the Resident's admission, expedited admission, or continued stay in The Virginian but The Virginian may require a person who has legal access to the Resident's income or resources to pay for the Resident's care from the Resident's income. To the extent that the Resident has income or resources available that are managed or controlled by the Resident Representative, the Resident Representative agrees to make timely payments of The Virginian's charges from those funds. The Virginian agrees to render care to the Resident in consideration for the obligation of the Resident and/or Resident Representative to fulfill the terms and conditions under this Agreement.

**21.0 General Provisions.** The following general provisions shall apply:

**21.1 Governing Law** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Virginia applicable to agreements made and performed entirely within the Commonwealth of Virginia. This Agreement shall be deemed to have been executed in Fairfax County, Virginia and shall be subject to the jurisdiction of the Circuit Court of Fairfax County, Virginia and the United States District Court for the Eastern District of Virginia, Alexandria Division. The parties agree to submit to the exclusive jurisdiction of such courts.

**21.2 Modification or Waiver** A modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement. The failure of any party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or of a different nature.

**21.3 Entire Agreement** This agreement contains the entire understanding of the parties. There are no representations, warranties, covenants, or undertakings by or between the parties other than those expressly set forth in this Agreement and, if applicable, the Guaranty Agreement is expressly made a part of this Agreement.

**21.4 Binding Effect** This Agreement shall be binding on the Resident and the Resident's heirs, executors, administrators, legal representatives, successors and assigns.

**21.5 Assignment** The rights of the Resident hereunder shall be personal to the Resident and shall not be assignable. The Virginian may assign its rights and obligations hereunder without the consent of the Resident.

**21.6 Gender** All pronouns shall be deemed to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.

**21.7 Waiver of Breach Not Waiver of Others** The failure of The Virginian in any one or more instances to insist upon the strict performance and observance of

compliance by the Resident with any of the terms or provisions of this Agreement shall not be construed as a waiver or relinquishment by The Virginian of its right to insist upon strict compliance by the Resident with all of the terms and conditions of this Agreement.

- 21.8 No Representation** The Virginian's representatives have made no promises or representations with respect to the Resident's room accommodations, any facilities of The Virginian, or any of The Virginian's promises and undertakings with respect to the care of the Resident except as specifically set forth herein.
- 21.9 Weapons Policy** Possession of firearms, ammunition, fireworks, explosives or weapons prohibited by law is not allowed at The Virginian.
- 21.10 Remedies for Unpaid Fees** In the event that Resident fails to pay any sums due hereunder, The Virginian shall have all rights and remedies available to it under the law, including, but not limited to the right to file suit for all unpaid amounts due from Resident under this Agreement. In the event that The Virginian is required to pursue its remedies under this agreement due to Resident's failure to pay sums due, The Virginian shall be entitled to recover its fees and costs of collection whether or not suit is filed, including, but not limited to reasonable attorney's fees and all costs of collection.
- 21.11 Funeral Arrangements.** The Virginian requests that, at the time of the execution of this Agreement, the Resident make known his or her last wishes regarding funeral arrangements, including the selection of a funeral home and the designation of a person to be responsible for managing funeral arrangements. In the event of the Resident's death while at The Virginian, The Virginian will contact the funeral home, if any, designated by the Resident and will undertake to contact the person designated by Resident as being responsible for funeral arrangements. In the event that the Resident elects not to make such a designation, The Virginian will make reasonable efforts to contact the Resident's Resident Representative/next of kin as listed with The Virginian, to make appropriate arrangements. In the event that The Virginian is unable to contact the Resident's Resident Representative/next of kin within four (4) hours, The Virginian will contact a local Funeral Home to remove the remains and hold them at its facility until appropriate arrangements can be made by Resident's family or representative. Resident's estate shall be responsible for all costs incurred with regard to the use of the Funeral Home.
- 21.12 Pets** Residents are not allowed to keep pets in the HCC while under a skilled stay.
- 21.13 Residents' Council** Residents may establish and maintain a Residents' Council as required by 22 VAC 40-72-810. The Virginian shall be responsible for providing Residents with assistance in forming and maintaining such council, whether or not such a council currently exists at The Virginian.

**21.14 Severability.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

**IN WITNESS, WHEREOF,** the parties have signed and sealed this Agreement, which shall be deemed effective as of \_\_\_\_\_, 20 \_\_\_\_\_.

\_\_\_\_\_ or \_\_\_\_\_  
Resident Resident Representative Date

By: \_\_\_\_\_  
The Virginian Representative Date

**EXHIBIT**

**A-10a. The Health Care Center Private Pay Direct Admissions  
Agreement Effective May 1, 2018**

**TEMPLE FOUNDATION, INC  
T/A THE VIRGINIAN  
9229 ARLINGTON BLVD, FAIRFAX, VA, 22031-2504**

**THE HEALTH CARE CENTER  
ADMISSIONS AGREEMENT  
PRIVATE PAY**



## THE HEALTH CARE CENTER PRIVATE PAY ADMISSIONS AGREEMENT

This Agreement is made and entered into this \_\_\_\_\_, 20\_\_\_\_, by and between **THE TEMPLE FOUNDATION, INC.** a Virginia non-profit corporation t/a The Virginian (“The Virginian”), and \_\_\_\_\_ (the “Resident”) and \_\_\_\_\_ (the “Resident Representative”) if a Resident Representative is required pursuant to Section 20. This Agreement shall be deemed effective \_\_\_\_\_, 20\_\_\_\_, (the “Effective Date”) and shall be terminated by The Virginian or Resident as hereinafter provided. This Agreement shall continue on a month-to-month basis and may be terminated by either party as provided herein.

**1.0 Care and Services:** The Virginian shall make the following care and services available to the Resident:

**1.1. Health Care Center (“HCC”).** The Virginian shall provide the Resident with a furnished room (the “Accommodations”), in the nursing and rehabilitation center at The Virginian (the “Health Care Center” or “HCC”). The Resident shall have such access to common areas of The Virginian, including its outdoor and indoor social and recreational facilities as the Resident’s health and condition permit, subject to reasonable rules and regulations. HCC care shall include:

- a) Nursing services as required by applicable laws and regulations;
- b) Three meals per day and snacks per physician’s orders;
- c) All linens, but not personal laundry;
- d) Social and Recreational activities;
- e) Social Services oversight/management;
- f) Maintenance of nursing and financial records;
- g) Administration of Medication (with an additional charge for injections and glucose testing);
- h) Assistance with bathing for up to two (2) showers weekly, and
- i) A monitored service plan developed by The Virginian’s interdisciplinary team, including ongoing monitoring of health and nursing conditions, care conferences with Resident, and quarterly nursing review performed by nurses and pharmacy consultants.

- 1.2. Personal Possessions.** The Virginian strives to provide a safe, clean, comfortable and home like environment in the Health Care Center. To the extent possible, the Resident may retain and use his personal possessions in The Virginian. However, if space does not permit or if to do so would infringe on the rights, health and safety of other Residents, the Virginian may place reasonable restrictions and limits on the amount and type of personal possession that the Resident may retain. Upon admission to the HCC, The Resident Representative will submit a written inventory of the Resident's valuables.
- 1.3. Absences from the HCC.** Periodically, the Resident may require temporary hospitalization or may leave The Virginian for several days, such as a home visit. The charge to hold, or reserve the Resident's bed, is eighty percent (80%) of the current per diem rate. If the Resident is transferred to the hospital, goes on therapeutic leave, or leaves The Virginian for any other reason, The Virginian will provide written information to the Resident and/or Resident Representative specifying the procedure, cost and duration of the bed hold policy.
- 1.4. Utilities and Housekeeping.** The Virginian, at its expense, shall provide all utilities reasonably required by the Resident, including water, electricity, heating, air conditioning and access to television cable service. The Resident is responsible for telephone and/or internet services. The Virginian will provide daily housekeeping. The Resident or Resident's family is responsible for the laundering of personal clothing. Should the Resident or Resident's family prefer The Virginian to care for personal laundry; this request may be made known at the time of admission. There are additional fees for this service.
- 1.5. Meals.** The Virginian shall provide the Resident with three nutritionally well balanced meals each day in the Health Care Center and snacks as permitted by Resident's physician's orders. No adjustment in fees will be made for meals not taken by the Resident. If a physician prescribes a specific diet for the Resident, The Virginian shall provide, or arrange for the provision of, such diet. With permission of the Unit Coordinator, the Resident may choose to eat in the Main Dining Room with family members and/or Responsible Parties.
- 1.6. Medical or Other Health Care.** The following provisions are conditions of, and apply to, all medical or other health care provided to the Resident:
- a) The Resident will engage the services of a physician licensed in the Commonwealth of Virginia who has privileges at The Virginian. If Resident has not designated such a physician or if Resident's selected physician or his alternate is not available and Resident is in need of physician services and is incapable of making a selection of, or refuses to select a physician, The Virginian shall obtain the services of another licensed physician or Medical Director of The Virginian or his designee. The Resident and/or the Resident Representative will accept the services of such substitute physicians under such circumstances.

The Resident may select another personal physician at any time, but must inform the attending physician and The Virginian of the desired change and make arrangements to obtain another personal physician. The Virginian shall assist the Resident in this process. Physician visitations will be in accordance with the laws and regulations relevant to nursing home visitations. The Virginian is not responsible or financially liable for the cost of any such physician services, which shall be the responsibility of the Resident.

- b) The Virginian will administer medications at no additional charge (with the exception of injections and glucose testing). To ensure consistency and ease of distribution, The Virginian prefers to use the pharmacy and method of medication and distribution selected by it. However, the Resident may elect to have prescription and nonprescription drugs and medications delivered by a licensed pharmacy of Resident's own selection or brought to The Virginian by Resident's family, friends or other persons, provided that such medications and prescriptions are packaged, labeled, delivered and otherwise handled as required by 12 VAC 5-371-300 L and The Virginian's policies and procedures in accordance therewith. The Virginian will charge a reasonable fee for restocking such "out of system" medications in The Virginian's unit dose system.
- c) The Virginian shall arrange for emergency medical care for the Resident when it is determined to be medically necessary by the medical staff at The Virginian. The Resident shall pay the charges incurred during, or as a consequence of, such emergency medical care, including, but not limited to, the cost of transportation to and from the place at which the emergency medical care is provided. Non-emergency transportation from The Virginian to physician's offices, outpatient clinics or hospitals will be the responsibility of the Resident.
- d) The Virginian shall not pay the cost of physicians, Partners in Care companion services, drugs, medications, medical supplies, or any services or fees listed on the Additional Charge Sheet for Health Care Center Residents. Incontinency care is an additional charge.
- e) The Resident shall be responsible for paying the difference between the amount charged for medical or other health services and the amount paid by third party payers, including, but not limited to, any co-payments and deductibles;
- f) The Resident hereby authorizes The Virginian to disclose the Resident's medical records or other confidential information to a medical or other health care provider as reasonably necessary to treat the Resident. The Resident also authorizes The Virginian to disclose

the Resident's medical records or other confidential information to Medicare or to another primary third party payer and/or secondary payer as reasonably necessary to guarantee payment for the treatment of the Resident. To the extent necessary to accomplish the foregoing, the Resident shall execute such additional releases and authorizations as may be required by applicable law, rule or regulation; and

- g) The Resident authorizes The Virginian, its employees, and medical and nursing staff, to treat the Resident for all conditions and under all circumstances as may be necessary, and otherwise as requested by the Resident.

**1.7. Excluded Care.** In addition to other items for which this Agreement provides that The Virginian shall not be responsible, The Virginian shall not be responsible for furnishing the following medical or other health care:

- a) The Virginian shall not be required to furnish medical or other health care (i) that The Virginian, its employees or its facilities are not licensed or otherwise authorized to furnish, (ii) that The Virginian, its employees or its facilities are not capable of furnishing for any reason or (iii) which exceed the existing capacity of the medical staff or facilities;
- b) The Virginian shall not be required to furnish, among other things, those services rendered by a psychiatrist or psychologist, ophthalmologist, optometrist, optician, dentist, chiropractor, podiatrist, radiologist, or rehabilitation and diagnostic service and tests;
- c) The Virginian shall not be required to furnish or pay the cost of nonprescription and prescription drugs, medicines, vitamins, dental work, glasses, hearing aids, medical or medically related supplies or equipment, or for the cost of diagnosing or treating a mental illness; and
- d) The Virginian shall not be required to furnish or pay for companion services. These services, if desired, must be contracted through and paid for with Partners in Care, operating under the auspices of Assisted Living at The Virginian.
- e) The Virginian will not be responsible for beauty shop, telephone or internet charges).
- f) Any costs incurred that are the responsibility of the Resident pursuant to Sections 10, 11, 13, 14 and 15.

**1.8. Smoking at the Virginian.** The Virginian is a smoke-free facility. Smoking is

prohibited in the Health Care Center or any adjacent outside areas.

**1.9. Rules and Regulations.** The rules and regulations generally applicable to residence at The Virginian ("Rules and Regulations") as they may be reasonably amended by The Virginian are hereby made a part of this Residence Agreement and Resident agrees to comply with and observe them. Resident's failure to keep and observe the Rules and Regulations shall constitute a breach of the terms of this Residence. The Virginian reserves the right from time to time to amend or supplement said Rules and Regulations and to adopt and promulgate additional reasonable rules and regulations to the extent the same are not specifically contrary to the express terms of this Residence Agreement. A copy of the Rules and Regulations in effect as of the date of this Residence Agreement has been provided to resident. The Virginian shall provide Resident with adequate notice of any amendments or supplements to the Rules and Regulations and additional rules and regulations, if any, Resident agrees thereupon observe all such amendments, supplements and additional Rules and Regulations.

**2.0 FEES AND EXPENSES.** The Resident shall pay to The Virginian the following amounts according to the stated terms and conditions:

**2.1. Monthly Fee.** Monthly Fee \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) shall be payable to The Virginian as a monthly maintenance fee ("Monthly Fee"). Private pay Residents shall, at the time of admission, be billed the monthly fee (the "Monthly Fee") prorated to the end of the current month, plus the security deposit (equal to one month's fee). Other charges incurred by the Resident will be billed at the end of each month. The Monthly Fee shall be the amount in effect at the time that the Resident enters The Virginian Health Care Center subject to conditions outlined in 2.5. The amount of the Monthly Fee shall thereafter be adjusted from time to time to the prevailing monthly fee for accommodations similar to those occupied by the Resident. The Monthly Fee shall be due and payable upon receipt. A late penalty of five percent (5%) of such bill may be charged if the bill is not paid by the end of the month during which the bill is received. Thereafter, the arrearage shall be charged with interest each month at eighteen percent (18%) per annum, or, if less, the maximum annual rate consistent with the applicable laws of the Commonwealth of Virginia.

**2.2. Billing to Resident Representative.** It is the routine practice of The Virginian to provide the Resident or Resident Representative with an itemized monthly financial statement describing each item and the amount charged for it. Notwithstanding, the Resident has the right to demand an itemized financial statement thirty days after the service was provided. In the event of failure or refusal to pay the amounts charged under the terms of this agreement, and the subsequent placement of the account in the hands of an attorney or collection agency, the Resident and/or Resident Representative agrees to pay all charges, expenses, court costs and attorney's fees attributable to collection. The Virginian may not require the Resident Representative to guarantee payment as a condition

of the Resident's admission, expedited admission, or continued stay in The Virginian, but The Virginian may require a person who has legal access to the Resident's income or resources to pay for the Resident's care from the Resident's income.

**2.3. Medicare Rights.** The Virginian may not require the Resident to waive any rights to Medicare as a condition of admission, nor may The Virginian require any assurance that the Resident is not eligible or will not apply for Medicare.

**2.4. Additional Charges.** The Monthly Fee covers the ordinary and necessary costs of maintaining and caring for the Resident in the Accommodations as enumerated in Sections 1.1, 1.2, 1.4 and 1.5 of this Agreement. Consistent with that principle, the following goods and services are examples of the items that shall not be included within the Monthly Fee but shall be billed to the Resident as an extra cost ("Additional Charges"). The Virginian reserves the right to add to or delete from the list of Additional Charges at any time upon thirty (30) days prior written notice:

- a) Medical or other health care services and products furnished to the Resident by The Virginian, its employees, and its medical staff; such as physician's services, inoculations, injections, feeding and incontinence care, x-rays, etc.;
- b) Personal laundry, beauty shop charges, telephone and internet charges etc.;
- c) Those medical or other health care services and/or personal care services provided to the Resident in the Accommodations requested by the Resident and/or based on an administrative decision as to its necessity for the health, safety and wellbeing of the Resident; and
- d) Any costs incurred by, or the responsibility of, the Resident pursuant to Sections 10, 11, 13, 14 and 15.

A written schedule of the amounts of the Additional Charges applicable to the Resident shall, insofar as possible, be provided to the Resident at the time of admission. The Virginian shall bill the Resident for Additional Charges each month on the same payment terms and conditions as the Monthly Fee.

**2.5. Maintenance of Fees and Additional Charges.** The Virginian may, with thirty-(30) days advance notice to the Resident, increase the amount of the Monthly Fee and Additional Charges from time to time in its sole discretion.

### **3.0. DEPOSITS**

- 3.1. Security Deposit.** There shall be a deposit equal to one month's fee at the time the Resident enters the Health Care Center (the "Deposit"). The Deposit shall be held by The Virginian to (i) secure Resident's financial obligations to The Virginian and (ii) to repair any damage (other than normal wear and tear) to the Accommodations during Resident's occupancy. The Deposit, to the extent not so used, shall be refunded to the Resident within sixty (60) days of the termination of this Agreement and The Virginian shall provide Resident with a reasonably detailed written explanation of how the Deposit was expended.
- 3.2. Interest.** The Deposit shall not bear interest.
- 3.3. Transfer of Ownership/Closing of The Virginian.** The transfer of the ownership of The Virginian or the Closing of The Virginia resulting assignment by The Virginian of its rights and obligations under this Agreement shall not be an event terminating this Agreement.

#### **4.0 INSURANCE, FINANCIAL RESPONSIBILITY AND OTHER PROVISIONS**

- 4.1. Representations.** Resident's application and the statements of financial and health history filed with The Virginian are incorporated in this Agreement by this reference. All statements therein are true and deemed to be representations by Resident as of the date made in order to induce The Virginian to enter into this Agreement. Resident represents that there have been no material changes in the information provided since the date thereof to date Resident takes occupancy of the Apartment.
- 4.2. Medicare and Health Insurance**
- a) Prior to occupancy, the Resident shall enroll, if eligible, in the Hospital Insurance Benefit Program under Part A of Public Law 89-97 (Medicare), or its equivalent and the Resident authorizes, as necessary, any provider of such medical and other health services, including The Virginian, to receive reimbursement under Medicare Part A, or its equivalent, as provided under these programs. During the next enrollment period following the filing of the Resident's application for admission to The Virginian and prior to occupancy, the Resident will pay the premiums, secure and maintain enrollment under the Supplemental Medical Insurance Benefit Program under Part B of Public Law 89-97 and maintain the same during the term of this Agreement.
  - b) If the Resident is not eligible for either of the foregoing Medicare programs, the Resident shall obtain equivalent insurance coverage or program benefits acceptable to The Virginian.
  - c) The Resident is responsible for Medicare co-insurance and deductible amounts. The Virginian requires that the Resident secure a supplemental hospital and medical insurance policy (such as Blue Cross/Blue Shield, Aetna

or AARP) or show evidence of the Resident's own ability to pay such costs without impairing the Resident's ability to meet future obligations to The Virginian.

- d) If at any time the Resident becomes entitled to payments for health services from other governmental agencies, the Resident agrees to make application for such payments. While covered under these programs, the Resident shall be responsible for co-payments and deductibles. The Virginian will not be responsible for the cost of any health care, the cost of which the Resident is entitled to from a governmental agency or other third party. The Resident agrees to execute assignment of benefits to The Virginian. The Virginian shall have no claim on excess funds.

**4.3. Hospital and Health Coverage.** The Resident will, if possible, maintain in full force and effect whatever private health insurance they had at the time of application for admission.

**4.4. Other Insurance.** The Resident agrees that he shall obtain personal liability insurance (which may, but need not be part of a Renter's Insurance coverage covering the cost of any injury to third parties in The Virginian in the amount of Five Hundred Thousand Dollars (\$500,000.00) to cover damage to person and property, including, but not limited to the property of The Virginian (or the property of Residents of The Virginian). The Virginian recommends that the Resident maintains insurance coverage on the Residents' personal property in an amount sufficient to cover the full replacement value of such property. The Virginian does not provide personal property insurance covering the Residents' personal property.

**4.5. Subordination of Rights.** The rights of the Resident under this Agreement are the rights and privileges expressly granted and do not include a proprietary interest in the property or assets of The Virginian. The Resident irrevocably agrees that the Resident's rights under this Agreement shall be subordinate and inferior at all times to the rights under any mortgage or deed of trust now or hereafter pertaining to The Virginian. The Resident further irrevocably agrees that they shall further execute, acknowledge and deliver a subordination agreement should such be necessary in order to establish the priority of a lenders mortgage or deed of trust as a lien against the property of The Virginian.

**5.0. ADMISSIONS AND DISMISSALS.** The Virginian shall have the exclusive authority to admit Residents and to adjust fees. The Resident shall not have the right to object to another resident's admission, terms of admission or dismissal.

**6.0. PHYSICAL AND MENTAL HEALTH REQUIREMENTS.** As a condition of occupancy of the HCC, Resident shall be free from contagious (reportable) diseases, not mentally ill to the extent that the HCC cannot reasonably provide treatment and not a hazard to the health or welfare of self, other residents or other persons. If, in the



judgment of The Virginian, the Resident (i) requires special attention which the HCC cannot reasonably provide, (ii) is infected with a contagious disease, or (iii) is mentally ill to the extent that the mental illness requires care that the HCC is not required or able to furnish, or whose presence or high risk behaviors may create a hazard or be detrimental to the health or welfare of the Resident, other residents or other persons. The Virginian retains the right to terminate this Agreement. The Resident and the Resident Representative expressly agree with and understand the requirements of this paragraph.

## **7.0. RELEASE OF ACCOMMODATIONS AND CHANGE IN LEVEL OF CARE**

**7.1. Release of Accommodations.** In the event of determination by The Virginian that the condition requiring the transfer of the Resident to another facility is not a temporary condition or if the Resident is permanently transferred to another facility, the Accommodations shall be released and this contract terminated.

**7.2. Changes in Level of Care.** This Residence Agreement only covers the Resident's occupancy in the indicated level of care. A Resident's required levels of care may change from time to time. In the event that Resident's required level of care changes, Resident shall execute a new Residence Agreement, appropriate for the new level of care as a condition to the Resident's continued residence at The Virginian in the new level of care. Resident's admission to a new level of care is contingent on space being available at The Virginian in the required new level of care and upon Resident's submission and The Virginian's approval of updated financial statements.

**8.0. FINANCIAL OBLIGATIONS OF THE RESIDENT TO THIRD PARTIES.** The Virginian shall not be liable or responsible for any debt, expense, or other financial obligation of any kind incurred or contracted by the Resident.

**9.0. OBLIGATIONS TO RESIDENT AWAY FROM THE VIRGINIAN.** The Virginian shall not be obligated to furnish or to pay for any support, maintenance, board or lodging when the Resident is away from The Virginian, and the Resident shall remain obligated for the fees provided for in Section 2.1.

## **10.0. LOSS OR DAMAGE TO PROPERTY OR PERSON.**

a) Except in situations where the Resident has executed an Assistive Device Agreement while in the Health Care Center, The Virginian shall not be responsible for the loss or damage to any property belonging to the Resident whether due to misplacement, theft, routine maintenance, housekeeping activities, or the negligence of The Virginian, unless it is determined that the facility was at fault. The Resident waives any and all claims against The Virginian arising in any way from loss of or damage to the property of the Resident, unless the facility was found to be at fault.

- b) Resident further waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person from any cause other than The Virginian's negligence or intentional wrongful acts, including, but not limited to fire, assault or any other cause. The Resident further specifically waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person where such death or injury was caused in whole or in part by the Resident's negligence or fault.
- 11.0. REPAIR SERVICES.** The Virginian may provide minor repairs to the personal property of the Resident subject to Additional Charges.
- 12.0. RIGHT OF ENTRY.** The Resident gives the right of entry into his accommodations to authorized employees of The Virginian at any time as deemed necessary.
- 13.0. DISPOSITION OF PROPERTY ON DEPARTURE OR DEATH OF RESIDENT.** In the event of the departure or death of the Resident, all of the Resident's property will be removed from the Resident's the Health Care Center room within 24 hours. (If the Resident has an IL/AL apartment at the time, the Monthly Fee shall continue in effect until the apartment accommodations are vacated and the IL/AL key (if applicable) is returned to The Virginian). In the event that Resident's property is not removed within that period, the property from Resident's IL or AL apartment may be placed in storage by The Virginian within or without The Virginian for an additional thirty (30) days at the sole expense of Resident or Resident's estate. If at the expiration of the latter thirty-day period, the property has not been claimed, The Virginian may sell or otherwise dispose of such property, deduct the storage cost from the proceeds, if any, and then credit the excess to Resident's account.
- 14.0. INJURY OR DAMAGE BY THE RESIDENT OR GUEST.** The Resident hereby agrees to reimburse The Virginian for any costs resulting from the Resident's willful or negligent acts or omissions or the acts or omissions of the Resident's guest(s).
- 15.0. INJURY BY A THIRD PARTY.** If the Resident is injured or dies from the act or omission of a third party, and the Resident has not fully reimbursed The Virginian for the costs incurred by such third party's act or omission, then The Virginian is subrogated to the Resident's claim and may bring suit in the name of the Resident. The Resident shall cooperate with The Virginian if The Virginian pursues a claim for damages against the third party.
- 16.0. POWER OF ATTORNEY.** Resident shall provide The Virginian with a duly executed power of attorney in favor of a responsible and responsive individual residing in the United States and reasonably available to The Virginian to handle Resident's financial affairs and to make necessary decisions regarding Resident if Resident becomes incapacitated or disabled. Such powers of attorney may be contingent on Resident's incapacity and shall be in a form enforceable in the Commonwealth of Virginia, shall survive Resident's incapacity or disability and shall also name a similar individual as a

substitute attorney-in-fact in the event that the first named attorney-in-fact becomes incapacitated or is unable or refuses or otherwise fails to act.

**17.0. TERMINATION OF AGREEMENT.** When this Agreement is terminated, the Resident shall remain obligated for the fees set forth in Article 2.0 through the date that the Resident leaves The Virginian, in addition to the cost of any repairs to, or replacement of, the property of The Virginian caused by the Resident's negligence. This Agreement is terminable upon the following terms and conditions:

**17.1. Termination by the Death of the Resident.** The death of the Resident shall operate as a termination of this Agreement;

**17.2. Termination by The Virginian.** This Agreement may be terminated by The Virginian for the reasons set forth below upon the notice prescribed by Section 17.7 of this Agreement. The temporary transfer of the Resident to another facility for reasons of physical or mental health shall not operate as termination of this Agreement provided that Resident complies with The Virginian's bed hold policy. The Corporation may terminate or involuntarily transfer the Resident for the following reasons: (i) the transfer or discharge is necessary to meet the Resident's welfare because the Resident's needs cannot be met in the HCC, (ii) the transfer or discharge is appropriate because the Resident's health has improved sufficiently so that the Resident no longer needs the services of the HCC, (iii) the Resident's presence in the HCC endangers the safety or health of other individuals in the HCC, (iv) the Resident has failed, after reasonable and appropriate notice, to pay for the Resident's stay in the HCC, (v) the Resident becomes covered by a third party payor, (vi) The Virginian does not have an available appropriately certified bed or (vii) The Virginian ceases to operate the HCC. In this case, the Administrator will provide written notification to the State Survey agency, the Long Term Care Ombudsman, Residents of the facility, Resident Representatives, as well as a relocation plan for Residents.

**17.3. Termination by the Resident**

- a) The Resident shall have the right to rescind this Agreement for any reason, without penalty or forfeiture, at any time prior to entry into The Virginian.
- b) If a Resident dies before occupying The Virginian, or is precluded through illness, injury or incapacity from becoming a Resident under the terms of this Agreement, the Agreement is automatically rescinded and the Resident or his legal representative shall receive a full refund of all money paid to The Virginian, except those costs specifically incurred by The Virginian at the request of the Resident and set forth in writing in a separate addendum signed by both parties to this Agreement.
- c) The Resident may terminate this Agreement by giving The Virginian five (5) days written notice of the Resident's intention to terminate the Agreement.

The termination shall be effective at the end of the five (5) days' notice unless the parties otherwise agree in writing.

- 17.4. Improvement in Resident's Health Circumstances.** The Virginian maintains identical policies and practices regarding transfer, discharge and the provision of services for all residents in the HCC regardless of their source of payment. The Virginian may charge any amount for services to non-Medicare recipients so long as The Virginian provides proper notice of the charges. The Virginian may terminate this Agreement without the consent of the Resident and the Resident may be transferred or discharged outside of The Virginian if (i) the transfer or discharge is appropriate because the Resident's health has improved sufficiently so the Resident no longer needs the services provided by The Virginian
- 17.5. Discharge Orders.** Resident will not be discharged to his home unless a written order is obtained from the Resident's physician, his alternative or The Virginian's Medical Director. Medications will be released to Residents on discharge only on written authorization of the physician. If a Resident insists on being discharged without a signed discharge order by the attending physician, the Resident must sign a release absolving The Virginian and attending physician of all responsibility.
- 17.6. Absence from Premises.** Residents shall not be taken from the premises even temporarily without the consent of the Health Care Center Charge Nurse, Supervisor, or Social Worker. Absence of the Resident, either temporarily or permanently, shall immediately release The Virginian, its employees and officers from all liability during such absence or arising as a result of such absence.
- 17.7. Pre-Termination Notification.** In the event of a termination of this Agreement pursuant to Section 17.2, or Section 17.4, with a resulting transfer or discharge of the Resident, The Virginian will notify the Resident and Resident Representative of the transfer or discharge and the reasons for the move in writing and in language and manner they understand; and record the reasons in the Resident's clinical record. Notice of transfer or discharge will be sent by The Virginian at least thirty (30) days prior to the proposed transfer or discharge, except in the following situations when the Virginian may give the Resident and the Resident Representative notice less than thirty (30) days but reasonable in the circumstances where:
- a) The Resident's health has improved sufficiently to allow a more immediate transfer or discharge;
  - b) The safety or health of other individuals in the HCC could be endangered;
  - c) An immediate transfer or discharge is required by the Resident's urgent medical needs; and

- d) The Resident has not resided in The Virginian for thirty days.
- e) The Virginian ceases to operate a HCC.

In these exceptional situations, notice will be given by The Virginian as soon as practicable before transfer or discharge, and will include the following information: (i) Reason for transfer or discharge, (ii) the effective date of transfer or discharge, (iii) the location to which the Resident is transferred or discharged, (iv) Bed Hold policy information where there is the potential that the transfer may be temporary, and, (v) a statement that the Resident has the right to appeal the action to the State.

- 17.8. Discharge Instructions.** In the event of a transfer or discharge, The Virginian will provide the Resident with appropriate instructions to ensure the Resident's safe and orderly transfer or discharge.
- 17.9. Transfer Agreement.** The Virginian maintains a transfer agreement with Fairfax Hospital. In the event the Resident requires medical services not available at The Virginian, subject to the orders of the Resident's attending physician and, in emergency situations, the consent of the Resident or Resident Representative, the Resident may be transferred to Fairfax Hospital. In emergency situations, where there is a substantial risk of harm to the Resident and where the Resident Representative is not immediately available, the Resident may be transferred to the hospital capable of providing the necessary care and treatment per the order of the attending physician.
- 17.10. Notification.** Except in a medical emergency or when the Resident is incompetent, The Virginian will use its reasonable best efforts to inform the Resident, consult with the Resident's Resident Representative, legal representative or family member within twenty-four hours when there is:
- a) An accident involving the Resident which results in injury and has the potential for requiring a physician intervention;
  - b) A significant change in the Resident's physical, mental or psychosocial status; or
  - c) A need to alter treatment significantly or a decision to transfer or discharge the Resident.
- 17.11. Discharge Against Physician's Advice.** In the event the Resident desires to be discharged against the advice of the attending physician, the responsibility of The Virginian terminates upon discharge.

**18.0. REGULATIONS BY THE COMMONWEALTH OF VIRGINIA.** The Health Care Center at The Virginian is regulated and licensed by the following division of the Virginia Department of Health:

Office of Licensure and Certification  
Virginia Department of Health  
9960 Mayland Drive, Suite 401  
Richmond, VA 23233

**19.0. INTER VIVOS TRUSTS.** In the event that Resident has established, or during the term of this Agreement establishes, an inter vivos trust which provides for the benefit of Resident and/or Resident's spouse during their lives, the trustees of such trust and the trust shall become parties to this agreement to the extent of assuming liability for Resident's financial obligations under this agreement.

**20.0. RESIDENT REPRESENTATIVE.** The Resident Representative is the person who has the legal authority to manage, use, or control the property, funds, assets or income of the Resident pursuant to a court order. Co-ownership, power of attorney or similar legally binding arrangement which property, assets, funds or income may be used to pay the Resident's share of the cost. The Resident Representative may be, but is not required to be, the same person as the trustee of an inter vivos trust established by Resident for Resident's own benefit. The Virginian requires the Resident Representative's signature only if the Resident has been adjudicated incompetent or the Resident's physician has determined the Resident cannot understand or exercise Resident's rights. In all other circumstances, the Resident Representative may sign, but may not be required to do so. The Resident Representative shall not be required to guarantee payment as a condition of the Resident's admission, expedited admission, or continued stay in The Virginian but The Virginian may require a person who has legal access to the Resident's property, funds, assets or income to pay for the Resident's care therefrom. To the extent that the Resident has property, funds, assets or income available that are managed or controlled by the Resident Representative, the Resident Representative agrees to make timely payments of The Virginian's charges from those funds as a condition to The Virginian's obligations under this Agreement.

**21.0. GENERAL PROVISIONS.** The following general provisions shall apply:

**21.1. Governing Law.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Virginia applicable to agreements made and performed entirely within the Commonwealth of Virginia. This Agreement shall be deemed to have been executed in Fairfax County, Virginia and shall be subject to the jurisdiction of the Circuit Court of Fairfax County, Virginia and the United States District Court for the Eastern District of Virginia, Alexandria Division. The parties agree to submit to the exclusive jurisdiction of such courts.

**21.2. Modification or Waiver.** A modification or waiver of any of the provisions of

this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement.

- 21.3. Entire Agreement.** This agreement contains the entire understanding of the parties. There are no representations, warranties, covenants, or undertakings by or between the parties other than those expressly set forth in this Agreement and, if applicable, the Guaranty Agreement is expressly made a part of this Agreement.
- 21.4. Binding Effect.** This Agreement shall be binding on the Resident, the Resident Representative and the Resident's heirs, executors, administrators, legal representatives, successors and assigns.
- 21.5. Assignment.** The rights of the Resident hereunder shall be personal to the Resident and shall not be assignable. The Virginian may assign its rights and obligations hereunder without the consent of the Resident.
- 21.6. Gender.** All pronouns shall be deemed to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.
- 21.7. Waiver of Breach Not Waiver of Others.** The failure of The Virginian in any one or more instances to insist upon the strict performance and observance of compliance by the Resident with any of the terms or provisions of this Agreement shall not be construed as a waiver or relinquishment by The Virginian of its right to insist upon strict compliance by the Resident with all of the terms and conditions of this Agreement.
- 21.8. No Representation.** The Virginian's representatives have made no promises or representations with respect to the Resident's room accommodations, any facilities of The Virginian, refunds, or any of The Virginian's promises and undertakings with respect to the care of the Resident except as specifically set forth herein.
- 21.9. Weapons Policy.** Possession of firearms, ammunition, fireworks, explosives or weapons prohibited by law is not allowed at The Virginian.
- 21.10. Remedies for Unpaid Fees.** In the event that Resident fails to pay any sums due hereunder, The Virginian shall have all rights and remedies available to it under the law, including, but not limited to the right to file suit for all unpaid amounts due from Resident under this Agreement. In the event that The Virginian is required to pursue its remedies under this agreement due to Resident's failure to pay sums due, The Virginian shall be entitled to recover its fees and costs of collection whether or not suit is filed, including, but not limited to reasonable attorney's fees and all costs of collection.
- 21.11 Funeral Arrangements.** The Virginian requests that, at the time of the execution of this Agreement, the Resident make known his or her last wishes regarding

funeral arrangements, including the selection of a funeral home and the designation of a person to be responsible for managing funeral arrangements. In the event of the Resident's death while at The Virginian, The Virginian will contact the funeral home, if any, designated by the Resident and will undertake to contact the person designated by Resident as being responsible for funeral arrangements. In the event that the Resident elects not to make such a designation, The Virginian will make reasonable efforts to contact the Resident's next of kin/Resident Representative, as listed with The Virginian, to make appropriate arrangements. In the event that The Virginian is unable to contact any of the Resident's kin/Resident Representative within 4 (four) hours, The Virginian will contact a local Funeral Home to remove the remains and hold them at its facility until appropriate arrangements can be made by Resident's family or representative. Resident's estate shall be responsible for all costs incurred with regard to the use of the Funeral Home.

**21.12. Pets.** Residents are not allowed to keep pets in the HCC.

**21.13. Residents' Council.** Interested Residents may establish and maintain a Residents' Council as required by 22 VAC 40-72-810. The Virginian shall be responsible for providing Residents with assistance in forming and maintaining such council, whether or not such a council currently exists at The Virginian.

**IN WITNESS, WHEREOF**, the parties have signed and sealed two copies of this Agreement, each of which shall be deemed an original effective as of \_\_\_\_\_, 20 \_\_\_\_\_.

(Corporate Seal)  
ATTEST:

**THE TEMPLE FOUNDATION, INC.**

\_\_\_\_\_  
(Acting) Secretary

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Resident or Resident Representative (SEAL)

\_\_\_\_\_  
WITNESS:

\_\_\_\_\_  
Trustee of Resident's Inter Vivos Trust (if any)



**EXHIBIT**

**A-10b Health Care Center Addendum to Current Monthly Resident Agreement Effective May 1, 2018**

## **HEALTH CARE CENTER ADDENDUM TO RESIDENCE CONTRACT**

This Health Care Center Addendum to Residence Contract is made and entered into this \_\_\_\_\_ **day of** \_\_\_\_\_, 20\_\_\_\_, by and between **THE TEMPLE FOUNDATION, INC.**, a Virginia non-stock corporation (the "Corporation"), and \_\_\_\_\_ (the "Resident") \_\_\_\_\_ (the "Resident Representative").

### **Recitals**

**R-1.** The Resident, a resident of the facility operated by the Corporation ("The Virginian") under a Residence Agreement dated \_\_\_\_\_ (the "Residence Agreement").

**R-2.** The Corporation maintains The Virginian Health Care Center or HCC, which provides intermediate and skilled care (currently including a limited number of Medicare certified nursing beds).

**R-3.** The Residence Agreement provides that the Resident may transfer or be transferred to the HCC on a temporary basis and may elect to maintain his apartment under the Residence Agreement.

**R-4.** Resident has entered the Health Care Center on a temporary basis and desires to maintain his apartment under the Residence Agreement

### **Agreement**

**1. Continuation of Residence Agreement.** Resident believes that his admission to the HCC is temporary and directs The Virginian to continue his Residence Agreement. This Addendum constitutes the notice from Resident to The Virginian required under the Residence Agreement to continue the Residence Agreement until further notice. Should Resident decide in the future to terminate the Residence Agreement he will provide The Virginian with notice as required by the Residence Agreement.

**2. Payment.** Resident acknowledges that until the Residence Agreement is terminated in the future, Resident shall continue to be liable for all payments required by the Residence Agreement in addition to the payments required for Resident's temporary admission to the HCC. Resident shall pay for care in the HCC at the rates provided in the Residence Agreement.

**3. Controlling Terms.** During Resident's temporary admission to the HCC the terms of the Residence Agreement shall remain in full force and effect except as amended by the terms of this Addendum. To the extent that there is a conflict between the terms of the Residence Agreement and the terms of this Addendum, the terms of this Addendum shall control.

**4. Absences from the HCC.** Periodically, the Resident may require temporary hospitalization or may leave HCC at The Virginian for several days, such as a home visit. To hold, or reserve the Resident's bed in the HCC, the charge is the current per diem rate. Before the Resident is transferred to the hospital, goes on therapeutic leave, or leaves The Virginian for any other reason, The Virginian will provide written information to the Resident and/or Resident Representative specifying the duration of the bed hold policy. If the Resident is receiving skilled services paid for by Medicare, and elects to take an overnight leave of absence, the Resident will not be eligible for Medicare part A Skilled Care benefits during the leave of absence. The Resident may elect to pay privately to hold the bed in the HCC at The Virginian's current posted rate. Upon the Resident's return to the HCC, he may be eligible to resume the Medicare Part A Skilled Care benefit to the extent permitted by the Medicare and other applicable federal and state regulations.

**5. Resident's Physician.** The Resident may, at the Resident's own expense, engage the services of any physician, licensed in the Commonwealth of Virginia. If Resident has not designated a physician or if Resident's selected physician is not available, The Virginian shall obtain the services of another licensed physician. If the Resident's selected physician or his alternate cannot be reached during an emergency, or is unable to meet physician visit requirements as stated in federal guidelines, the Medical Director of The Virginian or his designee will be called. The Resident and/or the Resident Representative will accept the services of such substitute physicians under such circumstances. The Resident may change to another personal physician at any time, but must inform the attending physician of the desired change and make arrangements to obtain another personal physician. The Virginian shall assist the Resident in this process. Physician visitations will be in accordance with the laws and regulations relevant to nursing home visitations. The Corporation is not responsible or financially liable for the cost of such physician services, which shall be the responsibility of Resident and/or the Resident Representative. The Corporation will administer medications to Residents of the HCC at no charge. If the Corporation administers medication, the Resident agrees to accept the pharmacy and method of medication and distribution selected by the Corporation. The Resident may, at the Resident's own expense, engage the services of a Companion.

**6. Special Charges.** If Resident requires assistance with any one or a combination of feeding, transferring or incontinency care will be subject to a special charge. Currently this special charge is for any one or a combination of feeding, transferring or incontinency care, however The Virginian retains the right in the future to modify this special charge to a per additional service basis.

**7. Medicare.** The Virginian may not require the Resident to waive any rights to Medicare as a condition of admission, nor may The Virginian require any assurance that the Resident is not eligible or will not apply for Medicare. As of the date of this admission, The Virginian has determined that the Resident does not meet the criteria for a Medicare covered stay.

**8. Physical And Mental Health Requirements.** As a condition of occupancy of the HCC, Resident shall be free from contagious diseases, not mentally ill to the extent that the HCC cannot reasonably provide treatment and shall not be a hazard to the health or welfare of self or other residents. If, in the judgment of the Administration, the Resident requires special attention which the HCC cannot reasonably provide, or is infected with a contagious disease, or is mentally ill to the extent that the mental illness requires care that the HCC is not required or able to furnish, or whose presence may create a hazard or be detrimental to the health or welfare of the Resident, or other residents, the Corporation retains the right to terminate this Agreement. The Resident and the Resident Representative expressly agree with and understand the requirements of this paragraph.

**9. Termination by the Corporation.** This Addendum may be terminated by The Virginian for the reasons set forth below upon the notice prescribed by Section 16 of this Addendum. The temporary transfer of the Resident to another facility for reasons of physical or mental health shall not operate as termination of this Agreement. The Corporation may terminate or involuntarily transfer the Resident for the following reasons. (1) the transfer or discharge is necessary to meet the Resident's welfare because the Resident's needs cannot be met in the HCC, (2) the transfer or discharge is appropriate because the Resident's health has improved sufficiently so that the Resident no longer needs the services of the HCC, (3) the Resident's presence in the HCC endangers the safety or health of other individuals in the HCC, (4) the Resident has failed, after reasonable and appropriate notice, to pay for (or have paid under Medicare or Medicaid ) the resident's stay in the HCC, or (5) The Virginian ceases to operate the HCC.

**10. Improvement in Resident's Health Circumstances.** The Virginian maintains identical policies and practices regarding transfer, discharge and the provision of services for all residents in the HCC regardless of their source of payment. The Virginian may charge any amount for services to non-Medicare recipients so long as The Virginian provides proper notice of the charges. The Virginian may terminate this Addendum without the consent of the Resident and the Resident may be transferred or discharged outside of The Virginian or returned to the Resident's apartment under the Residence Agreement if the transfer or discharge is appropriate because the Resident's health has improved sufficiently so the Resident no longer needs the services provided by The Virginian.

**11. Discharge Orders.** Resident will not be discharged to his home or apartment under the Residence Agreement unless a written order is obtained from the Resident's physician, his alternative or The Virginian's Medical Director. Medications will be released to Residents on discharge only on written authorization of the physician. If a Resident insists on being discharged without a signed discharge order by the attending physician, the Resident must sign a release absolving The Virginian and attending physician of all responsibility.

**12. Absence from Premises.** Resident shall not be taken from the premises even temporarily without the consent of the Health Care Center Supervisor. Absence of the

Resident, either temporarily or permanently, shall immediately release The Virginian, its employees and officers from all liability during such absence or arising as a result of such absence.

**13. Pre-Termination Notification.** In the event of an involuntary termination of this Agreement and transfer or discharge of the Resident results, The Virginian will notify the Resident and Resident Representative of the transfer or discharge and the reasons for the move in writing and in language and manner they understand; and record the reasons in the Resident's clinical record. Notice of transfer or discharge will be sent by The Virginian at least thirty (30) days prior to the proposed transfer or discharge, except in the following situation when The Virginian may give the Resident and the Resident Representative a reasonable notice of less than thirty (30) days where:

- (a).the Resident's health has improved sufficiently to allow a more immediate transfer or discharge.
- (b). The safety or health of other individuals in the HCC could be endangered.
- (c). An immediate transfer or discharge is required by the Resident's urgent medical needs.
- (d). The Resident has not resided in The Virginian for thirty days.

In these exceptional situations, notice will be given by The Virginian as soon as practicable before transfer or discharge, and will include the following information: Reason for transfer or discharge, the effective date of transfer or discharge, the location to which the Resident is transferred or discharged, statement that the Resident has the right to appeal the action to the State.

**14. Pre-discharge Orientation.** In the event of a transfer or discharge, The Virginian will provide the Resident with preparation and orientation to ensure the Resident's safe and orderly transfer or discharge.

**15. Transfer Agreement.** The Virginian maintains a transfer agreement with Fairfax Hospital. In the event the Resident requires medical services not available at The Virginian, subject to the orders of the Resident's attending physician and, in emergency situations, the consent of the Resident or Resident Representative, the Resident may be transferred to Fairfax Hospital. In emergency situations, where there is a substantial risk of harm to the Resident and where the Resident Representative is not immediately available, the Resident may be transferred to the hospital capable of providing the necessary care and treatment per the order of the attending physician.

**16. Notification.** Except in a medical emergency or when the Resident is incompetent, The Virginian will use its reasonable best efforts to inform the Resident, consult with the Resident's legal representative or interested family member within twenty-four hours where there is:

- (a). An accident involving the Resident which results in injury and has the potential for requiring a physician intervention.
- (b). A significant change in the Resident's physical, mental or psychosocial status.
- (c). A need to alter treatment significantly or a decision to transfer or discharge the Resident.

**17. Resident Representative.** The Resident Representative is the person who manages, uses, or controls the funds or assets pursuant to a court order, Co-ownership, power of attorney or similar legally binding arrangement that may be used to pay the Resident's share of the cost. The Resident Representative may be but is not required to be the same person as the trustee of an inter vivos trust established by Resident for Resident's own benefit. The Virginian will require the Resident Representative's signature only if the Resident has been adjudicated incompetent or the Resident's physician has determined the Resident cannot understand or exercise Resident's rights. In all other circumstances, the Resident Representative may sign, but may not be required to do so. The Corporation may not require the Resident Representative to guarantee payment as a condition of the Resident's admission, expedited admission, or continued stay in The Virginian but the Corporation may require a person who has legal access to the Resident's income or resources to pay for the Resident's care from the Resident's income. To the extent that the Resident has income or resources available that are managed or controlled by the Resident Representative, the Resident Representative agrees to make timely payments of The Virginian's charges from those funds. The Virginian agrees to render care to the Resident in consideration for the obligation of the Resident and/or Resident Representative to fulfill the terms and conditions under this Agreement.

**IN WITNESS, WHEREOF,** the parties have signed and sealed two copies of this Agreement, each of which shall be deemed an original.

(Corporate Seal)

ATTEST:

**THE TEMPLE FOUNDATION, INC.**

\_\_\_\_\_  
(Acting) Secretary

By \_\_\_\_\_  
Executive Director

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
Resident (SEAL)

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
Resident Representative (SEAL)

Trustee of Resident's Inter Vivos Trust(if any)

**EXHIBIT**

**A-11. Nursing and Rehabilitation Center Respite Agreement**

**TEMPLE FOUNDATION, INC  
T/A THE VIRGINIAN  
9229 ARLINGTON BLVD, FAIRFAX, VA, 22031-2504**

**HEALTH CARE CENTER  
RESPITE AGREEMENT**

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# THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN

9 2 2 9   A R L I N G T O N   B O U L E V A R D  
F A I R F A X ,   V I R G I N I A   2 2 0 3 1 - 2 5 0 4

## HEALTH CARE CENTER - RESPITE AGREEMENT

In consideration of the admission of \_\_\_\_\_, the Resident, to the Nursing and Rehabilitation center at The Virginian, on a temporary basis ("Respite Stay"), pursuant to an Admissions Agreement, this agreement is made between

\_\_\_\_\_  
(Resident and/or Resident Representative) and the Temple Foundation, Inc. a Virginia non-profit corporation t/a The Virginian ("The Virginian").

- 1) The Respite Stay shall not exceed 30 days in length. Resident's Respite Stay will begin on \_\_\_\_\_(Date) and will end on \_\_\_\_\_(Date). An additional Respite Stay may be agreed to by the parties in their absolute discretion provided that any such agreement for an additional Respite Stay must be in writing and signed by the Resident or Resident Representative and on behalf of The Virginian. If the term of the Respite Stay terminates without an additional Respite Stay being agreed to as provided above, this agreement will serve as 30-day discharge notice for the Resident's discharge on \_\_\_\_\_(Date). The Resident Representative agrees to be responsible for and to make provision for the Resident to move from The Virginian upon Resident's discharge on that date.
- 2) The Resident and/or Resident Representative will pay in advance a daily rate of \_\_\_\_\_in advance for a 30-day period. Should the Resident's stay be less than 30 days, a refund of the unused days will be refunded.
- 3) In the event that Resident fails to pay any sums due hereunder, The Virginian shall have all rights and remedies available to it under the law, including, but not limited to the right to file suit for all unpaid amounts due from Resident under this Agreement. In the event that The Virginian is required to pursue its remedies under this agreement due to Resident's failure to pay sums due, The Virginian shall be entitled to recover its fees and costs of collection whether or not suit is filed, including, but not limited to reasonable attorney's fees and all costs of collection.
- 4) The Virginian Health Care Center is a smoke free facility.
- 5) The rules and regulations applicable to residence at The Virginian ("Rules and Regulations") are hereby made a part of this Residence Agreement and Resident agrees to comply with and observe the same. Resident's failure to keep and observe said Rules and Regulations shall constitute a breach of the terms of this Residence Agreement in the same manner as if the same were contained herein as covenants. The Virginian reserves the right from time to time to amend or supplement said Rules and Regulations and to adopt and promulgate additional reasonable rules and regulations to the extent the same

are not specifically contrary to the express terms of this Residence Agreement. Notice of such additional rules and regulations, and amendments and supplements, if any, shall be given to Resident and Resident agrees thereupon to comply with and observe all such Rules and Regulations and amendments thereto and supplements thereof.

- 6) The Virginian requests that, at the time of the execution of this Agreement, the Resident make known his or her last wishes regarding funeral arrangements, including the selection of a funeral home and the designation of a person to be responsible for managing funeral arrangements. In the event of the Resident's death while at The Virginian, The Virginian will contact the funeral home designated by the Resident and will undertake to contact the person designated by Resident as being responsible for funeral arrangements. The Virginian will make reasonable efforts to contact the Resident's next of kin and to make appropriate arrangements. In the event that The Virginian is unable to reach the Resident's listed contacts within four (4) hours, The Virginian will contact a local Funeral Home to remove the remains. Resident's estate shall be responsible for all costs incurred with regard to the use of the Funeral Home.
- 7) Residents under Respite Agreements may not keep pets at The Virginian.
- 8) Interested Residents may establish and maintain a Resident's Council as required by 22 VAC 40-72-810. The Virginian shall be responsible for providing Residents with assistance in forming and maintaining such council, whether or not such a council currently exists at The Virginian. The Virginian currently has a Resident's Association called The Association of Virginian Residents ("AVR") whose sole purpose is to promote the welfare of all permanent residents of The Virginian.
- 9) Except in situations where the Resident has executed an Assistive Device Agreement while in the Health Care Center, The Virginian shall not be responsible for the loss or damage to any property belonging to the Resident whether due to misplacement, theft, routine maintenance, housekeeping activities, the negligence of The Virginian or any other cause and The Resident waives any and all claims against The Virginian arising in any way from loss of or damage to the property of the Resident no matter what the cause.
- 10) Resident further waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person from any cause other than The Virginian's negligence or intentional wrongful acts, including, but not limited to fire, assault or any other cause. The Resident further specifically waives any claim against The Virginian and releases The Virginian from liability for death or injury to the Resident's person where such death or injury was caused in whole or in part by the Resident's negligence or fault.
- 11) Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement

is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

- 12) Possession of firearms, ammunition, fireworks, explosives or weapons prohibited by law is not allowed at the Virginian.
- 13) The Resident hereby agrees to reimburse The Virginian for any costs resulting from the Resident's willful or negligent acts or omissions or the acts or omissions of their guest(s).
- 14) If the Resident is injured or dies from the act or omission of a third party, and the Resident has not fully reimbursed The Virginian for the costs incurred by such third party's act or omission, then The Virginian is subrogated to the Resident's claim and may bring suit in the name of the Resident. The Resident shall cooperate with The Virginian if The Virginian pursues a claim for damages against the third party.
- 15) The Resident shall place on file with The Virginian a power of attorney in favor of a responsible, and responsive individual residing in the United States and reasonably available to The Virginian to handle the Resident's financial affairs and to make necessary decisions regarding the Resident if the Resident becomes incapacitated. Such powers of attorney shall be in a form enforceable in the Commonwealth of Virginia that survives the Resident's incapacity or disability and shall also name a similar individual acceptable to The Virginian, as a substitute attorney-in-fact in the event that the first named attorney-in-fact becomes incapacitated or is unable or refuses or otherwise fails to act.
- 16) The nursing and rehabilitation center at The Virginian is regulated and licensed by the following division of the Virginia Department of Health:

Office of Licensure and Certification  
Division of Long Term Care Services  
9960 Mayland Drive  
Henrico, VA 23233
- 17) In the event that the Resident has established, or during the term of this Agreement establishes, an inter vivos trust which provides for the benefit of the Resident and/or the Resident's spouse during their lives, the trustees of such trust and the trust shall become parties to this agreement to the extent of assuming liability for the Resident's financial obligations under this agreement.
- 18) **GENERAL PROVISIONS.** The following general provisions shall apply:

- a. **Governing Law.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Virginia applicable to agreements made and performed entirely within the Commonwealth of Virginia.
- b. **Jurisdiction.** This Agreement shall be deemed to have been executed in Fairfax County, Virginia and shall be subject to the jurisdiction of the Circuit Court of Fairfax County, Virginia and the United States District Court for the Eastern District of Virginia, Alexandria Division. The parties agree to submit to the exclusive jurisdiction of such courts.
- c. **Modification or Waiver.** A modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement. The failure of any party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or of a different nature.
- d. **Entire Agreement.** This agreement contains the entire understanding of the parties. There are no representations, warranties, covenants, or undertakings by or between the parties other than those expressly set forth in this Agreement and, if applicable, the Guaranty Agreement is expressly made a part of this Agreement.
- e. **Binding Effect.** This Agreement shall be binding on the Resident and the Resident's heirs, executors, administrators, legal representatives, successors and assigns.
- f. **Assignment.** The rights of the Resident hereunder shall be personal to the Resident and shall not be assignable. The Virginian may assign its rights and obligations hereunder without the consent of the Resident.
- g. **Gender.** All pronouns shall be deemed to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.
- h. **Waiver of Breach Not Waiver of Others.** The failure of The Virginian in any one or more instances to insist upon the strict performance and observance of compliance by the Resident with any of the terms or provisions of this Agreement shall not be construed as a waiver or relinquishment by The Virginian of its right to insist upon strict compliance by the Resident with all of the terms and conditions of this Agreement.

Resident	Date
Resident Representative	Admissions Coordinator



**EXHIBIT**

**A-12. Shenandoah Memory Unit Addendum For Assisted Living**

**TEMPLE FOUNDATION, INC  
T/A THE VIRGINIAN  
9229 ARLINGTON BLVD, FAIRFAX, VA, 22031-2504**

## **SHENANDOAH MEMORY UNIT ADDENDUM**

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**SHENANDOAH MEMORY UNIT ADDENDUM**

This Memory Unit Addendum is made and entered into the date set forth at the end of this contract and between **THE TEMPLE FOUNDATION, INC.** a Virginia non-profit corporation t/a The Virginian (“The Virginian”) and the undersigned Resident (the "Resident"). The Resident has executed an Assisted Living Residence and Care Agreement with The Virginian. Resident has been accepted in the Memory Unit section of Assisted Living at The Virginian and this Memory Unit Addendum is executed as part of and a condition to the Assisted Living Residence and Care Agreement

- 1. Memory Unit Criteria** - The Assisted Living Apartment provided to Resident is part of The Virginian’s Shenandoah Memory Unit. This unit is designed for Residents who have serious cognitive impairment due to a diagnosis of dementia and who are unable to recognize danger or protect their own safety and welfare. The purpose of the Memory Unit is to provide stimulation for Residents who have been diagnosed with dementia and or at risk for dementia related behaviors such as wandering, repetitive movements and verbalizations, etc. Upon admission and as a criterion for continued residence in the Memory Unit, Memory Unit Resident must be cognitively and socially appropriate for an apartment setting and must also be able to benefit or actively participate in the programming of the unit.
- 2. Resident’s Diagnosis** - Prior to admission to the Memory Unit Resident has been assessed by a psychologist, psychiatrist or physician and diagnosed as having a serious cognitive impairment due to dementia with an inability to recognize danger or protect his own safety and welfare. As a condition to residence in the Memory Unit the Resident will be reassessed at least every six months for appropriateness to the Memory Unit.
- 3. Consent to Residence in Memory Unit** - The Virginian, by a separate document, has obtained the appropriate consent required for the Resident to reside in the Memory Unit as required by 22 VAC 40-72-1080.
- 4. Additional Resident in Apartment** - In the event that there is a second Resident sharing the apartment who is the Resident’s spouse, parent, adult sibling or child (“Additional Resident”) such Additional Resident must meet the exception provided in 22 VAC 40-72-1060 in order to reside with Resident in the Memory Unit. The requirements of 22 VAC 40-72-1060 do not apply to such Additional Resident.



5. **Application of Additional Regulations** - In addition to the other Virginia regulations to which Assisted Living at The Virginian is subject, the Memory Unit is subject to the regulations found at 22 VAC 40-72-990 through 1160

6. **Limitations and Monitoring:**

a) Section 1.1 of the Assisted Living Residence and Care Agreement provides that Resident shall have access to common areas of The Virginian, including its outdoor and indoor social and recreational facilities subject to reasonable rules and regulations. Due to Resident's assessment as having a serious cognitive impairment due to dementia with an inability to recognize danger or protect his own safety and welfare, Resident's unsupervised access to areas of The Virginian outside of the Memory Unit will be limited in accordance with 22 VAC 40-72-1130, 1140 and 40-72-1100 walking outdoors.

b) The Memory Unit has two main doors, each with a magnetic lock and keypad, with emergency egress after 15 seconds. Each door has a camera to monitor egress. The Memory Unit also has a deck with seating for warm weather, with locked egress, controlled and monitored by the Memory Unit staff and monitored via camera as well. Subject to these limitations Resident shall have free access to the public areas of the Memory Unit and shall have limited access to the other public areas of The Virginian subject to appropriate supervision as determined by the Memory Unit staff.

7. **Additional Assistance** - In addition to the assistance provided for in the Assisted Living Residence and Care Agreement The Virginian will provide Residence with assistance with:

- Medication Administration
- Bathing
- Dressing
- Toileting
- Transferring (on a temporary basis due to short term illness)
- Bowel incontinency
- Bladder incontinency
- Eating/feeding
- Transportation (within the Assisted Living units, on-site medical offices, Beauty shop on B1)

8. **Limitations to Admission and Continued Residency** - In addition to any limitations set

forth in the Assisted Living Residence and Care Agreement not otherwise addressed in this memory Unit Addendum,

Resident shall not be admitted with:

- Dermal ulcers III and IV except those stage III ulcers which are determined by an independent physician to be healing.
- Infusion therapy
- Respiratory therapy
- Suctioning
- Tracheotomy care
- Airborne infectious disease
- Psychotropic medications without diagnosis/treatment
- Naso-gastric tubes
- Individuals presenting an imminent physical threat or danger to self or others
- Ventilator dependency

**9. Development of Inappropriate Condition** - The Virginian will not allow Resident to continue to reside in the Memory Units should Resident develop a condition requiring a higher skilled level of observation and assessment, complex multiple, interrelated medical issues, unstable medical condition or potential for instability. The Resident will be required to be discharged or move to a higher level unless a Hospice plan of care is established (if appropriate). If Resident requires assistance with transferring on a regular basis, (unless an approved Hospice plan is in place) he/she will not be appropriate to reside on this unit.

**10. Discharge** - Resident may be discharged from the Memory Unit if:

- a) Resident no longer meets Department of Social Services criteria. (22 VAC 40-72-340),
- b) The transfer/discharge is necessary for the Resident's welfare and the Resident's needs cannot be met at this particular level of care,
- c) The transfer/discharge is appropriate because the Resident's health has improved sufficiently so the Resident no longer needs the service of a particular level of care,
- d) The safety and health of the Resident or other individuals has been endangered,
- e) The physician has ordered a transfer/discharge for a specific reason,
- f) For life threatening reasons,
- g) The Resident/Resident Representative has failed after reasonable and appropriate notice to pay for a stay,

- h) The Resident/Resident Representative has requested the transfer,
- i) The Resident is no longer able to cognitively benefit or actively participate in the programming of the Memory Unit,
- j) Resident has become bedbound and can no longer participate in the programming of the unit. (does not include normal course of flu, etc), or
- k) Resident's continuous and consistent refusal of treatment results in risk to himself or others.

**11. Residence Agreement** - This Memory Unit Addendum has been executed as part of an Assisted Living Residence and Care Agreement between Resident and The Virginian and is made a part of the Assisted Living Residence and Care Agreement. To the extent that there is a conflict between the terms of the Assisted Living Residence and Care Agreement and the terms of this Memory Unit Addendum, the terms of this Memory Unit Addendum shall control.

**IN WITNESS, WHEREOF**, this \_\_\_\_\_, 20\_\_\_\_\_ the parties have signed and sealed two copies of this Agreement, each of which shall be deemed an original.

(Corporate Seal)  
 ATTEST:

**THE TEMPLE FOUNDATION, INC.**

\_\_\_\_\_  
 (Acting) Secretary

\_\_\_\_\_  
 Executive Director

\_\_\_\_\_  
 WITNESS:

\_\_\_\_\_  
 Resident or Resident Representative (SEAL)

\_\_\_\_\_  
 Residents Printed Name

\_\_\_\_\_  
 Additional Resident (if any) (SEAL)

\_\_\_\_\_  
 Additional Residents Printed Name

\_\_\_\_\_  
 WITNESS:

\_\_\_\_\_  
 Trustee of Resident's Inter Vivos Trust (if any)

**EXHIBIT**

**B-1. Independent Living Service Fees Effective May 1, 2018**

**THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN**

**INDEPENDENT LIVING SERVICES**

Effective 05.01.2018 – 04.30.2019

<b>TYPE OF SERVICE</b>	<b>RATE</b>
Medication Administration (except Glucose, includes Eye Drops)	\$15 per apt. visit - \$42, daily cap
Diabetic Medication/Management Package (includes finger sticks & injections)	\$2000 per month
Vital Signs (if ordered by Doctor)	\$16 per visit
Injections	\$18 per injection
Lab Service-Glucose Test (does not include supplies)	\$12 per finger stick
Foley Catheter Care / I & O monitor (per physician orders)	\$650 per month
Incontinency Care	\$20/full day; \$12/partial day
Colostomy Care	\$50/day \$800/month maximum
O2 sats	\$12 per check
Oxygen equipment check (clean filter, fill water bottle, etc.)	\$15 per visit
O2 Set-up	\$75 per initial set-up
Specialized services e.g. application or removal of Teds/compression Hose, Splints, Braces	\$20 per visit
Weights (physician ordered weekly)	\$10 per week
Minor Treatments (physician ordered, required nursing intervention includes skin tears, rashes and Stage 1 wounds)	\$20 per visit
Lab Draw - Routine (if our staff draws)	\$75 per draw
Lab Draw -STAT (if our staff draws)	\$100 per draw
Lab Escort to apartment - INOVA Lab	\$7 per visit
PT/INR Finger Stick on Dogwood Terrace	\$30 per finger stick
Nebulizer Treatments (excludes medication)	\$45 per treatment, \$90 daily cap \$10 per treatment if facility is administering balance of medication at the same time.
Pacemaker check	\$40 per check
Long-Term Care Insurance Form – Initial	\$125
Long-Term Care Insurance Form – Subsequent	\$75
Isolation Fee (includes supplies)	\$100 per day
Wound Care (Stage II up to healing Stage III)	\$30 per treatment
Ostomy Care	\$30
Bladder Scan	\$85
IL BiPAP/CPAP setup	\$30 per day

Level of Care Adjustment Fee: (applies if not 1st of the month, and Resident changes level of care). This fee is in addition to a Resident's current base rate.

IL to AL - \$100 daily

**This list does not include all charges for Medical Supplies - please see Front Desk for complete list.**

**EXHIBIT**

**B-2. Enhanced Assisted Living Service Fees Effective May 1, 2018**

# THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN

## ENHANCED ASSISTED LIVING SERVICES

Effective 05.01.2018 – 04.30.2019

<b>TYPE OF SERVICE</b>	<b>RATE</b>
Diabetic Medication/Management (includes all medication, administration, injections and finger sticks)	\$1500 per month
Colostomy Care	\$50 per day (\$800 per month)
Bladder Scan	\$75 per use
Injection Charge (all injections except PPD, flu, pneumonia vaccine and insulin) - includes supplies	\$12 per injection
Isolation Charge (includes supplies)	\$100 per day
Lab Service-Glucose Test (includes weekly supplies)	\$8 per finger stick
O2 Services (Includes cleaning of equipment, SAT checks, assistance)	\$15 per day
Wound Care (Stage II up to healing Stage III)	\$30 per treatment
Lab Draw-Routine (If performed by our staff)	\$50 per draw
Lab Draw-STAT (If performed by our staff)	\$75 per draw
Lab Escort to apartment –INOVA Labs	\$7 per visit
Long Term Care Insurance Form - Initial	\$125
Long Term Care Insurance Form - Subsequent	\$75
Heel Protectors	\$25 per month
Fall EZ Mats	\$20 per mat per month
PT/INR Finger Stick on Dogwood Terrace	\$30 per stick
Catheter Care and I & O monitor per physician orders	\$350 per month
Thickened Liquids	\$240 per month
BiPAP/CPAP Care	\$30 per day
Nebulizer Treatment	\$18 per treatment (\$54 per day cap) There is no charge if Resident is receiving medication administration.
Infection Control Fee (gloves, sanitizer)	\$32 per month
Meal Delivery to Apartment	\$15 per tray
Specialized services e.g. application or removal of Teds/Compression Hose, Splints, Braces	\$5 per day \$40 maximum per week
Additional ADL (more than 2 showers a week)	See Partners for pricing

**This list does not include all charges for Medical Supplies - please see Front Desk for complete list.**

**EXHIBIT**

**B-3. Assisted Living Service Fees Effective May 1, 2018**



# THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN

## ASSISTED LIVING SERVICES

Effective 05.01.2018 – 04.30.2019

TYPE OF SERVICE	RATE
Medication Administration (except Glucose, includes eye drops)	\$16 per day
Diabetic Medication/Management Package (includes <b>all</b> medications, finger sticks & injections)	\$2000 per month
Injections	\$13 per injection
Lab Service-Glucose Test (does not include supplies)	\$12 per finger stick
Foley Catheter Care and I & O monitor (per physician orders)	\$650 per month
Suprapubic Catheter	\$700 per month
Incontinency Care	\$20/full day; \$12/partial day
Colostomy Care	\$50/day; \$800/month maximum
Feeding Assistance	\$14 per day/\$8 partial day (if family assists w/1-2 meals)
O2 Sats	\$12 per check
Oxygen equipment check (clean filter, fill water bottle, etc.)	\$15 per visit
O2 Set-up	\$75 per set-up
Specialized services: e.g. application or removal of TED/compression hose, splints, braces.	\$5 per day \$40 maximum per week
Weights (physician ordered weekly)	\$10 per week
Minor Treatments (physician ordered, required nursing intervention includes skin tears, rashes and Stage 1 wounds)	\$20 per visit
Lab Draw - Routine (if our staff draws)	\$75 per draw
Lab Draw -STAT (if our staff draws)	\$100 per draw
Lab Escort to apartment – INOVA Labs	\$7 per visit
PT/INR Finger Stick on Dogwood Terrace	\$30 per finger stick
Nebulizer Treatments (excludes medication) Only charged if facility NOT administering medications.	\$45 per treatment \$90 daily cap
Pacemaker Check	\$40 per check
Long-Term Care Insurance Form - Initial	\$125
Long-Term Care Insurance Form - Subsequent	\$75
Additional ADL Services	\$30 per hour
Meal Delivery (No charge if due to illness such as flu or cold)	\$15 per meal
Isolation Fee (includes supplies)	\$100 per day
Wound Care (Stage II up to healing Stage III)	\$30 per treatment
Ostomy Care	\$30 per visit
Bladder Scan	\$85
Thickened Liquids	\$240 per month
BiPAP and CPAP Care	\$30

Level of Care Adjustment Fee - applies if not 1st of the month, and Resident changes level of care.

This fee is in addition to a Resident's current base rate.

IL to AL - \$100 daily

This list does not include all charges for Medical Supplies - please see Front Desk for complete list.

**EXHIBIT**

**B-4. Partners in Care Service Fees Effective May 1, 2018**

**PARTNERS IN CARE SERVICES**

Effective 05.01.2018 – 04.30.2019

<b>TYPE OF SERVICE</b>	<b>RATE</b>
Personal care: dressing, bathing, walking, companionship	\$32/hour
Partner's Package 24/7	\$32/hour \$660/day \$3960/week \$16,350/month (24/7)
In-House Specialized Services (mail pick-up, meal pick-up/delivery etc.)	\$15/ 15 minutes
TEDS/compression hose application or removal (IL only)	\$20
Laundry (AL & IL only)	\$30/Load
Escort to and from the Main Dining Room	\$20/meal
Escort/Walk on Campus	\$32/hour
Escort off Campus	\$34/hour
Escort to activities and back (if needed to stay with Resident during activity, it will be billed at hourly rate).	\$20 for escort; \$30 if staying with Resident during activity
<b>Holiday Fees: Applies to personal care and escort (does not apply to those with 24 hour care)</b> (Holidays: New Year's Day, Martin Luther King, Jr. Day, President's Day, Easter, Memorial Day, July 4 <sup>th</sup> , Labor Day, Columbus Day, Thanksgiving, Christmas Eve, Christmas, New Year's Eve).	\$48/hour
Pet Care (in-house)	\$30/Day
Sitter Fees – Medicare Residents Only	\$25/Hour
Hospital Partner	\$36/Hour plus hospital parking fee

**EXHIBIT**

**B-5. Health Care Center Service Fees Effective May 1, 2018**

# THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN

## HEALTH CARE CENTER SERVICES

Effective 05.01.2018 – 04.30.2019

<b>TYPE OF SERVICE</b>	<b>RATE</b>
<b>Certified Nursing Assistant (C.N.A.), Services</b>	
Feeding Assistance	\$14/day/\$8 partial day (if family assists with 1-2 meals)
Incontinency Care (does not include supplies)	\$15 per day/\$8 partial day
Baths/Showers beyond 2 per week	\$35 each
<b>Nursing Services</b>	
Blood Sugars (fingersticks & injections)	1X day / monthly charge \$527
Blood Sugars	2X day / monthly charge \$1054
Blood Sugars	3X day / monthly charge \$1358
Blood Sugars	4X day / monthly charge \$1544
Injection Charge (non blood sugars)	\$11 per injection
Isolation Charge	\$75 per day
IV Start	\$50 per start
IV daily fee	\$30 per day
Lab Service-Glucose Test (includes supplies)	\$6 per finger stick
Nebulizer treatments	\$30 per day for 2 or more treatments. One/day: \$10
Bladder Scan	\$85
H Tank - Oxygen	\$30 per tank
O2 Concentrator Rental Fee	\$50 (one time charge)
O2 Set Up	\$75 per set up
O2 Services (Includes supplies, SAT checks, O2 from Roberts, use of concentrators, assistance, occasional e-tank for appointments, trips, etc.)	\$15 per day
Suction	\$35 Base rate/month (plus \$20 per day of use)
Wound/Ostomy Care (II, III or IV)	\$30 per treatment
Lab Draw-Routine (If performed by our staff)	\$45 per draw
Lab Draw-STAT (If performed by our staff)	\$75 per draw
Pacemaker check	\$40 per check
PT/INR "Coumadin" Finger Sticks (non-Medicare)	\$30 per finger stick
Wound VAC	\$150 per day
Infection Control Fee (gloves, sanitizer, etc.)	\$32 per month

**This list does not include all charges for Medical Supplies - please see Front Desk for complete list**

**EXHIBIT**

**B-6. Shenandoah Memory Unit Assisted Living Services Effective  
May 1, 2018**

# THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN

## SHENANDOAH ASSISTED LIVING SERVICES

Effective 05.01.2018 – 04.30.2019

TYPE OF SERVICE	RATE
Injection Charge	\$13/injection (includes all injections except PPD, flu, pneumonia vaccine and insulin)
Isolation Charge (includes supplies)	\$100/day
Oxygen services (SAT checks, cleaning equipment, etc.)	\$15/day
Colostomy Care	\$50/day (\$800 per month)
Bladder Scan	\$85/use
Additional ADL e.g. more than 2 showers per week	See Partners for pricing
Diabetic Medication/Management Pkg.	\$1300/month (inc. administration of meds, finger sticks and injections)
Lab Service-Glucose Test (Inc. supplies)	\$8/finger stick)
Foley Catheter Care/ I & O monitor per physician orders	\$650/month
Lab Draw - Routine (if perf. by Virginian Staff in Apt.)	\$50/draw
Lab Draw - STAT (if perf. by Virginian Staff in Apt.)	\$75/draw
Lab Escort to apartment – INOVA Labs	\$7 per visit
Pacemaker Check	\$40/check
Oxygen (setup, daily management, maintenance)	\$15/day
PT/INR Finger Stick on Dogwood Terrace	\$30/stick
Long-term Care Insurance Form Initial	\$125
Long-term Care Insurance Form Subsequent	\$75
Nebulizer Treatment	\$18/treatment (\$54/day) if Resident is not receiving assistance with medication administration. Included with medication administration.
Thickened Liquids	\$240/month
Incontinency Care	\$12 per day for partial incontinency - includes periodic cuing and/or physical assistance; \$20 per day for full incontinency - includes cuing and/or physical assistance every 2 hours
Wound Care (Stage II up to healing Stage III)	\$30 per visit
Ostomy Care	\$30 per visit
Minor skin treatments includes skin tears, rashes and Stage 1 wounds	\$10 per treatment
BiPAP/CPAP Care	\$30/day
Specialized Services: e.g. application/removal of TEDS/compression hose, splints & braces	\$5/day \$40 maximum per week
Meal delivery to apartment	\$15/meal tray
Infection Control (gloves, sanitizer)	\$32/month

**This list does not include all charges for Medical Supplies - please see Front Desk for complete list.**

**EXHIBIT**

**C-1. Engineering Fees and Price List Effective May 1, 2018**



**THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN**

**ENGINEERING PRICE LIST**

Effective 05.01.2018 – 04.30.2019

<b>TYPE OF SERVICE</b>	<b>RATE</b>
Standard labor rate for misc. request (per man, per hour)	\$35.00
Mirrored rolling closet doors-Installed, each	\$220.00
Additional closet shelves-per 8' or any part of	\$25.00
Ceiling fan w/ or w/out light kit 52"	\$200.00
Installation of resident purchased ceiling fan - each	\$100.00
Hang flat screen TV on wall (resident provides mount and TV)	\$85.00 run outlet and cable behind TV \$35.00 w/out moving/adding outlet/cable
Installation of an additional outlet or light switch	\$50.00 - each
Installation of resident purchased light fixture	\$50.00 where power has to be ran - each
Dehumidifier (seasonal item)	\$280.00
Oil heaters (seasonal item)	loan
Box fan (seasonal item)	\$25.00
Universal remote control w/batteries, programmed	\$20.00
Roller shades for windows, each	\$200.00
Vertical blinds for sliding balcony door-Installed	\$150.00
Phone (Black trimline/princess set)	\$10.00
Replacement mailbox locks, includes two keys	\$45.00
Apartment door cards, each	\$6.00
Mailbox keys, each	\$6.00
Unlocking Apartment Service	no charge
Wireless doorbell	\$40.00
Light Bulbs, each	\$4.00
Nightlight with sensor	\$10.00
Replacement lamp socket	\$10.00; socket with new cord \$25.00
Surge suppressor '	\$25.00
Flashlights with batteries, each	\$15.00
Paint Foyer, Closet, Bathroom or Kitchen	\$100.00
Paint Living Room or Bedroom includes moving furniture	\$300.00
Additional or replacement/damaged pull station with BB, each	\$150.00
<b>Kitchen</b>	
Under cabinet fluorescent light - each	\$70.00
<b>Bath</b>	
Master bath tub to shower conversions complete - Price includes: Shower pan, tile, new faucet, handheld showerhead, glass shower doors, caddie, 2 grab bars, and new vinyl flooring.	\$4,600.00
Handheld shower head installed	\$20.00; optional slide bar model \$60.00
Grab bars - each installed	24" - \$50.00; 36" - \$75.00
Toilet rails	\$55.00
Wall hung sink in place of vanity	\$350.00 without vinyl replacement \$500.00 with vinyl replacement

**EXHIBIT**

**C-2. Housekeeping Service Fees Effective May 1, 2018**

# THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN

## HOUSEKEEPING SERVICES

Effective 05.01.2018 – 04.30.2019

<b>TYPE OF SERVICE</b>	<b>RATE</b>
<b>INDEPENDENT LIVING</b>	
Laundry (Individual Load – up to 15 pounds)	\$23 per load (includes labeling, sorting whites/darks, washing, drying, ironing, hanging) CAP of \$230 per month
Other Services (i.e.: Special/Additional Cleaning) per person/per hour or any part of	\$35
<b>ASSISTED LIVING</b>	
Laundry (Individual Load – 1 person – up to 15 pounds)	\$23/per load (includes labeling, sorting whites/darks, washing, drying, ironing, hanging) CAP of \$230 per month
<b>HEALTH CARE CENTER</b>	
Laundry (Individual Load)	\$16/per load( includes labeling, sorting whites/darks, washing, drying, ironing, hanging)
<b>ITEMS</b>	
Mattress Covers	\$30.00
Mattress Pad (36 x 80)	\$30.00
Waterproof Pad, washable (34 x 36)	\$20.00
Pillows (each)	\$15.00
Rubber Bath Mat	\$10.00
Roll Away Bed per night	\$15.00

**EXHIBIT**

**D. Salon Beauty Shop Service Fees Effective May 1, 2018**

**THE BIRD CAGE HAIR SALON SERVICES**

Effective 05.01.2018 – 04.30.2019

<b>TYPE OF SERVICE</b>	<b>RATE</b>
<b>HAIR CARE</b>	
Shampoo & Set	\$32
Shampoo & Blow Dry	\$26
Comb Out	\$13
Women's Hair Cut with Shampoo & Cut Only	\$21
Women's Hair Cut with Shampoo & Blow Dry	\$37
Women's Hair Cut with Shampoo & Set	\$37
Men's Haircut with Shampoo	\$21
Men's Shampoo and Blow Dry	\$11
Facial Hair Trim	\$11
Permanent Wave with Shampoo, Cut & Style	\$95
Color or Highlights with Shampoo & Style	\$69
Color Rinse	\$6
Scalp Hot Oil Treatment	\$13
<b>NAIL CARE</b>	
Manicure	\$18

**PRICES ARE SUBJECT TO CHANGE**

**Gratuities are NOT Permitted**

**No Cash Transactions**

**EXHIBIT**

**E-1. Dining Service and Guest Accommodation Fees and Special  
Function Catering Prices Effective May 1, 2018**

# THE TEMPLE FOUNDATION INC. | t/a THE VIRGINIAN

## DINING SERVICES FEES

Effective 05.01.2018 – 04.30.2019

TYPE OF SERVICE	RATE
<b>Standard Resident Meal Plan</b>	
Included in Contracts for Residents moving to The Virginian on/after 5/1/09	Breakfast & Dinner
Lunch Meal in Main Dining Room is a la carte	Items are Priced Individually
Tray Service to IL/AL/EAL Apartment	\$15/meal
<b>Guest Meals in Main Dining Room</b>	
Breakfast	\$7
Child (under 12)	\$4.50
Lunch	Items are Priced Individually
Dinner	\$16.50
Child (under 12)	\$8.50
Holiday & Virginian Special Event Dinners	\$25
<b>Guest Meals in Assisted Living Dining Rooms (Space Permitting)</b>	
Breakfast (8:00 a.m. - 9:00 a.m.)	\$7
Child (under 12)	\$4.50
Lunch (12:00 p.m. – 1:00 p.m.)	Use Main Dining Room
Child (under 12)	Use Main Dining Room
Dinner (4:30 p.m. – 5:30 p.m. Mon-Sat; (12:00 p.m. – 1:00 p.m. Sun)	\$16.50
Child (under 12)	\$8.50
Special Diets/Dietary Services – Additional Cost	\$12/day
Holiday & Virginian Special Event Dinners	\$25
<b>Miscellaneous Services</b>	
Room Rental: <i>Charge will not apply if a Marketing effort, or if a group of Virginian Residents organizes a function on their own.</i>	
Meeting Room	\$50
Assembly Room	\$75
B1 Activities Room	\$50
Broken Tee Lounge	\$50

**EXHIBIT**

**E-2. Miscellaneous Service Fees Effective May 1, 2018**



**MISCELLANEOUS SERVICES**

Effective 05.01.2018 – 04.30.2019

<b>TYPE OF SERVICE</b>	<b>RATE</b>
Guest Apartment	\$90 per night
Roll Away Bed Rental	\$15 per night
Xerox Copy - personal	\$0.20 per page
Fax	\$1.25 first page \$0.40 each additional page

**EXHIBIT**

**E-3. Personal Exercise Program Service Fees and Billing Agreement Effective May 1, 2018**

**PERSONAL EXERCISE PROGRAM (PEP)**

**BILLING AGREEMENT**

Effective 05.01.2018 – 04.30.2019

I, \_\_\_\_\_, wish to participate in a Personal Exercise Program developed by the Rehabilitation Department.

I fully understand that the changes for the Personal Exercise Program will be billed to \_\_\_\_\_ monthly by The Virginian.

I also understand that the charges incurred in the program are not billable to Medicare or my insurance company.

My program will be monitored through monthly program assessment by the Rehab Department.

Treatments Per Week	_____
Treatment Time Per Visit	_____
Rate Per Visit:	30 minute session: \$26
	45 minute session: \$36
	60 minute session: \$46

I understand that these charges are due in full at the time of invoice, unless other arrangements have been made through the Accounting Office. This authorization will remain in effect unless written notification of cancellation is received by either party.

**Therapist:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Signature:** \_\_\_\_\_  
*(Resident/Resident Representative)* *(Relationship to Resident)*

**EXHIBIT**

**F. Transportation Service Fees Effective May 1, 2017**

**TRANSPORTATION SERVICES**

Effective 05.01.2018 – 04.30.2019

<b>TYPE OF SERVICE</b>	<b>RATE</b>
<b>LIMOUSINE SERVICE : ROUNDTrip DISTANCE</b>	
Up to 6 miles	\$18
6.1 - 12 miles	\$22
12.1 – 20 miles	\$25
Beyond 20 miles, additional price per mile	\$2
Driver Wait Time Per Hour	\$35
One Way up to 6 miles	\$12
One Way up to 12 miles	\$14
One Way up to 20 miles	\$16
<b>WHEELCHAIR SERVICE</b>	
One Way (6 mile max)	\$55
Roundtrip (12 miles max)	\$85
Beyond 12 miles, Additional Price Per Mile	\$2
Driver Wait Time charge after the first hour (first hour free) <sup>1</sup>	\$35 per hour charged in half hour increments
Driver Escort or Partner in Care Charge Per Hour <sup>2</sup>	\$32

Any parking fees or tolls incurred will be charged to the Resident.

<sup>1</sup> Wait time for limousine or wheelchair transportation services in excess of 12 miles roundtrip, will be allocated one (1) hour of driver time at no cost for each ride. Driver time in excess of one hour will be charged at a rate of \$35 per hour in half hour increments.

<sup>2</sup> Driver Escort or Partner Care charges begin once a Resident is picked-up until they are returned to the facility.

**EXHIBIT**

**G. Monthly Care Plan Independent Living Center Fees,  
Assisted Living and Health Care Center Fees Charged  
Effective May 1, 2018**

**THE VIRGINIAN MONTHLY CARE RATES  
MAY 1,2018 THROUGH APRIL 30, 2019**

**RATES SUBJECT TO CHANGE WITH 30 DAYS WRITTEN NOTICE**

**APPLICATION FEE** \$250 PER PERSON (NON-REFUNDABLE)

**SECURITY DEPOSIT** \$2,500 (REFUNDABLE)

**COMMUNITY FEE** \$10,000 (NON-REFUNDABLE)

**INDEPENDENT LIVING RATES:**

<u>APARTMENT STYLE</u>	<u># OF PEOPLE</u>	<u>RATE</u>	
ONE BEDROOM	1 PERSON	\$	4,170
	* 2 PEOPLE	\$	5,554
ONE BEDROOM WITH BALCONY	1 PERSON	\$	4,268
	* 2 PEOPLE	\$	5,652
TWO BEDROOM, ONE BATH	1 PERSON	\$	4,700
	* 2 PEOPLE	\$	6,084
TWO BEDROOM, TWO BATH	1 PERSON	\$	4,885
	* 2 PEOPLE	\$	6,269

**NOTE: THERE MAY BE AN ADDITIONAL MONTHLY FEE FOR CUSTOM APARTMENTS.**

**\* RATE APPLIES TO BOTH RESIDENTS AT THE INDEPENDENT LIVING LEVEL OF CARE.**

**INDEPENDENT LIVING GETTING ACQUAINTED:**

ONE BEDROOM, DAILY RATE	1 PERSON	\$	180
	2 PEOPLE	\$	258

**THE VIRGINIAN MONTHLY CARE RATES  
MAY 1,2018 THROUGH APRIL 30, 2019**

**ASSISTED LIVING RATES:**

<u>APARTMENT STYLE</u>	<u># OF PEOPLE</u>	<u>RATE</u>
STUDIO	1 PERSON	\$ 6,595
ONE BEDROOM	1 PERSON	\$ 7,236
	* 2 PEOPLE	\$ 9,077
	** 2 PEOPLE	\$ 12,026
TWO BEDROOMS	1 PERSON	\$ 7,814
	* 2 PEOPLE	\$ 9,655
	** 2 PEOPLE	\$ 12,604

\* RATE APPLIES TO ONE RESIDENT AT THE ASSISTED LIVING LEVEL AND ONE AT INDEPENDENT LIVING LEVEL

\*\* RATE APPLIES TO BOTH RESIDENTS AT THE ASSISTED LIVING LEVEL OF CARE

**MEMORY CARE ASSISTED LIVING RATES:**

<u>APARTMENT STYLE</u>	<u># OF PEOPLE</u>	<u>RATE</u>
STUDIO	1 PERSON	\$ 8,615
ONE BEDROOM	1 PERSON	\$ 9,370
TWO BEDROOMS	1 PERSON	\$ 10,042



**THE VIRGINIAN MONTHLY CARE RATES  
MAY 1,2018 THROUGH APRIL 30, 2019  
ENHANCED ASSISTED LIVING RATES:**

<u>APARTMENT STYLE</u>	<u># OF PEOPLE</u>	<u>RATE</u>
STUDIO	1 PERSON	\$ 12,334
ONE BEDROOM	1 PERSON	\$ 13,557
	* 2 PEOPLE	\$ 15,398
	** 2 PEOPLE	\$ 17,867
	*** 2 PEOPLE	\$ 21,420
TWO BEDROOMS	1 PERSON	\$ 14,308
	* 2 PEOPLE	\$ 16,149
	** 2 PEOPLE	\$ 18,618
	*** 2 PEOPLE	\$ 22,171

\* ONE RESIDENT OF THE PAIR AT ENHANCED LEVEL OF CARE AND THE OTHER RESIDENT AT THE INDEPENDENT LEVEL OF CARE

\*\* ONE RESIDENT OF THE PAIR AT ENHANCED LEVEL OF CARE AND THE OTHER RESIDENT AT THE ASSISTED LIVING LEVEL OF CARE

\*\*\*BOTH RESIDENTS OF THE PAIR AT THE ENHANCED LEVEL OF CARE

**HEALTH CARE RESIDENT RATES:**

**PRIVATE PAY DAILY RATES:**

SEMI-PRIVATE ROOM	1 PERSON	\$ 318
PRIVATE ROOM	* 1 PERSON	\$ 381
PRIVATE ROOM	** 1 PERSON	\$ 386

**SKILLED MEDICARE DAILY RATES:**

SEMI-PRIVATE ROOM	1 PERSON	\$ 318
PRIVATE ROOM	1 PERSON	\$ 381

**RESPITE CARE DAILY RATE:**

SEMI-PRIVATE ROOM	1 PERSON	\$ 345
PRIVATE ROOM	1 PERSON	\$ 430

\* PRIVATE ROOM 240 SQ FEET

\*\* PRIVATE ROOM 276 SQ FEET

**EXHIBIT**

**H. Monthly Maintenance and Entrance Fees Charged Under  
Life Care Contracts Effective May 1, 2018**

**THE VIRGINIAN LIFE CARE RATES \*  
MAY 1,2018 THROUGH APRIL 30, 2019**

**RATES SUBJECT TO CHANGE WITH 30 DAYS WRITTEN NOTICE  
MUST QUALIFY AT INDEPENDENT LIVING LEVEL OF CARE AND PAY ENTRANCE FEE**

**\*(THE FOUNDATION HAS CURRENTLY SUSPENDED OFFERING A LIFE CARE PLAN-  
THE RATES DISPLAYED ARE FOR CURRENT RESIDENTS WHO ENTERED THE  
HOME UNDER A PRIOR LIFE CARE PLAN CONTRACT)**

**INDEPENDENT LIVING ACCOMODATION AT ENTRY**

**MONTHLY RESIDENT RATE EFFECTIVE MAY 1, 2018 THROUGH APRIL 30, 2019**

<b>1 BEDROOM / 1 BATH</b>	<b>1 PERSON</b>	<b>\$</b>	<b>3,509</b>
<b>1 BEDROOM / 1 BATH WITH BALCONY</b>	<b>1 PERSON</b>	<b>\$</b>	<b>3,609</b>
<b>2 BEDROOMS / 1 BATH</b>	<b>1 PERSON</b>	<b>\$</b>	<b>4,041</b>
<b>2 BEDROOMS / 2 BATHS</b>	<b>1 PERSON</b>	<b>\$</b>	<b>4,219</b>

**EXHIBIT**

**I. Policies and Procedures for Admission to the Independent Living and Assisted Living Centers in the Home for Adults**

## POLICIES AND PROCEDURES

### Admission to IL and AL Levels of Care

### Section III A

#### Policy

Criteria for admission of new Residents to The Virginian is in accordance with the Standards and Regulations for Licensed Assisted Living Facilities, Amended by the State Board of Social Services dated August 1, 2009, Part V, 22-VAC 40-72-340, Admission policy:

#### Procedure

##### Independent Living/Assisted Living

- Submission of a completed application with a processing fee of \$100.00 per application. (Monthly and Life Care Residents) Couples must file individual applications.
- Admission interview (DSS reg) with Marketing and Admissions. This may be done on the same day as the nursing assessment.
- Nursing assessment, UAI (State Uniform Instrument Assessment performed within 90 days prior to admission) and mini-mental exam performed by Director of Nursing, Director of Assisted Living or designee.
- If appropriate, cognitive competency test (Cognistat) administered by Social Services/Marketing and Admissions or Nursing. This oral test, which takes approximately 5-7 minutes, indicates a person's ability to learn new things, and subsequently aids in predicting the quality of his impending adjustment to The Virginian. Although a new Resident may present well socially, and may have functioned reasonably well in his own setting for many years, the degree of memory impairment is often not detected until after he has been placed in a new setting.
- If application or UAI denotes memory loss, dementia or Alzheimer's, personal interview by Social Services and/or Rehabilitation at the time of the UAI
- Physical exam performed by a licensed physician within 30 days prior to the date of admission. If occupancy occurs more than 30 days after the date of the physical examination, a new examination will be required. The prospective Resident will make arrangements for and incur the expense of the exam. A chest x-ray or a PPD within 30 days is mandatory. Life Care candidates' medical records may be reviewed by the Medical Director
- IL/AL Residents must have an established relationship with a local physician prior to move-in date. The physician must agree to write admitting orders (if necessary) prior to/at the time of move-in. Residents will be given a list of local physicians.
- At or prior to admission, the Resident/POA will sign an agreement with The Virginian, which will include the following:
  - a. A Listing of charges and rules regarding non-payment.
  - b. Description of accommodations, services and care which the facility offers.
  - c. The amount and purpose of an advance payment or deposit.

- d. The policy with respect to increases in charges and length time for advance notice or intent to increase charges.
  - e. Refund policy
- Prospective Independent Living Residents have 90 days from the time their application is approved and they are notified by Marketing and Admissions to sign a contract on their apartment, pay their deposit and community fee.

For all move-ins, Marketing and Admissions will notify staff by the voice mail Flash procedure.

An administrative file will be initiated and completed by Marketing and Admissions. A checklist of each level of care's contents will be attached to the front of the file, and signed by a Marketing and Admissions staff member prior to releasing to Administration.

### **Independent Living Only**

- When an Independent Living apartment becomes available, the prospective Resident has sixty business days to decide to take the specific apartment. Should they want the apartment, the prospective Resident, (except Life Care Residents) will pay a deposit of \$1000 to hold it. This non-refundable deposit will be applied later towards the first months' rent as long as the Resident moves in within 30 days. The Resident may hold the apartment via deposit but may not schedule a move in date until the UAI is complete. Staff will then make every effort to ready the apartment, and assist the family in making moving arrangements. Some apartments, due to the death of a Resident, will not be available to be shown immediately, however, it may be possible to show a similar sized apartment, or one with a similar view.
- Marketing and Admissions will notify all departments via the Flash notification.

### **Out of State Independent and Assisted Living Admissions**

- Admission interview and UAI must be completed in person prior to move-in, scheduling of moving company and design/construction of custom apartments. UAI must be done within 90 days of move in date.
- Completed H&P /UAI will be reviewed as a team with at least 3 of the following: Director of Marketing and Admissions/or designee, Director of Social Services or designee, and Assisted Living Administrator. All out of state Assisted Living prospective residents must have their UAI completed by the Director of Assisted Living/designee.
- Approximately one week after the admission, the above team will meet with the Resident and family to discuss the Resident's status.
- All other requirements listed on page one of this policy will apply to out of state Residents.

## POLICIES AND PROCEDURES

### Admission of Residents to IL/AL- Written Agreement

### Section III A part ii

#### Policy

At or prior to the time of admission there shall be a written agreement/acknowledgment of notification dated and signed by the Resident/applicant for admission or the appropriate legal representative, and by the licensee or Administrator.

#### Procedure

The Marketing and Admissions office will collect and ensure completeness of the following documents for the Resident file which is maintained in the Administrative Office:

1. Financial arrangement for accommodations, services and care that specifies: (Resident Agreement/Contract)
  - a. Listing of specific charges for accommodations, services and care to be made to the individual resident signing the agreement, the frequency of payment, and any rules relating to nonpayment;
  - b. Description of all accommodations, services, and care that the facility offers and any related charges;
  - c. The amount and purpose of an advance payment or deposit payment and the refund policy for such payment;
  - d. The policy with respect to increases in charges and length of time for advance notice of intent to increase charges;
  - e. If the ownership of any personal property, real estate, money or financial investments is to be transferred to the facility at the time of admission or at some future date, it shall be stipulated in the agreement; and
  - f. The refund policy to apply when transfer of ownership, closing of a facility, or resident transfer or discharge occurs.

## POLICIES AND PROCEDURES

### Mental Health Screening for Admission to IL/AL

### Section III A part iii

#### Policy

It is the policy of The Virginian that a mental health screening using the Mental Health Screening Determination Form (See 22 VAC 40-72 340, 360 & 365) will be conducted prior to admission into Independent or Assisted Living if behaviors or patterns of behavior occurred that were indicative of mental illness, mental retardation, substance abuse or behavioral disorders and that caused, or continue to cause concern for the health, safety or welfare either of that individual or others who could be placed at risk of harm by that individual.

#### Procedure

The Screening Form will be completed on all prospective residents at the time the initial UAI is performed. If there are no indicators of mental illness, retardation, substance abuse or behavioral disorders, part 1 of the form may be completed by a staff member in and the responsible party may fill out part II (see attached form).

If it is determined that a Mental Health Screening is needed, it shall be conducted by a qualified mental health professional. A copy of the screening shall be filed in the resident's record.

1. If the screening indicates a need for mental health, mental retardation, substance abuse or behavioral disorder services for the Resident, The Virginian will provide notification of the Resident's need for such services to an appropriate licensed provider identified by the Resident or legal representative; and
2. Notification to the Resident's legal representative and physician that mental health services have been recommended.

The following information shall be obtained when determining appropriateness of admission for an individual with a mental health disability.

1. If the prospective Resident is referred by a state or private hospital, community services board, behavioral health authority or long-term care facility, documentation of the individual's psychosocial and behavioral functioning shall be acquired.
2. If the prospective Resident is coming from a private residence, information about the individual's psychosocial and behavioral functioning shall be gathered from primary sources, such as family members or friends. There is no requirement for written information from primary sources but if offered, this information will be included in the Resident's chart.

The Administrator or her designee shall document that the individual's psychosocial and behavioral history were reviewed and used to help determine the appropriateness of the admission, and if the person is admitted, to develop an individualized service plan.

If the individual is admitted, documentation of the psychosocial and behavioral history shall be filed in the resident's record.



THE VIRGINIAN  
9221 Arlington Boulevard  
Fairfax, Virginia 22031  
703-385-0555

Report of Resident Physician

For

Resident Uvbie at UvJue Center at Lane 0d P11sbited Lh, ifig C@irte,

This examination must be completed by a licensed physician to the of  
112 (Between and ) The report will  
be kept as part of the resident's permanent record.

Name: \_\_\_\_\_ Date of birth - - - - -  
Address - - - - - Phone; - - - - -

1. Date of Physical Examination: - - - - - , - - - - -

Place of Examination: Doctor's Office - - - - - Hospital \_\_\_\_\_  
Other \_\_\_\_\_

2. General Appearance:

Alert ( ) Anxious ( ) Depressed ( ) Friendly ( ) Quiet ( ) Social ( )

Grooming: Neat ( ) Other ( ) \_\_\_\_\_

3. Primary Diagnosis: \_\_\_\_\_

4. Medical History:

a. Significant Medical Problems:

Diabetes - Cancer - Seizures - Arthritis - CVA - Dementia -

Heart Disease - Tuberculosis - Kidney Disease - Dizziness -

Parkinson's Disease - Alcoholism - Other \_\_\_\_\_

b. Past History:

Hospitalization for illness, surgery, injuries, etc. Include dates.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Current Medications:

\_\_\_\_\_  
\_\_\_\_\_

d. Date of last tetanus inoculation: - - - - - ! - - - - -

e. Has patient received pneumococcal vaccine? \_\_\_\_\_ Yes\* \_\_\_\_\_ No

\*Date of vaccination: - - - - - - - - - -

f. Special diet: -----

g. Cuff therapy: , --- \_\_\_\_\_  
\_\_\_\_\_

6. Mental Condition:

- a. Present level of orientation: \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_
- b. Alert and oriented: Daytime ----- Nighttime \_\_\_\_\_
- c. Impaired judgment or memory \_\_\_\_\_
- d. Hallucinations/Delusions -----
- e. Wandering or wandering potential -----

7. Medical History:

- a. Hospitalized for mental illness No \_\_\_\_\_ Yes \_\_\_\_\_
- b. If yes, diagnosis \_\_\_\_\_
- c. Dates of hospitalization \_\_\_\_\_
- d. Place of hospitalization \_\_\_\_\_
- e. History of aggressive behavior \_\_\_\_\_
- f. Treatment of above condition(s) -----  
\_\_\_\_\_

8. Evidence of past and/or present use of narcotics, sedative, hypnotics, alcohol?  
No \_\_\_\_\_ Yes \_\_\_\_\_ If yes, please explain \_\_\_\_\_  
\_\_\_\_\_

9. History of smoking: Years \_\_\_\_\_ Present Smoker? \_\_\_\_\_ Quantity \_\_\_\_\_

10. Allergy/Sensitivity (drugs, food, environment, etc.) ... \_\_\_\_\_  
\_\_\_\_\_

11. Laboratory tests required:

- a. Date of EKG \_\_\_\_\_ results: \_\_\_\_\_
- b. Urinalysis \_\_\_\_\_ Sp. Gr. \_\_\_\_\_ Alb. \_\_\_\_\_ Sug. \_\_\_\_\_ Micro. -----
- c. Hematocrit or CBC: -----

12. Physician Examination:

Temperature: \_\_\_\_\_ Pulse \_\_\_\_\_, Respiration \_\_\_\_\_ Weight \_\_\_\_\_ Blood Pressure: \_\_\_\_\_ Height: \_\_\_\_\_  
Vision (glasses) \_\_\_\_\_ Hearing (aid) \_\_\_\_\_ Skin \_\_\_\_\_ Heart Lungs \_\_\_\_\_ Throat \_\_\_\_\_ Breasts \_\_\_\_\_

Abdomen \_\_\_ Extremities and Joints \_\_\_ Mouth \_\_\_ .Teeth (denture-n) \_\_\_ Locomotion \_\_\_  
 Continence \_\_\_ Assistive Devices \_\_\_

Other: \_\_\_\_\_  
 \_\_\_\_\_

13. Does this individual have any of the following conditions or capabilities?

Dermal ulcers I, II, III, IV			If stage II, III or IV. is ulcer healing?
Intravenous therapy or Injections directly into the vein			If intermittent therapy, please note And indicate expected time period
Airborne infectious disease - a communicable disease that re- quires isolation or special precautions to prevent transmis- sion			
Psychotropic medications Without appropriate diagnosis And treatment plans			
Nasogastric tubes			
Gastric tubes			If yes, is person capable of inde- pendently feeding himself and car- ing for the tube?
Presents imminent physical threat or dangers to self or others			
Requires continuous Licensed nursing staff:			

14. Code Status: \_\_\_ DNR (If checked, yellow EMS form must be obtained/signed by physician.)

15. Admission Assessment:

This assessment is for admission purpose only, and the physician making this assessment will be held harmless by The Temple Foundation for any liability in connection with this assessment,

- a. In your opinion, will this individual need nursing or convalescent care within the next eighteen months? \_\_\_\_\_
- b. 'Does or will this person need any assistance because of a weakened condition?'  
Prognosis: \_\_\_\_\_
- c. In your opinion, has this individual been bedfast (confined or restricted to bed or prolonged for indefinite periods)? \_\_\_\_\_
- d. Is the Resident physically and mentally able to evacuate in response to an emergency without the assistance of another person, even if the Resident may require a wheelchair (not pushed by another person), walker, cane or single verbal command to evacuate? Yes \_\_\_ No \_\_\_
- e. Is this person capable of administering his/her own medicine? If assistance is needed, please specify type:  
\_\_\_\_\_  
\_\_\_\_\_
- f. In your opinion, is this person capable of completing his/her activities of daily living (bathing, dressing, etc.) without assistance for the next eighteen (18) months? Yes \_\_\_ No \_\_\_  
If assistance is needed, or is expected to be needed within eighteen (18) months, please specify type: \_\_\_\_\_  
\_\_\_\_\_
- g. In your opinion, is this person capable of ambulating to the dining room for meals without assistance for the next 18 months? Yes \_\_\_ No \_\_\_
- h. Comments and/or recommendations: \_\_\_\_\_, \_\_\_\_\_

In your opinion, can this person's needs be met as a resident of:

\_\_\_ Residential Living \_\_\_ Assisted Living \_\_\_ Enhanced Assisted Living

Physician's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Please print name: \_\_\_\_\_

Physician's Address: \_\_\_\_\_  
\_\_\_\_\_

Physician's Telephone: ( ) \_\_\_\_\_

Physician's Fax: ( ) \_\_\_\_\_

**REPORT OF TUBERCULOSIS SCREENING EVALUATION**  
Must be done within 90 days prior to the date of admission (move-in date).

Name ----- Birth Date: -- / -- / --

Address \_\_\_\_\_  
 \_\_\_\_\_

1. Date of most recent Mantoux tuberculin skin test: \_\_\_ / \_\_\_ / \_\_\_  
 Date results read: \_\_\_ / \_\_\_ / \_\_\_  
 mm of induration -----

2. Check here if previously positive and above information unknown \_\_\_

3. Check here if exhibiting TB-like symptoms \_\_\_

4. If TB skin test result is 10mm or greater (5 mm in the HIV infected), previously positive or if TB-like symptoms exist, respond to the following:

a. Date of last chest X-ray evaluation: Date: \_\_\_ / \_\_\_ / \_\_\_

b. Is chest X-ray suggestive of active TB? Circle One: Yes No

c. Were sputum smears collected and analyzed for the presence of acid fast bacilli (AFB)? Circle One: Yes No

d. If 4c is Yes, were three consecutive smears negative for AFB?  
 Circle One: Yes No

5. Based on the above information, is this individual free of communicable TB?  
 Circle One: Yes No

6. Name of licensed physician, physician's designee or local health department official completing the evaluation

\_\_\_\_\_ *Print Name* \_\_\_\_\_ *Phone Number*

7. Signature of licensed physician, physician's designee or local health department official completing the evaluation:

\_\_\_\_\_ *Signature* Date: \_\_\_ / \_\_\_ / \_\_\_

**EXHIBIT**

**J-1. History of Monthly Maintenance Fee Increases Through  
May 1, 2018**

**THE VIRGINIAN - MONTHLY MAINTENANCE FEE CHARGES  
CONTINUING CARE PLAN #0 (DISCONTINUED)**

EFFECTIVE DATE	05/01/13	05/01/14	05/01/14	05/01/15	05/01/15	05/01/16	05/01/16	05/01/17	05/01/17	05/01/18	05/01/18
	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE
	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>

**INDEPENDENT LIVING CENTER**

One Bedroom, One Bath:											
Single	\$ 3,060	\$ 76	\$ 3,136	\$ 47	\$ 3,183	\$ 48	\$ 3,231	\$ 48	\$ 3,279	\$ 49	\$ 3,328
One Bedroom, One Bath with Balcony:											
Single	3,060	76	3,136	47	3,183	48	3,231	48	3,279	49	3,328
Two Bedrooms, One Bath:											
Single	4,017	100	4,117	62	4,179	63	4,242	64	4,306	64	4,370
Two Bedrooms, Two Baths:											
Single	4,274	107	4,381	66	4,447	67	4,514	68	4,582	68	4,650

**HEALTH CARE CENTER**

Health Care Center (in lieu of base apartment fee):											
Semi-Private Room	\$ 7,220	\$ 180	\$ 7,400	\$ 37	\$ 7,437	\$ 37	\$ 7,474	\$ 75	\$ 7,549	\$ 75	\$ 7,624
Private Room									9,216	92	9,308

**ASSISTED LIVING CENTER**

Regular Unit:											
Studio with Private Bath:											
Single	\$ 5,186	\$ 130	\$ 5,316	\$ 133	\$ 5,449	\$ 136	\$ 5,585	\$ 140	\$ 5,725	\$ 143	\$ 5,868
One Bedroom:											
Single	5,650	141	5,791	145	5,936	148	6,084	152	6,236	156	6,392
Two Bedrooms:											
Single	6,087	152	6,239	156	6,395	160	6,555	164	6,719	168	6,887

**THE VIRGINIAN - MONTHLY MAINTENANCE FEE CHARGES  
CONTINUING CARE PLAN #1 (DISCONTINUED)**

EFFECTIVE DATE	05/01/13	05/01/14	05/01/14	05/01/15	05/01/15	05/01/16	05/01/16	05/01/17	05/01/17	05/01/18	05/01/18
	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE
	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>

**HEALTH CARE CENTER**

Health Care Center (in lieu of base apartment fee):

Semi-Private Room	\$ 3,126	\$ 78	\$ 3,204	\$ 80	\$ 3,284	\$ 80	\$ 3,364	\$ 81	\$ 3,445	\$ 86	\$ 3,531
Private Room	4,413	110	4,523	113	4,636	113	4,749	113	4,862	122	4,984

**ASSISTED LIVING CENTER**

Studio with Private Bath:

Single	\$ 3,126	\$ 78	\$ 3,204	\$ 80	\$ 3,284	\$ 80	\$ 3,364	\$ 81	\$ 3,445	\$ 86	\$ 3,531
One Bedroom:											
Single	3,610	90	3,700	92	3,792	92	3,884	95	3,979	99	4,078



**THE VIRGINIAN - MONTHLY MAINTENANCE FEE CHARGES**

**CONTINUING CARE PLAN #2**

EFFECTIVE DATE	05/01/13 RATE <u>CHARGED</u>	05/01/14 RATE <u>INCREASE</u>	05/01/14 RATE <u>CHARGED</u>	05/01/15 RATE <u>INCREASE</u>	05/01/15 RATE <u>CHARGED</u>	05/01/16 RATE <u>INCREASE</u>	05/01/16 RATE <u>CHARGED</u>	05/01/17 RATE <u>INCREASE</u>	05/01/17 RATE <u>CHARGED</u>	05/01/18 RATE <u>INCREASE</u>	05/01/18 RATE <u>CHARGED</u>
----------------	------------------------------------	-------------------------------------	------------------------------------	-------------------------------------	------------------------------------	-------------------------------------	------------------------------------	-------------------------------------	------------------------------------	-------------------------------------	------------------------------------

**INDEPENDENT LIVING CENTER**

One Bedroom:											
Single	\$ 3,208	\$ 80	\$ 3,288	\$ 59	\$ 3,347	\$ 59	\$ 3,406	\$ 51	\$ 3,457	\$ 52	\$ 3,509
One Bedroom, One Bath with Balcony:											
Single	3,301	82	3,383	60	3,443	60	3,503	53	3,556	53	3,609
Two Bedrooms, One Bath:											
Single	3,698	92	3,790	66	3,856	66	3,922	59	3,981	60	4,041
Two Bedrooms, Two Baths:											
Single	3,862	96	3,958	69	4,027	69	4,096	61	4,157	62	4,219

**HEALTH CARE CENTER**

Health Care Center (in lieu of base apartment fee):											
Semi-Private Room	\$ 3,208	\$ 80	\$ 3,288	\$ 59	\$ 3,347	\$ 59	\$ 3,406	\$ 51	\$ 3,457	\$ 52	\$ 3,509
Private Room	5,449	136	5,585	100	5,685	100	5,785	100	5,885	100	5,985

**ASSISTED LIVING CENTER**

Regular Unit:											
Studio with Private Bath:											
Single	\$ 3,208	\$ 80	\$ 3,288	\$ 59	\$ 3,347	\$ 59	\$ 3,406	\$ 51	\$ 3,457	\$ 52	\$ 3,509
One Bedroom:											
Single	3,208	80	3,288	59	3,347	59	3,406	51	3,457	52	3,509
Two Bedrooms:											
Single	3,862	96	3,958	69	4,027	69	4,096	61	4,157	62	4,219

**THE VIRGINIAN - MONTHLY MAINTENANCE FEE CHARGES**  
**MONTHLY PLAN #2 (DISCONTINUED)**

EFFECTIVE DATE	05/01/13 RATE <u>CHARGED</u>	05/01/14 RATE <u>INCREASE</u>	05/01/14 RATE <u>CHARGED</u>	05/01/15 RATE <u>INCREASE</u>	05/01/15 RATE <u>CHARGED</u>	05/01/16 RATE <u>INCREASE</u>	05/01/16 RATE <u>CHARGED</u>	05/01/17 RATE <u>INCREASE</u>	05/01/17 RATE <u>CHARGED</u>	05/01/18 RATE <u>INCREASE</u>	05/01/18 RATE <u>CHARGED</u>
<b>INDEPENDENT LIVING CENTER</b>											
One Bedroom:											
Single	\$ 3,728	\$ 93	\$ 3,821	\$ 57	\$ 3,878	\$ 58	\$ 3,936	\$ 59	\$ 3,995	\$ 60	\$ 4,055
One Bedroom with Balcony:											
Single	3,816	95	3,911	59	3,970	60	4,030	60	4,090	61	4,151
Two Bedrooms, One Bath:											
Single	4,202	105	4,307	65	4,372	66	4,438	67	4,505	68	4,573
Two Bedrooms, Two Baths:											
Single	4,362	109	4,471	67	4,538	68	4,606	69	4,675	70	4,745
<b>ASSISTED LIVING CENTER</b>											
Studio with Private Bath:											
Single	\$ 5,830	\$ 146	\$ 5,976	149	\$ 6,125	153	\$ 6,278	157	\$ 6,435	160	\$ 6,595
One Bedroom:											
Single	6,396	160	6,556	164	6,720	168	6,888	172	7,060	176	7,236
Couple *	8,091	200	8,291	190	8,481	194	8,675	199	8,874	203	9,077
Couple**	10,631	265	10,896	272	11,168	279	11,447	286	11,733	293	12,026
Two Bedrooms:											
Single	6,906	173	7,079	177	7,256	181	7,437	186	7,623	191	7,814
Couple *	8,601	213	8,814	203	9,017	207	9,224	213	9,437	218	9,655
Couple**	11,141	278	11,419	285	11,704	292	11,996	300	12,296	308	12,604
Two Bedrooms with Great Room or Den:											
Single	7,674	91	7,765	194	7,959	199	8,158	204	8,362	209	8,571
Couple*	9,369	131	9,500	220	9,720	225	9,945	231	10,176	236	10,412
Couple**	12,012	95	12,107	300	12,407	310	12,717	318	13,035	326	13,361

\* One resident of the pair requiring assistance

\*\* Both residents requiring assistance

**THE VIRGINIAN - MONTHLY MAINTENANCE FEE CHARGES**  
**MONTHLY PLAN #2 (DISCONTINUED)**

EFFECTIVE DATE	05/01/13	05/01/14	05/01/14	05/01/15	05/01/15	05/01/16	05/01/16	05/01/17	05/01/17	05/01/18	05/01/18
	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE	RATE
	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>	<u>INCREASE</u>	<u>CHARGED</u>

**ENHANCED ASSISTED LIVING CENTER**

Studio:												
Single	\$ 10,166	\$ 1,119	\$ 11,285	\$ 282	\$ 11,567	\$ 289	\$ 11,856	\$ 296	\$ 12,152	\$ 182	\$ 12,334	
One Bedroom:												
Single	12,102	302	12,404	310	12,714	318	13,032	325	13,357	200	13,557	
Couple*	13,797	342	14,139	336	14,475	344	14,819	352	15,171	227	15,398	
Couple**	15,913	396	16,309	408	16,717	418	17,135	427	17,562	305	17,867	
Couple***	19,054	475	19,529	488	20,017	500	20,517	512	21,029	391	21,420	
Two Bedrooms:												
Single	12,772	319	13,091	327	13,418	335	13,753	344	14,097	211	14,308	
Couple	14,467	359	14,826	353	15,179	361	15,540	371	15,911	238	16,149	
Couple*	16,183	413	16,596	825	17,421	435	17,856	446	18,302	316	18,618	
Couple**	19,724	492	20,216	505	20,721	517	21,238	531	21,769	402	22,171	
Two Bedrooms with Great Room or Den:												
Single									14,836	222	15,058	
Couple*									16,650	249	16,899	
Couple**									19,041	327	19,368	

\* One resident of the pair at Enhanced Level of Care and the other resident at Independent Level of Care

\*\* One resident of the pair at Enhanced Level of Care and the other resident at the Assisted Living Level of Care

\*\*\* Both residents of the pair at Enhanced Level of Care

**HEALTH CARE CENTER**

Health Care Center - Intermediate Nursing Care:												
Semi - Private Room		\$ 9,247	\$ 30	\$ 9,277	\$ 30	\$ 9,307	\$ 274	\$ 9,581	\$ 91	\$ 9,672		
Private Room		11,285	60	11,345	61	11,406	92	11,498	91	11,589		
Private Room-Large		11,315	60	11,375	61	11,436	213	11,649	91	11,740		
Health Care Center - (Skilled Nursing-Medicare Unit):												
Semi - Private			11,132	60	11,192	(1,551)	9,641	(60)	9,581	91	9,672	
Private Room			11,437	60	11,497	61	11,558	213	11,771	91	11,862	

## THE VIRGINIAN - MONTHLY MAINTENANCE FEE CHARGES

### MONTHLY PLAN #2A

EFFECTIVE DATE	05/01/13 RATE <u>CHARGED</u>	05/01/14 RATE <u>INCREASE</u>	05/01/14 RATE <u>CHARGED</u>	05/01/15 RATE <u>INCREASE</u>	05/01/15 RATE <u>CHARGED</u>	05/01/16 RATE <u>INCREASE</u>	05/01/16 RATE <u>CHARGED</u>	05/01/17 RATE <u>INCREASE</u>	05/01/17 RATE <u>CHARGED</u>	05/01/18 RATE <u>INCREASE</u>	05/01/18 RATE <u>CHARGED</u>
<b>INDEPENDENT LIVING CENTER</b>											
One Bedroom:											
Single	\$ 3,832	\$ 96	\$ 3,928	\$ 59	\$ 3,987	\$ 60	\$ 4,047	\$ 61	\$ 4,108	\$ 62	\$ 4,170
Couple	5,104	128	5,232	79	5,311	80	5,391	81	5,472	82	5,554
One Bedroom with Balcony:											
Single	3,924	98	4,022	60	4,082	61	4,143	62	4,205	63	4,268
Couple	5,196	130	5,326	80	5,406	81	5,487	82	5,569	83	5,652
Two Bedrooms, One Bath:											
Single	4,321	108	4,429	66	4,495	67	4,562	68	4,630	70	4,700
Couple	5,593	140	5,733	86	5,819	87	5,906	88	5,994	90	6,084
Two Bedrooms, Two Baths:											
Single	4,491	112	4,603	69	4,672	70	4,742	71	4,813	72	4,885
Couple	5,763	144	5,907	89	5,996	90	6,086	91	6,177	92	6,269
Two Bedrooms with Great Room or Den:											
Single	5,371	134	5,505	83	5,588	84	5,672	85	5,757	86	5,843
Couple	6,643	166	6,809	103	6,912	104	7,016	105	7,121	106	7,227
<b>ASSISTED LIVING CENTER</b>											
Studio with Private Bath:											
Single	\$ 5,830	\$ 146	\$ 5,976	\$ 149	\$ 6,125	\$ 153	\$ 6,278	\$ 157	\$ 6,435	\$ 160	\$ 6,595
One Bedroom:											
Single	6,396	160	6,556	164	6,720	168	6,888	172	7,060	176	7,236
Couple *	8,091	200	8,291	190	8,481	194	8,675	199	8,874	203	9,077
Couple**	10,631	265	10,896	272	11,168	279	11,447	286	11,733	293	12,026
Two Bedrooms:											
Single	6,906	173	7,079	177	7,256	181	7,437	186	7,623	191	7,814
Couple *	8,601	213	8,814	203	9,017	207	9,224	213	9,437	218	9,655
Couple**	11,141	278	11,419	285	11,704	292	11,996	300	12,296	308	12,604
Two Bedrooms with Great Room or Den:											
Single	7,674	91	7,765	194	7,959	199	8,158	204	8,362	209	8,571
Couple*	9,369	131	9,500	220	9,720	225	9,945	231	10,176	236	10,412
Couple**	N/A	-	12,107	300	12,407	310	12,717	318	13,035	326	13,361

\* One resident of the pair requiring assistance

\*\* Both residents requiring assistance

## THE VIRGINIAN - MONTHLY MAINTENANCE FEE CHARGES

### MONTHLY PLAN #2A

EFFECTIVE DATE	05/01/13 RATE <u>CHARGED</u>	05/01/14 RATE <u>INCREASE</u>	05/01/14 RATE <u>CHARGED</u>	05/01/15 RATE <u>INCREASE</u>	05/01/15 RATE <u>CHARGED</u>	05/01/16 RATE <u>INCREASE</u>	05/01/16 RATE <u>CHARGED</u>	05/01/17 RATE <u>INCREASE</u>	05/01/17 RATE <u>CHARGED</u>	05/01/18 RATE <u>INCREASE</u>	05/01/18 RATE <u>CHARGED</u>
<b>ENHANCED ASSISTED LIVING CENTER</b>											
Studio with Private Bath:											
Single	\$ 10,166	\$ 1,119	\$ 11,285	\$ 282	\$ 11,567	\$ 289	\$ 11,856	\$ 296	\$ 12,152	\$ 182	\$ 12,334
One Bedroom:											
Single	12,102	302	12,404	310	12,714	318	13,032	325	13,357	200	13,557
Couple *	13,797	342	14,139	336	14,475	344	14,819	352	15,171	227	15,398
Couple **	15,913	396	16,309	408	16,717	418	17,135	427	17,562	305	17,867
Couple ***	19,054	475	19,529	488	20,017	500	20,517	512	21,029	391	21,420
Two Bedrooms:											
Single	12,772	319	13,091	327	13,418	335	13,753	344	14,097	211	14,308
Couple *	14,467	359	14,826	353	15,179	361	15,540	371	15,911	238	16,149
Couple **	16,183	413	16,596	825	17,421	435	17,856	446	18,302	316	18,618
Couple ***	19,724	492	20,216	505	20,721	517	21,238	531	21,769	402	22,171

\* One resident of the pair at Enhanced Level of Care and the other resident at Independent Level of Care

\*\* One resident of the pair at Enhanced Level of Care and the other resident at the Assisted Living Level of Care

\*\*\* Both residents of the pair at Enhanced Level of Care

### HEALTH CARE CENTER

Health Care Center - Intermediate Nursing Care:											
Semi - Private Room		\$ 9,247	\$ 30	\$ 9,277	\$ 30	\$ 9,307	\$ 274	\$ 9,581	\$ 91	\$ 9,672	
Private Room		11,285	60	11,345	61	11,406	92	11,498	91	11,589	
Private Room-Deluxe		11,315	60	11,375	61	11,436	213	11,649	91	11,740	
Health Care Center - (Skilled Nursing-Medicare Unit):											
Semi - Private		11,132	60	11,192	(1,551)	9,641	(60)	9,581	91	9,672	
Private Room		11,437	60	11,497	61	11,558	213	11,771	91	11,862	

**EXHIBIT**

**K-1 Summary Financial Information 2017-2016**

THE TEMPLE FOUNDATION, INC.  
SUMMARY OF FINANCIAL INFORMATION

THE VIRGINIAN  
APRIL 30, 2018

	CURRENT YEAR ENDING <u>12/31/17</u>	PRIOR YEAR ENDING <u>12/31/16</u>
TOTAL ASSETS	\$ 25,425,100	\$ 26,197,550
TOTAL LIABILITIES	<u>4,098,126</u>	<u>5,884,072</u>
TOTAL NET ASSETS	<u>\$ 21,326,974</u>	<u>\$ 20,313,478</u>
TOTAL REVENUES	\$ 30,955,655	\$ 30,458,274
TOTAL EXPENSES	<u>29,942,159</u>	<u>29,658,173</u>
OPERATING INCOME	<u>\$ 1,013,496</u>	<u>\$ 800,101</u>
NET INCOME	<u>\$ 1,013,496</u>	<u>\$ 800,101</u>

**NARRATIVE ON FINANCIAL CONDITION:**

The facility is a mature, stable community generating a net cash flow from operations of approximately \$2,000,000 to \$3,000,000 annually after normal expenditures for the maintenance of the facilities. Cash flow is being used to repay debt from the financing of major capital improvements to the building and to continue financing major capital improvements. In 2014 the first major such project, the replacement of a portion of the Phase I HVAC system commenced, this project was completed in 2015.

Major capital improvement projects will continue over the next ten year period as required to replace major mechanical and component building systems.

OCCUPANCY INFORMATION:	AVERAGE AVAILABLE # OF UNITS	AVERAGE OCCUPANCY	PERCENTAGE OCCUPANCY
INDEPENDENT LIVING	136	81	59.56%
ASSISTED LIVING	116	95	81.90%
NURSING	85	71	83.53%

**EXHIBIT**

**K-2. Current Year's Financial Statements as of and for the  
Year Ending December 31, 2017 and 2016**



**THE TEMPLE FOUNDATION, INC**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2017 AND 2016**

**THE TEMPLE FOUNDATION, INC.**

**FINANCIAL STATEMENTS**  
**{AUDITED}**

**DECEMBER 31, 2017 AND 2016**

**TABLE OF CONTENTS**

	<u>PAGE</u>
<b>INDEPENDENT ACCOUNTANT'S COMPILATION REPORT</b>	1
<b>FINANCIAL STATEMENTS</b>	
Statements of financial position	3
Statements of activities	5
Statements of cash flows	6
Notes to financial statements	8
<b>SUPPLEMENTARY INFORMATION</b>	
Schedules of revenues and contributions without donor restrictions	18
Schedules of administrative and general expenses and assisted living center expenses	19
Schedules of building and grounds maintenance expenses and facility costs	20
Schedules of home health expenses and housekeeping expenses	21
Schedules of food service expenses and health center expenses	22
Schedules of beauty shop expenses and residential service expenses	23
Schedules of functional expenses	24



# Mendelson & Mendelson

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
The Temple Foundation, Inc.  
Fairfax, Virginia

### **Report on the Financial Statements**

We have audited the accompanying financial statements of The Temple Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Temple Foundation, Inc. as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 1 to the financial statements, for the years ended December 31, 2017 and 2016, the Foundation adopted new accounting guidance. The Foundation implemented Accounting Standards Update No. 2016-14. Our opinion is not modified with respect to this matter.

### **Report on Summarized Comparative Information**

We have previously audited The Temple Foundation, Inc.'s 2016 financial statements, and our reported dated April 19, 2017, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information represented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statement from which it has been derived.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information contained in the schedules on pages 18-24 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Potomac, Maryland  
April 16, 2018

THE TEMPLE FOUNDATION, INC.  
STATEMENTS OF FINANCIAL POSITION  
(AUDITED)

DECEMBER 31, 2017 AND 2016

ASSETS

	2017	2016
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 3,533,352	\$ 4,274,384
Accounts receivable:		
Residents, less allowance for doubtful accounts of \$21,688 (\$31,390 in 2016)	807,977	650,231
Medicare	398,657	441,289
Accrued interest	69,261	58,679
Prepaid expenses	372,737	347,268
<u>TOTAL CURRENT ASSETS</u>	5,181,984	5,771,851
 <u>INVESTMENTS</u>		
Long-term investments	9,982,825	9,573,449
Long-term investments funded by resident notes	346,000	471,000
	10,328,825	10,044,449
 <u>PROPERTY AND EQUIPMENT</u>		
Furniture, fixtures, and equipment	3,996,238	4,186,478
Leasehold improvements	15,337,139	17,281,896
	19,333,377	21,468,374
Less accumulated depreciation	(9,633,250)	(11,270,599)
	9,700,127	10,197,775
 <u>OTHER ASSETS</u>		
Cash surrender value of life insurance	149,164	117,210
Vendor deposits	65,000	66,265
	214,164	183,475
 <u>TOTAL ASSETS</u>	\$ 25,425,100	\$ 26,197,550

The accompanying notes are an integral part of the financial statements.

**THE TEMPLE FOUNDATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**  
**(AUDITED)**

**DECEMBER 31, 2017 AND 2016**

**LIABILITIES AND NET ASSETS**

	2017	2016
<b><u>CURRENT LIABILITIES</u></b>		
Current maturities of long-term debt	\$ -	\$ 700,000
Accounts payable	502,798	504,744
Accrued expenses	1,006,292	954,658
<b><u>TOTAL CURRENT LIABILITIES</u></b>	1,509,090	2,159,402
 <b><u>LONG-TERM DEBT, less current maturities</u></b>	 -	 641,667
 <b><u>OTHER LIABILITIES</u></b>		
Deferred compensation payable	149,164	117,210
Deferred income - Unamortized resident entrance fees	1,299,575	1,635,414
Resident monthly care plan refundable deposits	794,297	859,379
Resident notes funding investments	346,000	471,000
<b><u>TOTAL LIABILITIES</u></b>	4,098,126	5,884,072
 <b><u>NET ASSETS</u></b>		
Without donor restrictions	21,326,974	20,313,478
With donor restrictions	-	-
<b><u>TOTAL NET ASSETS</u></b>	21,326,974	20,313,478
 <b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	 \$ 25,425,100	 \$ 26,197,550

The accompanying notes are an integral part of the financial statements.

THE TEMPLE FOUNDATION, INC.

STATEMENTS OF ACTIVITIES

(AUDITED)

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<u>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTITONS</u>		
<u>OPERATING REVENUE AND SUPPORT</u>		
Revenues	\$ 30,660,585	\$ 30,259,697
Contributions	-	1,000
Investment return, net	295,005	197,524
Interest income	65	53
TOTAL OPERATING REVENUE AND SUPPORT	<u>30,955,655</u>	<u>30,458,274</u>
<u>EXPENSES</u>		
Program services	25,553,934	25,080,875
Administrative and general	4,388,225	4,577,298
Fundraising	-	-
TOTAL EXPENSES	<u>29,942,159</u>	<u>29,658,173</u>
<u>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</u>	<u>1,013,496</u>	<u>800,101</u>
<u>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS</u>	<u>-</u>	<u>-</u>
CHANGES IN NET ASSETS	1,013,496	800,101
<u>NET ASSETS AT BEGINNING OF YEAR</u>	<u>20,313,478</u>	<u>19,513,377</u>
<u>NET ASSETS AT END OF YEAR</u>	<u>\$ 21,326,974</u>	<u>\$ 20,313,478</u>

The accompanying notes are an integral part of the financial statements.

**THE TEMPLE FOUNDATION, INC.**

**STATEMENTS OF CASH FLOWS**

**{AUDITED}**

**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
Cash Flows From Operating Activities:		
Changes in net assets	\$ 1,013,496	\$ 800,101
Adjustments to reconcile net assets to net cash provided by (used in) operating activities:		
Amortization of entrance fees	(335,839)	(107,469)
Bad debt	3,677	31,390
Depreciation	1,535,900	1,519,039
Proceeds from life insurance policy	-	163,161
Changes in assets and liabilities:		
(Increase) Decrease in assets:		
Accounts receivable - Residents	(161,423)	80,209
Accounts receivable - Medicare	42,632	440,220
Accrued interest	(10,582)	7,037
Prepaid expenses	(25,469)	(101,264)
Cash surrender value of life insurance	(31,954)	(71,609)
Vendor deposits	1,265	(55,367)
Increase (Decrease) in liabilities:		
Accounts payable	(1,946)	327,265
Accrued expenses	51,634	78,703
Deferred compensation payable	31,954	(91,552)
Resident monthly care plan refundable deposits	(65,082)	(83,590)
<u>Net Cash Provided By {Used In} Operating Activities</u>	<u>2,048,263</u>	<u>2,936,274</u>
Cash Flows From Investing Activities:		
Purchases of property and equipment	(1,038,252)	(1,247,683)
Net change in investments	(284,376)	(204,538)
<u>Net Cash Provided by (Used In) Investing Activities</u>	<u>(1,322,628)</u>	<u>(1,452,221)</u>

The accompanying notes are an integral part of the financial statements.



**THE TEMPLE FOUNDATION, INC.**  
**STATEMENTS OF CASH FLOWS {CONTINUED}**  
**{AUDITED}**  
**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
Cash Flows From Financing Activities:		
Repayment of long-term debt	(1,341,667)	(700,000)
Repayment of resident notes funding investments	<u>(125,000)</u>	<u>(100,000)</u>
<u>Net Cash Provided By (Used In) Financing Activities</u>	<u>(1,466,667)</u>	<u>(800,000)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(741,032)	684,053
<u>CASH AND CASH EQUIVALENTS</u> <u>AT BEGINNING OF YEAR</u>	<u>4,274,384</u>	<u>3,590,331</u>
<u>CASH AND CASH EQUIVALENTS</u> <u>AT END OF YEAR</u>	<u>\$ 3,533,352</u>	<u>\$ 4,274,384</u>
 <u>Supplemental disclosures for cash flow information:</u>		
Cash paid during period for interest	<u>\$ 31,467</u>	<u>\$ 29,809</u>

The accompanying notes are an integral part of the financial statements.

THE TEMPLE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Temple Foundation, Inc. (Foundation) is incorporated under the laws of the Commonwealth of Virginia as a charitable public service corporation. The Foundation operates The Virginian, a retirement community with adjoining extended health care facilities for the benefit of subscribing resident senior citizens. Subscribing residents pay entry and/or monthly maintenance fees and receive care for life.

B. Income Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and, therefore, no provision for federal income taxes has been made in the accompanying financial statements. The Foundation has been classified as an organization that is not a private foundation under Section 509(a)(1) of the IRC.

The Foundation believes it has appropriate support for income tax positions taken. Management has not identified any uncertain income tax positions. Income tax returns related to the years ended December 31, 2014 through 2017 remain open for examination by taxing authorities. No examinations existed as of the release of these financial statements.

C. Basis of Accounting

The Foundation prepares its financial statements using the accrual method of accounting. Revenue, other than contributions, is recognized when earned and expense is recognized when the obligation is incurred.

D. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

E. Cash and Cash Equivalents

Cash includes currency on hand, as well as demand deposits with banks. Cash equivalents are stated at cost which approximates fair value and consist of institutional money market funds or bank deposits. Cash equivalents held by long-term investment managers are classified as investments.

F. Accounts Receivable, Accounts Payable and Other Liabilities

The carrying amount approximates fair value due to the short-term maturity of these instruments. Receivables are evaluated and written off on an ongoing basis and an allowance has been recorded to account for outstanding accounts that may become uncollectible based on historical experience.

THE TEMPLE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017 AND 2016

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- G. Prepaid Expenses  
Prepaid expenses include expenditures for dues, insurance and service contracts that have benefit past year end.
- H. Investments  
Investing criteria is established by management of the Foundation to promote gradual growth and market security within a widely diversified portfolio. Funds are placed with a manager who has distinct investment philosophies compatible with such investing criteria.
- I. Deferred Income, Unamortized Resident Entrance Fees  
Deferred income consists of entrance fees received from life care residents upon entering the facilities. Amortization of fees is computed using the straight line method over the life expectancies of and actual fees paid by the residents. Life expectancies are derived from actuarially determined tables of life expectancies. Adjustments to the life expectancy data are made for the existence of joint survivor contracts and also for the anticipated longer life expectancies of the residents as compared to the population at large. Approximate average life expectancy as of December 31, 2017 was 4 years (5 years in 2016).
- J. Contributions  
Contributions are recorded with or without restriction depending upon the existence and/or nature of donor restrictions.
- K. Program services  
The Foundation offers specialized comprehensive healthcare for seniors and apartment living for aging in place. It offers a premier continuing care retirement community with continuity of care for all stages of a senior's life, from independent to assisted living to long-term care. The Foundation also features short-term rehabilitation and accredited Medicare certified home health services for residents and the surrounding community.
- L. Functional Allocation of Expenses  
The costs of providing various program and supporting services have been summarized on a functional basis in the statement of activities and were allocated among the program and supporting services in the proportion benefited. The prior year has been presented in summary format and is not a complete presentation in conformity with generally accepted accounting principles. The Foundation does not fundraise.
- M. Advertising Costs  
The Foundation's policy is to expense advertising costs as incurred. Advertising costs were \$380,673 for the year ended December 31, 2017 and \$213,850 for the year ended December 31, 2016.

THE TEMPLE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017 AND 2016

NOTE 1                    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Presentation

The 2016 financial statements have been reclassified to conform to the 2017 presentation.

O. Recent Accounting Pronouncement ASU 2016-14

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14 (ASU 2016-14), Not-for-Profit Entities (Topic 958). In addition to other simplifications, the amendment allows for the presentation of two classes of net assets rather than three, and allows the reporting of investment return net of investment expenses while no longer requiring a disclosure for those amounts. The amendments are effective for fiscal years beginning after December 15, 2107.

The Foundation elected to adopt ASU 2016-14 early, as permitted, as of and for the year ended December 31, 2017. The applicable amendments of ASU 2016-14 have been applied retrospectively to all periods presented.

P. Subsequent Events

The Foundation evaluated subsequent events through April 16, 2018, the date through which the financial statements are available to be issued.

On February 8, 2018, the Foundation entered into agreement to extend the lease through May 31, 2019 for Phases I and II. See Note 14.

On February 15, 2018 the Foundation paid out the last of the resident notes held in Investments. See Note 7.

NOTE 2                    CONCENTRATIONS AND RISKS

A. Credit Risk

The Foundation maintains demand deposits and select sweep options at one financial institution. At times, certain balances held within these accounts may not be fully guaranteed or insured by the U.S. Government. The uninsured portions of cash and select sweep options are backed solely by the assets of the underlying institution. The failure of an underlying institution could result in financial loss to the Foundation, however, the Foundation has not experienced losses on these accounts in the past and management believes the risk of loss, if any, to be minimal.

B. Market Risk

The Foundation maintains investments in a professionally managed portfolio. Such investments are exposed to market and credit risks. The Foundation's investments may be subject to significant fluctuations in fair value, therefore the investment balances reported in the accompanying financial statements may not be reflective of the portfolio's value during subsequent periods.

THE TEMPLE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS {CONTINUED}

DECEMBER 31, 2017 AND 2016

NOTE3      PREPAID EXPENSES

Prepaid expenses at December 31<sup>st</sup> consist of the following:

	<u>2017</u>	<u>2016</u>
Dues	\$ 9,470	\$ 9,252
Service Contracts	67,889	64,444
Insurance Policies	<u>295,378</u>	<u>273,572</u>
	<u>\$ 372,737</u>	<u>\$ 347,268</u>

NOTE4      FAIR VALUE MEASUREMENTS AND INVESTMENTS

The Foundation uses three levels to measure fair value. The definition of each input is described below:

Level 1 - Quoted prices in active markets that are accessible by the Foundation at the measurement date for identical assets and liabilities.

Level 2 - Inputs are observable, either directly or indirectly. Such prices may be based upon quoted prices for identical or comparable securities in active markets or inputs not quoted on active markets, but corroborated by market data.

Level 3 - Unobservable inputs are used when little or no market data is available.

Sweep Options are valued at the closing price reported by the fund sponsor from an actively traded exchange. These represent the cash equivalents.

Mutual Funds are valued at the daily closing price as reported by the fund. All funds are open-ended funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The funds are deemed actively traded.

Corporate Stocks are valued at the closing price reported on the active market on which the individual securities are traded.

Corporate, Government and State and County bonds are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

THE TEMPLE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS {CONTINUED}

DECEMBER 31, 2017 AND 2016

NOTE 4      FAIR VALUE MEASUREMENTS AND INVESTMENTS (CONTINUED)

The following is a summary of the fair values of investments, which are measured on a recurring basis at December 31, 2017:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Domestic:				
Sweep Options	\$ 237,090	\$ -	\$ -	\$ 237,090
Mutual Funds	505,242	-	-	505,242
Corporate Stocks	642,042	-	-	642,042
Bonds:				
Corporate	-	5,899,466	-	5,899,466
U.S. Government	-	1,913,350	-	1,913,350
Foreign:				
Corporate Stocks	544,075	-	-	544,075
Corporate Bonds	<u>-</u>	<u>587,560</u>	<u>-</u>	<u>587,560</u>
	<u>\$ 1,928,449</u>	<u>\$ 8,400,376</u>	<u>\$ -</u>	<u>\$ 10,328,825</u>

The following is a summary of the fair values of investments, which are measured on a recurring basis at December 31, 2016:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Domestic:				
Sweep Options	\$ 2,454,533	\$ -	\$ -	\$ 2,454,533
Corporate Stocks	531,766	-	-	531,766
Bonds:				
Corporate	-	6,272,589	-	6,272,589
U.S. Government	-	530,738	-	530,738
State and Local	-	61,366	-	61,366
Foreign:				
Corporate Bonds	<u>193,457</u>	<u>-</u>	<u>-</u>	<u>193,457</u>
	<u>\$ 3,179,756</u>	<u>\$ 6,864,693</u>	<u>\$ -</u>	<u>\$ 10,044,449</u>

The Foundation maintains investments funded by resident loans that are described in Note 7.

Accrued interest on bonds for the year ended December 31, 2017 was \$69,261 and \$58,679 for the year ended December 31, 2016.

Advisory fees for the year ended December 31, 2017 was \$36,084 and \$35,853 for the year ended December 31, 2016.

THE TEMPLE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017 AND 2016

NOTES            ACCRUED EXPENSES

Accrued expenses at December 31<sup>st</sup> consist of the following:

	<u>2017</u>	<u>2016</u>
Interest	\$ 5,737	\$ 7,803
Payroll and taxes	386,562	333,604
Vacation leave	<u>613,993</u>	<u>613,250</u>
	<u>\$ 1,006,292</u>	<u>\$ 954,657</u>

NOTE6            LONG-TERM DEBT

Following is a summary of long-term debt at December 31,

	<u>2017</u>	<u>2016</u>
Note payable Cardinal Bank	\$ -	\$ 1,341,667
Less current maturities	<u>-</u>	<u>700,000</u>
Total	<u>\$ -</u>	<u>\$ 641,667</u>

The Cardinal Bank note, utilized for the HVAC project, was an initial debt of \$2,800,000 maturing on December 4, 2018. On January 4, 2014, monthly principal payments of \$58,333, plus interest, computed at the 30-day LIBOR Market Index Rate plus 1.50% commenced. Interest expense for the year ended December 31, 2017 was \$31,467 and \$29,809 for the year ended December 31, 2016.

The Foundation paid off the debt in December 2017.

NOTE?            RESIDENTS' NOTES FUNDING INVESTMENTS

The Foundation has received the proceeds of various demand loans from Residents. The loans bear interest at variable rates paid monthly as an offset reduction in the resident's monthly maintenance fee. Residents can request the repayment of the loan at any time and the Foundation is obligated to repay the loan within ninety days of the request. The interest rate on the loans is reset on May 1 of each year upon notice to the resident sixty days prior to May 1. The interest rate was 3% as for the years ended December 31, 2017 and 2016.

The Foundation has cancelled this program as of December 31, 2017 and has arranged for the repayment of all amounts held in the program.

THE TEMPLE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017 AND 2016

NOTE 8

RETIREMENT PLANS

A. Defined Contribution

The Foundation sponsors a 403(b) retirement plan available to all full-time employees who have completed one year of service. The Foundation matches employees' elective deferrals at a rate chosen by the Foundation at the beginning of each year. Employees were eligible to defer up to \$18,000 during 2017. An additional \$6,000 was available to be withheld and contributed by participants over age 50. The Foundations' contributions to the plan, excluding applicable forfeitures, totaled \$170,328 for the year ended December 31, 2017 and \$183,890 for the year ended December 31, 2016.

B. Deferred Compensation; Cash Surrender Value of Life Insurance

The Foundation owns a flexible-premium, adjustable benefit, split dollar life insurance policy with a face amount totaling \$514,051 issued on the life of the Licensed Administrator. The policy benefit is split equally between the Foundation and the individual's designated beneficiary.

The policy was purchased to fund the key employee deferred compensation program that will provide each designated insured individual a deferred compensation payment from the accumulated policy cash value upon the conclusion of eight years of continuous employment with the Foundation. The program may be terminated at any time at the option of the Foundation. The cash value of the policy is owned by the Foundation until a deferred compensation is paid.

In 2016 the executive director opted to terminate his policy under provisions of the agreement. The cash value of the policy was \$163,361 and generated a payout of \$273,370 based on the grossed up value of the distribution.

NOTE 9

PREPAID EXPENSES

Prepaid expenses represent the value of the unexpired portions of insurance and food service contracts that provide economic benefit beyond the current year end.

NOTE 10

PROPERTY AND EQUIPMENT

Property and equipment purchases of \$500, or greater, are recorded at cost. Depreciation is calculated using the straight-line method over the following estimated useful lives:

Furniture, fixtures and equipment - 2 to 10 years

Leasehold Improvements - 10 to 15 years or the life of the lease, if less

Depreciation expense for the year ended December 31, 2017 was \$1,535,900 and \$1,519,039 for the year ended December 31, 2016.



THE TEMPLE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS {CONTINUED}

DECEMBER 31, 2017 AND 2016

NOTE 11      DEFERRED INCOME - UNAMORTIZED RESIDENT ENTRANCE FEES, MONTHLY CARE PLAN REFUNDABLE DEPOSITS

Since 1981, the Foundation has entered into a variety of life care contracts with the residents living in the facility. The "Declining Refund" contract generally provides the resident with life-time board and lodging, including: two to three meals a day, a private apartment in the independent living or assisted living centers or a permanent bed in the health care center, weekly housekeeping assistance and other care services.

The "Independent Living Monthly Care" contract generally provides the resident life-time board and lodging in an apartment in the independent living center, weekly housekeeping assistance and other care services. The "Assisted Living Monthly Care" contract provides the resident life-time board and lodging in an apartment in the assisted living center, weekly housekeeping assistance and other care services. The "Nursing and Rehabilitation Monthly Care" contract generally provides the resident life-time board and lodging in a private or semi-private room in the health care center, weekly housekeeping assistance and other care services. Depending on the type of contract chosen, the resident pays either an initial entry fee and a monthly maintenance fee or a refundable deposit and a monthly maintenance fee for the care and services provided by the Foundation.

The amount reflected in the accompanying financial statements as deferred income-unamortized resident entrance fees represents the unamortized entrance fees paid by the current residents.

NOTE 12      DEFERRED INCOME - UNAMORTIZED RESIDENT ENTRANCE FEES, MONTHLY CARE PLAN REFUNDABLE DEPOSITS

The amount reflected in the accompanying financial statements as resident monthly care plan refundable deposits represents the refundable deposit paid by the current month to month plan residents. These deposits are refundable to the resident when the resident vacates their plan accommodations.

NOTE 13      NET ASSETS

Net assets without donor restrictions include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by board designations. No board designation existed at year end. There are no net assets with donor restrictions that include a donor restricted purpose.

THE TEMPLE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS {CONTINUED}

DECEMBER 31, 2017 AND 2016

NOTE 14      COMMITMENTS & CONTINGENCIES

Operating Lease - Phase I

On April 6, 1978 the Foundation entered into an agreement to lease Phase I of The Virginian from Thompson Associates, a Virginia General Partnership (Thompson) for a term expiring on April 5, 2028.

The lease payment on Phase I is equal to the payment made by Thompson on account of principal and interest on debt related to The Virginian plus a minimum lease payment. The amount of the minimum lease payment is set annually by Thompson. Rent expense on Phase I for each year ended December 31, 2017 and 2016 was \$1,386,069.

Operating Lease - Phase II

The June 28, 1985 Phase II lease was amended on May 1, 2014 and expires on August 31, 2018. The amendment included a rent reduction of \$15,000 for the period September 1, 2014 through August 31, 2018.

The current minimum monthly rent on Phase II is \$55,000 reduced from \$70,000. The monthly rent was subject to escalation by 60% of the increase in the cost of living index for the Washington metropolitan area for the most recent available 12-month period, however, Thompson waived all escalations. Rent expense on Phase II for each year ended December 31, 2017 and 2016 was \$660,000.

Operating Lease - Phase III

The June 15, 1988 Phase III lease was amended on May 1, 2014 and expires on August 31, 2018. The amendment includes a rent reduction of \$15,000 from September 2014 through August 31, 2018.

The current minimum monthly rent is \$55,000 reduced from \$70,000. The monthly rent was subject to escalation by 60% of the increase in the cost of living index for the Washington metropolitan area for the most recent available 12-month period. To date, Thompson waived all escalations. Rent expense on Phase III for each year ended December 31, 2017 and 2016 was \$660,000.

Operating Lease Amendment Phase I, II and III, Subsequent Event

On February 8, 2018, in order to accommodate Thompson's desire to competitively market the property for sale, the Foundation entered into an agreement extending the Foundation's occupancy of the Phases II and III for an additional nine months through May 31, 2019. Rent for the period September 1, 2018 through May 31, 2019 for all three (3) phases of the lease is \$188,128 per month. Thereafter the rent on Phase I reverts to the normal monthly rental under the current terms of the Phase I lease. The terms of a renewal lease of Phases II and III will require negotiation prior to May 31, 2019.

**THE TEMPLE FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS {CONTINUED}**

**DECEMBER 31, 2017 AND 2016**

**NOTE 14**      **COMMITMENTS & CONTINGENCIES (CONTINUED)**

Minimum future rental payments, under operating leases, having remaining terms in excess of one year as of December 31, 2017 for each of the next five years, and in the aggregate were:

<u>Year Ending December 31,</u>	<u>Amount</u>
2018	\$ 2,556,557
2019	1,749,182
2020	1,386,069
2021	1,386,069
2022	1,386,069
Thereafter	<u>7,276,862</u>
Total minimum future rental payments	<u>\$ 15,740,808</u>

The minimum lease payment used for Phase I assumes constant payments on principal, interest and the minimum lease payments equal to those paid during the year ended December 31, 2017.

The Foundation is obligated to pay all operating expenses, real and personal property taxes, property insurance, and repair costs to the facility, in addition to the rental payments.

**SUPPLEMENTARY INFORMATION**

THE TEMPLE FOUNDATION, INC.

SCHEDULES OF REVENUES AND CONTRIBUTIONS  
WITHOUT DONOR RESTRICTIONS  
(AUDITED)

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<u>REVENUES WITHOUT DONOR RESTRICTIONS</u>		
Entrance fees earned	\$ 648,515	\$ 436,739
Resident maintenance fees	14,319,463	14,778,099
Resident health care fees	5,140,061	5,113,246
Beauty shop	112,527	117,997
Medical supplies and service fees	5,917,331	6,216,856
Country store	161,756	157,922
Meals	122,729	64,031
Resident services	2,562,329	2,024,843
Home health	1,675,874	1,349,964
	<u>\$ 30,660,585</u>	<u>\$ 30,259,697</u>
<u>CONTRIBUTIONS WITHOUT DONOR RESTRICTIONS</u>		
Cash contributions	<u>\$ -</u>	<u>\$ 1,000</u>

The accompanying notes are an integral part of the financial statements.

THE TEMPLE FOUNDATION, INC.

SCHEDULES OF ADMINISTRATIVE AND GENERAL EXPENSES  
AND ASSISTED LIVING CENTER EXPENSES

(AUDITED)

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<u>ADMINISTRATIVE AND GENERAL EXPENSES</u>		
Advertising and printing	\$ 380,673	\$ 213,850
Automobile and travel expenses	30,421	33,099
Bad debt	3,677	31,390
Data processing	123,533	115,563
Employee benefits	373,996	394,336
Insurance	567,520	782,296
Miscellaneous	45,277	42,560
Office supplies and expense	153,486	164,242
Personnel expense	168,387	177,049
Professional fees and licensing fees	154,546	212,212
Salaries	2,111,982	2,098,001
Taxes - Other	13,758	14,156
Taxes - Payroll	166,354	209,930
Telephone	94,615	88,614
	<u>\$ 4,388,225</u>	<u>\$ 4,577,298</u>
<u>ASSISTED LIVING CENTER EXPENSES</u>		
Employee benefits	\$ 367,018	\$ 350,422
Miscellaneous	3,918	2,260
Salaries	3,805,876	3,493,646
Supplies	5,430	7,519
Taxes - Payroll	203,490	188,184
	<u>\$ 4,385,732</u>	<u>\$ 4,042,031</u>

The accompanying notes are an integral part of the financial statements.

THE TEMPLE FOUNDATION, INC.

SCHEDULES OF BUILDING AND GROUNDS MAINTENANCE EXPENSES  
AND FACILITY COSTS  
(AUDITED)

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<u>BUILDING AND GROUNDS MAINTENANCE EXPENSES</u>		
Building repairs and maintenance	\$ 80,156	\$ 118,618
Electricity	341,611	337,555
Employee benefits	96,815	103,656
Equipment rental	755	-
Gas and oil heating	113,611	94,263
Grounds maintenance	48,586	42,312
Miscellaneous	3,700	3,508
Real estate and personal property taxes	546,654	459,967
Salaries	1,003,948	1,033,378
Security	71,235	70,731
Service contracts	244,338	235,919
Supplies	141,476	139,199
Taxes - Payroll	51,964	53,331
Trash removal	50,023	42,821
Water and sewer	129,000	126,475
	<u>\$ 2,923,872</u>	<u>\$ 2,861,733</u>
 <u>FACILITY COSTS</u>		
Depreciation	\$ 1,535,900	\$ 1,519,039
Interest expense	31,467	29,809
Parking expense	21,750	19,251
Rent	2,706,069	2,706,069
	<u>\$ 4,295,186</u>	<u>\$ 4,274,168</u>

The accompanying notes are an integral part of the financial statements.

THE TEMPLE FOUNDATION, INC.

SCHEDULES OF HOME HEALTH EXPENSES AND HOUSEKEEPING EXPENSES  
(AUDITED)

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<u>HOME HEALTH EXPENSES</u>		
Employee benefits	\$ 99,380	\$ 91,956
Miscellaneous	54,757	48,572
Salaries	1,030,543	916,743
Supplies	17,230	21,967
Taxes - Payroll	<u>76,429</u>	<u>68,764</u>
	<u>\$ 1,278,339</u>	<u>\$ 1,148,002</u>
<u>HOUSEKEEPING EXPENSES</u>		
Employee benefits	\$ 94,037	\$ 96,958
Miscellaneous	10,807	7,232
Salaries	975,132	966,608
Supplies	161,010	174,145
Taxes - Payroll	<u>63,820</u>	<u>62,158</u>
	<u>\$ 1,304,806</u>	<u>\$ 1,307,101</u>

The accompanying notes are an integral part of the financial statements.



THE TEMPLE FOUNDATION, INC.

SCHEDULES OF FOOD SERVICE EXPENSES AND HEALTH CENTER EXPENSES  
(AUDITED)

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<u>FOOD SERVICE EXPENSES</u>		
Employee benefits	\$ 130,220	\$ 138,333
Food service contract	1,450,343	1,523,492
Miscellaneous	300,950	316,190
Salaries	1,350,348	1,379,082
Supplies	20,434	16,872
Taxes - Payroll	96,542	95,433
	<u>\$ 3,348,837</u>	<u>\$ 3,469,402</u>
 <u>HEALTH CENTER EXPENSES</u>		
Consultants - Medical	\$ 50,400	\$ 50,400
Contract medical staff	225,167	179,229
Employee benefits	536,488	551,057
Miscellaneous	40,669	74,686
Resident subsistence grants	312,676	329,270
Outside services	398,819	388,237
Salaries	5,563,224	5,374,881
Supplies	345,870	378,898
Taxes - Payroll	411,050	396,145
	<u>\$ 7,884,363</u>	<u>\$ 7,722,803</u>

The accompanying notes are an integral part of the financial statements.

THE TEMPLE FOUNDATION, INC.

SCHEDULES OF BEAUTY SHOP EXPENSES AND RESIDENTIAL SERVICE EXPENSES  
(AUDITED)

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<u>BEAUTY SHOP EXPENSES</u>		
Beautician fees	\$ 1,578	\$ 83,149
Beautician payroll taxes	-	5,818
	<u>\$ 1,578</u>	<u>\$ 88,967</u>
 <u>RESIDENTIAL SERVICE EXPENSES</u>		
Salaries	\$ 80,285	\$ 118,776
Activities in house	33,397	30,881
Activities off site	2,537	4,328
Other	15,002	12,683
	<u>\$ 131,221</u>	<u>\$ 166,668</u>

The accompanying notes are an integral part of the financial statements.

**THE TEMPLE FOUNDATION, INC.**

**SCHEDULES OF FUNCTIONAL EXPENSES**

**(AUDITED)**

**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>Program Services</u>	<u>Administrative and General</u>	<u>2017 Total</u>	<u>2016 Total</u>
Advertising and printing	\$ -	\$ 380,673	\$ 380,673	\$ 213,850
Automobile and travel expenses	-	30,421	30,421	33,099
Bad debt	-	3,677	3,677	31,390
Beauty shop and residential services	52,514	-	52,514	136,859
Building repairs and maintenance	80,156	-	80,156	118,618
Consultant - Medical	50,400	-	50,400	50,400
Contract labor	225,167	-	225,167	179,229
Data processing	-	123,533	123,533	115,563
Depreciation	1,535,900	-	1,535,900	1,519,039
Electricity and heating	455,222	-	455,222	431,818
Employee benefits	1,323,958	373,996	1,697,954	1,726,718
Food service contract	1,450,343	-	1,450,343	1,523,492
Grounds maintenance	49,341	-	49,341	42,312
Insurance	-	567,520	567,520	782,296
Interest expense	31,467	-	31,467	29,809
Miscellaneous	403,994	45,277	449,271	487,776
Office supplies and expense	-	153,486	153,486	164,242
Outside services	398,819	-	398,819	388,237
Parking	21,750	-	21,750	19,251
Personnel expense	-	168,387	168,387	177,049
Professional and licensing fees	-	154,546	154,546	212,212
Real estate and personal property taxes	546,654	-	546,654	459,967
Rent	2,706,069	-	2,706,069	2,706,069
Resident subsistence grants	312,676	-	312,676	329,270
Salaries	13,809,356	2,111,982	15,921,338	15,381,115
Security	71,235	-	71,235	70,731
Service contracts	255,145	-	255,145	243,151
Supplies	691,450	-	691,450	738,600
Taxes - Other	-	13,758	13,758	14,156
Taxes - Payroll	903,295	166,354	1,069,649	1,073,945
Telephone	-	94,615	94,615	88,614
Trash removal	50,023	-	50,023	42,821
Water and sewer	129,000	-	129,000	126,475
<u>Total Functional Expenses</u>	<u>\$25,553,934</u>	<u>\$ 4,388,225</u>	<u>\$29,942,159</u>	<u>\$29,658,173</u>

The accompanying notes are an integral part of the financial statements.

**EXHIBIT**

**K-3. Prior Year's Financial Statements as of and for the Year  
Ending December 31, 2016 and 2015**

**THE TEMPLE FOUNDATION, INC**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2016 AND 2015**

**THE TEMPLE FOUNDATION, INC.**

**FINANCIAL STATEMENTS**  
**(AUDITED)**

**DECEMBER 31, 2016 AND 2015**

**TABLE OF CONTENTS**

	<u>PAGE</u>
<b>INDEPENDENT ACCOUNTANT'S COMPILATION REPORT</b>	1
<b>FINANCIAL STATEMENTS</b>	
Statements of financial position	3
Statements of activities	5
Statements of cash flows	6
Notes to financial statements	8
<b>SUPPLEMENTARY INFORMATION</b>	
Schedules of unrestricted revenues and contributions	18
Schedules of administrative and general expenses and assisted living center expenses	19
Schedules of building and grounds maintenance expenses and facility costs	20
Schedules of home health expenses and housekeeping expenses	21
Schedules of food service expenses and health center expenses	22
Schedules of beauty shop expenses and residential service expenses	23
Schedules of functional expenses	23



# Mendelson & Mendelson

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
The Temple Foundation, Inc.  
Fairfax, Virginia

### Report on the Financial Statements

We have audited the accompanying financial statements of The Temple Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Temple Foundation, Inc. as of December 31, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Report on Summarized Comparative Information**

We have previously audited The Temple Foundation, Inc.'s 2015 financial statements, and our reported dated April 18, 2016, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information represented herein as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited financial statement from which it has been derived.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information contained in the schedules on pages 17-23 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Potomac, Maryland  
April 19, 2017



**THE TEMPLE FOUNDATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**(AUDITED)**  
**DECEMBER 31, 2016 AND 2015**

**ASSETS**

	2016	2015
<b><u>CURRENT ASSETS</u></b>		
Cash and cash equivalents	\$ 4,274,384	\$ 3,590,331
Accounts receivable:		
Residents, less allowance for doubtful accounts of \$31,390 and \$45,530, respectively	650,231	761,830
Medicare	441,289	881,509
Accrued interest	58,679	65,716
Prepaid expenses	347,268	246,004
<b><u>TOTAL CURRENT ASSETS</u></b>	5,771,851	5,545,390
 <b><u>INVESTMENTS</u></b>		
Long-term investments	9,573,449	9,268,911
Long-term investments funded by resident notes	471,000	571,000
	10,044,449	9,839,911
 <b><u>PROPERTY AND EQUIPMENT</u></b>		
Furniture, fixtures, and equipment	4,186,478	4,053,155
Leasehold improvements	17,281,896	17,644,309
	21,468,374	21,697,464
Less accumulated depreciation	(11,270,599)	(11,228,333)
	10,197,775	10,469,131
 <b><u>OTHER ASSETS</u></b>		
Cash surrender value of life insurance	117,210	208,762
Vendor deposits	66,265	10,898
	183,475	219,660
 <b><u>TOTAL ASSETS</u></b>	\$ 26,197,550	\$ 26,074,092

The accompanying notes are an integral part of the financial statements.

**THE TEMPLE FOUNDATION, INC.**

**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**  
**(AUDITED)**

**DECEMBER 31, 2016 AND 2015**

**LIABILITIES AND NET ASSETS**

	<u>2016</u>	<u>2015</u>
<b><u>CURRENT LIABILITIES</u></b>		
Current maturities of long-term debt	\$ 700,000	\$ 700,000
Accounts payable	504,744	177,479
Accrued expenses	954,658	875,955
<b><u>TOTAL CURRENT LIABILITIES</u></b>	<b>2,159,402</b>	<b>1,753,434</b>
<b><u>LONG-TERM DEBT, less current maturities</u></b>	<b>641,667</b>	<b>1,341,667</b>
<b><u>OTHER LIABILITIES</u></b>		
Deferred compensation payable	117,210	208,762
Deferred income - Unamortized resident entrance fees	1,635,414	1,742,883
Resident monthly care plan refundable deposits	859,379	942,969
Resident notes funding investments	471,000	571,000
<b><u>TOTAL LIABILITIES</u></b>	<b>5,884,072</b>	<b>6,560,715</b>
<b><u>NET ASSETS</u></b>		
Unrestricted	20,313,478	19,513,377
Temporarily restricted	-	-
Permanently restricted	-	-
<b><u>TOTAL NET ASSETS</u></b>	<b>20,313,478</b>	<b>19,513,377</b>
<b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	<b>\$ 26,197,550</b>	<b>\$ 26,074,092</b>

The accompanying notes are an integral part of the financial statements.

**THE TEMPLE FOUNDATION, INC.**

**STATEMENTS OF ACTIVITIES**  
**(AUDITED)**

**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<b><u>CHANGES IN UNRESTRICTED NET ASSETS</u></b>		
<b><u>OPERATING REVENUE AND SUPPORT</u></b>		
Revenues	\$ 30,259,697	\$ 29,590,309
Contributions	1,000	-
Investment return	250,350	289,062
Net gain (loss) on investments	(52,826)	(180,256)
Interest income	53	168
	<hr/>	<hr/>
TOTAL OPERATING REVENUE AND SUPPORT	30,458,274	29,699,283
<b><u>EXPENSES</u></b>		
Program services	25,080,875	24,614,840
Administrative and general	4,577,298	4,851,286
Fundraising	-	-
	<hr/>	<hr/>
TOTAL EXPENSES	29,658,173	29,466,126
	<hr/>	<hr/>
<b><u>CHANGES IN UNRESTRICTED NET ASSETS</u></b>	800,101	233,157
<b><u>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS</u></b>	-	-
<b><u>CHANGES IN PERMANENTLY RESTRICTED NET ASSETS</u></b>	-	-
	<hr/>	<hr/>
CHANGES IN NET ASSETS	800,101	233,157
<b><u>NET ASSETS AT BEGINNING OF YEAR</u></b>	19,513,377	19,280,220
	<hr/>	<hr/>
<b><u>NET ASSETS AT END OF YEAR</u></b>	\$ 20,313,478	\$ 19,513,377
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of the financial statements.

**THE TEMPLE FOUNDATION, INC.**

**STATEMENTS OF CASH FLOWS**  
**(AUDITED)**

**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Cash Flows From Operating Activities:		
Changes in net assets	\$ 800,101	\$ 233,157
Adjustments to reconcile net assets to net cash provided by (used in) operating activities:		
Amortization of entrance fees	(107,469)	(86,878)
Bad debt	31,390	-
Depreciation	1,519,039	1,378,011
Proceeds from life insurance policy	163,161	-
Changes in assets and liabilities:		
(Increase) Decrease in assets:		
Accounts receivable - Residents	80,209	331,621
Accounts receivable - Medicare	440,220	238,963
Accrued interest	7,037	18,513
Prepaid expenses	(101,264)	200,797
Cash surrender value of life insurance	(71,609)	(75,305)
Vendor deposits	(55,367)	61,632
Deposits - HVAC project	-	1,972,715
Increase (Decrease) in liabilities:		
Accounts payable	327,265	(317,836)
Accrued expenses	78,703	(485,575)
Deferred compensation payable	(91,552)	75,305
Resident monthly care plan refundable deposits	(83,590)	(150,219)
<u>Net Cash Provided By (Used In) Operating Activities</u>	<u>2,936,274</u>	<u>3,394,901</u>
Cash Flows From Investing Activities:		
Purchase of property and equipment	(1,247,683)	(3,834,068)
Net change in investments	(204,538)	(127,319)
<u>Net Cash Provided by (Used In) Investing Activities</u>	<u>(1,452,221)</u>	<u>(3,961,387)</u>

The accompanying notes are an integral part of the financial statements.

**THE TEMPLE FOUNDATION, INC.**  
**STATEMENTS OF CASH FLOWS (CONTINUED)**  
**(AUDITED)**  
**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	2016	2015
Cash Flows From Financing Activities:		
Repayment of long-term debt	(700,000)	(758,333)
Repayment of resident notes funding investments	(100,000)	-
<u>Net Cash Provided By (Used In) Financing Activities</u>	<u>(800,000)</u>	<u>(758,333)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	684,053	(1,324,819)
<u>CASH AND CASH EQUIVALENTS</u> <u>AT BEGINNING OF YEAR</u>	<u>3,590,331</u>	<u>4,915,150</u>
<u>CASH AND CASH EQUIVALENTS</u> <u>AT END OF YEAR</u>	<u>\$ 4,274,384</u>	<u>\$ 3,590,331</u>
<u>Supplemental disclosures for cash flow information:</u>		
Cash paid during period for interest	\$ 29,809	\$ 44,093

The accompanying notes are an integral part of the financial statements.

**THE TEMPLE FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016 AND 2015**

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Temple Foundation, Inc. (Foundation) is incorporated under the laws of the Commonwealth of Virginia as a charitable public service corporation. The Foundation operates The Virginian, a retirement community with adjoining extended health care facilities for the benefit of subscribing resident senior citizens. Subscribing residents pay entry and/or monthly maintenance fees and receive care for life.

B. Income Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and, therefore, no provision for federal income taxes has been made in the accompanying financial statements. The Foundation has been classified as an organization that is not a private foundation under Section 509(a)(1) of the IRC.

The Foundation believes it has appropriate support for income tax positions taken. Therefore, management has not identified any uncertain income tax positions. Income tax returns related to the years ended December 31, 2013 through 2016 remain open for examination by taxing authorities. No examinations existed as of the release of these financial statements.

C. Basis of Accounting

The Foundation prepares its financial statements using the accrual method of accounting. Revenue, other than contributions, is recognized when earned and expense is recognized when the obligation is incurred.

D. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

E. Cash and Cash Equivalents

For financial statement purposes, the Foundation considers demand deposits to be cash equivalents. Amounts held within the investment portfolio are not included in cash and cash equivalents because they are held for long-term or investment purposes.

F. Vendor deposits

The Foundation advances deposits for vendor services to be performed

G. Administrative and general services

Administrative and general service includes expenditures to provide all administrative and financial management functions of the Foundation.

**THE TEMPLE FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2016 AND 2015**

**NOTE 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

H. Deferred Income, Unamortized Resident Entrance Fees

Deferred income consists of entrance fees received from life care residents upon entering the facilities. Amortization of fees is computed using the straight line method over the life expectancies of and actual fees paid by the residents. Life expectancies are derived from actuarially determined tables of life expectancies. Adjustments to the life expectancy data are made for the existence of joint survivor contracts and also for the anticipated longer life expectancies of the residents as compared to the population at large. Approximate average life expectancy as of December 31, 2016 was 5 years (5 years in 2015).

I. Contributions

Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support depended upon the existence and/or nature of donor restrictions. Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, as applicable. Within temporarily restricted net assets, amounts are reclassified to unrestricted net assets when restrictions expire.

J. Program services

The Foundation offers specialized comprehensive healthcare for seniors and aging in place apartment living. They offer a premier continuing care retirement community with continuity of care for all stages of a senior's life, from independent to assisted living to long term care. They also feature short term rehabilitation and accredited Medicare certified home health services for residents and the surrounding community.

K. Functional Allocation of Expenses

The costs of providing various program and supporting services have been summarized on a functional basis in the statement of activities and were allocated among the program and supporting services in the proportion benefited. The prior year has been presented in summary format and is not a complete presentation in conformity with generally accepted accounting principles.

L. Advertising Costs

The Foundation's policy is to expense advertising costs as incurred. Advertising costs were \$213,850 for the year ended December 31, 2016 and \$328,110 for the year ended December 31, 2015.

M. Presentation

2015 financial statements have been reclassified to conform to the 2016 presentation.

**THE TEMPLE FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2016 AND 2015**

**NOTE 3**      **INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)**

Bonds: Corporate, Government and State and County bonds are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

Sweep Options: Valued at the closing price reported by the fund sponsor from an actively traded exchange. These represent the cash equivalents.

The following is a summary of the fair values of investments, which are measured on a recurring basis using Level 1 inputs at December 31,

	<u>2016</u>	<u>2015</u>
Domestic:		
Corporate Bonds	\$ 6,272,589	\$ 6,497,651
Cash equivalents	2,454,533	1,540,955
U.S. Government Bonds	530,738	994,109
Corporate Stocks	531,766	508,361
State and County Muni Bonds	61,366	139,571
Foreign:		
Corporate Stocks	<u>193,457</u>	<u>159,264</u>
	<u>\$ 10,044,449</u>	<u>\$ 9,839,911</u>

The Foundation has pledged certain investments as described in Note 5 and maintains investments funded by resident loans that are described in Note 6.

Accrued interest on bonds for the year ended December 31, 2016 was \$58,679 and \$65,716 for the year ended December 31, 2015.

Investment return consist of the following for the years ended December 31,

	<u>2016</u>	<u>2015</u>
Interest and dividends	\$ 286,203	\$ 323,312
Less investment fees	<u>35,853</u>	<u>34,250</u>
Investment return	<u>\$ 250,350</u>	<u>\$ 289,062</u>
Realized gains	\$ 45,042	\$ 11,504
Unrealized losses	<u>(97,868)</u>	<u>(191,760)</u>
Net loss on investments	<u>\$ (52,826)</u>	<u>\$ (180,256)</u>



**THE TEMPLE FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2016 AND 2015**

**NOTE 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

N. Subsequent Events

The Foundation has evaluated subsequent events through April 19, 2017 the date through which the financial statements are available to be issued, and determined that no subsequent events have occurred that require adjustment or disclosure in the financial statements.

**NOTE 2**      **CONCENTRATIONS AND RISKS**

A. Credit Risk

The Foundation maintains demand deposits and select sweep options at one financial institution. At times, certain balances held within these accounts may not be fully guaranteed or insured by the U.S. Government. The uninsured portions of cash and select sweep options are backed solely by the assets of the underlying institution. Therefore, the failure of an underlying institution could result in financial loss to the Foundation. However, the Foundation has not experienced losses on these accounts in the past and management believes the risk of loss, if any, to be minimal.

B. Market Risk

The Foundation invests in a professionally managed portfolio. Such investments are exposed to market and credit risks. Therefore, the Foundation's investments may be subject to significant fluctuations in fair value. As a result, the investment balances reported in the accompanying financial statements may not be reflective of the portfolio's value during subsequent periods.

**NOTE 3**      **INVESTMENTS AND FAIR VALUE MEASUREMENTS**

In accordance with generally accepted accounting principles, the Foundation uses the following prioritized input levels to measure fair value. These levels are not necessarily an indication of risk.

Level 1 – Observable inputs that reflect quoted prices for identical assets or liabilities in active markets, such as stock quotes;

Level 2 – Includes inputs other than Level 1 inputs that are directly or indirectly observable in the marketplace, such as yield curves or other market data;

Level 3 – Unobservable inputs which reflect the reporting entity's assessment of the assumptions that market participants would use in pricing the asset or liability including assumptions about risk, such as bid/ask spreads and liquidity discounts.

**THE TEMPLE FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2016 AND 2015**

**NOTE 4**      **ACCRUED EXPENSES**

Accrued expenses at December 31, consist of the following:

	<u>2016</u>	<u>2015</u>
Interest	\$ 7,803	\$ 7,383
Payroll and taxes	333,604	253,473
Vacation leave	<u>613,250</u>	<u>615,099</u>
	<u>\$ 954,657</u>	<u>\$ 875,955</u>

**NOTE 5**      **LONG-TERM DEBT**

Following is a summary of long-term debt at December 31,

	<u>2016</u>	<u>2015</u>
Note payable Cardinal Bank	\$ 1,341,667	\$ 2,041,667
Less current maturities	<u>700,000</u>	<u>700,000</u>
Total	<u>\$ 641,667</u>	<u>\$ 1,341,667</u>

Following are maturities of long-term debt for each of the next two years:

2017	\$ 700,000
2018	<u>641,667</u>
	<u>\$ 1,341,667</u>

The Cardinal Bank note, utilized for the HVAC project, was an initial debt of \$2,800,000 maturing on December 4, 2018. On January 4, 2014, monthly principal payments of \$58,333, plus interest, computed at the 30-day LIBOR Market Index Rate plus 1.50% commenced. The note is collateralized by pledged borrower's securities on deposit with Raymond James earmarked as pledged collateral totaling \$4,936,854.

There are no financial covenants related to this debt. The borrower is required to maintain its primary depository relationship with the lender during the term of the note.

**THE TEMPLE FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2016 AND 2015**

**NOTE 6**      **RESIDENTS' NOTES FUNDING INVESTMENTS**

The Foundation has received the proceeds of various demand loans from Residents. The loans bear interest at variable rates paid monthly as an offset reduction in the resident's monthly maintenance fee. Residents can request the repayment of the loan at any time and the Foundation is obligated to repay the loan within ninety days of the request. The interest rate on the loans is reset on May 1 of each year upon notice to the resident sixty days prior to May 1. The interest rate was 3% as for the years ended December 31, 2016 and 2015.

**NOTE 7**      **RETIREMENT PLANS**

A. **Defined Contribution**

The Foundation sponsors a 403(b) retirement plan available to all full-time employees who have completed one year of service. The Foundation matches employees' elective deferrals at a rate chosen by the Foundation at the beginning of each year. Employees were eligible to defer up to \$18,000 during 2016. An additional \$6,000 was available to be withheld and contributed by participants over age 50. The Foundations' contributions to the plan, excluding applicable forfeitures, totaled \$183,890 for the year ended December 31, 2016 and \$153,512 for the year ended December 31, 2015.

B. **Deferred Compensation; Cash Surrender Value of Life Insurance**

The Foundation owns a flexible-premium, adjustable benefit, split dollar life insurance policy with a face amount totaling \$514,051 issued on the life of the Licensed Administrator. The policy benefit is split equally between the Foundation and the individual's designated beneficiary.

The policy was purchased to fund the key employee deferred compensation program that will provide each designated insured individual a deferred compensation payment from the accumulated policy cash value upon the conclusion of eight years of continuous employment with the Foundation. The program may be terminated at any time at the option of the Foundation. The cash value of the policy is owned by the Foundation until a deferred compensation is paid.

In 2016 the executive director opted to terminate his policy under provisions of the agreement. The cash value of the policy was \$163,361 and generated a payout of \$273,370 based on a grossed up value of the distribution.

**NOTE 8**      **ACCOUNTS RECEIVABLE**

Accounts receivable are recorded at their net realizable value. An allowance is determined based on management's collection experience for rent and medical services outstanding.

**THE TEMPLE FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2016 AND 2015**

**NOTE 9**      **PREPAID EXPENSES**

Prepaid expenses represent the unexpired portions of insurance and food service contracts, which provide economic benefit beyond the current year end.

**NOTE 10**      **PROPERTY AND EQUIPMENT**

Property and equipment purchases of \$500, or greater, are recorded at cost, while donated assets are recorded at fair value on the date of donation. Depreciation is calculated using the straight-line method over the following estimated useful lives:

Furniture, fixtures and equipment – 2 to 10 years

Leasehold Improvements – 10 to 15 years

Depreciation expense for the year ended December 31, 2016 was \$1,519,039 and \$1,378,011 for the year ended December 31, 2015.

**NOTE 11**      **DEFERRED INCOME - UNAMORTIZED RESIDENT ENTRANCE FEES, MONTHLY CARE PLAN REFUNDABLE DEPOSITS**

Since 1981, the Foundation has entered into a variety of life care contracts with the residents living in the facility. The “Declining Refund” contract generally provides the resident with life-time board and lodging, including: two to three meals a day, a private apartment in the independent living or assisted living centers or a permanent bed in the health care center, weekly housekeeping assistance and other care services.

The “Independent Living Monthly Care” contract generally provides the resident life-time board and lodging in an apartment in the independent living center, weekly housekeeping assistance and other care services. The “Assisted Living Monthly Care” contract provides the resident life-time board and lodging in an apartment in the assisted living center, weekly housekeeping assistance and other care services. The “Nursing and Rehabilitation Monthly Care” contract generally provides the resident life-time board and lodging in a private or semi-private room in the health care center, weekly housekeeping assistance and other care services. Depended on the type of contract chosen, the resident pays either an initial entry fee and a monthly maintenance fee or a refundable deposit and a monthly maintenance fee for the care and services provided by the Foundation.

The amount reflected in the accompanying financial statements as deferred income-unamortized resident entrance fees represents the unamortized entrance fees paid by the current residents.

**THE TEMPLE FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2016 AND 2015**

**NOTE 12**      **DEFERRED INCOME - UNAMORTIZED RESIDENT ENTRANCE FEES, MONTHLY CARE PLAN REFUNDABLE DEPOSITS (CONTINUED)**

The amount reflected in the accompanying financial statements as resident monthly care plan refundable deposits represents the refundable deposit paid by the current month to month plan residents. These deposits are refundable to the resident when the resident vacates their plan accommodations.

**NOTE 13**      **NET ASSETS**

Unrestricted net assets include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by board designations. No board designation existed at year end. There are no temporarily or permanently restricted net assets, which are those that include a donor restricted purpose.

**NOTE 14**      **COMMITMENTS & CONTINGENCIES**

**Operating Lease - Phase I**

In 1978 the Foundation entered into an agreement to lease Phase I of The Virginian from Thompson Associates, a Virginia General Partnership. The agreement, as amended, provides for the lease payments on Phase I of The Virginian for a term expiring on April 5, 2028.

The lease payment on Phase I is equal to the payment made by Thompson Associates on account of principal and interest on debt related to The Virginian plus a minimum lease payment. The amount of the minimum lease payment is set annually by Thompson Associates. The average monthly principal and interest payment made by Thompson Associates for Phase I was \$115,506 for the year ended December 31, 2016 and \$115,506 for the year ended December 31, 2015. Rent expense on Phase I for the year ended December 31, 2016 was \$1,386,069 and \$1,386,069 for the year ended December 31, 2015.

**Operating Lease - Phase II**

Thompson Associates is participating in the funding of the partial replacement of the HVAC system servicing Phase I of the premises by agreeing to a lease extension and rent reduction on Phases II and III sufficient to pay for one-half of the cost of the project, not to exceed \$1,500,000.

The 1985 Phase II lease was amended, as described above, on May 1, 2014 and expires on August 31, 2018. The amendment includes a rent reduction of \$15,000 September 1, 2014 through expiration.

**THE TEMPLE FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2016 AND 2015**

NOTE 14      COMMITMENTS, LEASE OF THE VIRGINIAN FACILITY (CONTINUED)

Operating Lease - Phase II (Continued)

The current minimum monthly rent on Phase II is \$55,000 reduced from \$70,000, as previously mentioned. The monthly rent is subject to escalation by 60% of the increase in the cost of living index for the Washington metropolitan area for the most recent available 12-month period. To date, Thompson Associates has waived escalations. Rent expense on Phase II for the year ended December 31, 2016 was \$780,000 and \$780,000 for the year ended December 31, 2015.

Operating Lease - Phase III

The 1988 Phase III lease was amended, as described under Operating Lease – Phase II, on May 1, 2014 and expires on August 31, 2018. The amendment includes a rent reduction of \$15,000 September 1, 2014 through expiration.

The current minimum monthly rent is \$55,000 reduced from \$70,000, as previously mentioned. The monthly rent is subject to escalation by 60% of the increase in the cost of living index for the Washington metropolitan area for the most recent available 12-month period. To date, Thompson Associates has waived escalations. Rent expense on Phase III for the years ended December 31, 2016 was \$780,000 and \$780,000 for the year ended December 31, 2015.

The minimum lease payments due under the three agreements are as follows:

For the Year Ended December 31	<u>Phase I (a)</u>	<u>Phase II (b)</u>	<u>Phase III (b)</u>	<u>Total</u>
2017	\$ 1,386,069	\$ 660,000	\$ 660,000	\$ 2,706,069
2018	1,386,069	440,000	440,000	2,266,069
2019	1,386,069	-	-	1,386,069
2020	1,386,069	-	-	1,386,069
2021	1,386,069	-	-	1,386,069
Remaining to 2028	<u>8,662,931</u>	<u>-</u>	<u>-</u>	<u>8,662,931</u>
	<u>\$ 15,593,276</u>	<u>\$ 1,100,000</u>	<u>\$ 1,100,000</u>	<u>\$ 17,793,276</u>

(a) Assumes constant payments on principal, interest and the minimum lease payments.

(b) Does not reflect potential cost of living increases.

The Foundation is in active negotiations for the purchase of the leased property. The Foundation anticipates an agreement prior to the expiration of Phases II and III below. The Foundation is obligated to pay all operating expenses, real and personal property taxes, property insurance, and repair costs to the facility, in addition to rent payments.

**SUPPLEMENTARY INFORMATION**

**THE TEMPLE FOUNDATION, INC.**

**SCHEDULES OF UNRESTRICTED REVENUES AND CONTRIBUTIONS**  
**(AUDITED)**

**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<b><u>UNRESTRICTED REVENUES</u></b>		
Entrance fees earned	\$ 436,739	\$ 338,925
Resident maintenance fees	14,778,099	14,634,160
Resident health care fees	5,113,246	4,689,511
Beauty shop	117,997	121,264
Medical supplies and service fees	6,216,856	6,701,322
Country store	157,922	158,310
Meals	64,031	73,487
Resident services	2,024,843	1,779,633
Home health	1,349,964	1,093,697
	<u>\$ 30,259,697</u>	<u>\$ 29,590,309</u>
<b><u>UNRESTRICTED CONTRIBUTIONS</u></b>		
Cash contributions	<u>\$ 1,000</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.



**THE TEMPLE FOUNDATION, INC.**

**SCHEDULES OF ADMINISTRATIVE AND GENERAL EXPENSES**  
**AND ASSISTED LIVING CENTER EXPENSES**  
**(AUDITED)**

**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

<u>ADMINISTRATIVE AND GENERAL EXPENSES</u>	<u>2016</u>	<u>2015</u>
Advertising and printing	\$ 213,850	\$ 328,110
Automobile and travel expenses	33,099	58,592
Bad debt	31,390	-
Data processing	115,563	124,615
Employee benefits	394,336	368,879
Insurance	782,296	699,000
Miscellaneous	42,560	35,911
Office supplies and expense	164,242	159,800
Personnel expense	177,049	366,841
Professional fees and licensing fees	212,212	169,998
Salaries	2,098,001	2,212,715
Taxes - Other	14,156	14,864
Taxes - Payroll	209,930	182,425
Telephone	88,614	129,536
	<u>\$ 4,577,298</u>	<u>\$ 4,851,286</u>
 <u>ASSISTED LIVING CENTER EXPENSES</u>		
Employee benefits	\$ 350,422	\$ 310,389
Miscellaneous	2,260	374
Salaries	3,493,646	3,188,985
Supplies	7,519	3,227
Taxes - Payroll	188,184	190,395
	<u>\$ 4,042,031</u>	<u>\$ 3,693,370</u>

The accompanying notes are an integral part of the financial statements.

**THE TEMPLE FOUNDATION, INC.**

**SCHEDULES OF BUILDING AND GROUNDS MAINTENANCE EXPENSES  
AND FACILITY COSTS  
(AUDITED)**

**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<b><u>BUILDING AND GROUNDS MAINTENANCE EXPENSES</u></b>		
Building repairs and maintenance	\$ 118,618	\$ 131,164
Electricity	337,555	347,514
Employee benefits	103,656	95,068
Equipment rental	-	160
Gas and oil heating	94,263	104,394
Grounds maintenance	42,312	40,284
Miscellaneous	3,508	2,926
Real estate and personal property taxes	459,967	468,687
Salaries	1,033,378	976,747
Security	70,731	70,233
Service contracts	235,919	226,119
Supplies	139,199	143,193
Taxes - Payroll	53,331	49,395
Trash removal	42,821	47,774
Water and sewer	126,475	132,385
	<u>\$ 2,861,733</u>	<u>\$ 2,836,043</u>
 <b><u>FACILITY COSTS</u></b>		
Depreciation	\$ 1,519,039	\$ 1,378,011
Interest expense	29,809	44,093
Rent	2,725,320	2,706,069
	<u>\$ 4,274,168</u>	<u>\$ 4,128,173</u>

The accompanying notes are an integral part of the financial statements.

**THE TEMPLE FOUNDATION, INC.**

**SCHEDULES OF HOME HEALTH EXPENSES AND HOUSEKEEPING EXPENSES**  
**(AUDITED)**

**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<b><u>HOME HEALTH EXPENSES</u></b>		
Employee benefits	\$ 91,956	\$ 85,765
Miscellaneous	48,572	41,004
Salaries	916,743	881,166
Supplies	21,967	13,136
Taxes - Payroll	<u>68,764</u>	<u>62,971</u>
	<u>\$ 1,148,002</u>	<u>\$ 1,084,042</u>
 <b><u>HOUSEKEEPING EXPENSES</u></b>		
Employee benefits	\$ 96,958	\$ 88,654
Miscellaneous	7,232	6,571
Salaries	966,608	910,840
Supplies	174,145	154,664
Taxes - Payroll	<u>62,158</u>	<u>59,462</u>
	<u>\$ 1,307,101</u>	<u>\$ 1,220,191</u>

The accompanying notes are an integral part of the financial statements.

**THE TEMPLE FOUNDATION, INC.**

**SCHEDULES OF FOOD SERVICE EXPENSES AND HEALTH CENTER EXPENSES**  
**(AUDITED)**

**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<b><u>FOOD SERVICE EXPENSES</u></b>		
Employee benefits	\$ 138,333	\$ 133,409
Food service contract	1,523,492	1,529,477
Miscellaneous	316,190	342,014
Salaries	1,379,082	1,370,663
Supplies	16,872	16,306
Taxes - Payroll	95,433	96,269
	<u>\$ 3,469,402</u>	<u>\$ 3,488,138</u>
 <b><u>HEALTH CENTER EXPENSES</u></b>		
Consultants - Medical	\$ 50,400	\$ 50,400
Contract medical staff	179,229	212,486
Employee benefits	551,057	545,131
Miscellaneous	74,686	75,065
Resident subsistence grants	329,270	251,047
Outside services	388,237	502,836
Salaries	5,374,881	5,600,761
Supplies	378,898	373,687
Taxes - Payroll	396,145	411,323
	<u>\$ 7,722,803</u>	<u>\$ 8,022,736</u>

The accompanying notes are an integral part of the financial statements.

**THE TEMPLE FOUNDATION, INC.**

**SCHEDULES OF BEAUTY SHOP EXPENSES AND RESIDENTIAL SERVICE EXPENSES**  
**(AUDITED)**

**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<b><u>BEAUTY SHOP EXPENSES</u></b>		
Beautician fees	\$ 83,149	\$ 78,234
Beautician payroll taxes	5,818	5,700
	<u>\$ 88,967</u>	<u>\$ 83,934</u>
 <b><u>RESIDENTIAL SERVICE EXPENSES</u></b>		
Salaries	\$ 118,776	\$ -
Activities in house	30,881	34,903
Activities off site	4,328	5,454
Other	12,683	17,856
	<u>\$ 166,668</u>	<u>\$ 58,213</u>

The accompanying notes are an integral part of the financial statements.

**THE TEMPLE FOUNDATION, INC.**

**SCHEDULES OF FUNCTIONAL EXPENSES**  
**(AUDITED)**

**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	<u>Program Services</u>	<u>Administrative and General</u>	<u>2016 Total</u>	<u>2015 Total</u>
Advertising and printing	\$ -	\$ 213,850	\$ 213,850	\$ 328,110
Automobile and travel expenses	-	33,099	33,099	58,592
Bad debt	-	31,390	31,390	-
Beauty shop and residential services	136,859	-	136,859	142,147
Building repairs and maintenance	118,618	-	118,618	131,164
Consultant - Medical	50,400	-	50,400	50,400
Contract labor	179,229	-	179,229	212,486
Data processing	-	115,563	115,563	124,615
Depreciation	1,519,039	-	1,519,039	1,378,011
Electricity and heating	431,818	-	431,818	451,908
Employee benefits	1,332,382	394,336	1,726,718	1,627,295
Food service contract	1,523,492	-	1,523,492	1,529,477
Grounds maintenance	42,312	-	42,312	40,444
Insurance	-	782,296	782,296	699,000
Interest expense	29,809	-	29,809	44,093
Miscellaneous	445,216	42,560	487,776	497,294
Office supplies and expense	-	164,242	164,242	159,800
Outside services	388,237	-	388,237	502,836
Personnel expense	-	177,049	177,049	366,841
Professional and licensing fees	-	212,212	212,212	169,998
Real estate and personal property taxes	459,967	-	459,967	468,687
Rent	2,725,320	-	2,725,320	2,706,069
Resident subsistence grants	329,270	-	329,270	251,047
Salaries	13,283,114	2,098,001	15,381,115	15,141,877
Security	70,731	-	70,731	70,233
Service contracts	243,151	-	243,151	232,690
Supplies	738,600	-	738,600	704,213
Taxes - Other	-	14,156	14,156	14,864
Taxes - Payroll	864,015	209,930	1,073,945	1,052,240
Telephone	-	88,614	88,614	129,536
Trash removal	42,821	-	42,821	47,774
Water and sewer	126,475	-	126,475	132,385
<b><u>Total Functional Expenses</u></b>	<b><u>\$25,080,875</u></b>	<b><u>\$ 4,577,298</u></b>	<b><u>\$29,658,173</u></b>	<b><u>\$29,466,126</u></b>

The accompanying notes are an integral part of the financial statements.

**EXHIBIT**

**L. Pro Forma Income Statement for the Year Ending  
December 31, 2018**

**THE TEMPLE FOUNDATION INC.**  
**PRO FORMA STATEMENT OF SUPPORT, REVENUE AND EXPENSE**  
**FOR THE YEAR ENDING DECEMBER 31, 2018**

## REVENUE:

ENTRANCE FEE AMORTIZATION	\$ 192,000
MONTHLY MAINTENANCE FEES:	
RESIDENTIAL LIVING	4,656,160
ASSISTED LIVING CENTER	9,876,790
HEALTH CARE CENTER	5,801,420
INVESTMENT INCOME	240,000
OTHER INCOME:	
APPLICATION & COMMUNITY FEES	440,200
BEAUTY & BARBER SHOP FEES	102,800
CONTRIBUTIONS	-
PHONE & INTERNET SERVICE	45,000
CAFÉ MEALS & CONVENIENCE STORE	145,900
GUEST MEALS, MEAL TRAYS & CATERING	25,450
GUEST ROOM CHARGES	21,100
HOUSEKEEPING AND LAUNDRY CHARGES	153,000
MAINTENANCE CHARGES	12,900
MEDICAL SUPPLIES	320,000
PHARMACY	57,300
REHABILITATION SERVICES	200,800
ALC ADDITIONAL SERVICES	1,983,330
HCC ADDITIONAL SERVICES	394,000
MEDICARE ROOM, BOARD AND & FEES	4,450,200
HOME HEALTH SERVICE FEES	1,800,000
MISCELLANEOUS	111,500
PROGRAM & TRIP INCOME	7,800
TRANSPORTATION & RENTAL INCOME	63,000
	<hr/>
TOTAL INCOME	31,100,650

## EXPENSES:

ACCOUNTING DEPARTMENT	680,970
ACTIVITY EXPENSE	634,490
ADMINISTRATIVE DEPARTMENT	1,842,640
ADMISSIONS & MARKETING DEPARTMENT	666,960
ASSISTED LIVING CENTER	4,146,920
FACILITY DEPRECIATION EXPENSE	1,576,000
FACILITY LEASE EXPENSE	2,578,310
REAL ESTATE TAXES	550,000
FOOD SERVICE DEPARTMENT	3,706,320
GROUND AND MAINTENANCE DEPARTMENT	2,397,310
HEALTH CARE CENTER	5,473,280
REHABILITATION CENTER	1,831,460
HOUSEKEEPING SERVICES DEPARTMENT	1,236,960
HUMAN RESOURCE DEPARTMENT	327,440
LAUNDRY SERVICES DEPARTMENT	198,020
MEDICARE ANCILLARY SERVICE EXPENSES	492,500
HOME HEALTH SERVICE EXPENSES	1,306,550
SOCIAL SERVICES DEPARTMENT	222,810
TOTAL EXPENSES	<hr/>
	29,868,940
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NET OPERATING INCOME	\$ 1,231,710