

# THE McAULEY

PART OF THE MERCY COMMUNITY

**McAULEY CENTER, INCORPORATED**

## **DISCLOSURE STATEMENT**

**June 30, 2019**

**(For Fiscal Year Ending June 30, 2019)**

(Based on: Pre Residency Agreement to Reserve a Unit;  
Residency Agreement with Lifecare Coverage Options;  
Residency Agreement With One Hundred Fifty Days of Long Term Care Coverage;  
Residency Agreement Without Long Term Care Coverage;  
Residency Agreement for Assisted Living Services)

**McAULEY CENTER, INCORPORATED**

275 Steele Road

West Hartford, Connecticut 06117-2716

(860) 920-6300 Fax (860) 232-4077

In accordance with Connecticut General Statute P.A. 98-250, Section 23(a), "...the Registration of this Disclosure Statement does not constitute approval, recommendation or endorsement by the Department or State, nor does such registration evidence the accuracy or completeness of the information set out in this Disclosure Statement.

**McAuley Center, Incorporated**

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**Per subsections of Connecticut General Statutes Sec. 17b-522:**

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## **McAuley Center, Incorporated**

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## **McAuley Center, Incorporated**

### **Part A - Descriptive Disclosures**

#### **INTRODUCTION**

McAuley Center, Incorporated (hereafter referred to as “The McAuley”), a continuing care retirement community was founded and originally sponsored by The Sisters of Mercy, Northeast Community, but since the Trinity merger, is now sponsored by Catholic Health Ministries (hereafter referred to as “The Sponsor”), which offers to individuals 62 years of age and older lifetime use of independent living units and certain personal services including: housekeeping, food service, transportation, 24 hour concierge, security, maintenance and health care.

Effective May, 1997, The McAuley became a primary subsidiary corporation of Mercy Community Health. Mercy Community Health is the sole member of McAuley Center Incorporated. Mercy Community Health, Inc. is a Connecticut corporation with its principal office located at 2021 Albany Avenue, West Hartford, Connecticut.

Mercy Community Health, Inc. has a Board of Directors appointed by Trinity Continuing Care Services. Mercy Community Health was founded in 1997 to integrate the facilities and campus activities of Saint Mary Home, Mercyknoll, Mercy Community HomeCare and The McAuley on its campus in West Hartford.

Mercy Community Health was also a member of Catholic Health East, a holding company founded in 1997. Catholic Health East was a multi-institutional Catholic health system co-sponsored by religious communities to strengthen the role and identity of Catholic health ministry. The organization of Mercy Community Health and Catholic Health East does not change the existing contractual obligations between The McAuley and its residents and will have no impact on the liabilities or assets of current or future residents of The McAuley.

The former parent organization, Catholic Health East, has merged with and into Trinity Health Corporation, an Indiana not-for-profit corporation, on June 30, 2014. The new entity is known as Trinity Health. Trinity Health is sponsored by Catholic Health Ministries, a Public Juridic Person of the Holy Roman Catholic Church. Trinity Health operates a comprehensive integrated network of health services including inpatient and outpatient services, physician services, managed care coverage, home health care, long-term care, assisted living care and rehabilitation services in 22 states.

The consolidation into Trinity Health represents a significant step forward for the two systems. The entity McAuley Center, Incorporated will remain in existence and its parent corporation will still be Mercy Community Health.

## **McAuley Center, Incorporated**

### **1. NAME AND ADDRESS OF PROVIDER**

A Connecticut non-stock, non-profit corporation, McAuley Center, Inc. (dba The McAuley) is located at 275 Steele Road, West Hartford, Connecticut 06117-2716.

### **2. OFFICERS AND DIRECTORS**

The Officers of the Corporation, McAuley Center, Incorporated, shall consist of the Officers and Directors of Mercy Community Health and include the President and the Secretary and Treasurer (Attachment A).

The Board of Directors of Mercy Community Health shall be appointed by Trinity Continuing Care Services and consist of at least one representative of Trinity Continuing Care Services, members of the local community or members or associates of a Roman Catholic religious congregation who need not reside in the local community.

### **3. BUSINESS EXPERIENCE**

The Board of Directors of Mercy Community Health will have diverse backgrounds which reflect the population demographics of the community served including gender, race and ethnicity. Management of the day-to-day operations of The McAuley rests with the Executive Director who is directed by the President/Chief Executive Officer of Mercy Community Health.

### **4. JUDICIAL PROCEEDINGS**

Not any among The McAuley, its Officers, Management Staff or the Board of Directors of Mercy Community Health described in Attachment A of this disclosure statement has been convicted of a felony or pleaded nolo contendere to a felony charge, nor held liable or enjoined in a civil action by final judgment, if the felony or civil action involved fraud, embezzlement, fraudulent conversion or misappropriation of property; nor is subject to a currently effective injunction or restrictive or remedial order of a court of record, and within the past five years has not had any state or federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, rising out of or relating to business activity or health care, including but not limited to actions affecting the operation of a foster care facility, nursing home, retirement home, home for the aged, or any facility subject to sections 17-535 to 17-550 inclusive of the Connecticut General Statutes, or a similar statute in another state or country.

### **5. AFFILIATION - TAX EXEMPT STATUS**

The previous Sponsor, a Roman Catholic community of religious Sisters, has no financial or other legal responsibility with regard to the operations of McAuley Center, Incorporated.

The McAuley is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code as part of Group Tax Exemption 0928 – United States Conference of Catholic Bishops.

## **McAuley Center, Incorporated**

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

The McAuley is located on a 15 plus acre tract of land in West Hartford, Connecticut, which is now owned by The McAuley. The site is immediately adjacent to Saint Joseph College and Saint Mary Home, with the land for all three institutions comprising 120 plus acres.

The McAuley contains 203 independent living units consisting of studio, one-bedroom and two-bedroom apartments and 25 assisted living units consisting of studio and one-bedroom and two bedroom apartments. The facility totals approximately 335,000 square feet, which includes approximately 74,000 square feet of common/support space.

### **7. BENEFITS - THE RESIDENCY AGREEMENT**

Section IV of the Lifecare Residency Agreement (Attachment B-2) describes the goods and services to be provided to residents of The McAuley without any additional charge, including nursing care and other health related benefits. These Sections also describes those goods and services that are available at an additional cost.

Article I of the Assisted Living Residency Agreement (Attachment B-5) describes the goods and services to be provided to assisted living residents of The McAuley without any additional charge as well as those services available for an additional charge, including nursing care and other health related benefits. Exhibit 3 of the Assisted Living Residency Agreement describes the schedule of charges for additional services for residents with this Agreement.

Section IV of the Residency Agreement With One Hundred Fifty Days Long Term Care Coverage and the Residency Agreement Without Long Term Care Coverage (Attachments B-3 and B-4 respectively) describes the goods and services to be provided to residents of The McAuley without any additional charge and those goods and services available at an additional cost.

The McAuley has a contractual relationship with Saint Mary Home, a 353 bed multi-level health care facility, to provide nursing and other therapeutic services for The McAuley residents (Attachment C).

### **8. INTEREST ON DEPOSITS**

The Independent Living Residency Agreements describes the payment of specified deposit amounts, which are a portion of the total entrance fee at the time the resident signs the document. The interest earned on this deposit inures to the benefit of The McAuley. (Section III. B. of the Agreements as provided in Attachments B-2, B-3 and B-4.)

The Assisted Living Residency Agreement describes the payment of a security deposit equal to one month's rental at the time the resident signs the document. The interest earned on this security deposit inures to the benefit of the resident (Attachment B-5).

### **9. TERMINATION OF CONTRACT**

The Residency Agreements describe the conditions under which the contract may be terminated, whether before or after occupancy, by The McAuley or by the resident. (Section VI of the Agreements in Attachments B-2, B-3, and B-4).

## **McAuley Center, Incorporated**

The resident may appeal termination of the Residency Agreement for non-medical reasons by writing to the Executive Director and Chairperson of the Board of Directors of Mercy Community Health, who will respond in writing. Termination for medical reasons may be appealed in writing by the resident's personal physician to The McAuley's Executive Director and The McAuley's Medical Director, who will respond in writing.

The Assisted Living Residency Agreement describes the conditions under which the Agreement may be terminated, whether before or after occupancy, by The McAuley (We, Us or Our) or by the Resident (You) (Article VI in Attachment B-5).

### **10. RIGHTS OF SURVIVING SPOUSE**

The Residency Agreement sets forth the rights of a surviving spouse who is a resident of the facility, as well as the rights of a surviving spouse who is not a resident. (Section VI of the Agreements in Attachment B-2, B-3 and B-4).

The Assisted Living Residency Agreement sets forth the rights of a surviving resident, should one resident die (Article VI. Section D & E in Attachment B-5).

### **11. MARRIAGE OF A RESIDENT**

The Residency Agreement covers the effect of a resident's marriage to another resident. If the resident marries an individual who is not a resident, and that individual wishes to reside at the facility and receive the benefits included in the continuing care contract, the individual must comply with the admission requirements covered in the Residency Agreement and pay the second person entrance fee and second person monthly maintenance fee. (Section VI. C of the Agreements in Attachments B-2, B-3, and B-4).

The Assisted Living Residency Agreement does not cover the effect of a resident's marriage to another resident.

### **12. DISPOSITION OF PERSONAL PROPERTY**

The Residency Agreement covers the disposition of a resident's personal property in the event of death or permanent transfer to a nursing facility, or termination of the contract by The McAuley. (Section X of the Agreements in Attachments B-2, B-3 and B-4.)

The Assisted Living Residency Agreement covers the disposition of a resident's personal property in the event of death or termination of the Agreement (Article VI. H. in Attachment B-5).

### **13. TAX CONSEQUENCES**

Payment of an entrance fee pursuant to a continuing care contract may have significant tax consequences. Any person considering such payment may wish to consult with a qualified advisor.

## **McAuley Center, Incorporated**

### **Part B - Financial Disclosures**

#### **14. ESCROW ACCOUNTS**

##### **ENTRANCE FEE ESCROW ACCOUNT**

The McAuley maintains an entrance fee deposit escrow account with People's Bank, 962 Farmington Avenue, West Hartford, CT 06107, and deposits within 72 hours of receipt each entrance fee deposit or portion of an entrance fee deposit from or on behalf of a resident. Entrance fee deposits on deposit with the Escrow Agent are invested in interest bearing accounts (Attachment D). Any interest inures to the benefit of The McAuley.

##### **RESERVE FUND ESCROW ACCOUNT**

The McAuley is required to maintain a reserve fund under an investment management agreement sufficient to cover: (1) the total cost of operations of The McAuley facility for a one month period, excluding interest, depreciation, and amortization and (2) six months of debt service coverage. This requirement had been met in the past with a separate escrow account of almost \$1,000,000 in conjunction with other required debt reserves. Trinity Health had discharged the separately held loans and mortgages and established intercompany loans for these other loans and mortgages thereby eliminating the separate reserves which had been maintained. As of June 30, 2019, the separately maintained escrow account balance is slightly in excess of \$1,500,000 which meets the required reserve calculation.

#### **15. FINANCIAL STATEMENTS**

The former parent organization, Catholic Health East, has merged with and into Trinity Health Corporation, an Indiana not for profit corporation on June 30, 2014. The new entity is known as Trinity Health. Trinity Health operates a comprehensive integrated network of health services including inpatient and outpatient services, physician services, managed care coverage, home health care, long-term care, assisted living care and rehabilitation services in 22 states. The consolidation into Trinity Health represents a significant step forward for the two systems.

The entity McAuley Center, Incorporated will remain in existence and its parent corporation will still be Mercy Community Health. Our organizations have elected a year-end of June 30<sup>th</sup> and our first consolidated audit was for the period ended June 30, 2015. Attachment F includes the audited financial statements, which includes the Balance Sheets, Statements of Operations, Statements of Changes in Net Assets, and Statements of Cash Flows for the periods ended June 30, 2018 and June 30, 2019.

#### **16. NEW FACILITY OR CONSTRUCTION**

Not Applicable.

#### **17. PRO FORMA STATEMENTS OF OPERATIONS**

The pro forma statements of operations for The McAuley for the next three (3) fiscal years are contained in Attachment G. Operating projections show a continual increase in net income as occupancy rebounds from the recent census decrease and operating costs are closely monitored.



**18. CURRENT RATE SCHEDULES AND OCCUPANCY**

The current rate schedule of the standard initial entrance fees and monthly service fees including ancillary fees, not included in the monthly service fee, for The McAuley is included as Attachments I-1 through I-8.

**19. ENTRANCE FEES/PERIODIC CHARGES**

The standard initial entrance fees and monthly service fees schedule for The McAuley is included as Attachments I-1 through I-4. A schedule of entrance fees and monthly service fees for the past five years is included as Attachment J.

The monthly rental fees for Assisted Living apartments at The McAuley are included as Attachment I-5. A schedule of monthly fees for prior years is included in Attachment J. The monthly service fees for additional Assisted Living Services is included as Attachment I-6

A schedule of the ancillary services not included in the monthly service fee is included as Attachment I-7.

A schedule of the 2019 Occupancy Rates is included as Attachment I-8.

**20. DEPARTMENT OF SOCIAL SERVICES FILINGS**

The McAuley has submitted to the State of Connecticut, Department of Social Services, Elderly Services Division, all materials that it understands are necessary to file, including a Disclosure Statement and Residency Agreements, which are required for compliance with State regulations on the management of continuing care facilities. These materials are available for review at:

State of Connecticut  
Department of Social Services  
55 Farmington Avenue  
Hartford, Connecticut 06105

**21. DISCLOSURE STATEMENT COVER PAGE NOTICE**

The McAuley has included on its front cover of the Disclosure Statement in prominent typeface the period covered by the Disclosure Statement and the required notice:

In accordance with Connecticut General Statute P.A. 98-250, section 23(a), "...the Registration of this Disclosure Statement does not constitute approval, recommendation or endorsement by the Department or State, nor does such registration evidence the accuracy or completeness of the information set out in this Disclosure Statement.

**22. CONSTRUCTION COMPLETED IN STAGES**

Not Applicable.

**23. ESCROW AGENT SWORN STATEMENT**

The McAuley has provided the sworn statement from Peoples United Bank, as escrow agent, that the required funds have been established and maintained and is included as Attachment L.

**Officers of McAuley Center, Incorporated as of November 2019**

Janice Hamilton-Crawford	President
Maureen Reardon, RSM, Ph.D.	Secretary/Treasurer:

**Board of Directors of Mercy Community Health, Inc.**

<b>Name</b>	<b>Title (Director unless otherwise noted)</b>
Camille Alvarado, DO	
Dalia Giedrimiene, MD	
Daniel J. O'Connell	
Jean McGinty, RSM, RN	
Luis Perez	(Board Vice-Chair)
Patricia Cook, RSM	
Patrick J. Johnson, Jr.	
Peter Murphy	(Board Chair)
Janice Hamilton-Crawford	(Ex-officio)
Ann Kane, CSJ	
Patricia McKeon, RSM	
William Healy	(Ex-officio)

**McAuley Center, Inc.  
RESIDENCY AGREEMENTS**

(See Separate Documents)

1. Pre-Residency Agreement
2. Residency Agreement – Lifecare Options
3. Residency Agreement With One Hundred Fifty Days Long Term Care Coverage
4. Residency Agreement Without Long Term Care Coverage
5. Assisted Living Residency Agreement

# THE McAULEY

PART OF THE MERCY COMMUNITY

**McAULEY CENTER, INCORPORATED**

## **DISCLOSURE STATEMENT**

**June 30, 2019**

**(For Fiscal Year Ending June 30, 2019)**

(Based on: Pre Residency Agreement to Reserve a Unit;  
Residency Agreement with Lifecare Coverage Options;  
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**THE McAULEY**  
PART OF THE MERCY COMMUNITY†

**PRE-RESIDENCY AGREEMENT**

275 Steele Road, West Hartford, CT 06117-2716  
Telephone 860.920.6319 FAX 860.232.4077

## **PRE-RESIDENCY AGREEMENT**

This Pre-Residency Agreement (the “Agreement”) is entered into this \_\_\_\_\_ day of \_\_\_\_\_ between McAuley Center, Incorporated, a Connecticut non-stock corporation (“The McAuley” or “Provider”), and \_\_\_\_\_, The McAuley Prospective Resident (“Prospective Resident”). (If two persons sign this Agreement, “Prospective Resident” shall apply to both Prospective Residents, jointly and severally.)

### **PREAMBLE**

The McAuley, a non-profit, tax-exempt corporation, is a Life Plan Community sponsored by Trinity Health Senior Communities, managed by Mercy Community Health, and is part of Trinity Health. It is located at 275 Steele Road, West Hartford, Connecticut. The McAuley is registered as a Managed Retirement Community (“MRC”) in Connecticut.

The McAuley considers all applications for residency without regard to race, creed, color, sex, religion, disability, national origin or ancestry, marital or familial status and lawful sources of income, and affords equal treatment and access to all its residents.

## **I. APPLICATION PROCESS**

**A.** Once Prospective Resident has accepted the available apartment (Apartment Acceptance), Prospective Resident must secure this commitment with an Entrance Fee Deposit. The Entrance Fee Deposit for each apartment is \$10,000.00.

**B.** The Entrance Fee Deposit will be payable within two (2) business days of Prospective Resident accepting the available apartment. A current copy of the Disclosure Statement will be given to Prospective Resident when the Entrance Fee Deposit is collected. Provider will retain any interest earned on the Entrance Fee Deposit.

**C.** As part of the Application Process and within ten (10) business days of the Apartment Acceptance (see Section I. B), Prospective Resident is required to provide a confidential financial disclosure to Provider. This financial disclosure is maintained with the Prospective Resident's Pre-Residency Agreement.

**D.** As part of the Application Process and within thirty (30) business days of the Apartment Acceptance (see Section B), Prospective Resident is required to provide a confidential, comprehensive medical history prepared by Prospective Resident's primary care physician. This medical history is maintained with the Prospective Resident's Pre-Residency Agreement.

**E.** As part of the Application Process, Provider reserves the right for Provider's representative(s) to visit Prospective Resident in Prospective Resident's home. The purpose of this visit will be to determine Prospective Resident's ability to live independently while at The McAuley.

**F.** If applicable based on Resident Agreement type and upon receipt of the medical history and financial disclosure, Provider will schedule an appointment for Prospective Resident with The McAuley's Medical Director, a Board-certified geriatrician. Provider's Medical Director will meet with Prospective Resident to review the Prospective Resident's medical history and to conduct a medical evaluation of the Prospective Resident.

## **II. ADMISSION PROCESS**

**A.** Upon receipt of the financial disclosure, medical history, notes from the in-home visit (if applicable), and the medical evaluation conducted by Provider's Medical Director (if applicable), the Provider's Entrance Committee will meet to review the Prospective Resident's Application. Membership on the Entrance Committee is determined by The McAuley's Executive Director. The decision of the Entrance Committee is final.

**B.** In the event that the Prospective Resident's Application is accepted, Prospective Resident will be notified of this decision in writing. The Letter of Acceptance will notify Prospective Resident of medical exclusions, if applicable and if any are noted, that will be added to the Residency Agreement in the form of an Addendum. The Letter of Acceptance will specify the Prospective Resident's Occupancy Date.

**C.** The Occupancy Date will be the 60th day following Prospective Resident's receipt of the Letter of Acceptance. Prospective Resident may choose to occupy the apartment prior to the Occupancy Date.

**D.** In the event that Prospective Resident elects not to accept the available apartment after receipt of the Letter of Acceptance, the Entrance Fee Deposit, minus an administrative fee of \$500.00, will be refunded within



five (5) business days upon Provider's receipt of written notification of Prospective Resident's decision not to accept the available apartment. In the event that Prospective Resident's Application is declined, the Entrance Fee Deposit, minus an administrative fee of \$250.00, will be refunded within five (5) business days.

### **III. OCCUPANCY PROCESS**

**A.** Before the Occupancy Date, as specified in Sections II. C., Prospective Resident and Provider will execute a Residency Agreement and, if applicable, any Addendum related to the Prospective Resident's Residency Agreement.

**B.** The balance of the Entrance Fee is payable to Provider at the time that the Residency Agreement is executed.

**C.** Once the Residency Agreement is executed, but at least 30 days prior to the Occupancy Date, Prospective Resident may request an extension of the Occupancy Date. Such request should be made in writing to The McAuley's Executive Director. The decision of the Provider is final.

**D.** During the period of time prior to the Occupancy Date, Provider's representatives will assist Prospective Resident with preparations for Prospective Resident's move to The McAuley. Provider's representative will assist Prospective Resident with various logistical issues related to the move and subsequent occupancy. In addition, Provider's representative will provide additional support including, but not limited to visits in the Prospective Resident's home, orientation to programs and services at The McAuley, and general assistance with respect to the occupancy process.

## **IV. TERMINATION OF AGREEMENT**

**A.** Prospective Resident may rescind this Agreement at any time and for any reason by giving written notice to Provider (see Section V. B.).

An administrative fee will be deducted from any deposit already made to Provider as applicable and as outlined in Sections II.D. and II.E.

**B.** If Prospective Resident is unable to occupy the apartment due to Prospective Resident's death or due to illness, injury or incapacity, the Agreement shall terminate upon written notice to Provider. An administrative fee of \$250.00 will be deducted from any deposit already made to Provider as outlined in Sections and II.E.

**C.** Provider may rescind this Agreement at any time and for any reason by giving written notice to Prospective Resident (see Section V. B.). Some possible reasons may include, but not be limited to:

1. A misrepresentation on Prospective Resident's financial disclosure;
2. A disposition of Prospective Resident's assets that, in the judgment of Provider, materially impairs Prospective Resident's ability to pay future monthly service fees;
3. A decline in Prospective Resident's medical and/or cognitive condition that, in the judgment of Provider, impairs Prospective Resident's ability to live independently.

## **V. MISCELLANEOUS**

**A.** Prospective Resident represents and warrants that all information that Prospective Resident has submitted or will submit to Provider, including but not limited to the Application and financial statements, is true and complete.

Prospective Resident understands and acknowledges that Provider is relying on the accuracy of such information.

**B.** All written notices required by this Agreement must be sent via registered or certified mail and be addressed as follows:

1. If to Prospective Resident, to Prospective Resident's most current address according to Provider's records;
2. If to Provider, to the attention of the Executive Director, The McAuley, 275 Steele Road, West Hartford, CT 06117.

Registered or certified mail shall be deemed issued when delivered or when acceptance is refused.

**C.** The failure of Provider in any one or more instances to insist upon strict compliance by Prospective Resident with any of the terms of this Agreement shall not be construed to be a waiver by Provider of such term(s) or of the right to insist upon strict compliance by Prospective Resident with any of the other terms of this Agreement.

**D.** This Agreement, including all exhibits, constitutes the entire agreement between Provider and Prospective Resident. Provider is not liable for nor bound in any manner by any statements, representations or promises made by any person representing or proposing to represent Provider unless such statements, representations, or promises are set forth in the Agreement.

**E.** No amendment of this Agreement will be valid unless executed in writing by both Provider and Prospective Resident. The invalidity of any restriction, condition or other provision of this Agreement will not impair or affect in any way the validity or enforceability of the remainder of this Agreement. This Agreement will be interpreted according to the laws of the State of Connecticut.

**F.** The MRC (The McAuley) will comply with all municipal, state and federal laws and regulations regarding consumer protection and protection

from financial exploitation. If the Prospective Resident enters into a continuing care agreement, The MRC will afford the resident all rights and privileges under Connecticut General Statutes 17b-520 et seq. and any other applicable laws. If the Prospective Resident is entering into a rental agreement, the MRC will afford the Prospective Resident all rights and privileges under landlord tenant law, title 47a of the Connecticut General Statutes.

**G.** The provisions of this Agreement may be modified by Provider by providing written notification of such changes to Prospective Resident. Such changes shall be provided at least thirty (30) days in advance of the effective date.

**H.** This Agreement becomes valid when executed by both parties and when the Entrance Fee Deposit is placed with Provider. This Agreement remains in force until the earlier of:

1. Prospective Resident's Occupancy Date; or
2. Terminated by Prospective Resident; or
3. Terminated by Provider.

Executed at West Hartford, Connecticut

on this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

**PROSPECTIVE RESIDENT(S):**

**THE PROVIDER:**

McAuley Center, Inc.  
a Connecticut not-for-profit  
corporation.

\_\_\_\_\_  
(Signature)

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

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

**APARTMENT TYPE SELECTION**

According to the terms of this Agreement, Prospective Resident is encouraged to select the type of Apartment that Prospective Resident will consider for future occupancy at The McAuley.

Apartment Type Preferred

- Studio Apartment
- One Bedroom Apartment
- One Bedroom Deluxe Apartment
- Two Bedroom Apartment
- Executive Apartment



# THE McAULEY

PART OF THE MERCY COMMUNITY†

## RESIDENCY AGREEMENT

275 Steele Road, West Hartford, CT 06117-2716  
Telephone 860.920.6319 FAX 860.232.4077

## **THE McAULEY RESIDENCY AGREEMENT**

This Residency Agreement (the “Agreement”) is entered into this \_\_\_\_\_ day of \_\_\_\_\_ between McAuley Center, Incorporated, a Connecticut non-stock corporation (or “The McAuley” or “Us”), and \_\_\_\_\_, (“You”).

This Agreement applies to Apartment \_\_\_\_\_ a \_\_\_\_\_ bedroom Apartment (the “Apartment”). (If more than one person intending to reside at The McAuley signs this Agreement, “You” shall apply to all, jointly and severally.)

### **PREAMBLE**

The McAuley, a non-profit, tax-exempt corporation, is a Life Plan Community sponsored by Trinity Health Senior Communities, managed by Mercy Community Health, and is part of Trinity Health. It is located at 275 Steele Road, West Hartford, Connecticut. The McAuley is registered as a Managed Retirement Community (“MRC”) in Connecticut.

## **I. BASIC AGREEMENT**

**A.** You agree to pay the Entrance Fee, Monthly Service Fee and any additional fees specified in Section III of this Agreement. In exchange for such payments, You will have the right, subject to the terms of this Agreement, for You to occupy the Apartment and to have access to General Services at The McAuley set forth in Section IV. A. and B. of this Agreement.

**B.** You have completed the Application and Admission process and have executed a Pre-Residency Agreement that is incorporated by reference into this Agreement.

**C.** Your Occupancy Date was specified by Us in your Letter of Acceptance. This Agreement must be executed by both You and Us prior to the Occupancy Date. The balance of the Entrance Fee by You will be payable to Us at the time this Agreement is executed by both You and Us.

**D.** Following the execution of this Agreement, but at least thirty (30) days prior to the Occupancy Date, You may request an extension of the Occupancy Date. Such request should be made in writing to Us (see Section XI. J). Our decision is final.



## **II. ACCOMMODATIONS AT THE COMMUNITY**

### **A. Alterations**

Any physical alteration of the Apartment by You requires the prior written approval by Us. Such alterations shall be at Your expense, and must be performed by craftsmen approved by Us. Upon death or termination of occupancy by You (or the second person if there are two people in the Apartment) We in our sole discretion, may return the Apartment to its condition prior to such alterations, and all costs for this restoration incurred by Us will be charged to You or Your estate.

### **B. Access**

You agree that We and our employees and agents shall have the right, at all reasonable times, subject to our policy described below regarding housekeeping, maintenance and laundry services, to enter your Apartment for purposes of management, housekeeping, maintenance, health services, enforcement of applicable laws and regulations, emergency purposes, or any other reasonable purpose. Our policy is that at least one of You must remain in the Apartment while housekeeping, maintenance and laundry services are provided, unless You waive this policy in writing by executing an Environmental Services Waiver.

### **C. Property Protection and Insurance**

We will not be responsible for the loss of any personal property due to any cause other than our gross negligence. You agree to indemnify Us for any loss or damage to our personal property and for any injury or damage to others or to the property of others resulting from the acts, omissions, negligence or fault of You or Your guests and invitees. You shall maintain both

personal liability and personal property insurance coverage in accordance with our rules and regulations and shall provide Us with a copy of that policy or proof of purchase, upon our request.

**D. Moving Expenses**

You will be responsible for all moving expenses associated with Your move into and out of The McAuley. In the event that You transfer Apartments during Your occupancy at The McAuley, You will be responsible for all moving expenses associated with such transfer. In the event that You, upon meeting the terms set forth by Us for carpet replacement and re-painting, should request that We provide carpet replacement and repainting for the Apartment, You will be responsible for all moving expenses associated with these services.

### III. FINANCIAL ARRANGEMENTS

#### A. Contract Type

We offer two (2) different contract options. The contracts differ only with respect to the Entrance Fee amount and the Terms of the Entrance Fee Refund. The two (2) plans are described below.

\_\_\_\_\_ **Standard Refund Plan:** You pay a standard Entrance Fee based on Apartment type. At the time that the Agreement is terminated, You or Your Estate (or the estate of the last surviving Resident if there are two of You) may be entitled to a refund of 2/3 of the Entrance Fee. Any interest earned on the Entrance Fee will be retained by Us.

*(Your initials on the line next to "Standard Refund Plan" indicates Your choice of this Contract.)*

**OR**

\_\_\_\_\_ **Zero Refund Plan:** You pay a reduced Entrance Fee based on Apartment type. If the contract is terminated within the first fifty (50) months from the Occupancy Date, you may be entitled to a refund of the Entrance Fee paid, without interest, less two percent (2%) of that amount of each full month that you occupied the Apartment. After fifty (50) months, there will be no refund issued. Any interest earned on the Entrance Fee will be retained by Us.

*(Your initials on the line next to "Zero Refund Plan" indicates Your choice of this Contract.)*

**B. Entrance Fee**

The Entrance Fee for the Apartment is \$ \_\_\_\_\_. You paid a \$10,000.00 Entrance Fee Deposit prior to the execution of this Agreement. The balance of the Entrance Fee is payable in full on the date this Agreement is executed. Any interest earned on the Entrance Fee will be held in escrow and released pursuant to Connecticut law. Any interest earned on the Entrance Fee Deposit will be retained by Us.

**C. Monthly Service Fees**

The "Monthly Service Fee" for one person in the Apartment is \$ \_\_\_\_\_, and for a second person is \$ \_\_\_\_\_. You agree to pay the Monthly Service Fee beginning on the Occupancy Date (prorated for the actual number of days from the Occupancy Date to the end of the month in which the Occupancy Date occurs) and each month thereafter.

**D. Adjustments**

The amount of the Monthly Service Fee is Your share of our estimated monthly cost to operate The McAuley. The Monthly Service Fee may be adjusted from time to time, at our discretion, upon sixty (60) days written notice to You, to reflect changes in those costs. We will limit such adjustments to amounts necessary to maintain the financial stability of The McAuley. You agree to pay the adjusted Monthly Service Fee.

**E. Additional Fees**

In addition to the Monthly Service Fee, You will pay our fees for any Optional Services (as defined in Section IV. B. below) rendered at The McAuley. The fees for Optional Services as of the date this Agreement is executed are set forth in the Fee Schedule found in the *Resident Handbook*. We may, from time to time, adjust fees for any Optional Services at our discretion.

**F. Monthly Statement**

Upon occupancy, We will issue monthly statements to You by the tenth of each month requiring payment of the Monthly Service Fee plus fees for any Optional Services defined in Section IV. B. of this Agreement. Payment will be due within ten (10) days of receipt of the monthly statement. Any outstanding amounts owed to us ten (10) days after the due date will be charged a late fee of one and one half percent (1.5%) per month until the amount owed is paid in full. If You fail to pay the amounts charged under the terms of the Agreement and We must refer the account to an attorney or collection agency, You agree to pay all charges, expenses, court costs and attorneys fees incurred by Us, not to exceed any lawful limits.

**G. Transfers**

In the event that You temporarily transfer to any licensed care facility including a licensed skilled nursing facility and this Agreement is not otherwise terminated, You will continue to be obligated to pay the Monthly Service Fee to Us. Your Apartment will be held as provided in Article IV, Paragraphs C and D.

**H. Surviving Resident**

If this Agreement is executed by two of You and either one dies, effective on the first day of the month following the death, the surviving Resident will be obligated to pay the Monthly Service Fee for single occupancy in the Apartment.

**I. Personal Obligations**

We shall not be liable or responsible for any expenses, debts, or other obligations incurred by You on Your own account, nor shall it be obligated to furnish, supply, or give You any support, maintenance, board or lodging

while You are absent from The McAuley, except as may be provided in this Agreement.

#### **J. Health Insurance**

If You are sixty-five (65) years of age or older, You agree to enroll in and be covered by, at Your own expense, Medicare Part A and Part B, and Part D, or equivalent insurance coverage acceptable to Us under a public or private insurance plan. In addition, You agree to enroll in and be covered by a supplemental insurance policy to pay Medicare co-insurance and deductible amounts. If You are younger than sixty-five (65) years of age, You will enroll in and be covered by medical insurance coverage equivalent to the coverage provided under Medicare Part A and Part B.

You agree to provide proof of insurance coverage upon our request.

Any amounts paid or owing to You from federal, state, municipal, private, or supplemental insurance plans for services rendered to You by Us shall be paid to Us. You agree to diligently obtain all reimbursements, payments, proceeds or other benefits available under such plans or programs and authorizes Us to take such action as may be required to obtain and recover same. Any insurance proceeds received by Us in excess of the cost of such services shall be paid to You, or in the event of Your death, to Your estate.

#### **K. Financial Requirements for Residency**

As part of the Application and Admission Process, You completed a Financial Disclosure. Your Financial Disclosure is attached to this Agreement. You agree that as a condition of continued residency at The McAuley, You will provide on an annual basis or as requested by Us, an update of all information contained

in the Financial Disclosure on forms that will be given to You by Us.

You agree to make all reasonable efforts to conserve Your financial resources in order to enable You to meet your financial obligations under this Agreement.

## **IV. GENERAL SERVICES**

### **A. Services Included in Monthly Service Fee**

These services and amenities are included in the Monthly Service Fee:

#### **1. Services:**

- a. Normal repair and maintenance of the Apartment appliances that are provided by Us
- b. All utility expenses, except cable TV, internet, and telephone charges
- c. Town of West Hartford real estate taxes.
- d. Property and building insurance (Such insurance does not cover Your personal liability and Apartment furnishings. See Section II.)
- e. Trash removal from designated areas in accordance with environmental waste management laws and regulations

#### **2. Amenities:**

- a. Full kitchen facilities, including electric range, refrigerator/freezer, microwave and garbage disposal
- b. Individually controlled heating and air conditioning
- c. Sheer window treatments

- d. Emergency-alert system with call switches in each bedroom and bathroom of Apartment
- e. Smoke detector and sprinkler system in each Apartment
- f. Automatic washers and dryers located on each floor for personal laundry
- g. Apartment is pre-wired for telephones and cable television
- h. Individual mailboxes located in the Abbeylex Building.
- i. Assigned uncovered parking space for one car (This parking space is assigned *exclusively* for vehicles driven *personally* by the resident.)
- j. Storage unit

### **3. Dietary Services:**

- a. Continental breakfast and Your choice of lunch or dinner daily in the dining room and/or café
- b. To the extent reasonably possible, food selection will be made available to You in order to accommodate some physician-ordered dietary restrictions
- c. In the event of illness or physical inability, complimentary tray delivery may be provided to your apartment upon approval of the nurse on duty

### **4. Housekeeping and Laundry Services:**

- a. General cleaning of Apartment every other week
- b. Weekly laundry service for The McAuley-provided bed and bath linens

### **5. Transportation Services:**

- a. Scheduled transportation services to local shopping, banking, medical appointments and religious services



**6. 24-Hour Services/Coverage:**

- a. 24-hour concierge service, located in the A Building
- b. 24-hour health staff coverage
- c. 24-hour in Apartment emergency response system

**7. Social and Recreational Activities**

**8. Building and grounds maintenance and custodial service:**

- a. Maintenance of all community buildings, common areas and grounds, including lawns, walkways and driveways
- b. All necessary repairs, maintenance and replacement of community property and equipment located in Your Apartment, in accordance with the *Resident Handbook*

**9. Health Promotion Services:**

- a. You may visit our Health and Wellness Office at regularly scheduled daily times for wellness counseling and blood pressure checks.

**B. Optional Services available at additional expense to You as outlined in the *Resident Handbook***

- 1. Additional meals not included under Dietary Services described in Section IV. A. 3
- 2. Guest accommodations and meals
- 3. Additional housekeeping, maintenance and custodial services not included in Sections IV. A. 1., IV. 4., and IV. A. 8

4. Beauty Salon/Barber Shop Services
5. Expenses incurred by Us on Your behalf that are not included in the scope of services as described in Section IV. A. above
6. Access to health services in addition to those described in Section IV. A. 9. above, including Medicare reimbursable services through a licensed home health care agency and assistance with transfers to nursing homes and hospitals
7. Assisted Living Services provided by The McAuley Assisted Living Services Agency to those who reside in an independent living Apartment and who have a chronic and stable condition which necessitates assistance with some activities of daily living, but who do not require skilled nursing care

### **C. Skilled Nursing Services**

- 1. Temporary Placement:** During Your temporary stay in Saint Mary Home or other skilled nursing facility, Your right to occupy the Apartment will continue and You will continue to pay the Monthly Service Fee. Expenses incurred by You while temporarily placed in a skilled nursing facility shall be your obligation.
- 2. Permanent Placement:** We will be responsible for the cost of skilled nursing care at Saint Mary Home once the following criteria have been met:
  - a. You or Your legal representative have notified Us, in writing, that your placement in the skilled nursing facility is permanent; and
  - b. Your primary care physician has certified in writing that the permanent placement is medically necessary; and

- c. You vacate Your living unit at The McAuley as defined in Section X.
3. You have a preferred access agreement with Saint Mary Home for the provision of skilled nursing services for residents of The McAuley. You may be permanently admitted to Saint Mary Home on an order from Your personal physician after consultation with You, Your family or legal representative and Our representative. Accommodations at Saint Mary Home will be in a semi-private room. If You choose a permanent placement at Saint Mary Home and no bed is available, We will arrange for You to be placed in a skilled nursing facility in the area, reasonably acceptable to both You and Us, at the semi- private room rate, until a bed becomes available at Saint Mary Home.
4. During Your permanent stay at Saint Mary Home, You will continue to pay the Monthly Service Fee.
5. If You are permanently placed at Saint Mary Home, We will be responsible for the *per diem* semi-private rate at Saint Mary Home, all Your other expenses incurred while at Saint Mary Home shall be your obligation. If You should become eligible for a Medicare benefit or for benefits payable from Your personal long term care insurance instrument, the proceeds from Medicare or Your long term care insurance or other insurance will be applied, if applicable, to the semi-private room rate. You will be responsible for charges for all services and items provided at the skilled nursing facility in excess of those paid from Medicare or other insurance for non-covered items and services including personal expenses.

6. In the event that you receive services at Saint Mary Home, We will advance to Saint Mary Home the monthly fees that correspond to the semi-private room rate.
7. The long term care coverage (as described in Section IV.C) offered to Residents of The McAuley who are permanently placed in a skilled nursing facility can only be applied after you have been discontinued from coverage under the Medicare program and the provisions of Section IV.C.2 have been met.
8. All permanent placement decisions may be reviewed by The Mercy Community Medical Director.

**D. Hospitals and Other Health Care Services**

We will not provide, pay for, or indemnify You for hospital, physician, ambulance, surgical, home health care services, or for drugs, medical supplies, X-rays, laboratory and other diagnostic tests, eyeglasses or refractions, hearing aids, dentistry, dentures, inlays, orthopedic appliances, private duty nursing care, podiatric services, physical therapy, treatment for psychiatric disorders, alcoholism, or similar items or services.

In the event that You are temporarily absent from The McAuley due to hospitalization, Your right to occupy the Apartment will continue and You will remain responsible for payment of the Monthly Service Fee.

### **E. Private Duty Care**

In the event that You wish to employ outside caregivers, companions, private duty aides or other personnel to provide services to You, You must notify the Director of Health and Wellness prior to obtaining any these services. These outside caregivers, companions, private duty aides or other personnel must comply with the personnel policies, and the rules and regulations set forth by The McAuley and The Mercy Community.

## **V. TERMINATION OF AGREEMENT**

### **A. Termination by Resident**

#### **1. Prior to Occupancy**

- a. You may terminate this Agreement for any reason up to thirty (30) days after the execution of this Agreement by giving Us written notice by registered or certified mail. We will refund to You all fees paid to You minus an administrative fee of \$1000.00.
- b. If You (or both of You if there are two of You) die before the Occupancy Date, We will terminate this Agreement upon receipt of written notification from Your legal representative. We will refund to Your estate or representative all fees paid to Us minus an administrative fee of \$500.00.
- c. If You cannot occupy the Apartment on the Occupancy Date due to illness, injury or incapacity of You (or both of You if there are two of You), We will terminate this Agreement upon receipt of written notification from You or Your legal representative by registered

or certified mail. We will refund to You all fees paid to Us minus an administrative fee of \$500.00.

- d. If for any reason the Apartment is not available for occupancy on the Occupancy Date, You may terminate this Agreement by giving Us written notice by registered or certified mail. Upon termination of the Agreement, You will be paid, upon request, a full refund of the Entrance Fee, without interest, minus a \$500.00 administrative fee.
- e. If You fail to occupy the Apartment for any other reason at least thirty (30) days following the execution of this Agreement, we will refund to You all fees paid to Us minus an administrative fee of \$1000.00.

## 2. After Occupancy

- a. You may terminate this Agreement for any reason subsequent to the Occupancy Date by giving at least one hundred twenty (120) days advance written notice of the intent to terminate this Agreement and vacate the Apartment. Notice shall be sent to Us by registered or certified mail (see Section XI. J.). The notice shall specify the date upon which You will vacate the Apartment; that date shall be no earlier than one hundred and twenty (120) days from date of notice. The actual date of termination will be the latest to occur of the date specified in the notice and the date by which all of Your personal property has been removed from the Apartment. You will be responsible for paying the Monthly Service Fee until the Apartment is vacated.
- b. Subsequent to occupancy, upon Your death, or the occurrence of an illness, hospitalization or injury, which precludes You from living at The McAuley:

- i. If You are the sole occupant of the Apartment, this Agreement will terminate when all of Your personal property has been removed from the Apartment.
  - ii. If this Agreement covers two of You, this Agreement will terminate as to the deceased or ill Resident who can no longer reside at The McAuley upon written notice of that Resident's death or notice of intent to move out. This Agreement shall remain in effect as to the surviving Resident with appropriate adjustment of the Monthly Service Fee, as set forth in Section III. B. of this Agreement.
  - iii. In the event of a Resident's death, the Resident's estate or family will only be responsible for payment of the Monthly Service Fee for a period of time not to exceed fifteen (15) days following the date of death as long as the Resident's personal property has been removed from the Apartment.
3. Entrance Fee refund procedures are set forth in Section VIII.

**B. Termination by Us**

We may terminate this Agreement upon the occurrence of any of the following events, by sending You a written notice:

1. Termination Prior to Occupancy Date

- a. A misrepresentation on Your Financial Disclosure;
- b. A disposition of Your assets that, in Our judgment, materially impairs Your ability to pay future Monthly Service Fees;

- c. A decline in Your medical and/or cognitive condition that, in Our judgment, impairs Your ability to live independently;
- d. You fail to pay the balance of the Entrance Fee when due.

## 2. Termination Subsequent to Occupancy for Non-Medical Reasons

If You default under this Agreement, We will give You written notice of Your default. You will have thirty (30) days from date of such notice to cure the default. If the default is not cured within such thirty (30) day period, this Agreement will terminate. The following shall constitute Your default:

- a. If We determine that information on the Application for Residency is erroneous or that any material facts affecting qualification for residency were not disclosed.
- b. If You (or either of You if there are two of You) fail to comply with Our rules and regulations of Us or the terms of this Agreement.
- c. If You (or either of You if there are two of You) create a situation detrimental to the health, safety or peaceful living of You, other Residents or Our staff as determined by Us.
- d. If You make any disposition of Your assets which, in Our judgment, materially impairs Your ability to pay the current or future Monthly Service Fee or other costs pursuant to this Agreement.
- e. If You fail to pay the Monthly Service Fee or other amounts owing to Us within ten (10) days of the due date, unless other mutually satisfactory arrangements have been made. It is Our intention that this Agreement shall not be terminated solely



because of financial inability to pay the fees to the extent that:  
a) the inability to pay is not the result of the willful action of You; and b) in Our judgment, the financial viability of The McAuley will not be jeopardized by such failure to pay amounts due. In the event that You are unable to pay Your Monthly Service Fee as described above, The McAuley will assist You in finding alternative living arrangements that, in Our assessment, will meet Your needs. During such time that We are assisting You to find alternative living arrangements, but not to exceed thirty (30) days, You will not be required to pay Your Monthly Service Fee to The McAuley. Once, in Our opinion, an suitable alternate living arrangement has been identified, the move out must occur within thirty (30) days. Moving expenses will be Your responsibility.

**We reserve the right to terminate this Agreement immediately without advance notice in the event a default under b. or c. of this subsection jeopardizes the health, safety or welfare of You or other Residents of The McAuley.**

### 3. Termination Subsequent to Occupancy for Medical Reasons

We may terminate this Agreement after occupancy, if You are in need of treatment and services for any condition for which We are not licensed or for which care is not customarily provided in The McAuley or a skilled nursing facility. If any of the above situations is determined to be temporary in nature, the Apartment will remain reserved for You and You will remain responsible for payment of the Monthly Service Fee. If it is determined that the situation is not temporary in nature,

all Our obligations and all of Your rights in this Agreement will terminate as of the date of such determination; provided, however, that any right You may have to receive a refund of any portion of the Entrance Fee in accordance with Section VIII. and Your obligations to make payments to Us for any balance that accrued prior to the termination, will survive the termination.

#### 4. Entrance Fee

Entrance Fees shall be refunded in accordance with Section VIII of this Agreement.

## **VI. SPECIAL OCCUPANCY CIRCUMSTANCES**

### **A. Death of Resident**

If two of You sign this Agreement and one of You dies, this Agreement shall remain in effect as to the surviving Resident.

### **B. Separation**

1. If two of You sign this Agreement with the intention of residing in the same Apartment, and at a later date following occupancy You desire separate Apartments, one of You may remain in the Apartment and the other may transfer to another Apartment (subject to Our Internal Transfer Guidelines) upon payment of the then current monthly Service Fees and Entrance Fee pertaining to that other Apartment. In addition, the Resident securing the second

Apartment will be required to execute a new and separate Agreement. The Resident remaining in the Apartment will be obligated to pay the single occupancy Monthly Service Fee for that Apartment. There will not be a refund of any portion of the original Entrance Fee paid by both parties for the original Apartment at that time. The refund provisions of this Agreement will apply with respect to the Resident remaining in the Apartment and the refund provisions of the new Agreement will apply with respect to the Resident moving to the new Apartment.

2. If two of You sign this Agreement with the intention of residing in the same Apartment, and at a later date following occupancy You both choose to reside in different Apartments, You both may transfer, subject to Apartment availability (refer to Our Internal Transfer Guidelines) upon payment of the then current Monthly Service Fee and Entrance Fee pertaining to the new Apartments. In addition, You both will be required to execute new and separate Agreements. There will not be a refund of any portion of the original Entrance Fee paid by both of You for the original Apartment at that time. The refund provisions of the new Agreements will apply with respect to both of You.
3. If two of You sign this Agreement with the intention of residing in the same Apartment, and at a later date following occupancy one of You desires to leave The McAuley permanently for another residence, then the Resident leaving The McAuley will surrender all rights under this Agreement (see Termination by Resident). The remaining Resident will retain all rights under this Agreement (see Termination

by Resident). The remaining Resident will retain all rights as a Resident and will pay the single occupancy Monthly Service Fee for the Apartment. There will not be a refund of any portion of the original Entrance Fee paid by both parties for the original Apartment at that time. The refund provisions of this Agreement will apply with respect to the person remaining in the Apartment. The refund provisions of this Agreement will be operative only upon the death or termination of occupancy of the remaining Resident.

### **C. Resident Marriage**

1. If You marry another Resident and both of You desire to reside in the same Apartment, You both may either, a) release one Apartment and reside together in the other Apartment, or b) release both Apartments and reside together in a different Apartment. If You and the other Resident choose to release both Apartments and reside together in a different Apartment, transfer to an available Apartment will be facilitated by Us (subject to Our Internal Transfer Guidelines). In either case, We will honor the existing Agreement for each of You. If the Entrance Fee for the new Apartment is greater than the sum of the original Entrance Fees paid by the two Residents, You will pay the difference between the current applicable Entrance Fee and the sum of the original Entrance Fees. Once residing together, the Monthly Service Fee will be adjusted so that one of You will pay the Monthly Service Fee for the Apartment style in which the couple resides, and the second Resident will pay the Monthly Service Fee for a Studio Apartment.

2. If You marry a non-resident and You both desire to live in Your Apartment, the non-Resident must apply to Us for residency and meet all applicable Application and Admission requirements.
  - i. If the non-Resident spouse is accepted for residency, a new Residency Agreement must be executed by all parties. An applicable Monthly Service Fee adjustment will apply. If the applicable current Entrance Fee is greater than the original Entrance Fee paid by You, the difference between the original Entrance Fee and the current Entrance Fee will be paid at the time the new Agreement is executed by You, Your Spouse and Us.
  - ii. If the non-Resident spouse is not accepted for residency, We and You will execute an Addendum to the Agreement with respect to living arrangements for the non-Resident spouse. An applicable Monthly Service Fee adjustment will apply. The non-Resident spouse will be subject to Our rules and regulations, as amended from time to time.

#### **D. Special Resident Occupancy**

1. If You decide to reside in the same apartment with another current Resident who previously resided in a different Apartment, You and the other Resident may either: a) release one Apartment and reside together in the other Apartment, or b) release both Apartments and reside together in a different Apartment. If You and the other Resident choose to release both Apartments and reside together in a different Apartment, transfer to an available Apartment will be facilitated by Us (subject to Our Internal Transfer Guidelines).

In either case, We will honor the existing Agreement for You and for the other Resident. If the Entrance Fee for the new Apartment is greater than the sum of the original Entrance Fees paid by the two Yous, You will pay the difference between the current applicable Entrance Fee and the sum of the original Entrance Fees. Once residing together, the Monthly Service Fee will be adjusted so that one of You will pay the Monthly Service Fee for the Apartment style in which the two of You reside, and the second will pay the Monthly Service Fee for a Studio Apartment.

2. If a You and a non-Resident desire to live in Your Apartment, the non-Resident must apply to Us for residency and meet all applicable Application and Admission requirements.
  - i. If the non-Resident is accepted for residency, a new Residency Agreement must be executed by You and the non-Resident. An applicable Monthly Service Fee adjustment will apply. If the applicable current Entrance Fee is greater than the original Entrance Fee paid by You, the difference between the original Entrance Fee and the current Entrance Fee will be paid at the time the new Agreement is executed by You, the non-Resident, and Us.
  - ii. If the non-Resident is not accepted for residency, We and You will execute an Addendum to Your Agreement with respect to living arrangements for the non-Resident spouse. An applicable Monthly Service Fee adjustment will apply. The non-Resident will be subject to Our rules and regulations, as amended from time to time.

### **E. Guests**

Guests staying in Resident Apartments are welcome at all times. Any visitation in the Apartment by a non-Resident for more than a two-week period in any calendar year must be arranged with, and expressly approved in writing by Us. Guest meals will be available for an additional charge that will be added to Your Monthly Statement.

## **VII. TRANSFER TO A DIFFERENT APARTMENT**

If You wish to transfer to a different Apartment, You must notify Us in writing of the desire to transfer Apartments. A Fee of \$10,000.00 will be assessed once the transfer is approved. We will assist You with such a transfer, subject to Our Internal Transfer Guidelines. Our Internal Transfer Guidelines are incorporated by reference into, and attached as Exhibit 1 of this Agreement. When a new Apartment is available and You transfer, the Monthly Service Fee and the Entrance Fee will be adjusted to the then current charges for that Apartment type. The parties will amend this Agreement in writing prior to the transfer becoming effective to reflect such adjustments. If the current Entrance Fee for the new Apartment is less than the original Entrance Fee paid by You, there will be no refund of any portion of the Entrance Fee. All refunds will be made in accordance with Section VIII upon termination of this Agreement. We have established policies on the procedures and charges for transfers and may, from time to time, adjust this policy.

## VIII. REFUND OF ENTRANCE FEE

In the event this Agreement is executed by two persons, the Entrance Fee refund Procedures set forth below in this Section shall not apply until the last of the two of You dies or this Agreement is otherwise terminated by both of You as set forth in Section V of this Agreement.

### A. Prior to the Occupancy Date

#### 1. Apartment Not Available

If for any reason the Apartment is not available for occupancy on the Occupancy Date, You may terminate this Agreement. Upon termination of the Agreement, You will be paid, upon request, a full refund of the Entrance Fee, without interest, minus a \$500.00 administrative fee. Such refund will be issued within thirty (30) days of the receipt of the notice of termination.

#### 2. Death, Illness, Injury or Incapacity of Resident

If for reason of death, illness or injury, or incapacity, You are not able to occupy Apartment on the Occupancy Date, We will refund the Entrance Fee paid, without interest, minus a \$500.00 administrative fee, within thirty (30) days of receipt of the notice required under Section V. A.1 above.



### 3. Termination Within Thirty (30) Days of Execution of this Agreement

You may terminate this Agreement for any reason up to thirty (30) days after the execution of this Agreement by giving us written notice by registered, or certified mail. We will refund to you all fees paid to you minus an administrative fee of \$1,000.00.

4. If for any other reason, You are not able to or choose not to occupy Apartment on the Occupancy Date and more than thirty (30) days have passed since execution of this Agreement, We will refund the Entrance Fee paid, without interest, minus a \$1,000.00 administrative fee, within thirty (30) days of receipt of the notice required under Section V.A.1.

## **B. Subsequent to the Occupancy Date – Standard Rental Refund Plan**

### **Standard Refund Plan**

(Your initials on the line next to “Standard Refund Plan” indicates Your choice of this Contract.)

You, at the time this Agreement was executed, selected the Standard Rental Refund Plan. If this Agreement is terminated after the Occupancy Date but within the first year of occupancy, that is prior to the first anniversary of the Occupancy Date, We will refund the Entrance Fee, without interest, less two percent (2%), of that amount for each thirty (30) day periods prorated on a per diem basis. If this Agreement is terminated after the first anniversary of the Occupancy Date, We will refund two-thirds (66.667%) of the Entrance Fee paid. Any interest earned on the Entrance Fee will be retained by Us.

### **C. Subsequent to the Occupancy Date – Zero Refund Plan**

#### **Zero Refund Plan**

(Your initials on the line next to “Zero Refund Plan” indicates Your choice of this Contract.)

You, at the time this Agreement was executed, selected the Zero Refund Plan. During the first fifty (50) months from the Occupancy Date, We will refund the original Entrance Fee Paid, without interest, less two percent (2%) of that amount for each full month from the Occupancy Date to the date the Apartment is vacated and empty of all personal possessions or the Agreement is terminated, whichever comes later.

Subsequent to the first fifty (50) months from the Occupancy Date, there will be zero refund of the original Entrance Fee paid by You.

### **D. Refund Payment**

Any refunds due to You or Your estate pursuant to the prior two paragraphs will be payable within sixty (60) days following the later date when both of the following events first occur, *but in no case shall the refund be delivered to you or your estate later than three years from the date this contract is terminated:*

1. We receive an Entrance Fee for an Apartment similar in style (*e.g.* studio, one bedroom, *etc.*) to Your Apartment; and
2. We have refunded all other entrance fees due and payable pursuant

to residency agreements for like Apartment styles pursuant to residency agreements that terminated prior to the termination of this Agreement.

Notwithstanding the foregoing, We may, at our option, deduct from any Entrance Fee refund any monies advanced to You by Us and any monies owed Us under Section III of this Agreement or under any other provision of this Agreement. In the event that You have incurred charges which exceed the Entrance Fee refund balance, no refund will be issued and You or Your estate will be liable and billed for the excess amount.

We will pay any refund due hereunder to You or Your estate if You are deceased, unless We are otherwise directed by written instructions signed by You and accepted by Us.

## **IX. EXTENDED ABSENCE**

If You are away from The McAuley for fourteen (14) or more consecutive days due to an admission into an acute care setting, a rehabilitation stay or a temporary stay in a skilled nursing facility, You will receive a daily meal credit on Your Monthly Statement for those days when You were away from The McAuley. The credit for missed meals will be calculated upon your return and will be reflected in your following months statement. Your right to occupy the Apartment and Your payment obligations will be as set forth in Section IV.D above.

## **X. VACATING APARTMENT**

Upon termination of this Agreement, You must vacate the Apartment within thirty (30) days. For purposes of this Agreement, the Apartment will not be considered vacated until all of Your personal property is removed from the Apartment. You will be responsible for the Monthly Service Fee during this thirty (30) day period; provided, however, that if the Agreement is terminated as a result of Your death, Your estate or family will only be responsible for payment of the Monthly Service Fee for a period of time not to exceed fifteen (15) days following Your death as long as Your Apartment has been vacated. If the Apartment is not vacated within the thirty (30) days, We will have the right to remove and store all property left in the Apartment after thirty (30) days. You will be responsible for the costs incurred as a result of moving and storing such items. Property left in storage for ninety (90) days or more may be disposed of by Us at Your expense.

When You vacate the Apartment, We expect that the Apartment will be left in the same condition as of the Occupancy Date, ordinary wear and tear excluded. We may charge You for any damage to the Apartment that, at Our discretion, is deemed as not the result of ordinary wear and tear. If with Our permission, You physically altered the Apartment, We, in Our sole discretion, may return the Apartment to its condition prior to such alterations, and all costs for this restoration incurred by Us will be charged to You.

## **XI. MISCELLANEOUS**

### **A. Fees Not Held in Trust**

All fees paid to Us, including Entrance Fees, shall become the sole property of Us as payment for residence and services, except to the extent that Entrance Fees may be refundable under this Agreement.

### **B. Subordination**

All Your rights under this Agreement are subordinate to any existing or future mortgages on The McAuley and to any of Our other creditors with respect to The McAuley. You agree to execute any documents requested by Us in order to carry out the terms of this Section.

### **C. Property Rights**

This Agreement grants You a revocable license to occupy and use space in The McAuley. This Agreement is not a lease and does not transfer or grant to You any ownership interest or rights of tenancy in real or personal property owned or leased by Us. Your rights under this Agreement, except Your rights to any refunds to which You are entitled under this Agreement, are subject to all terms and conditions of this Agreement and are subordinate to any mortgage, financing deed, deed of trust, or other financing on The McAuley.

**D. Arrangements for Conservatorship**

If You become unable to care properly for Yourself or Your property and have made no designation of a conservator or trustee, then We are authorized to institute proceedings for appointment of a person or entity to serve as conservator for You.

**E. Rules and Regulations**

We shall have the right to adopt or amend such reasonable policies, rules, regulations, guidelines and operating procedures (“Rules and Regulations”) as deemed necessary or desirable for proper management and operation and for the health, safety and comfort of the Residents. The *Resident Handbook* summarizes many of Our Rules and Regulations, and is incorporated by reference into this Agreement. You agree to abide by the Rules and Regulations.

**F. Smoking**

The McAuley is a smoke-free campus; therefore, smoking is prohibited. This applies to all areas in The McAuley, including but not limited to: The McAuley vehicles, Your apartments, apartment balconies, the front entrances to each building, all dining areas, meeting rooms, activity areas and all corridors, and all grounds belonging to The Mercy Community. This prohibition applies to everyone, including all Residents, family members, overnight guests, visitors, and private duty assistants.

**G. Compliance with Laws and Regulations**

We will comply with all municipal, state and federal laws and regulations regarding consumer protection and protection from financial exploitation. We will afford You all rights and privileges under Section 17b-520 *et seq.* Connecticut General Statutes.

**H. Grievance Procedure**

You may present a formal complaint about any alleged violation of the Residency Agreement. The complaint must be submitted in writing and delivered to the Executive Director at the address specified in Paragraph J below. Upon receipt of a formal written complaint, the Executive Director or designee will respond within five (5) business days. The Executive Director or designee will respond in writing after conducting an investigation. If You are not satisfied with the response, You may appeal the decision to the Chief Executive Officer (CEO) of Mercy Community Health. This appeal must be made in writing and delivered to the CEO at The McAuley, 275 Steele Road, West Hartford, CT, 06117, Attn.: Chief Executive Officer. Under no circumstances will The McAuley, its Executive Director, or the CEO or any other agent allow or permit retaliation against a Resident who has filed a complaint.

**I. Accuracy of Information**

You represent and warrant that all information that You have submitted or will submit to Us, including but not limited to annual financial statements, is true and complete. You understand and acknowledge that We are relying on such information.

**J. Notices**

All written notices required by this Agreement will be sufficient if addressed:

1. If to You: to Your Apartment at The McAuley;
2. If to Us, to the Executive Director, The McAuley, 275 Steele Road, West Hartford, CT 06117.

Unless otherwise specified in this Agreement, all written notices shall be sent by registered or certified U.S. Mail, overnight express courier service, or messenger service and shall be deemed issued when delivered or when acceptance is refused.

**K. Waiver**

Our failure in any one or more instances to insist upon strict compliance by You with any of the terms of this Agreement shall not be construed to be a waiver by Us of such term(s) or of the right to insist upon strict compliance by You with any of the other terms of this Agreement.

**L. Assignment**

Your rights and benefits under this Agreement (except for the possible right to a refund of some part of the Entrance Fee) are not assignable and will not inure to the use or benefit of the heirs, legatees, assignees or representatives of You, but Your obligations under this Agreement



shall bind Your heirs, legatees, assignees or representatives. The Agreement shall bind and inure to the benefit of Our successors and assigns.

**M. Entire Agreement**

This Agreement, including all exhibits, constitutes the entire agreement between Us and You. We are not liable for nor bound in any manner by any statements, representations or promises made by any person representing or proposing to represent Us unless such statements, representations, or promises are set forth in the Agreement. Any modification of the Agreement must be in writing and signed by Us and You.

**N. Interpretation of Agreement**

No amendment of this Agreement will be valid unless executed in writing by both You and Us.

The invalidity of any restriction, condition or other provision of this Agreement will not impair or affect in any way the validity or enforceability of the remainder of this Agreement. This Agreement will be interpreted according to the laws of the State of Connecticut.

**O. Counterparts**

This Agreement may be executed in counterparts.

Executed at West Hartford, Connecticut on this \_\_\_\_\_ day  
of \_\_\_\_\_, 20 \_\_\_\_.

**RESIDENT(S):**

**THE PROVIDER:**

McAuley Center, Inc.  
a Connecticut not-for-profit  
corporation.

\_\_\_\_\_  
(Signature)

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

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

\*\*\*\*\*

## Summary of Key Information Contained in this Residency Agreement

Resident Name(s):

\_\_\_\_\_

Contract Type:

\_\_\_\_\_ Standard Refund Plan, or

\_\_\_\_\_ Zero Refund Plan

Occupancy Date: \_\_\_\_\_

Unit Number: \_\_\_\_\_ Unit Type: \_\_\_\_\_

Entrance Fee Amount: \_\_\_\_\_

Monthly Service Fee:      First Person: \_\_\_\_\_

Second Person: \_\_\_\_\_

## **EXHIBIT 1 (Internal Transfers and Guidelines)**

### 1. Policy Statement

- A. All residents choose their independent living unit prior to occupancy. Once the resident occupies the living unit, the applicable unit is considered the resident's primary residence. From time to time, and in consideration of a number of factors, it may be necessary for the resident to move to a different independent living unit. Any internal transfer from the primary residence to another living unit at The McAuley is subject to the Internal Transfer Guidelines.
- B. Current residents who desire to change units and make these requests are also placed on a waiting list. In this case, the name is placed in the last position for the living unit type requested.
- C. In certain circumstances, a current resident of The McAuley may request a living unit change for financial or medical reasons. In this case, The McAuley will give priority placement on the applicable waiting list. Priority consideration means that the current resident will be placed in the first position on the waiting list.

### 2. Internal Transfer Procedure

There are four (4) possible scenarios with respect to an internal transfer of living units. The following guidelines apply to these specific unit transfers.

#### A. Pre-Arranged Move (Prior to Move-In) to a Different Living Unit

1. In certain circumstances, a resident may elect to move to The McAuley and into an available living unit, even if that unit is not the resident's choice.
2. In this situation, The McAuley and the resident will enter into an Addendum as part of the Residency Agreement. The Addendum will specify that the resident is entitled to move into an alternative unit and will specify the details of this relocation. In this situation, the resident will be given priority placement on the applicable living unit wait list. All moving expenses are the responsibility of the resident.

#### B. Planned Move (After Move-In) to a Different Living Unit

1. In certain circumstances, a resident will select a living unit and, once residing in that unit, will desire to relocate to another living unit. For example, a resident chooses a living unit with a view of the parking lot and then decides that a view of the University of Saint Joseph would be more appealing.
2. In this situation, the resident must notify the Sales Department of the desire to change living units. The resident's request will be noted on the applicable waiting list for the unit desired. At that time, the resident's name will be placed in the last position on the applicable wait list.
3. In the event that a unit comes available and the resident selects this unit, the resident will be required to pay the current entrance fee for that living unit. The resident's original entrance fee will be applied to the entrance fee for the new living unit. In the event that the new

entrance fee is less than the original entrance fee, no entrance refund will be provided to the resident. The Resident must also be aware that a change in monthly fees may also apply as a result of a living unit transfer. All moving expenses are the responsibility of the resident.

C. Required Move (after Move-In) to a Smaller Living Unit for Financial Reasons

1. In certain instances, due to a loss of financial means, it may become necessary to relocate to a smaller living unit.
2. In this situation, the resident must send a written request to relocate to the Executive Director. The letter should request the living unit change and should note the size living unit that the resident is requesting. The Executive Director will review the request and meet with the resident to review his/her financial position. After due consideration, if the request is approved, the resident will be given priority placement on the applicable unit wait list. At the time that the resident relocates to the smaller unit, the resident's monthly fee will be adjusted. The original entrance fee will not be adjusted. All moving expenses will be the responsibility of the resident.
3. If the resident's request is not approved, the resident's name will be placed on the unit wait list in the last position. At the time that the resident relocates to the smaller unit, the resident's monthly fee will be adjusted. The original entrance fee will not be adjusted. All moving expenses will be the responsibility of the resident.

D. Required Move (after Move-In) to a Different Living Unit for Medical Reasons

1. In certain instances, due to a change in resident's medical status, it may become necessary for the resident to relocate to a different living unit.
2. In this situation, the resident must send a written request to relocate to the Executive Director. The letter should request the living unit change and should note the location of the unit that the resident is requesting.
3. The Executive Director will review the request and meet with the representatives of The McAuley to review the resident's change in medical status and the relocation request. After due consideration, if the resident's request is approved, the resident will be given priority placement on the applicable unit wait list. At the time that the resident relocates to a different living unit, the resident's monthly fee will be adjusted. If the resident relocates to a larger living unit, the resident's monthly fee will be adjusted. Further, if the resident relocates to a larger living unit, the resident will be required to pay the current entrance fee for that living unit. The resident's original entrance fee will be applied to the entrance fee for the new living unit. In the event that the new entrance fee is less than the original entrance fee, no entrance fee will be provided to the resident. All moving expenses will be the responsibility of the resident.
4. If the resident's request is not approved, the resident's name will be placed on the unit wait list in the last position. At the time that the resident relocates to the smaller unit, the resident's monthly fee will be adjusted. The resident's original entrance fee will be applied to the

entrance fee for the new living unit. In the event that the new entrance fee is less than the original entrance fee, no entrance fee will be provided to the resident. All moving expenses will be the responsibility of the resident.





**THE McAULEY**  
PART OF THE MERCY COMMUNITY†

**RESIDENCY AGREEMENT**  
WITH 150 DAYS LONG TERM CARE COVERAGE

275 Steele Road, West Hartford, CT 06117-2716  
Telephone 860.920.6319 FAX 860.232.4077

## **THE McAULEY RESIDENCY AGREEMENT**

This Residency Agreement (the “Agreement”) is entered into this \_\_\_\_\_ day of \_\_\_\_\_ between McAuley Center, Incorporated, a Connecticut non-stock corporation (or “The McAuley” or “Us”), and \_\_\_\_\_, (“You”).

This Agreement applies to Apartment \_\_\_\_\_ a \_\_\_\_\_ bedroom Apartment (the “Apartment”). (If more than one person intending to reside at The McAuley signs this Agreement, “You” shall apply to all, jointly and severally.)

### **PREAMBLE**

The McAuley, a non-profit, tax-exempt corporation, is a Life Plan Community sponsored by Trinity Health Senior Communities, managed by Mercy Community Health, and is part of Trinity Health. It is located at 275 Steele Road, West Hartford, Connecticut. The McAuley is registered as a Managed Retirement Community (“MRC”) in Connecticut.

## **I. BASIC AGREEMENT**

**A.** You agree to pay the Entrance Fee, Monthly Service Fee and any additional fees specified in Section III of this Agreement. In exchange for such payments, You will have the right, subject to the terms of this Agreement, for You to occupy the Apartment and to have access to General Services at The McAuley set forth in Section IV. A and B of this Agreement.

**B.** You have completed the Application and Admission process and have executed a Pre-Residency Agreement that is incorporated by reference into this Agreement.

**C.** Your Occupancy Date was specified by Us in your Letter of Acceptance. This Agreement must be executed by both You and Us prior to the Occupancy Date. The balance of the Entrance Fee by You will be payable to Us at the time this Agreement is executed by both You and Us.

**D.** Following the execution of this Agreement, but at least thirty (30) days prior to the Occupancy Date, You may request an extension of the Occupancy Date. Such request should be made in writing to Us (see Section XI. J) Our decision is final.

## **II. ACCOMMODATIONS AT THE COMMUNITY**

### **A. Alterations**

Any physical alteration of the Apartment by You requires the prior written approval by Us. Such alterations shall be at Your expense, and must be performed by craftsmen approved by Us. Upon death or termination of occupancy by You (and the second person if there are two people in the Apartment.) We in our sole discretion, may return the Apartment to its condition prior to such alterations, and all costs for this restoration incurred by Us will be charged to You or Your estate.

### **B. Access**

You agree that We and our employees and agents shall have the right, at all reasonable times, subject to our policy described below regarding housekeeping, maintenance and laundry services, to enter your Apartment for purposes of management, housekeeping, maintenance, health services, enforcement of applicable laws and regulations, emergency purposes, or any other reasonable purpose. Our policy is that at least one of You must remain in the Apartment while housekeeping, maintenance and laundry services are provided, unless You waive this policy in writing by executing an Environmental Services Waiver.

### **C. Property Protection and Insurance**

We will not be responsible for the loss of any personal property due to any cause other than our gross negligence. You agree to indemnify Us for any loss or damage to our personal property and for any injury or damage to others or to the property of others resulting from the acts, omissions, negligence or fault of You or Your guests and invitees. You shall maintain both

personal liability and personal property insurance coverage in accordance with our rules and regulations and shall provide Us with a copy of that policy or proof of purchase, upon our request.

**D. Moving Expenses**

You will be responsible for all moving expenses associated with Your move into and out of The McAuley. In the event that You transfer Apartments during Your occupancy at The McAuley, You will be responsible for all moving expenses associated with such transfer.

### III. FINANCIAL ARRANGEMENTS

#### A. Contract Type

Standard Refund Plan: You pay a standard Entrance Fee based on Apartment type. At the time that the Agreement is terminated, You or Your Estate (or the estate of the last surviving Resident if there are two of You) may be entitled to a refund of eighty percent (80%) of the Entrance Fee. Any interest earned on the Entrance Fee will be retained by Us.

#### B. Entrance Fee

The Entrance Fee for the Apartment is \$ \_\_\_\_\_. You paid a \$10,000.00 Entrance Fee Deposit prior to the execution of this Agreement. The balance of the Entrance Fee is payable in full on the date this Agreement is executed. Any interest earned on the Entrance Fee Deposit will be retained by Us.

#### C. Monthly Service Fees

The "Monthly Service Fee" for one person in the Apartment is \$ \_\_\_\_\_, and for a second person is \$ \_\_\_\_\_. You agree to pay the Monthly Service Fee beginning on the Occupancy Date (prorated for the actual number of days from the Occupancy Date to the end of the month in which the Occupancy Date occurs) and each month thereafter.

#### D. Adjustments

The amount of the Monthly Service Fee is Your share of our estimated monthly cost to operate The McAuley. The Monthly Service Fee may be adjusted from time to time, at our discretion, upon sixty (60) days written notice to You, to reflect changes in those costs. We will limit such adjustments to amounts necessary to maintain the financial stability of The McAuley. You agree to pay the adjusted Monthly Service Fee.

**E. Additional Fees**

In addition to the Monthly Service Fee, You will pay our fees for any Optional Services (as defined in Section IV. B. below) rendered at The McAuley. The fees for Optional Services as of the date this Agreement is executed are set forth in the Fee Schedule found in the *Resident Handbook*. We may, from time to time, adjust fees for any Optional Services at our discretion.

**F. Monthly Statement**

Upon occupancy, We will issue monthly statements to You by the tenth of each month requiring payment of the Monthly Service Fee plus fees for any Optional Services defined in Section IV. B. of this Agreement. Payment will be due within ten (10) days of receipt of the monthly statement. Any outstanding amounts owed to us ten (10) days after the due date will be charged a late fee of one and one half percent (1.5%) per month until the amount owed is paid in full. If You fail to pay the amounts charged under the terms of the Agreement and We must refer the account to an attorney or collection agency, You agree to pay all charges, expenses, court costs and attorneys fees incurred by Us, not to exceed any lawful limits.

**G. Transfers**

In the event that You temporarily transfer to any licensed care facility including a licensed skilled nursing facility and this Agreement is not otherwise terminated, You will continue to be obligated to pay the Monthly Service Fee to Us. Your Apartment will be held as provided in Article IV, Paragraphs C and D.

**H. Surviving Resident**

If this Agreement is executed by two of You and either one dies, effective on the first day of the month following the death, the surviving Resident will be obligated to pay the Monthly Service Fee for single occupancy in the Apartment.

**I. Personal Obligations**

We shall not be liable or responsible for any expenses, debts, or other obligations incurred by You on Your own account, nor shall it be obligated to furnish, supply, or give You any support, maintenance, board or lodging while You are absent from The McAuley, except as may be provided in this Agreement.

**J. Health Insurance**

If You are sixty-five (65) years of age or older, You agree to enroll in and be covered by, at Your own expense, Medicare Part A and Part B, and Part D, or equivalent insurance coverage acceptable to Us under a public or private insurance plan. In addition, You agree to enroll in and be covered by a supplemental insurance policy to pay Medicare co-insurance and deductible amounts. If You are younger than sixty-five (65) years of age, You will enroll in and be covered by medical insurance coverage equivalent to the coverage provided under Medicare Part A and Part B.

You agree to provide proof of insurance coverage upon our request.

Any amounts paid or owing to You from federal, state, municipal, private, or supplemental insurance plans for services rendered to You by Us shall be paid to Us. You agree to diligently obtain all reimbursements, payments, proceeds or other benefits available under such plans or programs and authorizes Us to take such action as may be required to obtain and recover same. Any insurance proceeds received by Us in excess of the cost of such services shall be paid to You, or in the event of Your death, to Your estate.



**K. Financial Requirements for Residency**

As part of the Application and Admission Process, You completed a financial disclosure. Your Financial Disclosure is attached to this Agreement. You agree that as a condition of continued residency at The McAuley, You will provide on an annual basis or as requested by Us, an update of all information contained in the Financial Disclosure on forms that will be given to You by Us.

You agree to make all reasonable efforts to conserve Your financial resources in order to enable You to meet your financial obligations under this Agreement.

## IV. GENERAL SERVICES

### A. Services Included in Monthly Service Fee

These services and amenities are included in the Monthly Service Fee:

#### 1. **Services:**

- a. Normal repair and maintenance of the Apartment appliances that are provided by Us
- b. All utility expenses, except cable TV, internet, and telephone charges
- c. Town of West Hartford real estate taxes.
- d. Property and building insurance (Such insurance does not cover Your personal liability and Apartment furnishings. See Section II.)
- e. Trash removal from designated areas in accordance with environmental waste management laws and regulations

#### 2. **Amenities:**

- a. Full kitchen facilities, including electric range, refrigerator/freezer, microwave and garbage disposal
- b. Individually controlled heating and air conditioning
- c. Emergency-alert system with call switches in each bedroom and bathroom of Apartment
- d. Smoke detector and sprinkler system in each Apartment
- e. Automatic washers and dryers located on each floor for personal laundry
- f. Apartment is pre-wired for telephones and cable television
- g. Individual mailboxes located in the Abbeyleix Building.

- h. Assigned uncovered parking space for one car (This parking space is assigned *exclusively* for vehicles driven *personally* by the resident.)
- i. Storage unit

### **3. Dietary Services:**

- a. Continental breakfast and Your choice of lunch or dinner daily in the dining room and/or café
- b. To the extent reasonably possible, food selection will be made available to You in order to accommodate some physician-ordered dietary restrictions
- c. In the event of illness or physical inability, complimentary tray delivery may be provided to your apartment upon approval of the nurse on duty

### **4. Housekeeping and Laundry Services:**

- a. General cleaning of Apartment every other week
- b. Weekly laundry service for The McAuley-provided bed and bath linens

### **5. Transportation Services:**

- a. Scheduled transportation services to local shopping, banking, medical appointments and religious services

### **6. 24-Hour Services/Coverage:**

- a. 24-hour concierge service, located in the Abbeyleix Building
- b. 24-hour health staff coverage
- c. 24-hour in Apartment emergency response system

### **7. Social and Recreational Activities**

**8. Building and grounds maintenance and custodial service:**

- a. Maintenance of all community buildings, common areas and grounds, including lawns, walkways and driveways
- b. All necessary repairs, maintenance and replacement of community property and equipment located in Your Apartment, in accordance with the *Resident Handbook*

**9. Health Promotion Services:**

- a. You may visit our Health and Wellness Office at regularly scheduled daily times for wellness counseling and blood pressure checks.

**B. Optional Services available at additional expense to You as outlined in the *Resident Handbook***

- 1. Additional meals not included under Dietary Services described in Section IV. A. 3
- 2. Guest accommodations and meals
- 3. Additional housekeeping, maintenance and custodial services not included in Sections IV. A. 1., IV. 4., and IV. A. 8
- 4. Beauty Salon/Barber Shop Services
- 5. Expenses incurred by Us on Your behalf that are not included in the scope of services as described in Section IV. A. above
- 6. Access to health services in addition to those described in Section IV. A. 9. above, including Medicare reimbursable services through a licensed home health care agency and assistance with transfers to nursing homes and hospitals

7. Assisted Living Services provided by The McAuley Assisted Living Services Agency to those who reside in an independent living Apartment and who have a chronic and stable condition which necessitates assistance with some activities of daily living, but who do not require skilled nursing care

### **C. Skilled Nursing Services**

1. As a resident of The McAuley, You have preferred access to Saint Mary Home for the provision of skilled nursing services based on the terms that follow below in the Section of the Agreement.
2. We will be responsible for the cost of skilled nursing care at Saint Mary Home for a maximum of one hundred fifty (150) days during Your lifetime. This skilled nursing coverage will only be applied after you have exhausted any Medicare benefits that may apply for each nursing home stay. In addition, this coverage only applies when You are admitted to Saint Mary Home.

Accommodations in Saint Mary Home will be in a semi-private room. Private rooms, Sub-Acute Rehabilitation Rooms and other specialty Unit Rooms are available for an additional fee. Once You have utilized Your one hundred fifty (150) days of skilled nursing benefit, You will be responsible for all skilled nursing charges at the then current applicable *per diem* rate.

3. If no bed is available at Saint Mary Home, We will arrange for You to be placed in a licensed skilled nursing facility in the area,

reasonably acceptable to both You and Us, until a bed becomes available at Saint Mary Home.

While you are in a skilled nursing facility other than Saint Mary Home, because no bed is available for You, We will be responsible for the cost of the semi-private room rate at that skilled nursing facility, not to exceed the then current semi-private rate at Saint Mary Home. At such time as a bed becomes available at Saint Mary Home, You will be required to transfer to Saint Mary Home, In the event that you refuse to relocate to Saint Mary Home, We will no longer be responsible for the semi-private rate at Your current facility.

4. In the event that You are admitted to Saint Mary Home, We will advance to Saint Mary Home the fees that correspond to the semi-private room rate up to one hundred and fifty (150) days of a lifetime maximum benefit. If you choose another skilled nursing facility approved by Us because no bed is available at Saint Mary Home, you will be responsible to provide us with an invoice from the skilled nursing facility used by you for payment up to the one hundred fifty (150) days of lifetime maximum benefit in accordance with the terms in the preceding paragraph.
5. Placement in Saint Mary Home, whether temporary or permanent must be based on an order from your personal physician after consultation with You, Your family or legal representative and Us.
6. During your stay at Saint Mary Home, Your right to occupy the Apartment will continue and you will continue to pay the Monthly Service Fee.

**D. Hospitals and Other Health Care Services**

We will not provide, pay for, or indemnify You for hospital, physician, ambulance, surgical, home health care services, or for drugs, medical supplies, X-rays, laboratory and other diagnostic tests, eyeglasses or refractions, hearing aids, dentistry, dentures, inlays, orthopedic appliances, private duty nursing care, podiatric services, physical therapy, treatment for psychiatric disorders, alcoholism, or similar items or services.

In the event that You are temporarily absent from The McAuley due to hospitalization, Your right to occupy the Apartment will continue and You will remain responsible for payment of the Monthly Service Fee.

**E. Private Duty Care**

In the event that You wish to employ outside caregivers, companions, private duty aides or other personnel to provide services to You, You must notify the Director of Health and Wellness prior to obtaining any of these services. These outside caregivers, companions, private duty aides or other personnel must comply with the personnel policies, and the rules and regulations set forth by The McAuley and The Mercy Community.

## V. TERMINATION OF AGREEMENT

### A. Termination by Resident

#### 1. Prior to Occupancy

- a. You may terminate this Agreement for any reason up to thirty (30) days after the execution of this Agreement by giving Us written notice by registered or certified mail. We will refund to You all fees minus an administrative fee of \$500.00.
- b. If You (or both of You if there are two of You) die before the Occupancy Date, We will terminate this Agreement upon receipt of written notification from Your legal representative. We will refund to Your estate or representative all fees paid to Us minus an administrative fee of \$500.00.
- c. If You cannot occupy the Apartment on the Occupancy Date due to illness, injury or incapacity of You (or both of You if there are two of You), We will terminate this Agreement upon receipt of written notification from You or Your legal representative by registered or certified mail. We will refund to You all fees paid to Us minus an administrative fee of \$500.00.
- d. If for any reason the Apartment is not available for occupancy on the Occupancy Date, You may terminate this Agreement by giving Us written notice by registered or certified mail. Upon termination of the Agreement, You will be paid, upon request, a full refund of the Entrance Fee, without interest, minus a \$500.00 administrative fee.
- e. If You fail to occupy the Apartment for any other reason at least thirty (30) days following the execution of this Agreement, we will refund to You all fees paid to Us minus an administrative fee of \$500.00.



## 2. After Occupancy

- a. You may terminate this Agreement for any reason subsequent to the Occupancy Date by giving at least one hundred twenty (120) days advance written notice of the intent to terminate this Agreement and vacate the Apartment. Notice shall be sent to Us by registered or certified mail (see Section XI. J.). The notice shall specify the date upon which You will vacate the Apartment; that date shall be no earlier than one hundred and twenty (120) days from date of notice. The actual date of termination will be the latest to occur of the date specified in the notice and the date by which all of Your personal property has been removed from the Apartment. You will be responsible for paying the Monthly Service Fee until the Apartment is vacated.
- b. Subsequent to occupancy, upon Your death, or the occurrence of an illness, hospitalization or injury, which precludes You from living at The McAuley:
  - i. If You are the sole occupant of the Apartment, this Agreement will terminate when all of Your personal property has been removed from the Apartment.
  - ii. If this Agreement covers two of You, this Agreement will terminate as to the deceased or ill Resident who can no longer reside at The McAuley upon written notice of that Resident's death or notice of intent to move out. This Agreement shall remain in effect as to the surviving Resident with appropriate adjustment of the Monthly Service Fee, as set forth in Section III. B. of this Agreement.

iii. In the event of a Resident's death, the Resident's estate or family will only be responsible for payment of the Monthly Service Fee for a period of time not to exceed fifteen (15) days following the date of death as long as the Resident's personal property has been removed from the Apartment.

3. Entrance Fee refund procedures are set forth in Section VIII.

## **B. Termination by Us**

We may terminate this Agreement upon the occurrence of any of the following events, by sending You a written notice:

### **1. Termination Prior to Occupancy Date**

- a. A misrepresentation on Your Financial Disclosure;
- b. A disposition of Your assets that, in Our judgment, materially impairs Your ability to pay future Monthly Service Fees;
- c. A decline in Your medical and/or cognitive condition that, in Our judgment, impairs Your ability to live independently;
- d. You fail to pay the balance of the Entrance Fee when due.

### **2. Termination Subsequent to Occupancy for Non-Medical Reasons**

If You default under this Agreement, We will give You written notice of Your default. You will have thirty (30) days from date of such notice to cure the default. If the default is not cured within such thirty (30) day

period, this Agreement will terminate. The following shall constitute Your default:

- a. If We determine that information on the Application for Residency is erroneous or that any material facts affecting qualification for residency were not disclosed.
- b. If You (or either of You if there are two of You) fail to comply with Our rules and regulations of Us or the terms of this Agreement.
- c. If You (or either of You if there are two of You) create a situation detrimental to the health, safety or peaceful living of You, other Residents or Our staff as determined by Us.
- d. If You make any disposition of Your assets which, in Our judgment, materially impairs Your ability to pay the current or future Monthly Service Fee or other costs pursuant to this Agreement.
- e. If You fail to pay the Monthly Service Fee or other amounts owing to Us within ten (10) days of the due date, unless other mutually satisfactory arrangements have been made. It is Our intention that this Agreement shall not be terminated solely because of financial inability to pay the fees to the extent that:
  - a) the inability to pay is not the result of the willful action of You; and
  - b) in Our judgment, the financial viability of The McAuley will not be jeopardized by such failure to pay amounts due. In the event that You are unable to pay Your Monthly Service Fee as described above, The McAuley will assist You in finding alternative living arrangements that, in Our assessment, will meet Your needs. During such time that We are assisting You to find alternative living arrangements, but not to exceed thirty

(30) days, You will not be required to pay Your Monthly Service Fee to The McAuley. Once, in Our opinion, an suitable alternate living arrangement has been identified, the move out must occur within thirty (30) days. Moving expenses will be Your responsibility.

**We reserve the right to terminate this Agreement immediately without advance notice in the event a default under b. or c. of this subsection jeopardizes the health, safety or welfare of You or other Residents of The McAuley.**

3. Termination Subsequent to Occupancy for Medical Reasons

We may terminate this Agreement after occupancy, if You are in need of treatment and services for any condition for which We are not licensed or for which care is not customarily provided in The McAuley or a skilled nursing facility. If any of the above situations is determined to be temporary in nature, the Apartment will remain reserved for You and You will remain responsible for payment of the Monthly Service Fee. If it is determined that the situation is not temporary in nature, all Our obligations and all of Your rights in this Agreement will terminate as of the date of such determination; provided, however, that any right You may have to receive a refund of any portion of the Entrance Fee in accordance with Section VIII. and Your obligations to make payments to Us for any balance that accrued prior to the termination, will survive the termination.

#### 4. Entrance Fee

Entrance Fees shall be refunded in accordance with Section VIII of this Agreement.

## **VI. SPECIAL OCCUPANCY CIRCUMSTANCES**

### **A. Death of Resident**

If two of You sign this Agreement and one of You dies, this Agreement shall remain in effect as to the surviving Resident.

### **B. Separation**

1. If two of You sign this Agreement with the intention of residing in the same Apartment, and at a later date following occupancy You desire separate Apartments, one of You may remain in the Apartment and the other may transfer to another Apartment (subject to Our Internal Transfer Guidelines) upon payment of the then current monthly Service Fees and Entrance Fee pertaining to that other Apartment. In addition, the Resident securing the second Apartment will be required to execute a new and separate Agreement. The Resident remaining in the Apartment will be obligated to pay the single occupancy Monthly Service Fee for that Apartment. There will not be a refund of any portion of the original Entrance Fee paid by both parties for the original Apartment at that time. The refund provisions of this Agreement will apply with respect to the Resident remaining in the Apartment and the refund

provisions of the new Agreement will apply with respect to the Resident moving to the new Apartment.

2. If two of You sign this Agreement with the intention of residing in the same Apartment, and at a later date following occupancy You both choose to reside in different Apartments, You both may transfer, subject to Apartment availability (refer to Our Internal Transfer Guidelines) upon payment of the then current Monthly Service Fee and Entrance Fee pertaining to the new Apartments. In addition, You both will be required to execute new and separate Agreements. There will not be a refund of any portion of the original Entrance Fee paid by both of You for the original Apartment at that time. The refund provisions of the new Agreements will apply with respect to both of You.
  
3. If two of You sign this Agreement with the intention of residing in the same Apartment, and at a later date following occupancy one of You desires to leave The McAuley permanently for another residence, or passes away, then the Resident leaving The McAuley will surrender all rights under this Agreement (see Termination by Resident). The remaining Resident will retain all rights under this Agreement (see Termination by Resident). The remaining Resident will retain all rights as a Resident and will pay the single occupancy Monthly Service Fee for the Apartment. There will not be a refund of any portion of the original Entrance Fee paid by both parties for the original Apartment at that time. The refund provisions of this Agreement will apply with respect to the person remaining in the Apartment. The refund provisions of this Agreement will be operative only upon the death or termination of occupancy of the remaining Resident.

### **C. Resident Marriage**

1. If You marry another Resident and both of You desire to reside in the same Apartment, You both may either, a) release one Apartment and reside together in the other Apartment, or b) release both Apartments and reside together in a different Apartment. If You and the other Resident choose to release both Apartments and reside together in a different Apartment, transfer to an available Apartment will be facilitated by Us (subject to Our Internal Transfer Guidelines). In either case, We will honor the existing Agreement for each of You. If the Entrance Fee for the new Apartment is greater than the sum of the original Entrance Fees paid by the two Residents, You will pay the difference between the current applicable Entrance Fee and the sum of the original Entrance Fees. Once residing together, the Monthly Service Fee will be adjusted so that one of You will pay the Monthly Service Fee for the Apartment style in which the couple resides, and the second Resident will pay the Monthly Service Fee for a Studio Apartment.
  
2. If You marry a non-resident and You both desire to live in Your Apartment, the non-Resident must apply to Us for residency and meet all applicable Application and Admission requirements.
  - i. If the non-Resident spouse is accepted for residency, a new Residency Agreement must be executed by all parties. An applicable Monthly Service Fee adjustment will apply. If the applicable current Entrance Fee is greater than the original Entrance Fee paid by You, the difference between the original

- Entrance Fee and the current Entrance Fee will be paid at the time the new Agreement is executed by You, Your Spouse and Us.
- ii. If the non-Resident spouse is not accepted for residency, We and You will execute an Addendum to the Agreement with respect to living arrangements for the non- Resident spouse. An applicable Monthly Service Fee adjustment will apply. The non-Resident spouse will be subject to Our rules and regulations, as amended from time to time.

#### **D. Special Resident Occupancy**

1. If You decide to reside in the same apartment with another current Resident who previously resided in a different Apartment, You and the other Resident may either: a) release one Apartment and reside together in the other Apartment, or b) release both Apartments and reside together in a different Apartment. If You and the other Resident choose to release both Apartments and reside together in a different Apartment, transfer to an available Apartment will be facilitated by Us (subject to Our Internal Transfer Guidelines). In either case, We will honor the existing Agreement for You and for the other Resident. If the Entrance Fee for the new Apartment is greater than the sum of the original Entrance Fees paid by the two Yous, You will pay the difference between the current applicable Entrance Fee and the sum of the original Entrance Fees. Once residing together, the Monthly Service Fee will be adjusted so that one of You will pay the Monthly Service Fee for the Apartment style in which the two of You reside, and the second will pay the Monthly Service Fee for a Studio Apartment.



2. If a You and a non-Resident desire to live in Your Apartment, the non-Resident must apply to Us for residency and meet all applicable Application and Admission requirements.
  - i. If the non-Resident is accepted for residency, a new Residency Agreement must be executed by You and the non-Resident. An applicable Monthly Service Fee adjustment will apply. If the applicable current Entrance Fee is greater than the original Entrance Fee paid by You, the difference between the original Entrance Fee and the current Entrance Fee will be paid at the time the new Agreement is executed by You, the non-Resident, and Us.
  - ii. If the non-Resident is not accepted for residency, We and You will execute an Addendum to Your Agreement with respect to living arrangements for the non-Resident spouse. An applicable Monthly Service Fee adjustment will apply. The non-Resident will be subject to Our rules and regulations, as amended from time to time.

#### **E. Guests**

Guests staying in Resident Apartments are welcome at all times. Any visitation in the Apartment by a non-Resident for more than a two-week period in any calendar year must be arranged with, and expressly approved in writing by Us. Guest meals will be available for an additional charge that will be added to Your Monthly Statement.

## **VII. TRANSFER TO A DIFFERENT APARTMENT**

If You wish to transfer to a different Apartment, You must notify Us in writing of the desire to transfer Apartments. A Fee of \$10,000.00 will be assessed once the transfer is approved. We will assist You with such a transfer, subject to Our Internal Transfer Guidelines. Our Internal Transfer Guidelines are incorporated by reference into, and attached as Exhibit 1 of this Agreement. When a new Apartment is available and You transfer, the Monthly Service Fee and the Entrance Fee will be adjusted to the then current charges for that Apartment type. The parties will amend this Agreement in writing prior to the transfer becoming effective to reflect such adjustments. If the current Entrance Fee for the new Apartment is less than the original Entrance Fee paid by You, there will be no refund of any portion of the Entrance Fee. All refunds will be made in accordance with Section VIII upon termination of this Agreement. We have established policies on the procedures and charges for transfers and may, from time to time, adjust this policy.

## **VIII. REFUND OF ENTRANCE FEE**

In the event this Agreement is executed by two persons, the Entrance Fee refund Procedures set forth below in this Section shall not apply until the last of the two of You dies or this Agreement is otherwise terminated by both of You as set forth in Section V of this Agreement.

**A. Prior to the Occupancy Date****1. Apartment Not Available**

If for any reason the Apartment is not available for occupancy on the Occupancy Date, You may terminate this Agreement. Upon termination of the Agreement, You will be paid, upon request, a full refund of the Entrance Fee, without interest, minus a \$500.00 administrative fee. Such refund will be issued within thirty (30) days of the receipt of the notice of termination.

**2. Death, Illness, Injury or Incapacity of Resident**

If for reason of death, illness or injury, or incapacity, You are not able to occupy Apartment on the Occupancy Date, We will refund the Entrance Fee paid, without interest, minus a \$500.00 administrative fee, within thirty (30) days of receipt of the notice required under Section V. A.1 above.

**3. Termination Within Thirty (30) Days of Execution of this Agreement**

You may terminate this Agreement for any reason up to thirty (30) days after the execution of this Agreement by giving us written notice by registered, or certified mail. We will refund to you all fees paid to you minus an administrative fee of \$1,000.00.

4. If for any other reason, You are not able to or choose not to occupy Apartment on the Occupancy Date and more than thirty (30) days have passed since execution of this Agreement, We will refund the Entrance Fee paid, without interest, minus a \$1,000.00 administrative fee, within thirty (30) days of receipt of the notice required under Section V.A.1.

## **B. Subsequent to the Occupancy Date – Standard Rental Refund Plan**

### Standard Refund Plan

You, at the time this Agreement was executed, selected the Standard Refund Plan. During the first twenty-four month (24) months from the Occupancy Date, there will be a refund of eighty percent (80%) of the original entrance fee paid, less four percent (4%) of that amount for each full month from the Occupancy Date to the date the Apartment is vacated (and empty of all personal possessions) or the Agreement is terminated, whichever comes later. Any interest earned on the Entrance Fee will be retained by Us.

In situations involving serious deterioration of your health requiring nursing home placement or your death (or, if there are two of you, the nursing home placement or death of both of you) during the first twenty-four (24) months from the Occupancy Date, there will be an eighty percent (80%) refund, without interest, of the original Entrance Fee paid by the You.

Subsequent to the first twenty-four (24) months from the Occupancy Date, there will be an eighty percent (80%) refund, without interest, of the original Entrance Fee paid by You.

### **C. Refund Payment**

Any refunds due to You or Your estate pursuant to the prior two paragraphs will be payable within sixty (60) days following the later date when both of the following events first occur, *but in no case shall the refund be delivered to you or your estate later than three years from the date this contract is terminated:*

1. We receive an Entrance Fee for an Apartment similar in style (*e.g.* studio, one bedroom, *etc.*) to Your Apartment; and
2. We have refunded all other entrance fees due and payable pursuant to residency agreements for like Apartment styles pursuant to residency agreements that terminated prior to the termination of this Agreement.

Notwithstanding the foregoing, We may, at our option, deduct from any Entrance Fee refund any monies advanced to You by Us and any monies owed Us under Section III of this Agreement or under any other provision of this Agreement. In the event that You have incurred charges which exceed the Entrance Fee refund balance, no refund will be issued and You or Your estate will be liable and billed for the excess amount.

We will pay any refund due hereunder to You or Your estate if You are deceased, unless We are otherwise directed by written instructions signed by You and accepted by Us.

## **IX. EXTENDED ABSENCE**

If You are away from The McAuley for fourteen (14) or more consecutive days due to an admission into an acute care setting, a rehabilitation stay or a temporary stay in a skilled nursing facility, You will receive a daily meal credit on Your Monthly Statement for those days when You were away from The McAuley. The credit for missed meals will be calculated upon your return and will be reflected in your following months statement. Your right to occupy the Apartment and Your payment obligations will be as set forth in Section IV.D above.

## **X. VACATING APARTMENT**

Upon termination of this Agreement, You must vacate the Apartment within thirty (30) days. For purposes of this Agreement, the Apartment will not be considered vacated until all of Your personal property is removed from the Apartment. You will be responsible for the Monthly Service Fee during this thirty (30) day period; provided, however, that if the Agreement is terminated as a result of Your death, Your estate or family will only be responsible for payment of the Monthly Service Fee for a period of time not to exceed fifteen (15) days following Your death as long as Your Apartment has been vacated. If the Apartment is not vacated within the thirty (30) days, We will have the right to remove and store all property left in the Apartment after thirty (30) days. You will be responsible for the costs incurred as a result of moving and storing such items. Property left in storage for ninety (90) days or more may be disposed of by Us at Your expense.

When You vacate the Apartment, We expect that the Apartment will be left in the same condition as of the Occupancy Date, ordinary wear and tear excluded. We may charge You for any damage to the Apartment that, at Our discretion, is deemed as not the result of ordinary wear and tear. If with Our permission, You physically altered the Apartment, We, in Our sole discretion, may return the Apartment to its condition prior to such alterations, and all costs for this restoration incurred by Us will be charged to You.

## **XI. MISCELLANEOUS**

### **A. Fees Not Held in Trust**

All fees paid to Us, including Entrance Fees, shall become the sole property of Us as payment for residence and services, except to the extent that Entrance Fees may be refundable under this Agreement.

### **B. Subordination**

All Your rights under this Agreement are subordinate to any existing or future mortgages on The McAuley and to any of Our other creditors with respect to The McAuley. You agree to execute any documents requested by Us in order to carry out the terms of this Section.

### **C. Property Rights**

This Agreement grants You a revocable license to occupy and use space in The McAuley. This Agreement is not a lease and does not

transfer or grant to You any ownership interest or rights of tenancy in real or personal property owned or leased by Us. Your rights under this Agreement, except Your rights to any refunds to which You are entitled under this Agreement, are subject to all terms and conditions of this Agreement and are subordinate to any mortgage, financing deed, deed of trust, or other financing on The McAuley.

#### **D. Arrangements for Conservatorship**

If You become unable to care properly for Yourself or Your property and have made no designation of a conservator or trustee, then We are authorized to institute proceedings for appointment of a person or entity to serve as conservator for You.

#### **E. Rules and Regulations**

We shall have the right to adopt or amend such reasonable policies, rules, regulations, guidelines and operating procedures (“Rules and Regulations”) as deemed necessary or desirable for proper management and operation and for the health, safety and comfort of the Residents. The *Resident Handbook* summarizes many of Our Rules and Regulations, and is incorporated by reference into this Agreement. You agree to abide by the Rules and Regulations.

#### **F. Smoking**

The McAuley is a smoke-free campus; therefore, smoking is prohibited. This applies to all areas in The McAuley, including but not



limited to: The McAuley vehicles, Your apartments, apartment balconies, the front entrances to each building, all dining areas, meeting rooms, activity areas and all corridors, and all grounds belonging to The Mercy Community. This prohibition applies to everyone, including all Residents, family members, overnight guests, visitors, and private duty assistants.

### **G. Compliance with Laws and Regulations**

We will comply with all municipal, state and federal laws and regulations regarding consumer protection and protection from financial exploitation. We will afford You all rights and privileges under Section 17b-520 *et seq.* Connecticut General Statutes.

### **H. Grievance Procedure**

You may present a formal complaint about any alleged violation of the Residency Agreement. The complaint must be submitted in writing and delivered to the Administrator at the address specified in Paragraph J below. Upon receipt of a formal written complaint, the Administrator or designee will respond within five (5) business days. The Administrator or designee will respond in writing after conducting an investigation. If You are not satisfied with the response, You may appeal the decision to the Executive Director of Mercy Community Health. This appeal must be made in writing and delivered to the Executive Director at The McAuley, 275 Steele Road, West Hartford, CT, 06117, Attn.: Executive Director. Under no circumstances will The Mercy Community, its Executive Director, or any other agent allow or permit retaliation against a Resident who has filed a complaint.

**I. Accuracy of Information**

You represent and warrant that all information that You have submitted or will submit to Us, including but not limited to annual financial statements, is true and complete. You understand and acknowledge that We are relying on such information.

**J. Notices**

All written notices required by this Agreement will be sufficient if addressed:

1. If to You: to Your Apartment at The McAuley;
2. If to Us, to the Executive Director, The McAuley, 275 Steele Road, West Hartford, CT 06117.

Unless otherwise specified in this Agreement, all written notices shall be sent by registered or certified U.S. Mail, overnight express courier service, or messenger service and shall be deemed issued when delivered or when acceptance is refused.

**K. Waiver**

Our failure in any one or more instances to insist upon strict compliance by You with any of the terms of this Agreement shall not be construed to be a waiver by Us of such term(s) or of the right to insist upon strict compliance by You with any of the other terms of this Agreement.

**L. Assignment**

Your rights and benefits under this Agreement (except for the possible right to a refund of some part of the Entrance Fee) are not assignable and will not inure to the use or benefit of the heirs, legatees, assignees or representatives of You, but Your obligations under this Agreement shall bind Your heirs, legatees, assignees or representatives. The Agreement shall bind and inure to the benefit of Our successors and assigns.

**M. Entire Agreement**

This Agreement, including all exhibits, constitutes the entire agreement between Us and You. We are not liable for nor bound in any manner by any statements, representations or promises made by any person representing or proposing to represent Us unless such statements, representations, or promises are set forth in the Agreement. Any modification of the Agreement must be in writing and signed by Us and You.

**N. Interpretation of Agreement**

No amendment of this Agreement will be valid unless executed in writing by both You and Us.

The invalidity of any restriction, condition or other provision of this Agreement will not impair or affect in any way the validity or enforceability of the remainder of this Agreement. This Agreement will be interpreted according to the laws of the State of Connecticut.

**O. Counterparts**

This Agreement may be executed in counterparts.

Executed at West Hartford, Connecticut on this \_\_\_\_\_ day  
of \_\_\_\_\_, 20 \_\_\_\_.

**RESIDENT(S):**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

**THE PROVIDER:**

McAuley Center, Inc.  
a Connecticut not-for-profit  
corporation.

By: \_\_\_\_\_  
Administrator

\*\*\*\*\*



## **EXHIBIT 1 (Internal Transfers and Guidelines)**

### 1. Policy Statement

- A. All residents choose their independent living unit prior to occupancy. Once the resident occupies the living unit, the applicable unit is considered the resident's primary residence. From time to time, and in consideration of a number of factors, it may be necessary for the resident to move to a different independent living unit. Any internal transfer from the primary residence to another living unit at The McAuley is subject to the Internal Transfer Guidelines.
- B. Current residents who desire to change units and make these requests are also placed on a waiting list. In this case, the name is placed in the last position for the living unit type requested.
- C. In certain circumstances, a current resident of The McAuley may request a living unit change for financial or medical reasons. In this case, The McAuley will give priority placement on the applicable waiting list. Priority consideration means that the current resident will be placed in the first position on the waiting list.

### 2. Internal Transfer Procedure

There are four (4) possible scenarios with respect to an internal transfer of living units. The following guidelines apply to these specific unit transfers.

#### A. Pre-Arranged Move (Prior to Move-In) to a Different Living Unit

1. In certain circumstances, a resident may elect to move to The McAuley and into an available living unit, even if that unit is not the resident's choice.
2. In this situation, The McAuley and the resident will enter into an Addendum as part of the Residency Agreement. The Addendum will specify that the resident is entitled to move into an alternative unit and will specify the details of this relocation. In this situation, the resident will be given priority placement on the applicable living unit wait list. All moving expenses are the responsibility of the resident.

#### B. Planned Move (After Move-In) to a Different Living Unit

1. In certain circumstances, a resident will select a living unit and, once residing in that unit, will desire to relocate to another living unit. For example, a resident chooses a living unit with a view of the parking lot and then decides that a view of the University of Saint Joseph would be more appealing.
2. In this situation, the resident must notify the Sales Department of the desire to change living units. The resident's request will be noted on the applicable waiting list for the unit desired. At that time, the resident's name will be placed in the last position on the applicable wait list.
3. In the event that a unit comes available and the resident selects this unit, the resident will be required to pay the current entrance fee for that living unit. The resident's original entrance fee will be applied to the entrance fee for the new living unit. In the event that the new

entrance fee is less than the original entrance fee, no entrance refund will be provided to the resident. The Resident must also be aware that a change in monthly fees may also apply as a result of a living unit transfer. All moving expenses are the responsibility of the resident.

C. Required Move (after Move-In) to a Smaller Living Unit for Financial Reasons

1. In certain instances, due to a loss of financial means, it may become necessary to relocate to a smaller living unit.
2. In this situation, the resident must send a written request to relocate to the Executive Director. The letter should request the living unit change and should note the size living unit that the resident is requesting. The Executive Director will review the request and meet with the resident to review his/her financial position. After due consideration, if the request is approved, the resident will be given priority placement on the applicable unit wait list. At the time that the resident relocates to the smaller unit, the resident's monthly fee will be adjusted. The original entrance fee will not be adjusted. All moving expenses will be the responsibility of the resident.
3. If the resident's request is not approved, the resident's name will be placed on the unit wait list in the last position. At the time that the resident relocates to the smaller unit, the resident's monthly fee will be adjusted. The original entrance fee will not be adjusted. All moving expenses will be the responsibility of the resident.



D. Required Move (after Move-In) to a Different Living Unit for Medical Reasons

1. In certain instances, due to a change in resident's medical status, it may become necessary for the resident to relocate to a different living unit.
2. In this situation, the resident must send a written request to relocate to the Executive Director. The letter should request the living unit change and should note the location of the unit that the resident is requesting.
3. The Executive Director will review the request and meet with the representatives of The McAuley to review the resident's change in medical status and the relocation request. After due consideration, if the resident's request is approved, the resident will be given priority placement on the applicable unit wait list. At the time that the resident relocates to a different living unit, the resident's monthly fee will be adjusted. If the resident relocates to a larger living unit, the resident's monthly fee will be adjusted. Further, if the resident relocates to a larger living unit, the resident will be required to pay the current entrance fee for that living unit. The resident's original entrance fee will be applied to the entrance fee for the new living unit. In the event that the new entrance fee is less than the original entrance fee, no refund will be provided to the resident. All moving expenses will be the responsibility of the resident.
4. If the resident's request is not approved, the resident's name will be placed on the unit wait list in the last position. At the time that the resident relocates to the smaller unit, the resident's monthly fee will be adjusted. The resident's original entrance fee will be applied to the

entrance fee for the new living unit. In the event that the new entrance fee is less than the original entrance fee, no refund will be provided to the resident. All moving expenses will be the responsibility of the resident.



# THE McAULEY

PART OF THE MERCY COMMUNITY†

## **RESIDENCY AGREEMENT** WITHOUT LONG TERM CARE COVERAGE

275 Steele Road, West Hartford, CT 06117-2716  
Telephone 860.920.6319 FAX 860.232.4077

## **THE McAULEY RESIDENCY AGREEMENT**

This Residency Agreement (the “Agreement”) is entered into this \_\_\_\_\_ day of \_\_\_\_\_ between McAuley Center, Incorporated, a Connecticut non-stock corporation (or “The McAuley” or “Us”), and \_\_\_\_\_, (“You”).

This Agreement applies to Apartment \_\_\_\_\_ a \_\_\_\_\_ bedroom Apartment (the “Apartment”). (If more than one person intending to reside at The McAuley signs this Agreement, “You” shall apply to all, jointly and severally.)

### **PREAMBLE**

The McAuley, a non-profit, tax-exempt corporation, is a Life Plan Community sponsored by Trinity Health Senior Communities, managed by Mercy Community Health, and is part of Trinity Health. It is located at 275 Steele Road, West Hartford, Connecticut. The McAuley is registered as a Managed Retirement Community (“MRC”) in Connecticut.

## **I. BASIC AGREEMENT**

**A.** You agree to pay the Entrance Fee, Monthly Service Fee and any additional fees specified in Section III of this Agreement. In exchange for such payments, You will have the right, subject to the terms of this Agreement, for You to occupy the Apartment and to have access to General Services at The McAuley set forth in Section IV. A and B of this Agreement.

**B.** You have completed the Application and Admission process and have executed a Pre-Residency Agreement that is incorporated by reference into this Agreement.

**C.** Your Occupancy Date was specified by Us in your Letter of Acceptance. This Agreement must be executed by both You and Us prior to the Occupancy Date. The balance of the Entrance Fee by You will be payable to Us at the time this Agreement is executed by both You and Us.

**D.** Following the execution of this Agreement, but at least thirty (30) days prior to the Occupancy Date, You may request an extension of the Occupancy Date. Such request should be made in writing to Us (see Section XI. J) Our decision is final.

## **II. ACCOMMODATIONS AT THE COMMUNITY**

### **A. Alterations**

Any physical alteration of the Apartment by You requires the prior written approval by Us. Such alterations shall be at Your expense, and must be performed by craftsmen approved by Us. Upon death or termination of occupancy by You (and the second person if there are two people in the Apartment.) We in our sole discretion, may return the Apartment to its condition prior to such alterations, and all costs for this restoration incurred by Us will be charged to You or Your estate.

### **B. Access**

You agree that We and our employees and agents shall have the right, at all reasonable times, subject to our policy described below regarding housekeeping, maintenance and laundry services, to enter your Apartment for purposes of management, housekeeping, maintenance, health services, enforcement of applicable laws and regulations, emergency purposes, or any other reasonable purpose. Our policy is that at least one of You must remain in the Apartment while housekeeping, maintenance and laundry services are provided, unless You waive this policy in writing by executing an Environmental Services Waiver.

### **C. Property Protection and Insurance**

We will not be responsible for the loss of any personal property due to any cause other than our gross negligence. You agree to indemnify Us for any loss or damage to our personal property and for any injury or damage to others or to the property of others resulting from the acts, omissions, negligence or fault of You or Your guests and invitees. You shall maintain both

personal liability and personal property insurance coverage in accordance with our rules and regulations and shall provide Us with a copy of that policy or proof of purchase, upon our request.

**D. Moving Expenses**

You will be responsible for all moving expenses associated with Your move into and out of The McAuley. In the event that You transfer Apartments during Your occupancy at The McAuley, You will be responsible for all moving expenses associated with such transfer. In the event that You, upon meeting the terms set forth by Us for carpet replacement and re-painting, should request that We provide carpet replacement and repainting for the Apartment, You will be responsible for all moving expenses associated with these services.

### III. FINANCIAL ARRANGEMENTS

#### A. Contract Type

Standard Refund Plan: You pay a standard Entrance Fee based on Apartment type. At the time that the Agreement is terminated, You or Your Estate (or the estate of the last surviving Resident if there are two of You) may be entitled to a refund of the Entrance Fee as described in this Agreement. Any interest earned on the Entrance Fee will be retained by Us.

#### B. Entrance Fee

The Entrance Fee for the Apartment is \$ \_\_\_\_\_. You paid a \$10,000.00 Entrance Fee Deposit prior to the execution of this Agreement. The balance of the Entrance Fee is payable in full on the date this Agreement is executed.

#### C. Monthly Service Fees

The "Monthly Service Fee" for one person in the Apartment is \$ \_\_\_\_\_, and for a second person is \$ \_\_\_\_\_. You agree to pay the Monthly Service Fee beginning on the Occupancy Date (prorated for the actual number of days from the Occupancy Date to the end of the month in which the Occupancy Date occurs) and each month thereafter.

#### D. Adjustments

The amount of the Monthly Service Fee is Your share of our estimated monthly cost to operate The McAuley. The Monthly Service Fee may be adjusted from time to time, at our discretion, upon sixty (60) days written notice to You, to reflect changes in those costs. We will limit such adjustments to amounts necessary to maintain the financial stability of The McAuley. You agree to pay the adjusted Monthly Service Fee.



**E. Additional Fees**

In addition to the Monthly Service Fee, You will pay our fees for any Optional Services (as defined in Section IV. B. below) rendered at The McAuley. The fees for Optional Services as of the date this Agreement is executed are set forth in the Fee Schedule found in the *Resident Handbook*. We may, from time to time, adjust fees for any Optional Services at our discretion.

**F. Monthly Statement**

Upon occupancy, We will issue monthly statements to You by the tenth of each month requiring payment of the Monthly Service Fee plus fees for any Optional Services defined in Section IV. B. of this Agreement. Payment will be due within ten (10) days of receipt of the monthly statement. Any outstanding amounts owed to us ten (10) days after the due date will be charged a late fee of one and one half percent (1.5%) per month until the amount owed is paid in full. If You fail to pay the amounts charged under the terms of the Agreement and We must refer the account to an attorney or collection agency, You agree to pay all charges, expenses, court costs and attorneys fees incurred by Us, not to exceed any lawful limits.

**G. Transfers**

In the event that You temporarily transfer to any licensed care facility including a licensed skilled nursing facility and this Agreement is not otherwise terminated, You will continue to be obligated to pay the Monthly Service Fee to Us. Your Apartment will be held as provided in Article IV, Paragraphs C and D.

**H. Surviving Resident**

If this Agreement is executed by two of You and either one dies, effective on the first day of the month following the death, the surviving Resident will be obligated to pay the Monthly Service Fee for single occupancy in the Apartment.

**I. Personal Obligations**

We shall not be liable or responsible for any expenses, debts, or other obligations incurred by You on Your own account, nor shall it be obligated to furnish, supply, or give You any support, maintenance, board or lodging while You are absent from The McAuley, except as may be provided in this Agreement.

**J. Health Insurance**

If You are sixty-five (65) years of age or older, You agree to enroll in and be covered by, at Your own expense, Medicare Part A and Part B, and Part D, or equivalent insurance coverage acceptable to Us under a public or private insurance plan. In addition, You agree to enroll in and be covered by a supplemental insurance policy to pay Medicare co-insurance and deductible amounts. If You are younger than sixty-five (65) years of age, You will enroll in and be covered by medical insurance coverage equivalent to the coverage provided under Medicare Part A and Part B.

You agree to provide proof of insurance coverage upon our request.

Any amounts paid or owing to You from federal, state, municipal, private, or supplemental insurance plans for services rendered to You by Us shall be paid to Us. You agree to diligently obtain all reimbursements, payments, proceeds or other benefits available under such plans or programs and authorizes Us to take such action as may be required to obtain and recover same. Any insurance proceeds received by Us in excess of the cost of such services shall be paid to You, or in the event of Your death, to Your estate.

**K. Financial Requirements for Residency**

As part of the Application and Admission Process, You completed a financial disclosure. Your Financial Disclosure is attached to this Agreement. You agree that as a condition of continued residency at The McAuley, You will provide on an annual basis or as requested by Us, an update of all information contained in the Financial Disclosure on forms that will be given to You by Us.

You agree to make all reasonable efforts to conserve Your financial resources in order to enable You to meet your financial obligations under this Agreement.

## IV. GENERAL SERVICES

### A. Services Included in Monthly Service Fee

These services and amenities are included in the Monthly Service Fee:

#### 1. **Services:**

- a. Normal repair and maintenance of the Apartment appliances that are provided by Us
- b. All utility expenses, except cable TV, internet, and telephone charges
- c. Town of West Hartford real estate taxes.
- d. Property and building insurance (Such insurance does not cover Your personal liability and Apartment furnishings. See Section II.)
- e. Trash removal from designated areas in accordance with environmental waste management laws and regulations

#### 2. **Amenities:**

- a. Full kitchen facilities, including electric range, refrigerator/freezer, microwave and garbage disposal
- b. Individually controlled heating and air conditioning
- c. Sheer window treatments
- d. Emergency-alert system with call switches in each bedroom and bathroom of Apartment
- e. Smoke detector and sprinkler system in each Apartment
- f. Automatic washers and dryers located on each floor for personal laundry
- g. Apartment is pre-wired for telephones and cable television
- h. Individual mailboxes located in the Abbeyleix Building.

- i. Assigned uncovered parking space for one car (This parking space is assigned *exclusively* for vehicles driven *personally* by the resident.)
- j. Storage unit

### **3. Dietary Services:**

- a. Continental breakfast and Your choice of lunch or dinner daily in the dining room and/or café
- b. To the extent reasonably possible, food selection will be made available to You in order to accommodate some physician-ordered dietary restrictions
- c. In the event of illness or physical inability, complimentary tray delivery may be provided to your apartment upon approval of the nurse on duty

### **4. Housekeeping and Laundry Services:**

- a. General cleaning of Apartment every other week
- b. Weekly laundry service for The McAuley-provided bed and bath linens

### **5. Transportation Services:**

- a. Scheduled transportation services to local shopping, banking, medical appointments and religious services

### **6. 24-Hour Services/Coverage:**

- a. 24-hour concierge service, located in the Abbeyleix Building
- b. 24-hour health staff coverage
- c. 24-hour in Apartment emergency response system

### **7. Social and Recreational Activities**

**8. Building and grounds maintenance and custodial service:**

- a. Maintenance of all community buildings, common areas and grounds, including lawns, walkways and driveways
- b. All necessary repairs, maintenance and replacement of community property and equipment located in Your Apartment, in accordance with the *Resident Handbook*

**9. Health Promotion Services:**

- a. You may visit our Health and Wellness Office at regularly scheduled daily times for wellness counseling and blood pressure checks.

**B. Optional Services available at additional expense to You as outlined in the *Resident Handbook***

1. Additional meals not included under Dietary Services
2. Guest accommodations and meals
3. Additional housekeeping, maintenance and custodial services not included in the *Resident Handbook*
4. Beauty Salon/Barber Shop Services
5. Expenses incurred by Us on Your behalf that are not included in the scope of services as described
6. Access to health services in addition to those described, including Medicare reimbursable services through a licensed home health care agency and assistance with transfers to nursing homes and hospitals
7. Assisted Living Services provided by The McAuley Assisted Living Services Agency to those who reside in an independent living

Apartment and who have a chronic and stable condition which necessitates assistance with some activities of daily living, but who do not require skilled nursing care

**C. Skilled Nursing Services**

1. As a resident of The McAuley, You have preferred access to Saint Mary Home for the provision of skilled nursing services for residents of The McAuley.
2. During your temporary stay in a skilled nursing facility, including Saint Mary Home, your right to occupy the Apartment will continue and you will continue to pay the Monthly Rental Fee. Expenses incurred by You while temporarily placed in a skilled nursing facility shall be your obligation.

**D. Hospitals and Other Health Care Services**

We will not provide, pay for, or indemnify You for hospital, physician, ambulance, surgical, home health care services, or for drugs, medical supplies, X-rays, laboratory and other diagnostic tests, eyeglasses or refractions, hearing aids, dentistry, dentures, inlays, orthopedic appliances, private duty nursing care, podiatric services, physical therapy, treatment for psychiatric disorders, alcoholism, or similar items or services.

In the event that You are temporarily absent from The McAuley due to

hospitalization, Your right to occupy the Apartment will continue and You will remain responsible for payment of the Monthly Service Fee.

#### **E. Private Duty Care**

In the event that You wish to employ outside caregivers, companions, private duty aides or other personnel to provide services to You, You must notify the Director of Health and Wellness prior to obtaining any these services. These outside caregivers, companions, private duty aides or other personnel must comply with the personnel policies, and the rules and regulations set forth by The McAuley and The Mercy Community.

### **V. TERMINATION OF AGREEMENT**

#### **A. Termination by Resident**

##### **1. Prior to Occupancy**

- a. You may terminate this Agreement for any reason up to thirty (30) days after the execution of this Agreement by giving Us written notice by registered or certified mail. We will refund to You all fees paid to You minus an administrative fee of \$500.00.
- b. If You (or both of You if there are two of You) die before the Occupancy Date, We will terminate this Agreement upon receipt of written notification from Your legal representative. We will refund to Your estate or representative all fees paid to Us minus an administrative fee of \$500.00.
- c. If You cannot occupy the Apartment on the Occupancy Date due to



illness, injury or incapacity of You (or both of You if there are two of You), We will terminate this Agreement upon receipt of written notification from You or Your legal representative by registered or certified mail. We will refund to You all fees paid to Us minus an administrative fee of \$500.00.

- d. If for any reason the Apartment is not available for occupancy on the Occupancy Date, You may terminate this Agreement by giving Us written notice by registered or certified mail. Upon termination of the Agreement, You will be paid, upon request, a full refund of the Entrance Fee, without interest, minus a \$500.00 administrative fee.
- e. If You fail to occupy the Apartment for any other reason at least thirty (30) days following the execution of this Agreement, we will refund to You all fees paid to Us minus an administrative fee of \$1,000.00.

## 2. After Occupancy

- a. You may terminate this Agreement for any reason subsequent to the Occupancy Date by giving at least one hundred twenty (120) days advance written notice of the intent to terminate this Agreement and vacate the Apartment. Notice shall be sent to Us by registered or certified mail (see Section XI. J.). The notice shall specify the date upon which You will vacate the Apartment; that date shall be no earlier than one hundred and twenty (120) days from date of notice. The actual date of termination will be the latest to occur of the date specified in the notice and the date by which all of Your personal property has been removed from the Apartment. You will be responsible for paying the Monthly Service Fee until the Apartment is vacated.
- b. Subsequent to occupancy, upon Your death, or the occurrence of

an illness, hospitalization or injury, which precludes You from living at The McAuley:

- i. If You are the sole occupant of the Apartment, this Agreement will terminate when all of Your personal property has been removed from the Apartment.
- ii. If this Agreement covers two of You, this Agreement will terminate as to the deceased or ill Resident who can no longer reside at The McAuley upon written notice of that Resident's death or notice of intent to move out. This Agreement shall remain in effect as to the surviving Resident with appropriate adjustment of the Monthly Service Fee, as set forth in Section III. B. of this Agreement.
- iii. In the event of a Resident's death, the Resident's estate or family will only be responsible for payment of the Monthly Service Fee for a period of time not to exceed fifteen (15) days following the date of death as long as the Resident's personal property has been removed from the Apartment.

3. Entrance Fee refund procedures are set forth in Section VIII.

#### **B. Termination by Us**

We may terminate this Agreement upon the occurrence of any of the following events, by sending You a written notice:

##### **1. Termination Prior to Occupancy Date**

- a. A misrepresentation on Your Financial Disclosure;
- b. A disposition of Your assets that, in Our judgment, materially

- impairs Your ability to pay future Monthly Service Fees;
- c. A decline in Your medical and/or cognitive condition that, in Our judgment, impairs Your ability to live independently;
- d. You fail to pay the balance of the Entrance Fee when due.

## 2. Termination Subsequent to Occupancy for Non-Medical Reasons

If You default under this Agreement, We will give You written notice of Your default. You will have thirty (30) days from date of such notice to cure the default. If the default is not cured within such thirty (30) day period, this Agreement will terminate. The following shall constitute Your default:

- a. If We determine that information on the Application for Residency is erroneous or that any material facts affecting qualification for residency were not disclosed.
- b. If You (or either of You if there are two of You) fail to comply with Our rules and regulations of Us or the terms of this Agreement.
- c. If You (or either of You if there are two of You) create a situation detrimental to the health, safety or peaceful living of You, other Residents or Our staff as determined by Us.
- d. If You make any disposition of Your assets which, in Our judgment, materially impairs Your ability to pay the current or future Monthly Service Fee or other costs pursuant to this Agreement.
- e. If You fail to pay the Monthly Service Fee or other amounts owing to Us within ten (10) days of the due date, unless other mutually satisfactory arrangements have been made. It is Our intention that this Agreement shall not be terminated solely

because of financial inability to pay the fees to the extent that:  
a) the inability to pay is not the result of the willful action of You; and b) in Our judgment, the financial viability of The McAuley will not be jeopardized by such failure to pay amounts due. In the event that You are unable to pay Your Monthly Service Fee as described above, The McAuley will assist You in finding alternative living arrangements that, in Our assessment, will meet Your needs. During such time that We are assisting You to find alternative living arrangements, but not to exceed thirty (30) days, You will not be required to pay Your Monthly Service Fee to The McAuley. Once, in Our opinion, an suitable alternate living arrangement has been identified, the move out must occur within thirty (30) days. Moving expenses will be Your responsibility.

**We reserve the right to terminate this Agreement immediately without advance notice in the event a default under b. or c. of this subsection jeopardizes the health, safety or welfare of You or other Residents of The McAuley.**

### 3. Termination Subsequent to Occupancy for Medical Reasons

We may terminate this Agreement after occupancy, if You are in need of treatment and services for any condition for which We are not licensed or for which care is not customarily provided in The McAuley or a skilled nursing facility. If any of the above situations is determined to be temporary in nature, the Apartment will remain reserved for You and You will remain responsible for payment of the Monthly Service Fee. If it is determined that the situation is not temporary in nature,

all Our obligations and all of Your rights in this Agreement will terminate as of the date of such determination; provided, however, that any right You may have to receive a refund of any portion of the Entrance Fee in accordance with Section VIII and Your obligations to make payments to Us for any balance that accrued prior to the termination, will survive the termination.

#### 4. Entrance Fee

Entrance Fees shall be refunded in accordance with Section VIII of this Agreement.

## **VI. SPECIAL OCCUPANCY CIRCUMSTANCES**

### **A. Death of Resident**

If two of You sign this Agreement and one of You dies, this Agreement shall remain in effect as to the surviving Resident.

### **B. Separation**

1. If two of You sign this Agreement with the intention of residing in the same Apartment, and at a later date following occupancy You desire separate Apartments, one of You may remain in the Apartment and the other may transfer to another Apartment (subject to Our Internal Transfer Guidelines) upon payment of the then current monthly Service Fees and Entrance Fee pertaining to that other Apartment. In addition, the Resident securing the second

Apartment will be required to execute a new and separate Agreement. The Resident remaining in the Apartment will be obligated to pay the single occupancy Monthly Service Fee for that Apartment. There will not be a refund of any portion of the original Entrance Fee paid by both parties for the original Apartment at that time. The refund provisions of this Agreement will apply with respect to the Resident remaining in the Apartment and the refund provisions of the new Agreement will apply with respect to the Resident moving to the new Apartment.

2. If two of You sign this Agreement with the intention of residing in the same Apartment, and at a later date following occupancy You both choose to reside in different Apartments, You both may transfer, subject to Apartment availability (refer to Our Internal Transfer Guidelines) upon payment of the then current Monthly Service Fee and Entrance Fee pertaining to the new Apartments. In addition, You both will be required to execute new and separate Agreements. There will not be a refund of any portion of the original Entrance Fee paid by both of You for the original Apartment at that time. The refund provisions of the new Agreements will apply with respect to both of You.
3. If two of You sign this Agreement with the intention of residing in the same Apartment, and at a later date following occupancy one of You desires to leave The McAuley permanently for another residence, then the Resident leaving The McAuley will surrender all rights under

this Agreement (see Termination by Resident). The remaining Resident will retain all rights under this Agreement (see Termination by Resident). The remaining Resident will retain all rights as a Resident and will pay the single occupancy Monthly Service Fee for the Apartment. There will not be a refund of any portion of the original Entrance Fee paid by both parties for the original Apartment at that time. The refund provisions of this Agreement will apply with respect to the person remaining in the Apartment and will be operative only upon the death or termination of occupancy of the remaining Resident.

### **C. Resident Marriage**

1. If You marry another Resident and both of You desire to reside in the same Apartment, You both may either, a) release one Apartment and reside together in the other Apartment, or b) release both Apartments and reside together in a different Apartment. If You and the other Resident choose to release both Apartments and reside together in a different Apartment, transfer to an available Apartment will be facilitated by Us (subject to Our Internal Transfer Guidelines). In either case, We will honor the existing Agreement for each of You. If the Entrance Fee for the new Apartment is greater than the sum of the original Entrance Fees paid by the two Residents, You will pay the difference between the current applicable Entrance Fee and the sum of the original Entrance Fees. Once residing together, the Monthly Service Fee will be adjusted so that one of You will pay the Monthly Service Fee for the Apartment style in which the couple resides, and the second Resident will pay the Monthly Service Fee for a Studio Apartment.

2. If You marry a non-resident and You both desire to live in Your Apartment, the non-Resident must apply to Us for residency and meet all applicable Application and Admission requirements.

#### **D. Special Resident Occupancy**

1. If You decide to reside in the same apartment with another current Resident who previously resided in a different Apartment, You and the other Resident may either: a) release one Apartment and reside together in the other Apartment, or b) release both Apartments and reside together in a different Apartment. If You and the other Resident choose to release both Apartments and reside together in a different Apartment, transfer to an available Apartment will be facilitated by Us (subject to Our Internal Transfer Guidelines). In either case, We will honor the existing Agreement for You and for the other Resident. If the Entrance Fee for the new Apartment is greater than the sum of the original Entrance Fees paid by the two Yous, You will pay the difference between the current applicable Entrance Fee and the sum of the original Entrance Fees. Once residing together, the Monthly Service Fee will be adjusted so that one of You will pay the Monthly Service Fee for the Apartment style in which the two of You reside, and the second will pay the Monthly Service Fee for a Studio Apartment.
2. If You and a non-Resident desire to live in Your Apartment, the non-Resident must apply to Us for residency.



### **E. Guests**

Guests staying in Resident Apartments are welcome at all times. Any visitation in the Apartment by a non-Resident for more than a two-week period in any calendar year must be arranged with, and expressly approved in writing by Us. Guest meals will be available for an additional charge that will be added to Your Monthly Statement.

## **VII. TRANSFER TO A DIFFERENT APARTMENT**

If You wish to transfer to a different Apartment, You must notify Us in writing of the desire to transfer Apartments. A Fee of \$10,000.00 will be assessed once the transfer is approved. We will assist You with such a transfer, subject to Our Internal Transfer Guidelines. Our Internal Transfer Guidelines are incorporated by reference into, and attached as Exhibit 1 of this Agreement. When a new Apartment is available and You transfer, the Monthly Service Fee and the Entrance Fee will be adjusted to the then current charges for that Apartment type. The parties will amend this Agreement in writing prior to the transfer becoming effective to reflect such adjustments. If the current Entrance Fee for the new Apartment is less than the original Entrance Fee paid by You, there will be no refund of any portion of the Entrance Fee. All refunds will be made in accordance with Section VIII upon termination of this Agreement. We have established policies on the procedures and charges for transfers and may, from time to time, adjust this policy.

## VIII. REFUND OF ENTRANCE FEE

In the event this Agreement is executed by two persons, the Entrance Fee refund Procedures set forth below in this Section shall not apply until the last of the two of You dies or this Agreement is otherwise terminated by both of You as set forth in Section V of this Agreement.

### A. Prior to the Occupancy Date

#### 1. Apartment Not Available

If for any reason the Apartment is not available for occupancy on the Occupancy Date, You may terminate this Agreement. Upon termination of the Agreement, You will be paid, upon request, a full refund of the Entrance Fee, without interest, minus a \$500.00 administrative fee. Such refund will be issued within thirty (30) days of the receipt of the notice of termination.

#### 2. Death, Illness, Injury or Incapacity of Resident

If for reason of death, illness or injury, or incapacity, You are not able to occupy Apartment on the Occupancy Date, We will refund the Entrance Fee paid, without interest, minus a \$500.00 administrative fee, within thirty (30) days of receipt of the notice required under Section V. A.1.

#### 3. Termination Within Thirty (30) Days of Execution of this Agreement

You may terminate this Agreement for any reason up to thirty (30)

days after the execution of this Agreement by giving us written notice by registered, or certified mail. We will refund to you all fees paid to you minus an administrative fee of \$1,000.00.

4. If for any other reason, You are not able to or choose not to occupy Apartment on the Occupancy Date and more than thirty (30) days have passed since execution of this Agreement, We will refund the Entrance Fee paid, without interest, minus a \$1,000.00 administrative fee, within thirty (30) days of receipt of the notice required under Section V.A.1.

## **B. Subsequent to the Occupancy Date – Standard Rental Refund Plan**

### Standard Refund Plan

You, at the time this Agreement was executed, selected the Standard Refund Plan. During the first twenty-four month (24) months from the Occupancy Date, there will be a refund of the original entrance fee paid, less four percent (4%) of that amount for each full month from the Occupancy Date to the date the Apartment is vacated (and empty of all personal possessions) or the Agreement is terminated, whichever comes later. Any interest earned on the Entrance Fee will be retained by us.

In situations involving serious deterioration of your health requiring

nursing home placement or your death (or, if there are two of you, the nursing home placement or death of both of you) during the first twenty-four (24) months from the Occupancy Date, there will be a full refund, without interest, of the original Entrance Fee paid by the You.

### **C. Refund Payment**

Any refunds due to You or Your estate pursuant to the prior two paragraphs will be payable within sixty (60) days following the later date when both of the following events first occur, *but in no case shall the refund be delivered to you or your estate later than three years from the date this contract is terminated:*

1. We receive an Entrance Fee for an Apartment similar in style (*e.g.* studio, one bedroom, *etc.*) to Your Apartment; and
2. We have refunded all other entrance fees due and payable pursuant to residency agreements for like Apartment styles pursuant to residency agreements that terminated prior to the termination of this Agreement.

Notwithstanding the foregoing, We may, at our option, deduct from any Entrance Fee refund any monies advanced to You by Us and any monies owed Us under Section III of this Agreement or under any other provision of this Agreement. In the event that You have incurred charges which exceed the Entrance Fee refund balance, no refund will be issued and You or Your estate will be liable and billed for the excess amount.

We will pay any refund due hereunder to You or Your estate if You are

deceased, unless We are otherwise directed by written instructions signed by You and accepted by Us.

## **IX. EXTENDED ABSENCE**

If You are away from The McAuley for fourteen (14) or more consecutive days due to an admission into an acute care setting, a rehabilitation stay or a temporary stay in a skilled nursing facility, You will receive a daily meal credit on Your Monthly Statement for those days when You were away from The McAuley. The credit for missed meals will be calculated upon your return and will be reflected in your following months statement. Your right to occupy the Apartment and Your payment obligations will be as set forth in Section IV.D above.

## **X. VACATING APARTMENT**

Upon termination of this Agreement, You must vacate the Apartment within thirty (30) days. For purposes of this Agreement, the Apartment will not be considered vacated until all of Your personal property is removed from the Apartment. You will be responsible for the Monthly Service Fee during this thirty (30) day period; provided, however, that if the Agreement is terminated as a result of Your death, Your estate or family will only be responsible for payment of the Monthly Service Fee for a period of time not to exceed fifteen (15) days following Your death as long as Your Apartment has been vacated. If the Apartment is not vacated within the thirty (30) days, We will have the right to remove and

store all property left in the Apartment after thirty (30) days. You will be responsible for the costs incurred as a result of moving and storing such items. Property left in storage for ninety (90) days or more may be disposed of by Us at Your expense.

When You vacate the Apartment, We expect that the Apartment will be left in the same condition as of the Occupancy Date, ordinary wear and tear excluded. We may charge You for any damage to the Apartment that, at Our discretion, is deemed as not the result of ordinary wear and tear. If with Our permission, You physically altered the Apartment, We, in Our sole discretion, may return the Apartment to its condition prior to such alterations, and all costs for this restoration incurred by Us will be charged to You.

## **XI. MISCELLANEOUS**

### **A. Fees Not Held in Trust**

All fees paid to Us, including Entrance Fees, shall become the sole property of Us as payment for residence and services, except to the extent that Entrance Fees may be refundable under this Agreement.

### **B. Subordination**

All Your rights under this Agreement are subordinate to any existing or future mortgages on The McAuley and to any of Our other creditors with respect to The McAuley. You agree to execute any documents requested by Us in order to carry out the terms of this Section.

**C. Property Rights**

This Agreement grants You a revocable license to occupy and use space in The McAuley. This Agreement is not a lease and does not transfer or grant to You any ownership interest or rights of tenancy in real or personal property owned or leased by Us. Your rights under this Agreement, except Your rights to any refunds to which You are entitled under this Agreement, are subject to all terms and conditions of this Agreement and are subordinate to any mortgage, financing deed, deed of trust, or other financing on The McAuley.

**D. Arrangements for Conservatorship**

If You become unable to care properly for Yourself or Your property and have made no designation of a conservator or trustee, then We are authorized to institute proceedings for appointment of a person or entity to serve as conservator for You.

**E. Rules and Regulations**

We shall have the right to adopt or amend such reasonable policies, rules, regulations, guidelines and operating procedures (“Rules and Regulations”) as deemed necessary or desirable for proper management and operation and for the health, safety and comfort of the Residents. The *Resident Handbook* summarizes many of Our Rules and Regulations, and is incorporated by reference into this Agreement. You agree to abide by the Rules and Regulations.

**F. Smoking**

The McAuley is a smoke-free campus; therefore, smoking is prohibited. This applies to all areas in The McAuley, including but not limited to: The McAuley vehicles, Your apartments, apartment balconies, the front entrances to each building, all dining areas, meeting rooms, activity areas and all corridors, and all grounds belonging to The Mercy Community. This prohibition applies to everyone, including all Residents, family members, overnight guests, visitors, and private duty assistants.

**G. Compliance with Laws and Regulations**

We will comply with all municipal, state and federal laws and regulations regarding consumer protection and protection from financial exploitation. We will afford You all rights and privileges under Section 17b-520 *et seq.* Connecticut General Statutes.

**H. Grievance Procedure**

You may present a formal complaint about any alleged violation of the Residency Agreement. The complaint must be submitted in writing and delivered to the Administrator at the address specified in Paragraph J below. Upon receipt of a formal written complaint, the Administrator or designee will respond within five (5) business days. The Administrator or designee will respond in writing after conducting an investigation. If You are not satisfied with the response, You may appeal the decision to the Executive Director of Mercy Community Health. This appeal must be made in writing and delivered to the Executive Director at The McAuley,



275 Steele Road, West Hartford, CT, 06117, Attn.: Administrator.

Under no circumstances will The McAuley, its Administrator, or any other agent allow or permit retaliation against a Resident who has filed a complaint.

**I. Accuracy of Information**

You represent and warrant that all information that You have submitted or will submit to Us, including but not limited to annual financial statements, is true and complete. You understand and acknowledge that We are relying on such information.

**J. Notices**

All written notices required by this Agreement will be sufficient if addressed:

1. If to You: to Your Apartment at The McAuley;
2. If to Us, to the Administrator, The McAuley, 275 Steele Road, West Hartford, CT 06117.

Unless otherwise specified in this Agreement, all written notices shall be sent by registered or certified U.S. Mail, overnight express courier service, or messenger service and shall be deemed issued when delivered or when acceptance is refused.

**K. Waiver**

Our failure in any one or more instances to insist upon strict compliance by You with any of the terms of this Agreement shall not be construed to be a waiver by Us of such term(s) or of the right to insist upon strict compliance by You with any of the other terms of this Agreement.

**L. Assignment**

Your rights and benefits under this Agreement (except for the possible right to a refund of some part of the Entrance Fee) are not assignable and will not inure to the use or benefit of the heirs, legatees, assignees or representatives of You, but Your obligations under this Agreement shall bind Your heirs, legatees, assignees or representatives. The Agreement shall bind and inure to the benefit of Our successors and assigns.

**M. Entire Agreement**

This Agreement, including all exhibits, constitutes the entire agreement between Us and You. We are not liable for nor bound in any manner by any statements, representations or promises made by any person representing or proposing to represent Us unless such statements, representations, or promises are set forth in the Agreement. Any modification of the Agreement must be in writing and signed by Us and You.